

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 10-K**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended: December 31, 2023

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 1-38962

**Fiserv, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

Wisconsin  
(State or Other Jurisdiction of  
Incorporation or Organization)

39-1506125  
(I. R. S. Employer  
Identification No.)

255 Fiserv Drive Brookfield, WI 53045  
(Address of Principal Executive Offices and zip code)

(262) 879-5000  
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	FI	The New York Stock Exchange
1.125% Senior Notes due 2027	FI27	The New York Stock Exchange
1.625% Senior Notes due 2030	FI30	The New York Stock Exchange
2.250% Senior Notes due 2025	FI25	The New York Stock Exchange
3.000% Senior Notes due 2031	FI31	The New York Stock Exchange
4.500% Senior Notes due 2031	FI31A	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The aggregate market value of the common stock of the registrant held by non-affiliates as of June 30, 2023 (the last trading day of the second fiscal quarter) was \$76,750,418,162 based on the closing price of the registrant's common stock on the NASDAQ Global Select Market on that date. The number of shares of the registrant's common stock, \$0.01 par value per share, outstanding at February 16, 2024 was 590,402,536.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III of this report incorporates information by reference to the registrant's proxy statement for its 2024 annual meeting of shareholders, which proxy statement will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023.

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#### **FORWARD-LOOKING STATEMENTS**

This Annual Report on Form 10-K contains “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those that express a plan, belief, expectation, estimation, anticipation, intent, contingency, future development, outlook, or similar expression, and can generally be identified as forward-looking because they include words such as “believes,” “anticipates,” “expects,” “could,” “should,” “confident,” “likely,” “plan,” or words of similar meaning. Statements that describe our future plans, objectives or goals are also forward-looking statements.

The forward-looking statements in this report involve significant risks and uncertainties, and a number of factors, both foreseen and unforeseen, could cause actual results to differ materially from our current expectations. The factors that may affect our results include, among others, the following: our ability to compete effectively against new and existing competitors and to continue to introduce competitive new products and services on a timely, cost-effective basis; changes in customer demand for our products and services; the ability of our technology to keep pace with a rapidly evolving marketplace; the success of our merchant alliances, some of which we do not control; the impact of a security breach or operational failure on our business, including disruptions caused by other participants in the global financial system; losses due to chargebacks, refunds or returns as a result of fraud or the failure of our vendors and merchants to satisfy their obligations; changes in local, regional, national and international economic or political conditions, including those resulting from heightened inflation, rising interest rates, a recession, bank failures, or intensified international hostilities, and the impact they may have on us and our employees, clients, vendors, supply chain, operations and sales; the effect of proposed and enacted legislative and regulatory actions affecting us or the financial services industry as a whole; our ability to comply with government regulations and applicable card association and network rules; the protection and validity of intellectual property rights; the outcome of pending and future litigation and governmental proceedings; our ability to successfully identify, complete and integrate acquisitions, and to realize the anticipated benefits associated with the same; the impact of our strategic initiatives; our ability to attract and retain key personnel; volatility and disruptions in financial markets that may impact our ability to access preferred sources of financing and the terms on which we are able to obtain financing or increase our costs of borrowing; adverse impacts from currency exchange rates or currency controls; changes in corporate tax and interest rates; and other factors identified in this Annual Report on Form 10-K for the year ended December 31, 2023 and in other documents that we file with the Securities and Exchange Commission, which are available at <http://www.sec.gov>. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements, which speak only as of the date of this report. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this report. We are not including the information provided on the websites referenced herein as part of, or incorporating such information by reference into, this Annual Report on Form 10-K.

**PART I**

In this report, all references to “we,” “us,” “our” and “Fiserv” refer to Fiserv, Inc. (“Fiserv”), and, unless the context otherwise requires, its consolidated subsidiaries.

**Item 1. Business****Overview**

Fiserv, Inc. is a leading global provider of payments and financial services technology solutions. We are publicly traded on the New York Stock Exchange and part of the S&P 500 Index. We serve clients around the globe, including merchants, banks, credit unions, other financial institutions and corporate clients. We help clients achieve best-in-class results through a commitment to innovation and excellence in areas including account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale (“POS”) and business management platform. Most of the products and services we provide are necessary for our clients to operate their businesses and are, therefore, non-discretionary in nature. We serve our global client base by working among our geographic teams across various regions, including the United States of America (“U.S.”) and Canada; Europe, Middle East and Africa; Latin America; and Asia Pacific.

In 2023, we had \$19.1 billion in total revenue, \$5.0 billion in operating income and \$5.2 billion of net cash provided by operating activities. Processing and services revenue, which in 2023 represented 82% of our total revenue, is primarily generated from account- and transaction-based fees under multi-year contracts that generally have high renewal rates. We have operations and offices located both within the U.S. and Canada, and internationally. Revenue from products and services as a percentage of total revenue were as follows:

(In millions)	Year Ended December 31,		
	2023	2022	2021
Total revenue	\$ 19,093	\$ 17,737	\$ 16,226
Domestic	85 %	86 %	86 %
International <sup>(1)</sup>	15 %	14 %	14 %

<sup>(1)</sup> Represents revenue in the following international regions: EMEA (Europe, Middle East and Africa), LATAM (Latin America) and APAC (Asia-Pacific).

We have grown our business organically and through acquisitions by signing new clients, expanding the products and services we provide to existing clients, offering new and enhanced products and services developed through innovation and acquisition, and extending our capabilities geographically, all of which have enabled us to deliver a wide range of products and services and created new opportunities for growth. Our operations are comprised of the Merchant Acceptance (“Acceptance”) segment, the Financial Technology (“Fintech”) segment and the Payments and Network (“Payments”) segment.

Our headquarters are located at 255 Fiserv Drive, Brookfield, Wisconsin 53045, and our telephone number is (262) 879-5000. We are relocating our global headquarters location to Milwaukee, Wisconsin in March 2024.

**Acceptance**

The businesses in our Acceptance segment provide a wide range of commerce-enabling solutions and serve merchants of all sizes around the world. Acceptance solutions enable businesses to securely accept payment transactions online or in-person. Payment transactions include credit, debit, stored-value and loyalty payments online or through a physical POS or mobile device, such as a smartphone or tablet.

The solutions in this segment include merchant acquiring and digital commerce services; mobile payment services; security and fraud protection products; Clover, our cloud-based POS and integrated commerce operating system for small and mid-sized businesses (“SMBs”) and independent software vendors (“ISVs”); and Carat™, our integrated operating system for large businesses. The businesses in our Acceptance segment distribute products and services through a variety of channels, including direct sales teams, strategic partnerships with agent sales forces, ISVs, financial institutions, and other strategic partners in the form of joint venture alliances, revenue sharing alliances (“RSAs”), and referral agreements. Merchants, financial institutions and distribution partners in the Acceptance segment are frequently clients of our other segments.

### *Clover*

Clover is our cloud-based POS and integrated commerce operating system for SMBs and ISVs designed for business management. The Clover platform includes hardware and software technology necessary to enable SMB merchants to accept payments, process transactions, provide online ordering, maintain an e-commerce presence, and generate consumer loyalty through Clover's customer engagement tools. By integrating next-generation hardware and software-as-a-service ("SaaS") applications, along with value-added solutions, Clover has become a leader in enabling omnichannel commerce solutions for SMBs and ISVs, with touchless commerce through QR code-based payments, online ordering solutions, and virtual terminals. We also offer small business owners access to capital through our Clover Capital cash advance program.

### *Carat*

Carat is our integrated operating system for large businesses, designed to enable clients to accept more payments, engage more customers, and optimize commerce. Carat helps clients maximize approval rates, reduce declines, lower fraud and chargebacks, reduce costs and improve the customer experience by enabling new capabilities, such as buying online, picking up in store or ordering ahead. Through this integrated operating system, numerous payment and commerce solutions can be accessed, including payment acceptance, payments optimization, network routing, fraud detection, online electronic benefits transfers and digital payouts. This wide variety of services enables Carat to help clients create more revenue, reduce their cost of payments, reach more consumers, and enable innovative omnichannel transactions such as voice-enabled commerce and payments.

### *Distribution Channels and Partnerships*

Acceptance segment businesses distribute solutions and services through direct sales teams, as well as indirect sales channels, such as agent sales forces, ISVs, value-added resellers ("VARs"), and payment service providers ("PSPs"). We provide agent sales forces, ISVs, VARs and PSPs with specialized sales capabilities and integrated merchant technology solutions to help them grow their businesses and manage their portfolios. Partner technology tools enable real-time access to portfolio activity and pricing management. We also provide marketing services, data analytics and other tools that enable partners to further expand their businesses in local communities, specific industry verticals, and through e-commerce channels.

In addition, the businesses in our Acceptance segment leverage powerful sales capabilities for financial institution and non-financial institution partners to distribute their products and solutions through strategic arrangements including joint venture alliances, RSAs and referral agreements. These strategic alliances combine our commerce-enabling technology, processing capabilities and management expertise with the distribution capabilities, footprint and customer relationships of our partners.

### *Fintech*

The businesses in our Fintech segment provide financial institutions around the world with the technology solutions they need to run their operations, including products and services that enable financial institutions to process customer deposit and loan accounts and manage an institution's general ledger and central information files. As a complement to the core account processing functionality, the Fintech segment businesses also provide digital banking, financial and risk management, professional services and consulting, check processing, and other products and services that support numerous types of financial transactions. Certain of the businesses in the Fintech segment provide products or services to corporate clients to facilitate the management of financial processes and transactions. Many of the products and services offered in the Fintech segment are integrated with products and services provided by our other segments.

### *Core Account Processing Solutions*

We provide account servicing and management technology products and services to our depository institution clients, as well as a range of integrated, value-added banking products and services. Account processing solutions enable a financial institution to operate systems that process customer deposit and loan accounts, an institution's general ledger, central information files and other financial information. These solutions also include security, report generation and other features that financial institutions need to process transactions for their customers. Although many of our clients obtain a majority of their processing requirements from us, our software design allows clients to start with one application and, as needed, add applications and features developed by us or by third parties. We support a broad range of client-owned peripheral devices manufactured by a variety of vendors, which reduce a new client's initial conversion expenses, enhance existing clients' ability to change technology and broaden our market opportunity.

The principal account processing solutions used by our depository institution clients are Finxact, Cleartouch®, DNA®, Precision®, Premier®, Signature® and Portico®. All of these systems are available in the U.S., and the DNA and Signature platforms are also available globally. Account processing solutions are offered primarily as an outsourced service or can be installed on client-owned computer systems or those hosted by third parties.

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Our account processing business also provides consulting services, business operations services and related software products that enable the transition of check capture from branch and teller channels to digital self-service deposit channels, including mobile, merchant and ATM. Through the Fiserv® Clearing Network, we provide check clearing and image exchange services. Other products and services include image archive with online retrieval, in-clearings, exceptions and returns, statements, and fraud detection.

Our deposit liquidity solutions enable our clients to retain, monetize and grow their deposit account base while analyzing customer demand and enabling customer short-term liquidity. Our decision management solutions include Nautilus®, a content management product, and Prologue™ Financials, which combines enterprise performance management and financial control offerings to deliver budgeting, planning, financial accounting, and automated reconciliation and account certification tools to our clients. These solutions are further complemented by fraud detection and mitigation through our fraud and financial crime risk management solutions.

### *Digital Financial Solutions*

Our digital financial solutions business includes Experience Digital (“XD”), our principal consumer and business digital banking platform, which includes our Configur®, Architect™, Corillian Online®, Mobiliti™ and Create™ products. XD is a cloud-based platform that enables customers to perform balance inquiries, view their transaction history and access electronic bill payments, person-to-person digital payments, card services, account and loan originations, funds transfer and personal financial management tools. XD can be highly customized and integrated to multiple products and services, allowing clients to deploy new services quickly and efficiently to increase customer acquisition, engagement and insights.

### *Enterprise Payment Solutions*

Our enterprise payment solutions products and services enable operating efficiencies and management insight by providing financial institutions with the infrastructure they need to process, route and settle non-card-based electronic payments, including Automated Clearing House (“ACH”), wire and instant payments, and to efficiently manage associated information flows. Our enterprise payment solutions business includes our Payments Exchange platform, which provides multiple payment capabilities, including domestic and international wire transfers and real time payments connection to the FedNow Service and RTP Network. Enterprise Payments Platform is a multi-entity, multi-country, multi-currency, multi-clearings, single payments platform processing all payment types, connecting financial institutions to clearings and correspondents wherever they operate. PEP+ is another enterprise payment solutions offering, which is a mainframe system that allows financial institutions to automatically receive and originate electronic payments through the ACH network in a straight-through processing manner. Clients may use our payment platform applications on a licensed or hosted basis, and as an add-on to existing legacy technology or as a stand-alone comprehensive modern payments platform.

### *Payments*

The businesses in our Payments segment provide financial institutions and corporate and public sector clients with the products and services required to process digital payment transactions. This includes card transactions such as debit, credit and prepaid card processing and services; a range of network services such as funds access, debit payments, cardless ATM access and surcharge-free ATM networks; security and fraud protection products; and card production and print services. In addition, the Payments segment businesses offer non-card digital payment software and services, including bill payment, account-to-account transfers, person-to-person payments, electronic billing, and security and fraud protection products. Clients of the Payments segment businesses reflect a wide range of industries, including merchants, distribution partners and financial institutions customers in our other segments.

### *Debit and Network Processing*

Our debit and network processing business provides a comprehensive payments solution through a variety of products and services. We provide financial institution clients with a full range of debit processing services, including tokenization, loyalty and reward programs; customized authorization processing; gateway processing to payment networks; ATM managed services and cash and logistics management; and risk management products. Our debit processing also provides security, risk and fraud management solutions, which incorporate machine-learning-based predictive technology, that help financial institutions securely operate and grow their business by preventing fraud. CardHub provides our clients’ customers with mobile, customizable card management and alert tools that drive engagement and revenue for card issuers. Credit Choice, a fully managed credit card issuing-as-a-service solution, allows community financial institutions to offer their customers a branded credit card that is integrated into their debit solutions without the operational burden of managing their own credit card portfolio.

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We own and operate the Accele<sup>®</sup>, STAR<sup>®</sup> and MoneyPass<sup>®</sup> networks, which provide access to funds for debit card purchases through any physical and online channel, with or without a PIN/signature; and support transactions at ATMs, with or without a surcharge, including CardFree Cash<sup>™</sup>. These networks are available to all issuers and merchants in the U.S.

### *Credit Processing*

Our credit processing business provides solutions to financial institutions and other issuers of credit, such as group service providers, retailers and consumer finance companies, to enable them to process credit card transactions on behalf of their customers. Depending on the needs of our client, we deliver these solutions through our proprietary processing platforms, software application licenses, or software-as-a-service hosted in the cloud. Our solutions in North America primarily use our Optis<sup>™</sup> platform to provide transaction authorization and posting, account maintenance and settlement. Our VisionPLUS<sup>®</sup> software is used outside of the U.S. as both a processing solution and a licensed software solution that enables some clients to process transactions on their own. We also provide financial institutions with solutions that support the lifecycle of a cardholder, including acquisition, fraud detection, credit risk management, servicing, collections and professional services.

### *Output Solutions*

Our Output Solutions business provides business statement and card products and services to clients across a wide variety of industries, including financial services, healthcare, retail, utilities, telecommunications, insurance and travel and entertainment. Our products and services include electronic document management through our electronic document delivery products and services; card manufacturing, personalization and mailing; statement production and mailing; and design and fulfillment of direct mail services.

### *Digital and Bill Payments*

Our digital and bill payments business is comprised of electronic bill payment and presentment services, as well as other digital payment solutions for businesses and consumers, including person-to-person payments, account-to-account transfers and account opening and funding. Our principal electronic bill payment and presentment product for financial and other institutions, CheckFree<sup>®</sup> RXP<sup>®</sup>, allows our clients' customers to manage household bills via an easy-to-use, online tool; view billing and payment information; pay and manage all of their bills in one place; and complete same-day or next-day bill payments to a wide range of billers and others. In addition, CashFlow Central<sup>™</sup>, an integrated digital payment and cash flow management experience, enables financial institutions to better meet the payments needs of small businesses.

Our person-to-person payments and account-to-account transfer services allow consumers a convenient way to send and receive money while offering financial institutions the opportunity to generate new transaction-based revenue, attract new accounts and increase loyalty among existing customers. We partner with Early Warning Services, LLC to offer a turnkey implementation of its Zelle<sup>®</sup> real-time person-to-person payments service. Our turnkey solution simplifies the implementation of Zelle by providing interface, risk management, alerting, settlement and other services to clients.

### *Biller Solutions*

Our biller solutions business provides electronic billing and payment services to companies that deliver bills to their customers, such as utilities, telephone and cable companies, lending institutions and insurance providers. These services enable our clients to reduce costs, collect payments faster through multiple channels and increase customer satisfaction, and provide customers flexible, easy-to-use ways to view and pay their bills. Our clients' customers access our electronic billing and payment systems by viewing or paying a bill through a financial institution's bill payment application, using a biller's website, mobile application, automated phone system or customer service representative, or by paying in-person at one of the many nationwide walk-in payment locations. Because our biller clients are able to receive all of these services from us, we can eliminate the operational complexity and expense of supporting multiple vendor systems or in-house-developed systems.

### *Prepaid Solutions*

Our prepaid solutions include stored value cards offered by our Gift Solutions and Money Network<sup>®</sup> businesses. The Gift Solutions business provides end-to-end, omnichannel solutions to securely implement and manage gift card programs that help clients drive revenue, engagement and loyalty. These solutions include physical and digital gift card fulfillment, program management, e-commerce gift card storefronts, security and fraud protection, transaction processing services, incentive and rebate cards as well as reloadable and non-reloadable prepaid cards that may be used with a variety of mobile applications. The Money Network service simplifies payment distribution for organizations while reducing or eliminating expenses associated with issuing traditional paper checks. This service also provides consumers without bank accounts with fast, digital access to their money, including wages. Money Network solutions include Electronic Payroll Delivery, government disbursements, digital disbursements and corporate incentives as well as single-load and reloadable prepaid account options. Account holders

of the Money Network Electronic Payroll Delivery Service have access to a Money Network Card, Money Network Checks and a robust mobile app to manage their account anytime, anywhere.

#### **Segment Realignment**

We are effecting changes in our business designed to further enhance operational performance in the delivery of our integrated portfolio of products and solutions to our financial institution clients. As a result, we expect to realign our reportable segments to correspond with these organizational changes, which we expect to be completed effective for the quarter ending March 31, 2024. We continue to allocate resources and assess performance based on the current reportable segment structure.

#### **Our Strategy**

Our aspiration is to move money and information in a way that moves the world. Our purpose is to deliver superior value for our clients through leading technology, targeted innovation and excellence in everything we do. We are focused on operating businesses where we have: deep industry expertise that enables us to serve the market with high effectiveness; a strong competitive position, currently or via a clear path in the foreseeable future; long-term, trusted client relationships that are based on recurring services and transactions; differentiated solutions that deliver value to our clients through integration and innovation; and strong management to execute strategies in a disciplined manner. Consistent with this focus, we continue to operate our business in accordance with the following strategic framework:

- *Client Relationship Value.* We plan to increase the number and breadth of our client relationships by, among other actions: continuing to integrate our products and services; introducing new products and services that are aligned with market needs; combining products and services to deliver enhanced, integrated value propositions; and delivering quality service and support for our clients.
- *Innovation.* We seek to be an innovation leader, utilizing our assets and capabilities to be at the forefront of our industry and enable our clients to deliver best-in-class results.
- *Operational Effectiveness.* We believe we can further improve the quality of our client delivery while reducing our costs by using the opportunities created by our size and scale.
- *Portfolio Management.* We expect to acquire businesses when we identify: a compelling strategic need, such as a product, service or technology that helps meet client demand; an opportunity to change industry dynamics; a way to achieve business scale that enables competition and operational efficiency; or similar considerations. We expect to divest businesses that are not in line with our market, product or financial strategies.
- *Capital Discipline.* We intend to make capital allocation decisions that offer the best prospects for our long-term growth and profitability, which may include, among other matters: internal investment; repayment of debt; repurchases of our own shares; or acquisitions.

#### **Servicing the Market**

The financial technology industry is highly dynamic, with new innovations entering the market and driving the expectations of our clients globally. The markets for our solutions have specific needs and requirements, with strong emphasis placed by clients on quality, security, service reliability, timely introduction of new capabilities and features, flexibility and value. This requires us to continue our focus on product and service delivery, integration and innovation to meet and exceed the specific needs of our clients. We believe that our financial strength and specialized market knowledge enable us to support our clients to meet their changing preferences. In addition, we believe that our focus on quality, innovation, client service and our commitment of substantial resources to training and technical support helps us to identify and fulfill the needs of our clients.

#### **Product Development**

To meet the changing technology needs of our clients, we continually develop, maintain and enhance our products and systems. Our development and technology operations apply the expertise of multiple teams to design, develop and maintain specialized products and processing systems. Our products and solutions are designed to meet the preferences and diverse requirements of the international, national, regional or local market-specific merchant and financial services environments of our clients. In developing our products, we use current software development principles, such as service-oriented architecture, to create efficiencies, and we stress interaction with and responsiveness to the needs of our clients. In addition, we use our data and artificial intelligence (“AI”) to help us create new products and services and to enhance existing ones. We currently use AI in a variety of ways, including to enable higher quality customer service experiences, platform analytics, and fraud mitigation across a number of solutions.

## Resources

Our business depends on a variety of resources to operate including products and services provided to us by third parties. For example, we rely on our human capital resources for product development (including product design and coding), sales, operations (including customer service, technology support, security and compliance) and management; access to financial and telecommunication networks; computers, servers, mainframes, microchips and other computer equipment; and Clover and other POS devices. We periodically review our resource requirements and sources, as well as our relationships with key vendors, to best meet the needs of our business including global sourcing efforts and alternate supplier resourcing. We believe we have access to the resources necessary for our current business needs. More information regarding supply chain risks can be found under the heading “Competitive and Business Risks” in the Risk Factors section of this report and our human capital resources can be found below under the heading “Human Capital.”

## Intellectual Property

We regard our software, transaction processing services and related products as proprietary, and we use a combination of patent, copyright, trademark and trade secret laws, internal security practices, employee confidentiality and assignment agreements, and third-party non-disclosure agreements to protect our intellectual property assets. Our patents cover innovations relating to numerous financial software and hardware products and services, and we continue, where appropriate, to seek and secure patents with respect to our ongoing innovations. We believe that we possess all proprietary rights necessary to conduct our business.

## Competition

The market for technology products and services in the industries we serve is fragmented, highly competitive, and served by a multitude of large and small businesses. Our principal competitors include other large, integrated providers of financial services technology and payment systems, data processing affiliates of large companies, processing centers owned or operated as user cooperatives, financial institutions, merchant acquirers, ISOs, ISVs, payments companies and payment network operators. Our competitors also include global and local IT product and services companies and payment service providers and processors. We expect competition to continue to increase as new companies enter our markets and existing competitors expand or consolidate their product lines and services. Some of these competitors possess substantial financial, sales and marketing resources and can compete with us in various ways, including through the use of integrated product offerings and through pricing and long-standing relationships. Depending on the product or service, competitive factors may include quality, security, innovation, breadth or novelty of features and functionality, client satisfaction, market opportunity, integration, reliability, agility, global reach, multiple distribution channels, service reliability and performance standards, timely introduction of new products and features, platform scalability and flexibility, and value. We believe that we compete favorably in each of these categories. Additional information about competition in our segments is provided below.

## Acceptance

Our Acceptance segment competes with merchant acquirers and financial institutions that provide acquiring and processing services to businesses on their own. In many cases, our alliance and commercial partners, such as ISOs and ISVs, compete against each other. We also compete with merchant services providers and, in a number of countries outside of the U.S., our Acceptance segment competes with a growing number of local and regional providers. In addition, payment networks and large technology, media and other integrated payments software providers are increasingly offering products and services that compete with our suite of merchant acquiring solutions.

## Fintech

Our products and services in the Fintech segment compete with large, diversified software and service companies and independent suppliers of software products. Existing and potential financial institution clients may also develop and use their own in-house systems. In addition, we compete with vendors that offer similar transaction processing products and services to financial institutions.

## Payments

The businesses in our Payments segment primarily compete with businesses that offer consumer payment solutions and a number of payment and card issuer processors. In addition to traditional payments competitors, large technology, media and other emerging financial technology providers are increasingly seeking to provide alternative payment and financing solutions. Existing and potential financial institution and other corporate clients could also develop and use their own in-house systems or custom-designed solutions instead of our products and services.

## Government Regulation

Our operations, and the products and services that we offer, are subject to various U.S. federal, state and local regulation, as well as regulation outside the U.S. We are also subject to non-government-issued rules and requirements, such as those promulgated by various payment networks. Failure to comply with these rules and regulations may result in the suspension or revocation of licenses or registrations, the limitation, suspension or termination of service and the imposition of civil and criminal penalties, including fines. We may also be required, among other things, to make significant additional investments to comply with rules and regulations, to modify our products or services or the manner in which they are provided, or to limit or change the amount or types of revenue we are able to generate.

**Financial Institution Regulations.** Because a number of our businesses provide services to regulated financial institutions, we are a significant service provider under the Bank Service Company Act and as such we are subject to examination by the U.S. Federal Banking Agencies, which is comprised of the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency. We are regulated based on the uniform principles, standards, and guidance created by the Federal Financial Institutions Examination Council (“FFIEC”). The FFIEC is a formal interagency body empowered to standardize and promote uniformity in supervision of financial institutions. The member agencies of the FFIEC include the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Consumer Financial Protection Bureau (“CFPB”), which are empowered to conduct rule-making and supervision related to, and enforcement of, federal consumer financial laws, some of which apply to products and services offered by our clients.

In the U.S., we are also subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act, which, among other things, and in conjunction with the Federal Reserve Board’s Regulation II, caps debit interchange rates for certain debit and prepaid card issuers; prohibits card issuers and payment networks from restricting the ability of merchants to direct the routing of debit card transactions; requires all debit card issuers in the U.S. to participate in at least two unaffiliated debit payment card networks; prohibits payment card networks from restricting debit and prepaid card issuers from contracting with other payment card networks; and generally prohibits network exclusivity arrangements for debit card and prepaid card issuers. These regulations impact our card processing businesses and our clients’ ability to generate revenue.

Certain of our subsidiaries hold payment institution or electronic money licenses. These subsidiaries are subject to regulation and oversight in the jurisdictions in which they operate, and may be required to meet minimum capital maintenance requirements or other obligations. In addition, several of our subsidiaries outside of the U.S. provide services such as merchant terminal leasing, debit processing, acquiring, issuing, factoring and settlement that make them subject to regulation by financial services supervisory agencies, including the Financial Conduct Authority (“FCA”) in the United Kingdom (“U.K.”), the Federal Financial Supervision Agency in Germany, the National Bank of Poland, the Reserve Bank of Australia, the Central Bank of Brazil and the Monetary Authority of Singapore.

**Association and Network Rules.** We are subject to the rules of various payment networks, such as Visa and Mastercard. In order to provide processing services, a number of our subsidiaries are registered with Visa and/or Mastercard as service providers for member institutions. A number of our subsidiaries outside the U.S. are direct members or associate members of Visa and Mastercard for purposes of conducting merchant acquiring. Various subsidiaries are also processor level members of other debit and electronic benefits transaction networks or are otherwise subject to various network rules in connection with processing services and other services we provide. As such, we are subject to applicable card association, network and national scheme rules that could subject us to fines or penalties. We are subject to network operating rules promulgated by Nacha relating to payment transactions processed by us using the ACH network and to various federal and state laws regarding such operations, including laws pertaining to electronic benefits transactions.

**Privacy and Cybersecurity Regulations.** We provide services that are subject to various federal, state, local and foreign privacy and cybersecurity laws and regulations, as well as association and network privacy and cybersecurity rules, which govern, among other things, the collection, processing, storage, deletion, use and disclosure of personal information. These laws and rules contain a variety of obligations including the safeguarding of personal information, the provision of notices and use and disclosure rights. The regulations and rules are complex and evolving and can provide for significant penalties or the suspension or termination of our registrations or certifications for non-compliance.

In the U.S., we are subject to various federal and state privacy and cybersecurity laws and regulations. The U.S. Gramm-Leach-Bliley Act (“GLBA”) requires financial institutions to explain their information sharing practices to their customers and to safeguard customer data. In some circumstances, we are subject to GLBA and we have privacy and information security obligations to our clients who are regulated by the GLBA. In certain circumstances, we are subject to the U.S. Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), which governs the use and disclosure of protected health information in healthcare treatment, payment and operations by covered entities and their business associates. We are also subject to the

Federal Trade Commission Act which empowers the U.S. Federal Trade Commission (“FTC”) to prohibit unfair and deceptive practices, including those related to privacy and cybersecurity. In addition to the Federal Trade Commission Act, the FTC, along with the CFPB, is responsible for overseeing and enforcing the privacy and information security provisions over certain aspects of GLBA and the Fair Credit Reporting Act (“FCRA”), each of which is applicable to our businesses in certain circumstances. We also have obligations under various state laws, such as the California Consumer Privacy Act, which, among other things, give consumers more control over the personal information businesses hold about them.

In the European Union (“E.U.”) and the U.K., we are subject to the General Data Protection Regulation (“GDPR”), which impose a comprehensive approach to personal data protection and include penalties for non-compliance of up to the greater of 20 million Euro or four percent of a company’s consolidated global revenue. There are numerous additional privacy laws and regulations that apply to our businesses around the world which also provide for significant penalties. Some of these data protection laws, including in the E.U., India, United Arab Emirates and China, impose requirements regarding data rights and security and either prohibit the international transfer of personal data or restrict such transfers absent lawfully recognized transfer mechanisms. There are also additional obligations that apply to us by virtue of the fact that we provide services in the financial services industry or are considered to be providing critical infrastructure to our clients. Examples of these are the SOCI Act in Australia, the EBA Outsourcing Requirements in the E.U. and the CERT-In obligations in India.

**Money Transmission and Payment Instrument Licensing and Regulations.** We are subject to various U.S. federal, state and foreign laws and regulations governing money transmission and the issuance and sale of payment instruments, including some of our prepaid products. In the U.S., most states license money transmitters and issuers of payment instruments. Many states exercise authority over the operations of our services related to money transmission and payment instruments and, as part of this authority, subject us to periodic examinations. Many states require money transmitters, issuers of payment instruments and their agents to comply with federal and state anti-money laundering laws and regulations and often require the licensee to maintain certain levels of net worth.

**Credit Reporting and Debt Collections Regulations.** TeleCheck, our check acceptance business, is subject to FCRA and various similar state laws. The collection business within our subsidiary TRS Recovery Services, Inc. (“TRS”) is subject to the U.S. federal Fair Debt Collection Practices Act and various similar state laws. TRS maintains licenses in a number of states in order to engage in collection in those states. TeleCheck and TRS are also subject to regulation, supervision and examination from the CFPB. In addition, several of our subsidiaries are subject to comparable local laws regarding collection activities and obtaining credit reports and our U.K. branch described above also holds FCA permissions for debt collection activities.

**Unfair Trade Practice Regulations.** We and our clients are subject to various federal, state and foreign laws prohibiting unfair or deceptive trade practices. Various regulatory enforcement agencies, including the FTC and state attorneys general, have authority to take action against parties that engage in unfair or deceptive trade practices or violate other laws, rules and regulations. If we process payments for a merchant or other client in violation of laws, rules and regulations, we could be subject to enforcement actions and incur losses and liabilities that may impact our business.

**Anti-Money Laundering, Anti-Bribery, and Sanctions Regulations.** We are subject to anti-money laundering laws and regulations, including the U.S. Bank Secrecy Act (“BSA”). Among other things, the BSA requires money services businesses, such as money transmitters, issuers of money orders and official checks, and providers of prepaid access, to develop and implement anti-money laundering programs. Our acquiring businesses outside the U.S. are subject to anti-money laundering laws and regulations in the countries where they operate. Our Money Network Financial, LLC subsidiary provides prepaid access for various open loop prepaid programs for which it is the program manager and therefore must meet the requirements of the Financial Crimes Enforcement Network.

We are subject to anti-corruption laws and regulations, including the U.S. Foreign Corrupt Practices Act (“FCPA”) and similar laws outside of the U.S. such as the U.K. Bribery Act, that prohibit the making or offering of improper payments to foreign government officials and political figures. The FCPA has a broad reach and requires maintenance of appropriate records and adequate internal controls to prevent and detect possible FCPA violations.

We are also subject to certain economic and trade sanctions programs that are administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”), which prohibit or restrict transactions to or from, or dealings with, specified countries, governments, individuals and entities that are specially designated nationals of those countries, including narcotics traffickers and terrorists or terrorist organizations. Other group entities may be subject to additional local sanctions requirements in other relevant jurisdictions.

Similar anti-money laundering, counter terrorist financing and proceeds of crime laws apply to movements of currency and payments through electronic transactions and to dealings with persons specified in lists maintained by the country equivalents to OFAC lists in several other countries and require specific data retention obligations to be observed by intermediaries in the payment process. Our businesses in those jurisdictions are subject to those data retention obligations.

**Communications Laws.** We are subject to various federal and state laws that govern telephone calls and the issuance of text messages to clients and consumers in the U.S. as well as to regulations that impose requirements on marketing emails sent to U.S. residents. Our international subsidiaries are subject to equivalent laws in applicable jurisdictions.

**Indirect Regulatory Requirements.** A number of our clients are subject to various regulations and compliance obligations that do not apply directly to us but impact the services that we provide to our clients. To remain competitive, we have invested, and expect to continue to invest, significant resources to develop and update our products and services to assist our clients to meet various compliance obligations. In addition, independent auditors annually review many of our operations to provide internal control evaluations for our clients and their auditors.

## **Human Capital**

The Talent and Compensation Committee of our Board of Directors assists the Board of Directors in establishing our compensation philosophy and strategy and overseeing our human capital management strategy which includes maintaining a culture committed to attracting, developing and retaining top talent, supporting diversity and inclusion efforts, fostering innovation, and promoting employee engagement, safety and well-being.

### ***Development and Retention***

We are committed to creating a high-performance culture that consistently delivers excellence for our clients and long-term value for our shareholders while providing a workplace experience for our employees that values collaboration, innovation and diversity. Career development and internal mobility are important aspects of our value proposition for employees. We provide employees with numerous training and development opportunities, including through an e-learning platform specifically geared toward global technology associates; our Leading Women program, designed to accelerate the professional growth of female top talent across each of our global regions; our Leading Fiserv program, designed to develop critical leadership skills for frontline managers; our Vision to Results leadership program, focused on driving enterprise goals; and an online learning platform that provides global access to over 15,000 courses. Internal mobility is generally our preferred approach for filling open positions and fostering career advancement for our employees. To encourage internal mobility, we maintain a sustainable internal talent pipeline, increasing associate retention, job satisfaction and personal and professional growth opportunities.

We have adopted a pay-for-performance philosophy that is designed to recognize performance and reward achievement of our strategic business objectives and financial results. Total compensation consists of a competitive base pay and annual incentive opportunity typically delivered in a mix of cash and equity that is designed to promote retention and reward the attainment of defined performance goals. We are committed to providing fair pay to our employees regardless of gender, race, ethnicity or any other protected characteristic, and we conduct pay audits to track, measure and evaluate employee compensation. In addition, throughout the year, we celebrate employee contributions and achievements through a peer-based global recognition program that enables recognition and financial rewards.

### ***Diversity and Inclusion***

We are committed to cultivating a diverse, respectful and inclusive workplace by:

- Providing advancement opportunities at all levels in the organization, including giving consideration to diverse candidates for our Board of Directors and senior leadership positions, providing military hiring opportunities, and deepening relationships with historically black colleges and universities, industry networks, military and veterans' organizations, and organizations that support individuals with disabilities that provide access to underrepresented populations; and
- Promoting employee awareness through education and participation in diversity and inclusion programs, such as our inclusive leader assessment and coaching program, to develop the competencies necessary to create an inclusive workplace; eight Employee Resource Groups ("ERGs") with approximately 8,000 associate members who support each other and mutually elevate professional development; and a host of diversity and inclusion training courses available to all employees.

As of December 31, 2023, we had over 42,000 employees worldwide, approximately 40% of whom were female. In the U.S., approximately 39% of our employees self-identified as racially/ethnically diverse.

We continue to focus on our efforts on supporting our community with several initiatives, including:

- Investing in small, diverse-owned businesses by providing financial support, business expertise, and leading technology solutions, as well as through strategic partnerships and community engagement; and

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- Strengthening partnerships with organizations focused on human rights, racial equity and social justice, including through work by our ERGs with a variety of community organizations and groups.

### ***Employee Engagement***

We value employee engagement and feedback. Throughout the year, we engage with our employees through events such as lunch-and-learns, quarterly all-hands meetings, town halls, leadership meetings and other forums. We encourage managers to meet regularly with their teams and encourage skip-level discussions.

To assess employee engagement, we periodically collect employee feedback through employee engagement surveys, including annual enterprise-wide surveys and issue-specific surveys. These surveys cover a variety of topics, such as engagement, well-being, client experience, communication, teamwork, manager effectiveness, trust and diversity and inclusion. In addition to assessing engagement, the survey results enable us to gain insight into employee perspectives and issues which we use to enhance processes, set priorities and respond to associate concerns.

In 2023, 92% of our associates participated in our engagement survey. Among other positive outcomes, we received a score of 87% favorable on “trust,” which is the highest ranked item on the survey, and scores within the top decile across benchmarks. We also continue to score above average on our benchmark with respect to associates’ belief that Fiserv has created an inclusive environment where people of diverse backgrounds can succeed.

### ***Safety and Well-Being***

We are committed to the safety of our workforce and maintain a global safety program that is designed to protect the safety and well-being of our employees in the workplace, minimize injury and accident frequency and severity, minimize loss to property, equipment and operational disruption, and enable greater associate satisfaction and productivity.

We are also committed to providing comprehensive and competitive benefits to our associates that are responsive to their physical, financial, social and emotional needs. Our benefit offerings include a variety of medical and dental plan choices, mental health and counseling programs, caregiver support programs, enhanced family forming and planning resources, and paid time off. We control the cost of health care benefits for our employees despite the increased cost of such benefits to the company. Investing in our associates in this way helps us retain top talent and demonstrates our commitment to our employees, our most important asset.

### **Available Information**

Our website address is [www.fiserv.com](http://www.fiserv.com). We are not including the information provided on our website as a part of, or incorporating it by reference into, this Annual Report on Form 10-K. We make available free of charge (other than an investor’s own internet access charges) through our website our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports, as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the Securities and Exchange Commission.

### **Item 1A. Risk Factors**

You should carefully consider each of the risks described below, together with all of the other information contained in this Annual Report on Form 10-K, before making an investment decision with respect to our securities. If any of the following risks develop into actual events, our business, results of operations or financial condition could be materially and adversely affected, and you may lose all or part of your investment.

### ***Competitive and Business Risks***

#### **We operate in a competitive business environment and may not be able to compete effectively.**

The markets for our products and services are highly competitive from new and existing competitors. Our principal competitors include other vendors and providers of financial services technology and payment systems, data processing affiliates of large companies, processing centers owned or operated as user cooperatives, financial institutions, independent sales organizations (“ISOs”), independent software vendors, payments companies and payment network operators. Our competitors vary in size and in the scope and breadth of the services they offer. Many of our larger existing and potential clients have historically developed their key applications in-house. As a result, we may compete against our existing or potential clients’ in-house capabilities. In addition, we expect that the markets in which we compete will continue to attract new technologies and well-funded competitors, including large technology, telecommunication, media and other companies not historically in the financial services and payments industries, start-ups and international providers of products and services similar to ours. In addition, participants in the financial services, payments and technology industries may merge, create joint ventures or engage in other

business combinations, alliances and consolidations that may strengthen their existing products and services or create new products and services that compete with ours. We cannot provide any assurance that we will be able to compete successfully against current or future competitors or that competitive pressures faced by us in the markets in which we operate will not materially and adversely affect our business, results of operations and financial condition.

**If we fail to keep pace with technological change, including as a result of artificial intelligence, we could lose clients or have trouble attracting new clients, and our ability to grow may be limited.**

The markets for our products and services are characterized by constant and rapid technological change, evolving industry standards, frequent introduction of new products and services, and increasing client expectations. Our ability to respond timely to these changes, including by enhancing our current products and services and developing and introducing new products and services, will significantly affect our future success. In addition, the success of certain of our products and services rely, in part, on financial institutions, business partners and other third parties promoting the use of or distributing our products and services. If we are unsuccessful in developing, marketing and selling products or services that gain market acceptance, or if third parties insufficiently promote or distribute our products and services, it would likely have a material adverse effect on our ability to retain existing clients, to attract new ones and to grow profitably.

We believe that data, and the insights enabled by data, can be used to create or enhance the products and services that we offer to our clients. As a result, we are using, and expect to continue to expand our use of, artificial intelligence and machine learning. However, legislation that would govern the development or use of artificial intelligence is under consideration in the U.S. at the state and local level, as well as abroad. As a result, the ability to use artificial intelligence and machine learning may be constrained by current or future laws, regulatory or self-regulatory requirements.

**If we are unable to renew contracts on favorable terms or if contracts are terminated prematurely, we could lose clients and our results of operations and financial condition may be adversely affected.**

Failure to achieve favorable renewals of client contracts could negatively impact our business. At the end of the contract term, clients have the opportunity to renegotiate their contracts with us or to consider whether to engage one or more of our competitors to provide products and services or to perform the services in-house. Some of our competitors may offer more attractive prices, features or other services that we do not offer, and some clients may desire to perform the services themselves. Larger clients may be able to seek lower prices from us when they renew or extend a contract or the client's business has significant volume changes. In addition, larger clients may reduce the services we provide if they decide to move services in-house. Further, our small merchant business clients may seek reduced fees due to pricing competition, their own financial condition or pressure from their customers.

We also have contracts with U.S. federal, state and local governments. The contracts with these clients may contain terms that are not typical for non-government clients, such as the right to terminate for convenience, the right to unilaterally modify or reduce work to be provided under the contract, significant or unlimited indemnification obligations and being subject to appropriation of funds for the government contract program. In addition, if any of our government contracts were to be terminated for default, we could be suspended or debarred from contracting with that entity in the future, which could also provide other government clients the right to terminate.

These factors could result in lower revenue from a client than we had anticipated based on our agreement with that client. If we are not successful in achieving high contract renewal rates and favorable contract terms, if contracts are terminated, or if we are prevented from performing work for these clients in the future, our results of operations and financial condition may be materially and adversely affected.

**Changes in card association and debit network fees or products could increase costs or otherwise limit our operations.**

From time to time, card associations and debit networks, including the card networks which we own and operate, increase the processing and other fees (including what is commonly called "interchange fees") that they charge. It is possible that competitive and other pressures will result in us absorbing a portion of such increases in the future, or not being able to increase our own fees, which would increase our operating costs, reduce our profit margin, limit our growth, and adversely affect our business, results of operations and financial condition. In addition, the various card associations and networks prescribe certain capital requirements. Any increase in the capital level required would further limit our use of capital for other purposes.

**Our business depends, in part, on our merchant relationships and alliances, and if we are unable to maintain these relationships and alliances, our business may be adversely affected.**

Under our alliance program, a bank or other institution forms an alliance with us, generally on an exclusive basis, either contractually or through a separate legal entity. Merchant contracts may be contributed to the alliance by us and/or the bank or

institution. The banks and other institutions generally provide card association sponsorship, clearing and settlement services and typically act as a merchant referral source when the institution has an existing banking or other relationship with such merchant. We provide transaction processing and related functions to the alliance. Both we and our alliance partners may also provide management, sales, marketing and other administrative services. The alliance structure allows us to be the processor for multiple financial institutions, any one of which may be selected by the merchant as its bank partner. Our merchant acquiring business depends, in part, on our merchant relationships, alliances and other distribution channels. There can be no guarantee that we will achieve growth in our merchant relationships, alliances or other distribution channels. In addition, our contractual arrangements with merchants and merchant alliance partners are for fixed terms and may allow for early termination upon the occurrence of certain events. There can be no assurance that we will be able to renew our contractual arrangements with these merchants or merchant alliance partners on similar terms or at all. The loss of merchant relationships or alliance partners could negatively impact our business and have a material adverse effect on our results of operations and financial condition.

**Consolidations in the banking and financial services industry could adversely affect our revenue by eliminating existing or potential clients and making us more dependent on fewer clients.**

Mergers, consolidations and failures of financial institutions reduce the number of our clients and potential clients, which could adversely affect our revenue. If our clients merge with or are acquired by other entities that are not our clients, or that use fewer of our services, they may discontinue or reduce their use of our services. Our alliance strategy could also be negatively affected by consolidations, especially where the financial institutions involved are committed to their internal merchant processing businesses that compete with us. It is also possible that the larger financial institutions that result from mergers or consolidations could have an increased ability to negotiate terms with us or could decide to perform in-house some or all of the services which we currently provide or could provide. Any of these developments could have a material adverse effect on our business, results of operations and financial condition.

***Operational and Security Risks***

**Security incidents or other technological risks involving our systems and data, or those of our clients, partners or vendors, could expose us to liability or damage our reputation.**

Our operations depend on receiving, storing, processing and transmitting sensitive information pertaining to our business, our employees, our clients and their customers. Under the card network rules, various federal, state and international laws, and client contracts, we are responsible for information provided to us by financial institutions, merchants, ISOs, third-party service providers and others. Preserving the confidentiality of sensitive business and personal information is critical to our business. Any unauthorized access, intrusion, infiltration, network disruption, ransom, denial of service or similar incident could disrupt the integrity, continuity, security and trust of our systems or data, or the systems or data of our clients, partners or vendors. These incidents are often difficult to detect and are constantly evolving. We expect that unauthorized parties will continue to attempt to gain access to our systems or facilities, and those of our clients, partners and vendors, through various means and with increasing sophistication, particularly as cybercriminals attempt to profit from increased online banking, e-commerce and other online activity. These events could create costly litigation, significant financial liability, increased regulatory scrutiny, financial sanctions and a loss of confidence in our ability to serve clients and cause current or potential clients to choose another service provider, all of which could have a material adverse impact on our business. In addition, we have invested and expect to continue to invest significant resources to maintain and enhance our information security and controls or to investigate and mitigate security vulnerabilities. Although we believe that we maintain a robust program of information security and controls and that none of the events that we have encountered to date have materially affected us, we cannot be certain that the security measures and procedures we have in place to detect security incidents and protect sensitive data, will be successful or sufficient to counter all current and emerging risks and threats. The impact of a material event involving our systems and data, or those of our clients, partners or vendors, could have a material adverse effect on our business, results of operations and financial condition.

**Operational failures and resulting interruptions in the availability of our products or services could harm our business and reputation.**

Our business depends heavily on the reliability of our systems. An operational failure that results in an interruption in the availability of our products and services could harm our business or cause us to lose clients. An operational failure could involve the hardware, software, data, networks or systems upon which we rely to deliver our services and could be caused by our actions, the actions of third parties or events over which we may have limited or no control. Events that could cause operational failures include, but are not limited to, hardware and software defects or malfunctions, ransomware, denial-of-service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, natural disasters, pandemics, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses or other malware, or other events. In the event of operational failures or damage or disruption to our business due to these occurrences,

we may not be able to successfully or quickly recover all of our critical business functions, assets and data through our business continuity program. Implementation delays, interruptions of service or hardware device defects could damage our relationship with clients and could cause us to incur substantial expenses, including those related to the payment of service credits, product recalls or other liabilities. A prolonged interruption of our services or network could cause us to experience data loss or a reduction in revenue, and significantly impact our clients' businesses and the customers they serve. In addition, a significant interruption of service or product recall could have a negative impact on our reputation and could cause our current and potential clients to choose another service provider. As a provider of payments solutions and other financial services, clients, regulators and others may require enhanced business continuity and disaster recovery plans including frequent testing of such plans. Meeting these various requirements may require a significant investment of time and money. Any of these developments could have a material adverse impact on our business, results of operations and financial condition.

**Disruptions of operations of other participants in the global financial system could prevent us from delivering our products and services.**

The operations and systems of many participants in the global financial system are interconnected. Many of the transactions involving our products and services rely on multiple participants in the global financial system to move funds and communicate information to the next participant in the transaction chain. A disruption for any reason of the operations of a participant in the global financial system could impact our ability to obtain or provide information or cause funds to be moved in a manner to successfully deliver our products and services. Although we work with other participants to avoid any disruptions, there is no assurance that such efforts will be effective. Such a disruption could lead to our inability to deliver products and services, reputational damage, lost clients and revenue, loss of clients' and their customers' confidence, as well as additional costs, all of which could have a material adverse effect on our business, results of operations and financial condition.

**We rely on third parties to provide products and services and if we are unable to obtain such products or services in the future or if these third parties fail to perform these services adequately, our business may be materially and adversely affected.**

We rely on third parties we do not control to provide us with products and services, including payment card networks, acquiring processors, payment card issuers, financial institutions and the Automated Clearing House ("ACH") network which transmit transaction data, process chargebacks and refunds, and perform clearing services in connection with our settlement activities. If, for example, such third parties stop providing clearing services or limit our volumes, we would need to find other financial institutions to provide those services. In the event these third parties fail to provide these services adequately or in a timely manner, including as a result of errors in their systems or events beyond their control, or refuse to provide these services on terms acceptable to us or at all, and we are not able to find timely suitable alternatives, we may no longer be able to provide certain services to customers, which could expose us and our clients to information security, financial, compliance and reputational risks. We may be negatively impacted by a disruption to our supply chain or third-party delivery service providers, including if the factories that manufacture our point-of-sale devices, payment cards or computer chips for payment cards, or paper stock are temporarily closed or experience workforce shortages; shipping services are interrupted or delayed; there are increased lead times, shortages or higher costs for certain materials and components; or there are workforce shortages at our third-party customer support, software development or technology hosting facilities. If we are unable to renew our existing contracts with key vendors and service providers, we might not be able to replace the related product or service at all or at the same cost. Any of these risks could have a material adverse effect on our business, results of operations and financial condition.

**We may experience software defects, development delays or installation difficulties, which would harm our business and reputation and expose us to potential liability.**

Our services are based on sophisticated software and computer systems and we may encounter delays when developing new applications and services. Further, the software underlying our services may contain undetected errors or defects when first introduced or when new versions are released. We may also experience difficulties in installing or integrating our technology on systems or with other programs used by our clients. Defects in our software, errors or delays in the processing of electronic transactions or other difficulties could result in interruption of business operations, delay in market acceptance, additional development and remediation costs, diversion of technical and other resources, loss of clients or client data, negative publicity or exposure to liability claims. Although we attempt to limit our potential liability through disclaimers and limitation of liability provisions in our license and client agreements, we cannot be certain that these measures will successfully limit our liability.

## **Global Market Risks**

**Our business may be adversely affected by geopolitical and other risks associated with operations outside of the U.S. and, as we continue to expand internationally, we may incur higher than anticipated costs and may become more susceptible to these risks.**

We offer merchant acquiring, processing and issuing services outside of the U.S., including in the U.K., Germany, Mexico, Uruguay, Argentina, India and Brazil. Our facilities outside of the U.S., and those of our suppliers and vendors, including manufacturing, customer support, software development and technology hosting facilities, are subject to risks, including natural disasters, public health crises, political crises, terrorism, war, political instability and other events outside of our or our suppliers' control. As we continue to expand internationally and grow our client base outside of the U.S., we may face challenges due to the presence of more established competitors and our relative lack of experience in such non-U.S. markets, and we may incur higher than anticipated costs. If we are unable to successfully manage the risks associated with the international operation and expansion of our business, our results of operations and financial condition could be negatively impacted.

### **Our business is impacted by U.S. and global market and economic conditions.**

For the foreseeable future, we expect to continue to derive revenue primarily from products and services we provide to the financial services industry and from our merchant acquiring business. Given this focus, we are exposed to global economic conditions and adverse economic trends may accelerate the timing, or increase the impact of, risks to our financial performance. Such trends may include, but are not limited to, the following:

- inflation, foreign currency fluctuations, declining economies, social unrest, natural disasters, public health crises, including the occurrence of a contagious disease or illness, and the pace of economic recovery can change consumer spending behaviors, on which a significant portion of our revenues are dependent;
- low levels of consumer and business confidence typically associated with recessionary environments and those markets experiencing relatively high inflation and/or unemployment, may cause decreased spending by cardholders;
- budgetary concerns in the U.S. and other countries around the world could affect the U.S. and other specific sovereign credit ratings, impact consumer confidence and spending, and increase the risks of operating in those countries;
- emerging market economies tend to be more volatile than the more established markets we serve in the U.S. and Europe, and adverse economic trends, including high rates of inflation, may be more pronounced in such emerging markets;
- financial institutions may restrict credit lines to cardholders or limit the issuance of new cards to mitigate cardholder defaults;
- uncertainty and volatility in the performance of our clients' businesses may make estimates of our revenues, rebates, incentives, and realization of prepaid assets less predictable;
- our clients may decrease spending for value-added services; and
- government intervention, including the effect of laws, regulations, treaties and/or government investments in our clients, may have potential negative effects on our business, operations and our relationships with our clients or otherwise alter their strategic direction away from our products.

A weakening in the economy or competition from other retailers could force some retailers to close, resulting in exposure to potential credit losses and declines in transactions, and reduced earnings on transactions due to a potential shift to large discount merchants. Additionally, credit card issuers may reduce credit limits and become more selective in their card issuance practices.

A prolonged poor economic environment, including a potential recession in the U.S. or other economies in which our business operates, could result in significant decreases in demand by current and potential clients for our products and services and in the number and dollar amount of transactions we process or accounts we service, which could have a material adverse effect on our business, results of operations and financial condition.

### **Potential tariffs or trade wars could increase the cost of our products, which could adversely impact the competitiveness of our products and our financial results.**

The U.S. has imposed tariffs on certain imports from China, including on some of our hardware devices manufactured in China. If the U.S. administration imposes additional tariffs, or if additional tariffs or trade restrictions are implemented by the U.S. or

other countries, our hardware devices produced in China could be impacted. Although it is difficult to predict how current or future tariffs on items imported from China or elsewhere will impact our business, the cost of our products manufactured in China and imported into the U.S. or other countries could increase, which in turn could adversely affect the demand for these products and have a material adverse effect on our business and results of operations.

**Regulatory and Compliance Risks**

**If we or third parties with whom we partner or contract fail to comply with applicable laws and regulations, we could be subject to liability and our business could be harmed.**

Our businesses are subject to state, federal, and foreign laws and regulations, including payment, cybersecurity, consumer protection, money transmission, data privacy, anti-money laundering, economic and trade sanctions, payment institution, electronic money licensing, credit reporting and debt collection laws and regulations. Our clients are also subject to numerous laws and regulations applicable to banks, financial institutions and card issuers in the U.S. and abroad, and, consequently, we are at times affected by these federal, state, local and foreign laws and regulations. These laws and regulations are subject to change, and new laws, regulations and interpretations are regularly adopted.

We operate our business around the world, including in certain foreign countries with developing economies where companies often engage in business practices that are prohibited by laws applicable to us, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. These laws prohibit, among other things, improper payments or offers of payments to foreign governments and their officials and political parties for the purpose of obtaining or retaining business. We also derive revenue from transactions involving sales to U.S. federal, state and local governments and their respective agencies, and are subject to various procurement laws, regulations, and contract provisions relating to those contracts. We have implemented policies and training programs to comply with applicable laws, regulations and obligations; however, there can be no assurance that all of our employees, consultants and agents will comply with our policies and all applicable laws and any noncompliance could subject us to fines, penalties and loss of business.

The volume and complexity of the regulations that impact our business, directly or indirectly, will continue to increase our cost of doing business. If we or third parties with whom we partner or contract fail to comply with applicable laws and regulations, we could be exposed to litigation or regulatory proceedings, our client relationships and reputation could be harmed, our ability to obtain new clients could be inhibited, we could be required to change the manner in which we conduct our business or suspend or terminate certain services, and we could incur significant fines, penalties, or losses, all of which could have a material adverse impact on our business, results of operations and financial condition.

**If we fail to comply with the applicable requirements of the payment card networks and Nacha, they could seek to fine us, suspend us or terminate our registrations, which could adversely affect our business.**

In order to provide our transaction processing services, several of our subsidiaries are registered with Visa and Mastercard and other networks as members or service providers for member institutions. A number of our subsidiaries outside the U.S. are direct members or associate members of Visa and Mastercard for purposes of conducting merchant acquiring, and various subsidiaries are also processor level members of numerous debit and electronic benefits transaction networks. As such, we are subject to card association and network rules that could subject us or our clients to a variety of fines or penalties that may be levied by the card associations or networks for certain acts or omissions by us, acquiring clients, processing clients or merchants. In addition, we are subject to Nacha rules relating to payment transactions processed by us using the ACH network and to various federal and state laws regarding such operations, including laws pertaining to electronic fund transfer and electronic benefits transactions, as well as the Payment Card Industry Data Security Standard enforced by the major card brands. The rules of Nacha and the card networks are set by their respective boards, some of which are our competitors, and the card network rules may be influenced by card issuers, some of which offer competing transaction processing services.

If we fail to comply with these rules, we could be fined and our member registrations or certifications could be suspended or terminated. The suspension or termination of our member registrations or certifications, or any changes to the association and network rules, that we do not successfully address, or any other action by the card networks to restrict our ability to process transactions over such networks, could limit our ability to provide transaction processing services to clients and result in a reduction of revenue or increased costs of operation, which, in either case, could have a material adverse effect on our business and results of operations.

**A heightened regulatory environment in the financial services industry may have an adverse impact on our clients and our business.**

Since the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, a number of substantial regulations affecting the supervision and operation of the financial services industry within the U.S. have been adopted, including those that

establish the Consumer Financial Protection Bureau (“CFPB”). The CFPB has issued regulations and guidance under U.S. consumer financial protection laws that apply to, and conducts direct examinations of, “supervised banks and nonbanks” as well as “supervised service providers” like us. CFPB rules, examinations and enforcement actions may require us to adjust our activities and may increase our compliance costs. Changes to applicable financial services laws or regulations could adversely impact our debit network business and other businesses. In addition, certain of our alliance partners are subject to regulation by federal and state authorities and, as a result, could pass through some of those compliance obligations to us.

Additional regulation, examination or oversight of our business could require us to modify the manner in which we contract with or provide products and services to our clients; directly or indirectly limit how much we can charge for our services; require us to invest additional time and resources to comply with such oversight and regulations, including in respect of audits, investigations or enforcement actions related to us or third parties; or limit our ability to update our existing products and services, or require us to develop new ones. If this oversight or regulation negatively impacts the business, operations or financial condition of our clients, our business and results of operations could be materially and adversely affected because, among other matters, our clients could have less capacity to purchase products and services from us, could decide to avoid or abandon certain lines of business, or could seek to pass on increased costs to us by negotiating price reductions. Any of these events, if realized, could have a material adverse effect on our business, results of operations and financial condition.

**Legislative or regulatory initiatives on cybersecurity and data privacy could adversely impact our business and financial results.**

Cybersecurity and data privacy risks have received heightened legislative and regulatory attention. In Europe, the General Data Protection Regulation (“GDPR”) extends the scope of the E.U. data protection law to all companies processing data of individuals within the E.U., regardless of the company’s location, subject to certain limitations. The law requires companies to meet stringent requirements regarding the handling of personal data. E.U. data protection law continuously develops and requires significant changes to our policies and procedures. We are also subject to U.K. GDPR following the U.K.’s exit from the E.U. Single Market and Customs Union. Our efforts to comply with E.U., U.K. and other privacy and data protection laws around the world that apply to our businesses could involve substantial expenses, divert resources from other initiatives and projects and limit the services we are able to offer. There is also increased focus on data localization requirements around the world in countries such as the United Arab Emirates, China and India which could impact our business model with respect to our storage and transfer of personal data.

In addition, U.S. regulators, including the U.S. Federal Banking Agencies and the U.S. Federal Trade Commission have adopted or proposed enhanced cyber and privacy security standards that apply to us and our financial institution clients and address cyber risk governance and management, management of internal and external dependencies, and incident response, cyber resilience and situational awareness. Legislation and regulations on cybersecurity, data privacy and data localization may compel us to enhance or modify our systems, invest in new systems or alter our business practices or our policies on data governance and privacy. If any of these outcomes were to occur, our operational costs could increase significantly. Failure to comply with applicable laws in this area could also result in significant fines, penalties and reputational damage.

**Failure to comply with state and federal antitrust requirements could adversely affect our business.**

Through our merchant alliances, we hold an ownership interest in several competing merchant acquiring businesses while serving as an electronic processor for those businesses. In order to satisfy state and federal antitrust requirements, we actively maintain an antitrust compliance program. Notwithstanding our compliance program, it is possible that perceived or actual violations of state or federal antitrust requirements could give rise to regulatory enforcement investigations or actions. Regulatory scrutiny of, or regulatory enforcement action in connection with, compliance with state and federal antitrust requirements could have a material adverse effect on our reputation and business.

**We may be sued for infringing the intellectual property rights of others.**

Third parties may claim that we are infringing their intellectual property rights. We expose ourselves to additional liability when we agree to defend or indemnify our clients against third-party infringement claims. If the owner of intellectual property establishes that we are, or a client which we are obligated to indemnify is, infringing its intellectual property rights, we may be forced to change our products or services, and such changes may be expensive or impractical, or we may need to seek royalty or license agreements from the owner of such rights. If we are unable to agree on acceptable terms, we may be required to discontinue the sale of key products or halt other aspects of our operations. We may also be liable for financial damages for a violation of intellectual property rights, and we may incur expenses in connection with indemnifying our clients against losses suffered by them. Any adverse result related to violation of third-party intellectual property rights could materially and adversely harm our business, results of operations and financial condition. Even if intellectual property claims brought against us are without merit, they may result in costly and time-consuming litigation and may require significant attention from our management and key personnel.

**Misappropriation of our intellectual property and proprietary rights could impair our competitive position.**

Our ability to compete depends upon proprietary systems and technology. We actively seek to protect our intellectual property and proprietary rights. Nevertheless, unauthorized parties may attempt to copy aspects of our services or to obtain and use information that we regard as proprietary. In addition, use of AI tools may result in the release of confidential or proprietary information which could limit our ability to protect, or prevent us from protecting, our intellectual property rights. The steps we have taken may not prevent misappropriation of technology. Agreements entered into for that purpose may not be enforceable or provide us with an adequate remedy. It is also possible that others will independently develop the same or similar technology. Further, we use open source software in connection with our solutions. Companies that incorporate open source software into their solutions have, from time to time, faced claims challenging the ownership of solutions developed using open source software. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software. Effective patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which our applications and services are made available. The laws of certain non-U.S. countries where we do business or contemplate doing business in the future may not recognize intellectual property rights or protect them to the same extent as do the laws of the U.S. Misappropriation of our intellectual property or potential litigation concerning such matters could have a material adverse effect on our business, results of operations and financial condition.

**Changes in tax laws and regulations could adversely affect our results of operations and cash flows from operations.**

Our operations are subject to tax by federal, state, local, and international taxing jurisdictions. Changes in tax laws or their interpretations in our significant tax jurisdictions could materially increase the amount of taxes we owe, thereby negatively impacting our results of operations as well as our cash flows from operations. Additionally, future tax laws, regulations or guidance from the Internal Revenue Service, the Securities and Exchange Commission or the Financial Accounting Standards Board could cause us to adjust current estimates in future periods, which could impact our earnings and have an adverse effect on our results of operations and cash flow.

The U.S. Congress, the Organization for Economic Co-operation and Development (the “OECD”) and other government agencies in jurisdictions in which we do business remain focused on the taxation of multinational corporations. The OECD, which represents a coalition of member countries, including the U.S., is contemplating changes to numerous longstanding tax principles, including ensuring all companies pay a global minimum tax and expanding taxing rights of market countries. Because the timing of implementation and the specific measures adopted will vary among participating countries, significant uncertainty remains regarding the impact of these initiatives and their implementation could adversely affect our business or financial results.

Furthermore, our implementation of new practices and processes designed to comply with changing tax laws and regulations could require us to make substantial changes to our business practices, allocate additional resources, and increase our costs, which could negatively affect our business, results of operations and financial condition.

**Unfavorable resolution of tax contingencies could adversely affect our results of operations and cash flows from operations**

Our tax returns and positions are subject to review and audit by federal, state, local and international taxing authorities. An unfavorable outcome to a tax audit could result in higher tax expense, thereby negatively impacting our results of operations as well as our cash flows from operations. We have established contingency reserves for known tax exposures relating to deductions, transactions and other matters involving some uncertainty as to the proper tax treatment of the item. These reserves reflect what we believe to be reasonable assumptions as to the likely final resolution of each issue if raised by a taxing authority. While we believe that the reserves are adequate to cover reasonably expected tax risks, there is no assurance that, in all instances, an issue raised by a tax authority will be finally resolved at a financial cost not in excess of any related reserve. An unfavorable resolution, therefore, could negatively impact our effective tax rate, financial position, results of operations, and cash flows in the current and/or future periods.

***Organizational and Financial Risks***

**The failure to attract and retain key personnel could have a material adverse effect on our business.**

We depend on the experience, skill and contributions of our senior management and other key employees. If we fail to attract, motivate and retain highly qualified management, technical, compliance and sales personnel, our future success could be harmed. Our senior management provides strategic direction for our company, and if we lose members of our leadership team, our management resources may have to be diverted from other priorities to address this loss. Our products and services require sophisticated knowledge of the financial services industry, applicable regulatory and industry requirements, computer systems,

and software applications, and if we cannot hire or retain the necessary skilled personnel, we could suffer delays in new product development, experience difficulty complying with applicable requirements or otherwise fail to satisfy our clients' demands.

**Losses due to chargebacks, refunds or returns could have a material adverse effect on our business, results of operations and financial condition.**

We may be liable if our merchants or other parties that have obligations to deliver goods or services to cardholders fail to satisfy their obligations. For example, we and our merchant acquiring alliances may be subject to contingent liability for transactions originally acquired by us that are disputed by the cardholder and charged back to the merchants or other parties. These disputes could arise from fraud, misuse, unintentional use, settlement delay or failure, insufficiency of funds, returns, a failure to perform a service, or other reasons. If we or the alliance is unable to collect this amount from the merchant or other party because of the merchant's or other party's insolvency or other reasons, we or the alliance will bear the loss for the amount of the refund paid to the cardholder. Although we have an active program to manage our credit risk, and often mitigate our risk by obtaining collateral, a default on such obligations by one or more of our merchants or others could have a material adverse effect on our business, and results of operations and financial condition.

Additionally, we may be subject to potential liability for fraudulent transactions, including electronic payment and card transactions or credits initiated by merchants or others. Examples of merchant fraud include when a merchant or other party knowingly uses a stolen or counterfeit credit, debit or prepaid card, card number or other credentials to record a false sales transaction, processes an invalid card or intentionally fails to deliver the merchandise or services sold in an otherwise valid transaction. Criminals are using increasingly sophisticated methods to engage in illegal activities such as counterfeiting and fraud. We also rely on ISOs to sell our merchant processing services, which they may do by contracting with their own sub-ISOs. We rely on these ISOs and sub-ISOs to exercise appropriate controls to avoid fraudulent transactions. It is possible that incidents of fraud could increase in the future. Failure to effectively manage risk and prevent fraud, or otherwise effectively administer our chargeback responsibilities, would increase our chargeback liability and expose us to fines or other liabilities. Increases in chargebacks, fines or other liabilities could have a material adverse effect on our business, results of operations and financial condition.

**Acquisitions subject us to risks, including assumption of unforeseen liabilities and difficulties in integrating operations.**

A major contributor to our growth in revenue and earnings since our inception has been our ability to identify, acquire and integrate complementary businesses. We anticipate that we will continue to seek to acquire complementary businesses, products and services. We may not be able to identify suitable acquisition candidates or complete acquisitions in the future, which could adversely affect our future growth; or businesses that we acquire may not perform as well as expected or may be more difficult or expensive to integrate and manage than expected, which could adversely affect our business and results of operations. We may not be able to integrate all aspects of acquired businesses successfully or realize the potential benefits of bringing them together. In addition, the process of integrating these acquisitions may disrupt our business and divert our resources.

In addition, acquisitions outside of the U.S. often involve additional or increased risks including, for example:

- managing geographically separated organizations, systems and facilities;
- integrating personnel with diverse business backgrounds and organizational cultures;
- complying with non-U.S. regulatory requirements;
- fluctuations in currency exchange rates;
- enforcement of intellectual property rights in some non-U.S. countries;
- difficulty entering new non-U.S. markets due to, among other things, consumer acceptance and business knowledge of these new markets; and
- general economic and political conditions.

These risks may arise for a number of reasons: we may not be able to find suitable businesses to acquire at affordable valuations or on other acceptable terms; we may face competition for acquisitions from other potential acquirers; we may need to borrow money or sell equity or debt securities to the public to finance acquisitions and the terms of these financings may be adverse to us; changes in accounting, tax, securities or other regulations could increase the difficulty or cost for us to complete acquisitions; we may discover liabilities, deficiencies, or other claims associated with the companies or assets we acquire that were not identified in advance, which may result in significant unanticipated costs; the effectiveness of our due diligence review and our ability to evaluate the results of such due diligence are dependent upon the accuracy and completeness of statements

and disclosures made or actions taken by the companies we acquire or their representatives, as well as the limited amount of time in which acquisitions are executed. In addition, we may fail to accurately forecast the financial impact of an acquisition or other strategic transaction, including tax and accounting charges; we may incur unforeseen obligations or liabilities in connection with acquisitions; we may need to devote unanticipated financial and management resources to an acquired business; we may not realize expected operating efficiencies or product integration benefits from an acquisition; we could enter markets where we have minimal prior experience; and we may experience decreases in earnings as a result of non-cash impairment charges.

**We may be obligated to indemnify the purchasers of businesses pursuant to the terms of the relevant purchase and sale agreements.**

We have in the past and may in the future sell businesses. In connection with sales of businesses, we may make representations and warranties about the businesses and their financial affairs and agree to retain certain liabilities associated with our operation of the businesses prior to their sale. Our obligation to indemnify the purchasers and agreement to retain liabilities could have a material adverse effect on our business, results of operations and financial condition.

**Our balance sheet includes significant amounts of goodwill and intangible assets. The impairment of a significant portion of these assets would negatively affect our results of operations.**

Our balance sheet includes goodwill and intangible assets that represent 53% of our total assets at December 31, 2023. These assets consist primarily of goodwill and identified intangible assets associated with our acquisitions. On at least an annual basis, we assess whether there have been impairments in the carrying value of goodwill. In addition, we review intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. If the carrying value of the asset is determined to be impaired, then it is written down to fair value by a non-cash charge to operating earnings. An impairment of a significant portion of goodwill or intangible assets could have a material negative effect on our results of operations.

**Existing or future leverage may harm our financial condition and results of operations.**

At December 31, 2023, we had approximately \$23.1 billion of debt. We and our subsidiaries may incur additional indebtedness in the future. Our indebtedness could: decrease our ability to obtain additional financing for working capital, capital expenditures, general corporate or other purposes; limit our flexibility to make acquisitions; increase our cash requirements to support the payment of interest; limit our flexibility in planning for, or reacting to, changes in our business and our industry; and increase our vulnerability to adverse changes in general economic and industry conditions. Our ability to make payments of principal and interest on our indebtedness depends upon our future performance, which will be subject to general economic conditions and financial, business and other factors affecting our consolidated operations, many of which are beyond our control. In addition, if certain of our outstanding senior notes or commercial paper notes are downgraded to below investment grade, we may incur additional interest expense. If we are unable to generate sufficient cash flow from operations in the future to service our debt and meet our other cash requirements, including due to further deterioration in economic and market conditions, we may be required, among other things: to seek additional financing in the debt or equity markets; to refinance or restructure all or a portion of our indebtedness; or to reduce or delay planned capital or operating expenditures. Such measures might not be sufficient to enable us to service our debt and meet our other cash requirements. In addition, any such financing, refinancing or sale of assets might not be available at all or on economically favorable terms.

**An increase in interest rates may negatively impact our operating results and financial condition.**

Certain of our borrowings, including borrowings under our revolving credit facility, term loan, foreign lines of credit and commercial paper programs, are at variable rates of interest. Beginning in 2022, and continuing through mid-2023, interest rates increased significantly and interest rates may continue to increase or remain at higher than recent historical levels in the future. An increase in interest rates would have a negative impact on our results of operations by causing an increase in interest expense. At December 31, 2023, we had approximately \$2.3 billion in variable rate debt, which includes \$516 million drawn on our revolving credit facility and foreign lines of credit, and an aggregate amount of \$1.7 billion outstanding under our U.S. dollar and Euro commercial paper programs. Based on outstanding debt balances and interest rates at December 31, 2023, a 1% increase in variable interest rates would result in an increase to annual interest expense of \$23 million.

**Our results of operations may be adversely affected by changes in foreign currency exchange rates.**

We are subject to risks related to changes in currency rates as a result of our investments in foreign operations and from revenues generated in currencies other than the U.S. dollar. Revenues and profit generated by such international operations will increase or decrease compared to prior periods as a result of changes in foreign currency exchange rates. From time to time, we utilize foreign currency forward contracts and other hedging instruments to mitigate the market value risks associated with

foreign currency-denominated transactions and investments. These hedging strategies may not, however, eliminate all of the risks related to foreign currency translation, and we may forgo the benefits we would otherwise experience if currency exchange rates were to change in our favor. In addition, we may incur material foreign currency exchange losses due to the remeasurement of monetary assets and liabilities in highly inflationary economies. We have also issued foreign currency-denominated senior notes and commercial paper notes for which payments of interest and principal are to be made in foreign currency, and fluctuations in foreign currency exchange rates could cause the expense associated with such payments to increase. In addition, we may become subject to exchange control regulations that restrict or prohibit the conversion of our foreign revenue currencies into U.S. dollars. Any of these factors could decrease the value of revenues and earnings we derive from our international operations and have a material adverse effect on our business.

**Item 1B. Unresolved Staff Comments**

None.

**Item 1C. Cybersecurity**

**Enterprise Risk Management**

We maintain an enterprise risk management (“ERM”) program designed to systematically identify and manage risk including risk from cybersecurity threats. The risk committee of the board of directors oversees our ERM program and it is reviewed annually by both the risk and audit committees of the board of directors. The risk committee also monitors and reports to the board regarding issues arising with respect to the risk governance structure and performance of the risk management function. The board, as a whole and through its committees, regularly engages with the Chief Risk Officer, management and outside advisors to identify, assess and manage risks of the company and to ensure the risk management function has the appropriate resources and authority to fulfill its responsibilities. An executive risk committee, comprised of senior leaders of our lines of business and corporate functions, provides executive level accountability for the ERM program.

On an ongoing basis, we identify, categorize, assess, monitor and respond to business risks. We consider the various ways in which risks may affect our business by measuring the impact of those risks against a consistent set of criteria, which include the potential impact to our operations, financial performance, clients, technology, reputation, business strategy and regulatory environment. The risk committee of the board of directors reviews and approves a list of top enterprise risks and the risk appetite relating to such risks. Among the top risks included in our ERM program is cybersecurity risk. Response plans are developed, tracked and implemented for residual risks that are above the acceptable tolerance level.

**Cybersecurity Risk**

***Management's Role in Cybersecurity***

Our global cybersecurity services team is responsible for assessing our technology environment, identifying emerging cybersecurity threats and evolving cybersecurity threat capabilities, and implementing business processes and technical defenses to safeguard our technology environment and services. Our management has established a cybersecurity and technology risk committee focused on managing cybersecurity and technology risk and implementing cybersecurity and technology plans, strategies and objectives. The committee is chaired by the Deputy Chief Information Security Officer, who reports to the Chief Operating Officer through our Chief Information Security Officer, and is comprised of senior business, cybersecurity, and technology leaders responsible for delivering our products and services. Our cybersecurity program is designed to enable us to detect and respond to cybersecurity incidents, continually improve the effectiveness of our cybersecurity controls, and dynamically respond to the evolving threat landscape.

Our cybersecurity operation center monitors our environment to detect cybersecurity incidents, identifies suspicious activities or unusual behaviors, and responds with the objective of minimizing potential impact to operations. We use various security technologies and controls and modern analytics designed to detect, prevent and respond to cybersecurity threats. Our global cybersecurity services team collects intelligence from the private and public sector related to cybersecurity threats, emerging adversarial campaigns and vulnerabilities. The global cybersecurity services team uses this information, along with internal intelligence and analytics, to evaluate the potential cybersecurity threats and develop security strategies to reduce risk and improve response.

We maintain a global cybersecurity policy that incorporates recognized industry standards from the National Institute of Standards and Technology including the Cybersecurity Framework and Special Publication 800-53 Security and Privacy Controls for Information Systems and Organizations as well as various security certifications.

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Our employees play a vital role in protecting our and our clients' data. We provide regular, mandatory training for our employees regarding cybersecurity threats to equip our employees with effective tools to address cybersecurity threats, and to communicate our evolving information security policies, standards, processes and practices. The traditional requirement for associate cybersecurity training is complemented by frequent security education and awareness campaigns. Each month, we feature a different security topic such as data loss prevention, phishing and ransomware. We also maintain a third-party risk management program to identify, assess, mitigate and monitor risks associated with third parties' software and services that we utilize.

Our Chief Information Security Officer has served in various senior roles in information technology and information security, in both the public and private sector, for over two decades and maintains a Certified Chief Information Security Officer professional certification. Similarly, the other members of our global cybersecurity services team have cybersecurity training and experience in both the public, including military and law enforcement, and private sectors and maintain various certifications in relevant subjects.

### **Board Oversight**

The board of directors maintains primary oversight of the company's strategic, operational and financial risks, including cybersecurity risks. The risk committee of the board of directors assists the board in its oversight of such risks and is primarily responsible for oversight of cybersecurity risks. The risk committee regularly reviews and discusses with management the current cybersecurity threat landscape, emerging trends and developments, and the company's guidelines, policies and processes for monitoring, managing, and mitigating cybersecurity risks.

The board and the risk committee receive regular presentations and reports from management as well as outside experts on cybersecurity risks, which address a wide range of topics including recent developments, evolving standards, vulnerability assessments, third-party and independent reviews, the threat environment, technology trends and information security considerations arising with respect to our peers and third parties. On an annual basis, the board and the risk committee discuss our approach to cybersecurity risk management with our Chief Risk Officer, Chief Compliance Officer and Chief Information Officer, among others. The board and the risk committee receive prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

### **Impact of Cybersecurity Threats**

Our results of operations and financial condition have not been materially affected by cybersecurity threats or incidents to date. However, to assess, identify, and manage material risks from cybersecurity threats, including as a result of previous cybersecurity incidents, we have invested and expect to continue to invest significant resources to maintain and enhance our information security and controls or to investigate and mitigate security vulnerabilities. As a result, cybersecurity threats and other technological risks involving our systems have materially affected our business strategy and processes. Although we believe that we maintain a robust program of information security and controls and that none of the cybersecurity incidents that we have encountered to date have materially affected us, we cannot be certain that the security measures and procedures we have in place to detect security incidents and protect sensitive data will be successful or sufficient to counter all current and emerging risks and threats. The impact of a material cybersecurity incident involving our systems and data, or those of our clients, partners or vendors, could have a material adverse effect on our business strategy, results of operations and financial condition.

### **Item 2. Properties**

At December 31, 2023, we owned 18 and leased 117 properties globally. Our real estate strategy includes developing state-of-the art centralized campus environments in strategic locations across the U.S., including in Florida, Georgia, Nebraska, New Jersey and Wisconsin. These locations are used for operational, data center, sales, management and administrative purposes. As a normal part of our business operations, including in connection with the integration of companies that we acquire, we regularly review our real estate portfolio. We may choose to acquire or dispose of properties in order to maintain a real estate footprint designed to maximize collaboration, innovation and communication in ways that enable us to best serve our clients and to create more opportunities for professional growth and development for our associates.

### **Item 3. Legal Proceedings**

In the normal course of business, we or our subsidiaries are named as defendants in lawsuits in which claims are asserted against us. In the opinion of management, the liabilities, if any, which may ultimately result from such lawsuits are not expected to have a material adverse effect on our consolidated financial statements.

**Item 4. Mine Safety Disclosures**

Not applicable.

## INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The names of our executive officers as of February 22, 2024, together with their ages, positions and business experience are described below:

Name	Age	Title
Frank J. Bisignano	64	Chairman, President and Chief Executive Officer
Guy Chiarello	64	Chief Operating Officer
John Gibbons	64	Head of Financial Institutions Group
Robert W. Hau	58	Chief Financial Officer
Jennifer LaClair	52	Head of Global Business Solutions
Adam L. Rosman	58	Chief Administrative Officer and Chief Legal Officer

*Mr. Bisignano* has served as Chairman of the Board since 2022, Chief Executive Officer since 2020 and a director and President since 2019. He served as Chief Operating Officer from 2019 to 2020. Mr. Bisignano joined Fiserv as part of the acquisition of First Data Corporation in 2019, where he served as chief executive officer since 2013 and chairman since 2014. From 2005 to 2013, he held various executive positions with JPMorgan Chase & Co., a global financial services firm, including co-chief operating officer, chief executive officer of mortgage banking and chief administrative officer. From 2002 to 2005, Mr. Bisignano served as chief executive officer for Citigroup's Global Transactions Services business and a member of Citigroup's Management Committee.

*Mr. Chiarello* has served as Chief Operating Officer since 2021 and previously served as Chief Administrative Officer from 2019 to 2021. Mr. Chiarello joined Fiserv as part of the acquisition of First Data Corporation in 2019, where he served as president since 2013. From 2007 to 2013, he served as chief information officer of JPMorgan Chase & Co., a global financial services firm. From 1985 to 2007, Mr. Chiarello served in various technology and leadership roles including chief information officer at Morgan Stanley, a global financial services firm.

*Mr. Gibbons* has served as Head of the Financial Institutions Group since October 2023, and previously served as Co-Head of the Financial Institutions Group since March 2023 and Head of the Europe, Middle East, and Africa (EMEA) region since joining Fiserv in 2019 as a part of the acquisition of First Data Corporation, where he served as Head of the EMEA region since 2018. Before joining First Data Corporation, Mr. Gibbons led global transaction banking at Deutsche Bank, a global financial services firm, from 2016 to 2018, and served in various leadership roles at JPMorgan Chase & Co., a global financial services firm, from 2011 to 2016, including as regional executive for EMEA and global head of banks and broker dealers for treasury services.

*Mr. Hau* has served as Chief Financial Officer since 2016. Before joining Fiserv, Mr. Hau served as executive vice president and chief financial officer at TE Connectivity Ltd., a global technology and manufacturing company, from 2012 to 2016. From 2009 to 2012, he served as executive vice president and chief financial officer at Lennox International Inc., a provider of products and services in the heating, air conditioning, and refrigeration markets; and from 2006 to 2009, he served as vice president and chief financial officer for the aerospace business group of Honeywell International, Inc., a technology and manufacturing company.

*Ms. LaClair* has served as Head of Global Business Solutions since January 2024 and previously served as Chief Revenue Officer since July 2023. Before joining Fiserv, Ms. LaClair served as chief financial officer of Ally Financial, a digital-only bank and national retail auto lender, from 2017 to 2022. From 2007 to 2017, Ms. LaClair held multiple leadership roles at PNC Financial Services, including chief financial officer for all businesses spanning consumer, commercial and corporate banking, mortgage, and asset management, and head of PNC's business bank, including merchant services. Prior to that, from 2001 to 2007, Ms. LaClair worked at McKinsey & Company, where she was a strategy consultant and practice manager for the North America operations practice.

*Mr. Rosman* has served as Chief Administrative Officer and Chief Legal Officer since 2021. Before joining Fiserv, Mr. Rosman was general counsel of OneMain Financial, a consumer lender, from 2020 to 2021. Previously, he served as general counsel of First Data Corporation from 2014 to 2019. Before joining First Data Corporation, Mr. Rosman was group general counsel of Willis Group Holdings plc, a multinational risk advisor, insurance brokerage, and reinsurance brokerage company, from 2012 to 2014, and deputy general counsel from 2009 to 2012. Mr. Rosman also previously served as an assistant U.S. attorney and as deputy assistant to the president and deputy staff secretary for President William J. Clinton.

**PART II****Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities****Market Price Information**

Our common stock is traded on the New York Stock Exchange (“NYSE”) under the symbol “FI.” On June 7, 2023, we transferred the listing of our common stock to the NYSE from the NASDAQ Global Select Market, where it had previously traded under the symbol “FISV”. At December 31, 2023, our common stock was held by 1,538 shareholders of record and by a significantly greater number of shareholders who hold shares in nominee or street name accounts with brokers. We have never paid dividends on our common stock and we do not anticipate paying dividends in the foreseeable future. For additional information regarding our expected use of capital, refer to the discussion in this report under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources.”

**Issuer Purchases of Equity Securities**

The table below sets forth information with respect to purchases made by or on behalf of us or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934) of shares of our common stock during the three months ended December 31, 2023:

<b>Period</b>	<b>Total Number of Shares Purchased</b>	<b>Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup></b>	<b>Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup></b>
October 1-31, 2023	3,300,000	\$ 113.22	3,300,000	57,243,104
November 1-30, 2023	2,330,468	122.71	2,330,468	54,912,636
December 1-31, 2023	2,933,402	133.08	2,933,402	51,979,234
<b>Total</b>	<b>8,563,870</b>		<b>8,563,870</b>	

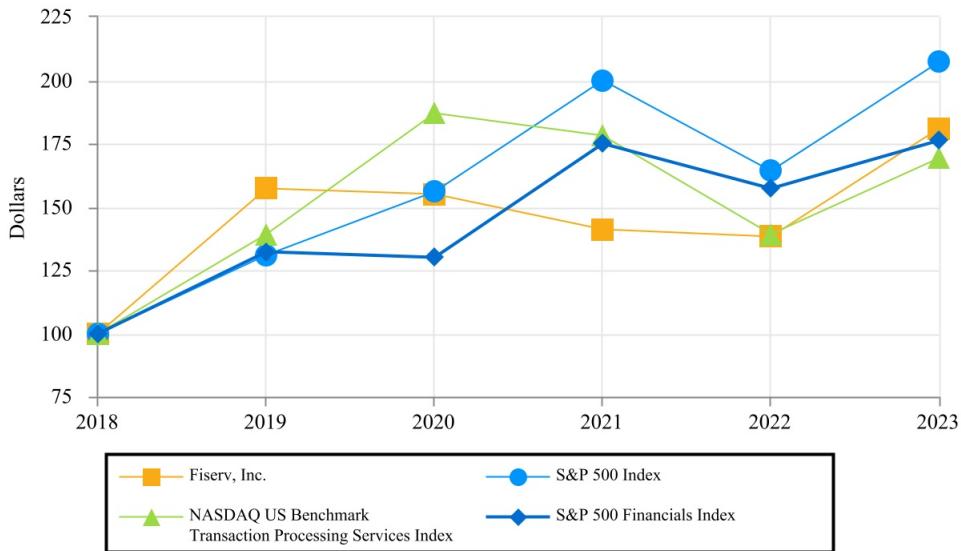
<sup>(1)</sup> On February 22, 2023, our board of directors authorized the purchase of up to 75.0 million shares of our common stock. This authorization does not expire.

**Stock Performance Graph**

The stock performance graph and related information presented below is not deemed to be “soliciting material” or to be “filed” with the Securities and Exchange Commission or subject to Regulation 14A or 14C under the Securities Exchange Act of 1934 or to the liabilities of Section 18 of the Securities Exchange Act of 1934 and will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate it by reference into such a filing.

The following graph compares the cumulative total shareholder return on our common stock for the five years ended December 31, 2023 with the S&P 500 Index, the S&P 500 Financials Index and the NASDAQ US Benchmark Transaction Processing Services Index (the “Index”). Prior to September 21, 2020, the Index was known as the NASDAQ US Benchmark Financial Administration Index. The Index, as renamed, is identical to the NASDAQ US Benchmark Financial Administration Index prior to its name change on September 21, 2020. In connection with the transfer of the listing of our common stock to the New York Stock Exchange from the NASDAQ Global Select Market in 2023, we believe the S&P 500 Financials Index is a more appropriate published industry index for comparison purposes going forward as it contains a number of our peers. The graph assumes that \$100 was invested on December 31, 2018 in our common stock and each index and that all dividends were reinvested. No cash dividends have been declared on our common stock. The comparisons in the graph are required by the Securities and Exchange Commission and are not intended to forecast or be indicative of possible future performance of our common stock.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN AMONG FISERV, INC., S&P 500 INDEX, S&P 500 FINANCIALS INDEX, AND NASDAQ US BENCHMARK TRANSACTION PROCESSING SERVICES INDEX  
(ASSUMES INITIAL INVESTMENT OF \$100 AND REINVESTMENT OF DIVIDENDS)



	December 31,					
	2018	2019	2020	2021	2022	2023
Fiserv, Inc.	\$ 100	\$ 157	\$ 155	\$ 141	\$ 138	\$ 181
S&P 500 Index	100	131	156	200	164	207
S&P 500 Financials Index	100	132	130	175	157	176
NASDAQ US Benchmark Transaction Processing Services Index	100	139	187	178	139	169

**Item 6. [Reserved]**

**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Management's discussion and analysis of financial condition and results of operations is provided as a supplement to our consolidated financial statements and accompanying notes to help provide an understanding of our financial condition, the changes in our financial condition and our results of operations. This section generally discusses information and results pertaining to the years ended December 31, 2023 and 2022. Information and discussion of results pertaining to the year ended December 31, 2021 not included herein can be found in Part II, "Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*" of our Annual Report on Form 10-K for fiscal year 2022, filed with the Securities and Exchange Commission on February 23, 2023. Our discussion is organized as follows:

- *Overview.* This section contains background information on our company and the products and services that we provide, acquisitions and dispositions, our enterprise priorities, and the trends affecting our industry in order to provide context for management's discussion and analysis of our financial condition and results of operations.
- *Critical accounting policies and estimates.* This section contains a discussion of the accounting policies that we believe are important to our financial condition and results of operations and that require judgment and estimates on the part of management in their application. Our critical accounting policies are also summarized in Note 1 to the accompanying consolidated financial statements.

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- *Results of operations.* This section contains an analysis of our results of operations presented in the accompanying consolidated statements of income by comparing the results for the year ended December 31, 2023 to the results for the year ended December 31, 2022.
- *Liquidity and capital resources.* This section provides an analysis of our cash flows and a discussion of our outstanding debt and commitments at December 31, 2023.

## **Overview**

### **Company Background**

We are a leading global provider of payments and financial services technology solutions. We serve clients around the globe, including merchants, banks, credit unions, other financial institutions and corporate clients. We provide account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale (“POS”) and business management platform. Our operations are comprised of the Merchant Acceptance (“Acceptance”) segment, the Financial Technology (“Fintech”) segment and the Payments and Network (“Payments”) segment.

The businesses in our Acceptance segment provide a wide range of commerce-enabling solutions and serve merchants of all sizes around the world. These solutions include merchant acquiring and digital commerce services; mobile payment services; security and fraud protection products; Clover, our cloud-based POS and integrated commerce operating system for small and mid-sized businesses (“SMBs”) and independent software vendors (“ISVs”); and Carat<sup>SM</sup>, our integrated operating system for large businesses. We distribute the products and services in the Acceptance segment businesses through a variety of channels, including direct sales teams, strategic partnerships with agent sales forces, ISVs, financial institutions and other strategic partners in the form of joint venture alliances, revenue sharing alliances and referral agreements. Merchants, financial institutions and distribution partners in the Acceptance segment are frequently clients of our other segments.

The businesses in our Fintech segment provide financial institutions around the world with the technology solutions they need to run their operations, including products and services that enable financial institutions to process customer deposit and loan accounts and manage an institution’s general ledger and central information files. As a complement to the core account processing functionality, the Fintech segment businesses also provide digital banking, financial and risk management, professional services and consulting, check processing, and other products and services that support numerous types of financial transactions. Certain of the businesses in the Fintech segment provide products or services to corporate clients to facilitate the management of financial processes and transactions. Many of the products and services offered in the Fintech segment are integrated with products and services provided by our other segments.

The businesses in our Payments segment provide financial institutions and corporate and public sector clients with the products and services required to process digital payment transactions. This includes card transactions such as debit, credit and prepaid card processing and services; a range of network services; security and fraud protection products; and card production and print services. In addition, the Payments segment businesses offer non-card digital payment software and services, including bill payment, account-to-account transfers, person-to-person payments, electronic billing, and security and fraud protection products. Clients of the Payments segment businesses reflect a wide range of industries around the world, including merchants, distribution partners and financial institution customers in our other segments.

Corporate and Other supports the reportable segments described above, and consists of amortization of acquisition-related intangible assets, unallocated corporate expenses and other activities that are not considered when we evaluate segment performance, such as gains or losses on sales of businesses, certain assets or investments; costs associated with acquisition and divestiture activity; certain services revenue associated with various dispositions; and our Output Solutions postage reimbursements.

We are effecting changes in our business designed to further enhance operational performance in the delivery of our integrated portfolio of products and solutions to our financial institution clients. As a result, we expect to realign our reportable segments to correspond with these organizational changes, which we expect to be completed effective for the quarter ending March 31, 2024. We continue to allocate resources and assess performance based on the current reportable segment structure.

### **Acquisitions and Dispositions**

We frequently review our businesses to ensure we have the necessary assets to execute our strategy. We expect to acquire businesses when we identify: a compelling strategic need, such as a product, service or technology that helps meet client demand; an opportunity to change industry dynamics; a way to achieve business scale that enables competition and operational efficiency; or similar considerations. We expect to divest businesses that are not in line with our market, product or financial

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strategies. The results of operations for the following acquired and divested businesses are included in our consolidated results from the respective dates of acquisition and through the respective dates of disposition.

### *Acquisitions of Businesses*

On October 9, 2023, we acquired Skytef Soluções em Captura de Transações Ltda (“Skytef”), a distributor for ISV partners and merchants of our Electronic Funds Transfer payments software. Skytef is included within the Acceptance segment and expands our distribution network and POS applications. On November 1, 2023, we acquired Sled S.A. (“Sled”), a provider of instant payment solutions. Sled is included within the Acceptance segment and expands our direct payment service capabilities. We acquired these businesses in Latin America for an aggregate purchase price, including hold-backs, of approximately \$17 million.

On December 29, 2022, we acquired OrangeData S.A. (“Yacaré”), an Argentina-based payment service provider that enables customers to transact at merchant locations using QR codes. Yacaré is included within the Acceptance segment and enhances our instant payment transaction capabilities. On December 20, 2022, we acquired Merchant One, Inc. (“Merchant One”), an independent sales organization (“ISO”) focused on acquiring merchants in the restaurant, retail and e-commerce industries using an innovative mix of direct and digital marketing strategies. Merchant One is included within the Acceptance segment and enhances our merchant distribution and sales force channels. On September 1, 2022, we acquired NexTable, Inc. (“NexTable”), a provider of cloud-based reservation and table management solutions for restaurants. NexTable is included within the Acceptance segment and expands our end-to-end restaurant solutions. On June 1, 2022, we acquired The LR2 Group, LLC (“City POS”), an ISO that promotes payment processing services and facilitates the sale of POS equipment for merchants. City POS is included within the Acceptance segment and expands our merchant services business. On April 1, 2022, we acquired the remaining majority controlling ownership interest in Finxact, Inc. (“Finxact”), a developer of cloud-native banking solutions powering digital transformation throughout the financial services sector. Finxact is included within the Fintech segment and advances our digital banking strategy, expanding our account processing, digital and payments solutions. We acquired these businesses in 2022 for an aggregate purchase price of \$994 million, net of \$28 million of acquired cash, and including earn-out provisions estimated at a fair value of \$6 million.

### *Dispositions of Businesses*

On July 25, 2023, we sold our financial reconciliation business, which was reported within the Fintech segment, for cash proceeds of \$235 million. We recognized a pre-tax gain of \$172 million on the sale during the year ended December 31, 2023.

On October 17, 2022, we sold Fiserv Costa Rica, S.A. and our Systems Integration Services (“SIS”) operations, which provides information technology engineering services in the United States of America (“U.S.”) and India, to a single buyer. Fiserv Costa Rica, S.A. and SIS were reported primarily within the Fintech segment. On September 30, 2022, we sold our Korea operations, which were reported within the Acceptance segment. We sold these operations in 2022 for total consideration of \$99 million and recognized an aggregate net pre-tax loss on the sales of \$83 million. During the year ended December 31, 2023, we recognized a pre-tax loss of \$3 million associated with final working capital adjustments related to the disposition of Fiserv Costa Rica, S.A.

### *Other Transactions*

On September 25, 2023, we acquired the remaining 49% ownership interest in European Merchant Services B.V., a Netherlands-based merchant acceptance business, for \$56 million. We previously held a majority controlling financial interest in this subsidiary, which continues to be consolidated and reported within the Acceptance segment.

Effective March 2022, we mutually agreed with a minority partner to terminate one of our merchant alliance joint ventures. In conjunction with such termination, the joint venture minority partner elected to exercise its option to purchase certain additional merchant contracts of the joint venture for \$175 million, resulting in the recognition of a pre-tax gain of \$137 million during the year ended December 31, 2022.

### *Enterprise Priorities*

We aspire to move money and information in a way that moves the world. Our purpose is to deliver superior value for our clients through leading technology, targeted innovation and excellence in everything we do. We are focused on driving growth and creating value by assembling a high-performing and diverse team, integrating our solutions, delivering operational excellence, allocating capital in a disciplined manner, including share repurchase and merger and acquisition activity, and delivering breakthrough innovation. Our long-term priorities are to meet our financial commitments; continue to build high-quality revenue; deepen client relationships with an emphasis on digital solutions and value-added services; deliver innovation

and integration enabling differentiated value for our clients; and generate integration value, including cost and revenue synergies from acquisitions.

#### ***Industry Trends***

The global payments landscape continues to evolve, with rapidly advancing technologies and a steady expansion of digital payments, e-commerce and real-time payments infrastructure. Because of this growth, competition also continues to intensify. Business and consumer expectations continue to rise, with a focus on speed, convenience, choice and security. To meet these expectations, payments companies are focused on modernizing their technology, expanding the use of data and enhancing the customer experience.

#### ***Merchants***

The rapid growth in and globalization of mobile and e-commerce, driven by consumers' desire for simpler, more efficient shopping experiences, has created an opportunity for merchants to reach consumers nearly anywhere, through any device, which often requires a merchant acquiring provider to enable and optimize the acceptance of payments. Merchants are demanding simpler, integrated and flexible systems to enable them to serve customers and help manage cash flow and everyday business operations. When combined with the ever-increasing ways a consumer can pay for goods and services, merchants have sought modern end-to-end solutions throughout their growth lifecycle to streamline the complexity. Furthermore, merchants can now search, discover, compare, purchase and even install a new system through direct, digital-only experiences. This direct, digital-only channel is a source of new merchant acquisition opportunities, especially with respect to smaller merchants.

Additionally, there are numerous software-as-a-service ("SaaS") solution providers in the industry, many of which have chosen to integrate merchant acquiring into their software as a way to generate revenue from existing client relationships. Such providers are independent software vendors, typically referred to as ISVs, and we believe there are thousands of these potential distribution partnership opportunities to cross-sell multiple value-added solutions available to us.

We believe that our merchant acquiring products and solutions create compelling value propositions for merchant clients of all sizes, from small and mid-sized businesses to medium-sized regional businesses to global enterprise merchants. The depth and breadth of our omnichannel solutions, and flexibility to serve clients across various channels and geographies, drives higher product attach rates with new and existing clients across all verticals. Furthermore, we believe that our strength in distribution, our progress growing software and services, and our value-based pricing as we continue to invest in our operating systems, gives us a solid foundation for growth.

#### ***Financial Institutions and Other Financial Technology Providers***

Financial services providers regularly introduce and implement new payment, deposit, risk management, lending and investment products, and the distinctions among the products and services traditionally offered by different types of financial institutions and other financial technology providers continue to narrow as they seek to serve the same customers. At the same time, the evolving global regulatory and cybersecurity landscape has continued to create a challenging operating environment for financial institutions. These conditions are driving heightened interest in solutions that help financial institutions win and retain customers, generate revenue, comply with regulations and enhance operating efficiency. In addition, the focus on the customer experience, including through mobile and online engagement, by both financial institutions and their customers, as well as the growing volume and types of payment transactions in the marketplace, continues to elevate the data and transaction processing needs of financial institutions.

Financial institutions must now be able to serve their customers with tailored solutions, delivered how and when those customers want. This requires financial institutions to not only process their transactions, but to integrate their products and services to give customers easy access to such integrated solutions, when they need it. Financial institutions are striving for this single, integrated view of a customer's activity. We believe that the integration of our products and services creates a compelling value proposition for our clients by providing, among other things, new sources of revenue and opportunities to reduce their costs. We have invested in integrating our platforms and value-added solutions to make it easy for a client to buy across our full product suite.

We expect that financial institutions and other financial technology providers will continue to invest significant capital to process transactions, manage information, maintain regulatory compliance and offer innovative new services to their customers in this rapidly evolving and competitive environmental shift from traditional to digital banking. We believe that economies of scale in developing and maintaining the infrastructure, technology, products, services and networks necessary to be competitive in such an environment are essential to justify these investments, and we anticipate that demand for products that facilitate customer interaction with financial institutions, including a unified, seamless customer experience across mobile and online channels, will continue to increase, which we expect to create revenue opportunities for us.

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Our focus on long-term client relationships and recurring, transaction-oriented products and services has reduced the impact that consolidation in the financial services industry has had on us. Rather than reducing the overall market, these consolidations transfer accounts among financial institutions. If a client loss occurs due to merger or acquisition, we typically receive a contract termination fee based on the size of the client and how early in the contract term the contract is terminated. We believe that our sizable and diverse client base, combined with our position as a leading provider of non-discretionary, recurring revenue-based products and services, gives us a solid foundation for growth.

### *Recent Market Conditions*

Global macroeconomic conditions, including rising interest rates, inflation, bank failures, disruptions in the global supply chain, changes in consumer spending, the effects of international hostilities and regulations restricting trade or impacting our ability to offer products or services, could have a material adverse effect on our business, results of operations and financial condition. While bank failures in early 2023 created uncertainty in the global financial markets, they did not have a material impact on our operating results. However, future bank failures could impact our receivable collections and cash flows or affect our ability to find merchant alliance partners. In addition, in recent years, we have observed increased shortages and delays in the global supply chain for components and inputs necessary to our businesses, such as point-of-sale devices, semiconductors, paper and plastic, and may experience difficulty procuring those components and inputs in the future on a timely basis or at historical prices. Personal consumption and consumer savings growth in the U.S. are expected to be lower in 2024, which may also negatively impact our business and financial results. We actively monitor and manage our business in response to these unpredictable geopolitical and market conditions, as they may adversely impact our operations and financial results.

In addition, our operating results in certain foreign countries in which we operate may be adversely impacted by fluctuations in exchange rates for currencies other than the U.S. dollar, including the Euro, British Pound Sterling and Argentine Peso. The strengthening of the U.S. dollar against certain foreign currencies in countries in which we operate would negatively impact our revenue and earnings. We also have exposure to risks related to currency devaluation in certain countries, which may negatively impact our international operating results if there is a prolonged devaluation of local currencies relative to the U.S. dollar or if the economic conditions in these countries decline. While the majority of our revenue is earned domestically, we actively monitor the foreign exchange rate environment in an effort to manage these risks.

The operations of our Argentina subsidiary are experiencing higher interest rates and higher inflation as compared to historical averages. We expect the anticipated benefits in 2024 of higher transitory revenue from above-average interest and inflation may be offset in whole or in part by foreign currency exchange losses related to a significant devaluation of the Argentine Peso.

For discussion of risks related to potential impacts of supply chain, geopolitical and macroeconomic challenges on our business, results of operations and financial condition, see “Part I. Item 1A. Risk Factors.” For management’s assessment of market risks, including interest rate and foreign currency risks, see “Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk.”

### **Critical Accounting Policies and Estimates**

Our consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the U.S., which require management to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenue and expenses. We continually evaluate the accounting policies and estimates that we use to prepare our consolidated financial statements, including for recently adopted accounting pronouncements, and base our estimates on historical experience and assumptions that we believe are reasonable in light of current circumstances. Actual amounts and results could differ materially from these estimates.

### *Acquisitions*

From time to time, we make strategic acquisitions that may have a material impact on our consolidated results of operations or financial position. We allocate the purchase price of acquired businesses to the assets acquired and liabilities assumed in the transaction at their estimated fair values. The estimates used to determine the fair value of long-lived assets, such as intangible assets, can be complex and require significant judgments. We use information available to us to make fair value determinations and engage independent valuation specialists, when necessary, to assist in the fair value determination of significant acquired long-lived assets. The determination of fair value requires estimates about discount rates, growth and retention rates, royalty rates, expected future cash flows and other future events that are judgmental in nature. While we use our best estimates and assumptions as a part of the purchase price allocation process, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of income. We are also required to estimate the useful lives of

intangible assets to determine the amount of acquisition-related intangible asset amortization expense to record in future periods. We periodically review the estimated useful lives assigned to our intangible assets to determine whether such estimated useful lives continue to be appropriate. Additional information regarding our acquisitions is included in Note 4 to the consolidated financial statements.

**Goodwill and Intangible Assets**

We review the carrying value of goodwill for impairment annually, or more frequently if events or circumstances indicate the carrying value may not be recoverable. Goodwill is tested for impairment at a reporting unit level, which is one level below our reportable segments. When reviewing goodwill for impairment, we consider the prior test's amount of excess fair value over the carrying value of each reporting unit, the period of time since a reporting unit's last quantitative test, the extent a reorganization or disposition changes the composition of one or more of our reporting units, and other factors to determine whether or not to first perform a qualitative test. When performing a qualitative test, we assess numerous factors to determine whether it is more likely than not that the fair value of our reporting units are less than their respective carrying values. Examples of qualitative factors that we assess include our share price, our financial performance, market and competitive factors in our industry and other events specific to our reporting units. If we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we perform a quantitative impairment test.

The quantitative impairment test compares the estimated fair value of the reporting unit to its carrying value, and recognizes an impairment loss for the amount by which a reporting unit's carrying amount exceeds its fair value, without exceeding the total amount of goodwill allocated to that reporting unit. We determine the fair value of a reporting unit using both a discounted cash flow analysis and a market approach. Determining the fair value of a reporting unit involves judgment and the use of significant estimates and assumptions, which include assumptions regarding the revenue growth rates and operating margins used to calculate estimated future cash flows, risk-adjusted discount rates and future economic and market conditions.

Our most recent annual impairment assessment of our reporting units in the fourth quarter of 2023 determined that our goodwill of \$37.2 billion was not impaired as the estimated fair values of the respective reporting units exceeded the carrying values. However, for three of our reporting units, with aggregate goodwill of \$10.8 billion, the excess of the respective reporting unit's fair value over carrying value ranged from 16 to 36 percent. If future operating performance is below our expectations or there are material changes to forecasted revenue growth rates or operating margins, risk-adjusted discount rates, foreign currency exchange rates, effective income tax rates, or some combination thereof, a decline in the fair value of the reporting units could result in, and we may be required to record, a goodwill impairment charge. Additionally, a significant change in a merchant alliance business relationship or operating performance could result in a material goodwill impairment charge. It is also reasonably possible that future developments related to the interest rate environment, a shift in strategic initiatives, or significant changes in the composition of certain of our reporting units could have a future material impact on one or more of the estimates and assumptions used to evaluate goodwill impairment. We have no accumulated goodwill impairment through December 31, 2023. Additional information regarding our goodwill is included in Note 7 to the consolidated financial statements.

We review intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. We review capitalized software development costs for impairment at each reporting date. Recoverability of intangible assets is assessed by comparing the carrying amount of the asset to either the undiscounted future cash flows expected to be generated by the asset or the net realizable value of the asset, depending on the type of asset. Determining future cash flows and net realizable values involves judgment and the use of significant estimates and assumptions regarding future economic and market conditions. Measurement of any impairment loss is based on estimated fair value. Additional information regarding our intangible assets is included in Note 6 to the consolidated financial statements. Given the significance of our goodwill and intangible asset balances, an adverse change in fair value could result in an impairment charge, which could be material to our consolidated financial statements.

**Revenue Recognition**

Revenue is measured based on consideration specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. As a practical expedient, we do not adjust the transaction price for the effects of a significant financing component if, at contract inception, the period between customer payment and the transfer of goods or services is expected to be one year or less. Contracts with customers are evaluated on a contract-by-contract basis as contracts may include multiple types of goods and services as described below.

#### *Processing and Services*

Processing and services revenue is generated from account- and transaction-based fees for data processing, merchant transaction processing and acquiring, electronic billing and payment services, electronic funds transfer and debit/credit processing services; consulting and professional services; and software maintenance for ongoing client support.

We recognize processing and services revenue in the period in which the specific service is performed unless they are not deemed distinct from other goods or services, which revenue would then be recognized as control is transferred of the combined goods and services. Our arrangements for processing and services typically consist of an obligation to provide specific services to our customers on a when- and if-needed basis (a stand-ready obligation) and revenue is recognized from the satisfaction of the performance obligations in the amount billable to the customer. These services are typically provided under a fixed or declining (tier-based) price per unit based on volume of service; however, pricing for services may also be based on minimum monthly usage fees. Fees for our processing and services arrangements are typically billed and paid on a monthly basis.

#### *Product*

Product revenue is generated from print and card production sales, as well as software license and hardware (primarily POS devices) sales. For software license agreements that are distinct, we recognize software license revenue upon delivery, assuming a contract is deemed to exist. Revenue for arrangements with customers that include significant customization, modification or production of software such that the software is not distinct is typically recognized over time based upon efforts expended, such as labor hours, to measure progress towards completion. For arrangements involving hosted licensed software for the customer, a software element is considered present to the extent the customer has the contractual right to take possession of the software at any time during the hosting period without significant penalty and it is feasible for the customer to either operate the software on their own hardware or contract with another vendor to host the software. We sell or lease hardware (POS devices) and other peripherals as part of our contracts with customers. Hardware typically consists of terminals or Clover devices. We do not manufacture hardware, rather we purchase hardware from third-party vendors and hold such hardware in inventory until purchased by a customer. We account for the sale of hardware as a separate performance obligation and recognize the revenue at the standalone selling price when the customer obtains control of the hardware.

#### *Significant Judgments*

We use the following methods, inputs and assumptions in determining amounts of revenue to recognize. For multi-element arrangements, we account for individual goods or services as a separate performance obligation if they are distinct, if the good or service is separately identifiable from other items in the arrangement, and if a customer can benefit from the good or service on its own or with other resources that are readily available to the customer. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation. Determining whether goods or services are distinct performance obligations that should be accounted for separately may require significant judgment.

Technology or service components from third parties are frequently embedded in or combined with our applications or service offerings. Whether we recognize revenue based on the gross amount billed to a customer or the net amount retained involves judgment that depends on the relevant facts and circumstances, including the level of contractual responsibilities and obligations for delivering solutions to end customers, to determine whether we obtain control of goods and services prior to their transfer to a customer.

The transaction price is determined based on the consideration to which we will be entitled in exchange for transferring products or services to the customer. We include any fixed charges within our contracts as part of the total transaction price. To the extent that variable consideration is not constrained, we include an estimate of the variable amount, as appropriate, within the total transaction price and update our assumptions over the duration of the contract. We may constrain the estimated transaction price in the event of a high degree of uncertainty as to the final consideration amount owed because of an extended length of time over which the fees may be adjusted. The transaction price (including any discounts or rebates) is allocated between distinct goods and services in a multi-element arrangement based on their relative standalone selling prices. For items that are not sold separately, we estimate the standalone selling prices using available information such as market conditions and internally approved pricing guidelines. Judgment may be required to determine standalone selling prices for each performance obligation and whether it depicts the amount we expect to receive in exchange for the related good or service.

Contract modifications occur when we and our customers agree to modify existing customer contracts to change the scope or price (or both) of the contract, or when a customer terminates some, or all, of the existing services provided by us. When a contract modification occurs, it requires us to exercise judgment to determine if the modification should be accounted for as (i) a separate contract, (ii) the termination of the original contract and creation of a new contract, or (iii) a cumulative catch up adjustment to the original contract. Further, contract modifications require the identification and evaluation of the performance obligations of the modified contract, including the allocation of revenue to the remaining performance obligations and the

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period of recognition for each identified performance obligation. Additional information regarding our revenue recognition policies is included in Note 3 to the consolidated financial statements.

### **Income Taxes**

The determination of our provision for income taxes requires management's judgment in the use of estimates and the interpretation and application of complex tax laws, including certain complexities attributed to our global footprint. Judgment is also required in assessing the timing and amounts of deductible and taxable items. We establish a liability for known tax exposures relating to deductions, transactions and other matters involving some uncertainty as to the proper tax treatment of the item. In establishing a liability for known tax exposures, assumptions are made in determining whether, and the extent to which, a tax position will be sustained. A tax benefit with respect to a tax position is recognized only when it is more likely than not to be sustained upon examination by the relevant taxing authority, based on its technical merits, considering the facts and circumstances available as of the reporting date. The amount of tax benefit recognized reflects the largest benefit that we believe is more likely than not to be realized on settlement with the relevant taxing authority. As additional information becomes available, we evaluate our tax positions and appropriately adjust our liability for known tax exposures.

We maintain net operating loss carryforwards in various taxing jurisdictions, resulting in the establishment of deferred tax assets. We establish a valuation allowance against our deferred tax assets when, based upon the weight of all available evidence, we believe it is more likely than not that some portion or all of the deferred tax assets will not be realized. In making this determination, we have considered the relative impact of all of the available positive and negative evidence regarding future sources of taxable income and available tax planning strategies. However, there could be a material impact to our effective income tax rate if there is a significant change in our judgment. To the extent our judgment changes, the valuation allowances are then adjusted as appropriate, generally through the provision for income taxes, in the period in which the change in facts and circumstances occurs. Additional information regarding our income taxes is included in Note 17 to the consolidated financial statements.

### **Results of Operations**

#### ***Components of Revenue and Expenses***

The following summary describes the components of revenue and expenses as presented in our consolidated statements of income.

##### ***Processing and Services***

Processing and services revenue, which represented 82% of our total revenue in 2023, is primarily generated from account- and transaction-based fees under multi-year contracts. Processing and services revenue is most reflective of our business performance as a significant amount of our total operating profit is generated by these services. Cost of processing and services consists of costs directly associated with providing services to clients and includes the following: personnel; equipment and data communication; infrastructure costs, including costs to maintain software applications; client support; certain depreciation and amortization; and other operating expenses.

##### ***Product***

Product revenue, which represented 18% of our total revenue in 2023, is derived from print and card production sales, as well as software license and hardware (primarily POS devices) sales. Cost of product consists of costs directly associated with the products sold and includes the following: costs of materials and postage; software development; hardware costs (primarily POS devices); personnel; infrastructure costs; certain depreciation and amortization; and other costs directly associated with product revenue.

##### ***Selling, General and Administrative Expenses***

Selling, general and administrative expenses primarily consist of: salaries, wages, commissions and related expenses paid to sales personnel, administrative employees and management; third-party commissions; advertising and promotional costs; certain depreciation and amortization; and other selling and administrative expenses.

**Financial Results**

The following table presents certain amounts included in our consolidated statements of income, the relative percentage that those amounts represent to revenue and the change in those amounts from year to year. This information should be read together with the consolidated financial statements and accompanying notes. The financial results presented below have been affected by acquisitions, dispositions, and foreign currency fluctuations.

(In millions)	Year Ended December 31,					
	2023		Percentage of Revenue <sup>(1)</sup>		Increase (Decrease)	
	2023	2022	2023	2022	\$	%
<b>Revenue:</b>						
Processing and services	\$ 15,630	\$ 14,460	81.9 %	81.5 %	\$ 1,170	8 %
Product	3,463	3,277	18.1 %	18.5 %	186	6 %
Total revenue	<u>19,093</u>	<u>17,737</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>1,356</u>	<u>8 %</u>
<b>Expenses:</b>						
Cost of processing and services	5,332	5,771	34.1 %	39.9 %	(439)	(8)%
Cost of product	2,338	2,221	67.5 %	67.8 %	117	5 %
Sub-total	<u>7,670</u>	<u>7,992</u>	<u>40.2 %</u>	<u>45.1 %</u>	<u>(322)</u>	<u>(4)%</u>
Selling, general and administrative	6,576	6,059	34.4 %	34.2 %	517	9 %
Net gain on sale of businesses and other assets	(167)	(54)	(0.9)%	(0.3)%	113	n/m
Total expenses	<u>14,079</u>	<u>13,997</u>	<u>73.7 %</u>	<u>78.9 %</u>	<u>82</u>	<u>1 %</u>
Operating income	5,014	3,740	26.3 %	21.1 %	1,274	34 %
Interest expense, net	(976)	(733)	(5.1)%	(4.1)%	243	33 %
Other expense, net	(140)	(94)	(0.7)%	(0.5)%	46	49 %
Income before income taxes and (loss) income from investments in unconsolidated affiliates	3,898	2,913	20.4 %	16.4 %	985	34 %
Income tax provision	(754)	(551)	(3.9)%	(3.1)%	203	37 %
(Loss) income from investments in unconsolidated affiliates	(15)	220	(0.1)%	1.2 %	(235)	n/m
Net income	<u>3,129</u>	<u>2,582</u>	<u>16.4 %</u>	<u>14.6 %</u>	<u>547</u>	<u>21 %</u>
Less: net income attributable to noncontrolling interests and redeemable noncontrolling interests	61	52	0.3 %	0.3 %	9	17 %
Net income attributable to Fiserv, Inc.	<u>\$ 3,068</u>	<u>\$ 2,530</u>	<u>16.1 %</u>	<u>14.3 %</u>	<u>\$ 538</u>	<u>21 %</u>

<sup>(1)</sup> Percentage of revenue is calculated as the relevant revenue, expense, or income amount divided by total revenue, except for cost of processing and services and cost of product amounts, which are divided by the related component of revenue.

(In millions)	Year Ended December 31,								
	Acceptance		Fintech		Payments		Corporate and Other		Total
<b>Total revenue:</b>									
2023	\$ 8,132	\$ 3,171	\$ 6,696	\$ 1,094	\$ 19,093				
2022	7,292	3,170	6,262	1,013	17,737				
Revenue growth	\$ 840	\$ 1	\$ 434	\$ 81	\$ 1,356				
Revenue growth percentage	12 %	— %	7 %	8 %	8 %				
<b>Operating income (loss):</b>									
2023	\$ 2,856	\$ 1,159	\$ 3,189	\$ (2,190)	\$ 5,014				
2022	2,321	1,157	2,823	(2,561)	3,740				
Operating income growth	\$ 535	\$ 2	\$ 366	\$ 371	\$ 1,274				
Operating income growth percentage	23 %	— %	13 %	34 %	34 %				
<b>Operating margin:</b>									
2023	35.1 %	36.6 %	47.6 %		26.3 %				
2022	31.8 %	36.5 %	45.1 %		21.1 %				
Operating margin growth <sup>(1)</sup>	330 bps	10 bps	250 bps		520 bps				

<sup>(1)</sup> Represents the basis point growth in operating margin.

Operating margin percentages are calculated using actual, unrounded amounts.

#### *Total Revenue*

Total revenue increased \$1,356 million, or 8%, in 2023 compared to 2022. The revenue increase was primarily driven by higher global processing revenue, partially offset by a 3% decrease due to foreign currency exchange rate fluctuations in 2023.

Revenue in our Acceptance segment increased \$840 million, or 12%, in 2023 compared to 2022. The revenue increase was driven by higher merchant acquiring payment volume, primarily from our international operations, as well as higher global merchant acquiring transaction volume. The revenue increase also included contributions from our Clover and Carat operating systems and the expansion of our merchant relationships through value-added services. Acceptance segment revenue growth was partially offset by an 8% decrease due to foreign currency exchange rate fluctuations in 2023.

Revenue in our Fintech segment was relatively flat in 2023 compared to 2022. An increase in Fintech segment processing revenue was primarily offset by a \$54 million decrease in license and termination fee revenue in 2023.

Revenue in our Payments segment increased \$434 million, or 7%, in 2023 compared to 2022. In 2023, our debit and credit processing businesses each contributed 2% to Payments segment revenue growth, primarily driven by an increase in debit transactions and active accounts, respectively. Our Zelle® and Output Solutions businesses each contributed 1% to Payments segment revenue growth in 2023, driven by an increase in transactions and favorable product mix, respectively.

Revenue at Corporate and Other increased \$81 million, or 8%, in 2023 compared to 2022, primarily due to increased postage revenue from postage rate increases during 2023.

#### *Total Expenses*

Total expenses increased \$82 million, or 1%, in 2023 compared to 2022. Total expenses as a percentage of total revenue decreased 520 basis points to 73.7% in 2023 compared to 2022. Total expenses as a percentage of total revenue were favorably impacted in 2023 by a reduction in amortization of acquisition-related intangible assets and severance costs of approximately 100 basis points and 70 basis points, respectively. Total expenses as a percentage of total revenue were also favorably impacted by a \$172 million pre-tax gain on the sale of our financial reconciliation business in 2023. The remaining decrease in total expenses as a percentage of total revenue was due to operating leverage across our various businesses.

Cost of processing and services as a percentage of processing and services revenue decreased to 34.1% in 2023 compared to 39.9% in 2022. Cost of processing and services as a percentage of processing and services revenue was favorably impacted in 2023 by strong operating leverage accompanying scalable revenue growth and expense management initiatives.

Cost of product as a percentage of product revenue decreased slightly to 67.5% in 2023 compared to 67.8% in 2022. The cost of product as a percentage of product revenue in 2023 was impacted by revenue mix between license fee and hardware revenue.

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Selling, general and administrative expenses as a percentage of total revenue increased slightly to 34.4% in 2023 compared to 34.2% in 2022. Selling, general and administrative expenses as a percentage of total revenue in 2023 included an increase in personnel costs and payments to our distribution partners, offset by a reduction in amortization of acquisition-related intangible assets of approximately 90 basis points.

The net gain on sale of businesses and other assets in 2023 primarily included a \$172 million pre-tax gain from the sale of our financial reconciliation business. The net gain on sale of businesses and other assets in 2022 of \$54 million included a \$137 million pre-tax gain from the sale of certain merchant contracts in conjunction with the mutual termination of one of our merchant alliance joint ventures and a \$44 million pre-tax gain from the sale of Fiserv Costa Rica, S.A. and our SIS operations. The gains in 2022 were partially offset by a \$127 million pre-tax loss from the sale of our Korea operations.

### *Operating Income and Operating Margin*

Total operating income increased \$1,274 million, or 34%, in 2023 compared to 2022. Total operating margin increased 520 basis points to 26.3% in 2023 compared to 2022. Total operating income and total operating margin benefited from scalable revenue growth, along with a reduction in amortization of acquisition related intangible assets and severance costs. Total operating margin in 2023 was also favorably impacted by a \$172 million pre-tax gain from the sale of our financial reconciliation business.

Operating income in our Acceptance segment increased \$535 million, or 23%, in 2023 compared to 2022. Operating margin increased 330 basis points to 35.1% in 2023 compared to 2022. Operating income and operating margin growth in our Acceptance segment was primarily due to operating leverage.

Operating income and operating margin in our Fintech segment was relatively flat in 2023 compared to 2022. Operating income and operating margin growth in our Fintech segment from operating leverage and expense management initiatives was primarily offset by a \$54 million decrease in high margin license and termination fee revenue.

Operating income in our Payments segment increased \$366 million, or 13%, in 2023 compared to 2022. Operating margin increased 250 basis points to 47.6% in 2023 compared to 2022. Payments segment operating income and margin growth in 2023 was primarily due to scalable revenue growth from our debit and credit processing businesses, as well as expense management initiatives in 2023.

The operating loss in Corporate and Other decreased \$371 million in 2023 compared to 2022. The operating loss in 2023 was favorably impacted by a reduction of \$191 million and \$135 million in amortization of acquisition related intangible assets and severance costs, respectively. The operating loss in 2023 included a \$172 million pre-tax gain on the sale of our financial reconciliation business and in 2022 a \$54 million net pre-tax gain, attributed to the sale of businesses and other assets, as described above.

### *Interest Expense, Net*

Interest expense, net increased \$243 million, or 33%, in 2023 compared to 2022 due to our public offering and issuance of \$1.8 billion, 800 million Euros and \$2.0 billion of higher fixed-rate senior notes in March 2023, May 2023 and August 2023, respectively, as well as increased variable rate borrowings associated with our settlement advance cash program in Latin America.

### *Other Expense, Net*

Other expense, net increased \$46 million in 2023 compared to 2022. Other expense, net includes foreign currency transaction gains and losses, gains or losses from a change in fair value of investments in certain equity securities, and amounts related to debt guarantee arrangements of certain joint ventures. Net foreign currency transaction losses increased \$114 million in 2023, including devaluation losses from the remeasurement of our Argentina subsidiary's monetary assets and liabilities in Argentina's highly inflationary economy. Other expense, net in 2022 included net pre-tax expense of \$48 million associated with joint venture debt guarantees.

### *Income Tax Provision*

Income tax provision as a percentage of income before income taxes and (loss) income from investments in unconsolidated affiliates was 19.3% and 18.9% in 2023 and 2022, respectively.

The effective income tax rate for both 2023 and 2022 included discrete tax benefits from subsidiary restructurings and equity compensation related tax benefits. The effective income tax rate for 2023 also included tax benefits from the purchase of transferable federal tax credits.

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### *(Loss) Income from Investments in Unconsolidated Affiliates*

Our share of net (loss) income from unconsolidated affiliates accounted for using the equity method is reported as (loss) income from investments in unconsolidated affiliates, and the related tax benefit (expense) is reported within the income tax provision in the consolidated statements of income. (Loss) income from investments in unconsolidated affiliates, including acquired intangible asset amortization from valuations in purchase accounting, was \$(15) million and \$220 million in 2023 and 2022, respectively. Income from investments in unconsolidated affiliates in 2022 included pre-tax net gains totaling \$209 million, primarily related to the acquisition-date fair value remeasurement of our previously held equity interest in Finxact of \$110 million, as well as \$80 million resulting from the dilution of our ownership interest in conjunction with the Sagent M&C, LLC transaction with a third party.

### *Net Income Attributable to Noncontrolling Interests*

Net income attributable to noncontrolling interests and redeemable noncontrolling interests relates to the minority partners' share of the net income in our consolidated subsidiaries. Net income attributable to noncontrolling interests, including acquired intangible asset amortization from valuations in purchase accounting, was \$61 million and \$52 million in 2023 and 2022, respectively.

### *Net Income Per Share - Diluted*

Net income attributable to Fiserv, Inc. per share-diluted was \$4.98 and \$3.91 in 2023 and 2022, respectively. In addition to the favorable impacts to net income attributable to Fiserv, Inc. described above, we repurchased 40.0 million shares of our common stock, reducing diluted weighted average outstanding shares by 5% for the full year.

## **Liquidity and Capital Resources**

### *General*

Our primary liquidity needs in the ordinary course of business are to: (i) fund normal operating expenses; (ii) meet the interest and principal requirements of our outstanding indebtedness, including finance leases; and (iii) fund capital expenditures and operating lease payments. We believe these needs will be satisfied in both the short and long term using cash flow generated by our operations, along with our cash and cash equivalents of \$1.2 billion, proceeds from the issuance of U.S. dollar and Euro commercial paper, and available capacity under our revolving credit facility of \$2.2 billion (net of outstanding revolver borrowings) and \$3.8 billion of capacity designated for outstanding borrowings under our commercial paper programs, senior notes due in 2024 and letters of credit) at December 31, 2023.

The following table summarizes our net cash provided by operating activities, or operating cash flow, and capital expenditures:

<b>(In millions)</b>	<b>Year Ended December 31,</b>		<b>Increase (Decrease)</b>	
	<b>2023</b>	<b>2022</b>	<b>\$</b>	<b>%</b>
Net income	\$ 3,129	\$ 2,582	\$ 547	
Depreciation and amortization	3,162	3,212	(50)	
Share-based compensation	342	323	19	
Deferred income taxes	(511)	(558)	47	
Net gain on sale of businesses and other assets	(167)	(54)	(113)	
Loss (income) from investments in unconsolidated affiliates	15	(220)	235	
Distributions from unconsolidated affiliates	55	73	(18)	
Non-cash impairment charges	—	14	(14)	
Net changes in working capital and other	(863)	(754)	(109)	
Net cash provided by operating activities	<u>\$ 5,162</u>	<u>\$ 4,618</u>	<u>\$ 544</u>	<u>12 %</u>
Capital expenditures, including capitalized software and other intangibles	<u>\$ 1,388</u>	<u>\$ 1,479</u>	<u>\$ (91)</u>	<u>(6)%</u>

Our operating cash flow was \$5.2 billion in 2023, an increase of 12% compared with \$4.6 billion in 2022. This increase was attributable to improved profitability and corresponding cash flows, partially offset by higher working capital use.

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We maintain investments in various affiliates that are accounted for as equity method investments. Total distributions from unconsolidated affiliates, including those classified as cash flows from investing activities, were \$191 million and \$211 million during 2023 and 2022, respectively.

Our current policy is to use our operating cash flow primarily to fund capital expenditures, share repurchases, acquisitions and to repay debt rather than to pay dividends. Our capital expenditures were approximately 7% and 8% of our total revenue in 2023 and 2022, respectively.

### **Cash Requirements**

The following table details our future cash requirements under certain contractual obligations at December 31, 2023:

(In millions)	<b>Total</b>	<b>Less than 1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>More than 5 years</b>
Long-term debt, including interest <sup>(1)(2)</sup>	\$ 28,937	\$ 1,576	\$ 5,322	\$ 9,120	\$ 12,919
Minimum finance lease payments <sup>(1)</sup>	686	216	336	128	6
Minimum operating lease payments <sup>(1)(2)</sup>	946	131	239	190	386
Purchase obligations <sup>(1)(3)</sup>	1,890	688	768	292	142
Income tax obligations	84	5	10	23	46
<b>Total</b>	<b>\$ 32,543</b>	<b>\$ 2,616</b>	<b>\$ 6,675</b>	<b>\$ 9,753</b>	<b>\$ 13,499</b>

<sup>(1)</sup> Interest, finance lease, operating lease and purchase obligations are reported on a pre-tax basis.

<sup>(2)</sup> The calculations assume that only mandatory debt repayments are made, no additional refinancing or lending occurs, except for our 2.750% senior notes due in July 2024, and U.S. dollar and Euro commercial paper notes programs as we have the intent to refinance this debt on a long-term basis through the issuance of new commercial paper notes upon maturity, and we have the ability to do so under our revolving credit facility maturing in June 2027. The variable rate on the revolving credit facility is priced at the rate in effect at December 31, 2023.

<sup>(3)</sup> Represents enforceable and legally binding agreements to purchase goods or services based on signed contracts as of December 31, 2023.

### **Share Repurchases**

On August 8, 2023, we repurchased 4.1 million shares of our common stock for \$121.98 per share in a privately negotiated transaction with ValueAct Capital Master Fund, L.P. for an aggregate purchase price of \$500 million. Including this transaction, we repurchased \$4.7 billion and \$2.5 billion of our common stock in 2023 and 2022, respectively. On February 22, 2023, our board of directors approved a repurchase authorization for an additional 75.0 million shares. As of December 31, 2023, we had approximately 52.0 million shares remaining under our then existing repurchase authorization. Shares repurchased are generally held for issuance in connection with our equity plans.

### **Acquisitions and Dispositions**

#### *Acquisitions of Businesses*

We acquired Skytef in October 2023 and Sled in November 2023 for an aggregate purchase price, including hold-backs, of approximately \$17 million. We acquired Yacaré and Merchant One in December 2022, NexTable in September 2022 and City POS in June 2022. Additionally, we acquired the remaining majority controlling ownership interest in Finxact in April 2022. We acquired these businesses in 2022 for an aggregate purchase price of \$994 million, net of \$28 million of acquired cash, and including earn-out provisions estimated at a fair value of \$6 million.

We funded these acquisitions by utilizing a combination of available cash and proceeds from the issuance of commercial paper. The results of operations for these acquired businesses are included in our consolidated results from the respective dates of acquisition.

#### *Dispositions of Businesses*

We sold our financial reconciliation business in July 2023 for cash proceeds of \$235 million. Net proceeds from the sale were primarily used to pay down indebtedness and repurchase shares of our common stock.

We sold Fiserv Costa Rica, S.A. and our SIS operations in October 2022 and our Korea operations in September 2022 for aggregate net cash proceeds of \$77 million, along with a minority noncontrolling equity interest in the buyer of the Korea

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operations. The net proceeds from these dispositions were primarily used to pay down indebtedness and repurchase shares of our common stock.

*Other Transactions*

In September 2023, we acquired the remaining 49% ownership interest in European Merchant Services B.V., in which we previously held a majority controlling financial interest in this consolidated subsidiary, for \$56 million. We funded this transaction by utilizing a combination of available cash and proceeds from the issuance of commercial paper.

Effective March 2022, we mutually agreed to terminate a merchant alliance joint venture with a minority partner. In conjunction with such termination, the joint venture minority partner elected to exercise its option to purchase certain additional merchant contracts of the joint venture for cash proceeds of \$175 million. The net proceeds from this transaction were primarily used to pay down indebtedness and repurchase shares of our common stock.

**Indebtedness**

Our debt consisted of the following at:

	<b>December 31,</b>	
(In millions)	<b>2023</b>	<b>2022</b>
<b>Short-term and current maturities of long-term debt:</b>		
Foreign lines of credit	\$ 442	\$ 198
Finance lease and other financing obligations	313	270
Total short-term and current maturities of long-term debt	<u><u>\$ 755</u></u>	<u><u>\$ 468</u></u>
<b>Long-term debt:</b>		
0.375% senior notes due July 2023 (Euro-denominated)	\$ —	\$ 531
3.800% senior notes due October 2023	—	1,000
2.750% senior notes due July 2024	2,000	2,000
3.850% senior notes due June 2025	900	900
2.250% senior notes due July 2025 (British Pound-denominated)	672	632
3.200% senior notes due July 2026	2,000	2,000
2.250% senior notes due June 2027	1,000	1,000
1.125% senior notes due July 2027 (Euro-denominated)	555	531
5.450% senior notes due March 2028	900	—
5.375% senior notes due August 2028	700	—
4.200% senior notes due October 2028	1,000	1,000
3.500% senior notes due July 2029	3,000	3,000
2.650% senior notes due June 2030	1,000	1,000
1.625% senior notes due July 2030 (Euro-denominated)	555	531
4.500% senior notes due May 2031 (Euro-denominated)	889	—
3.000% senior notes due July 2031 (British Pound-denominated)	672	632
5.600% senior notes due March 2033	900	—
5.625% senior notes due August 2033	1,300	—
4.400% senior notes due July 2049	2,000	2,000
U.S. dollar commercial paper notes	418	2,329
Euro commercial paper notes	1,321	1,210
Revolving credit facility	74	35
Term loan facility	—	200
Unamortized discount and deferred financing costs	(145)	(120)
Finance lease and other financing obligations	652	539
Total long-term debt	<u><u>\$ 22,363</u></u>	<u><u>\$ 20,950</u></u>

In August 2023, we completed the public offering and issuance of \$2.0 billion of senior notes, comprised of \$700 million aggregate principal amount of 5.375% senior notes due in August 2028 and \$1.3 billion aggregate principal amount of 5.625% senior notes due in August 2033. In May 2023, we completed the public offering and issuance of 800 million Euros aggregate principal amount of 4.500% senior notes due in May 2031. In March 2023, we completed the public offering and issuance of \$1.8 billion of senior notes, comprised of \$900 million aggregate principal amount of 5.450% senior notes due in March 2028 and \$900 million aggregate principal amount of 5.600% senior notes due in March 2033. We used the net proceeds from these senior notes offerings for general corporate purposes, including the repayment of U.S. dollar commercial paper notes, share repurchases, the repayment of the 0.375% Euro-denominated senior notes in July 2023 and the repayment of the 3.800% senior notes in October 2023.

At December 31, 2023, our debt consisted primarily of \$20.0 billion of fixed-rate senior notes and \$1.7 billion of outstanding borrowings under our commercial paper programs. Interest on our U.S. dollar-denominated senior notes is paid semi-annually, while interest on our Euro and British Pound-denominated senior notes is paid annually. Interest on our revolving credit facility and commercial paper notes is generally paid weekly, or more frequently on occasion, and interest on our term loan was paid monthly.

At December 31, 2023, the 2.750% senior notes due in July 2024 were classified in the consolidated balance sheet as long-term, as we have the intent to refinance this debt on a long-term basis and the ability to do so under our revolving credit facility. Outstanding borrowings under the commercial paper programs are also classified in the consolidated balance sheet as long-term, as we have the intent to refinance this commercial paper on a long-term basis through the continued issuance of new commercial paper upon maturity, and also have the ability to refinance such commercial paper under our revolving credit facility.

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*Variable Rate Debt*

Our variable rate debt consisted of the following at December 31, 2023:

<b>(In millions)</b>	<b>Maturity</b>	<b>Weighted-Average Interest Rate</b>	<b>Outstanding Borrowings</b>
Foreign lines of credit	n/a	63.060%	\$ 442
U.S. dollar commercial paper notes	various	5.454%	418
Euro commercial paper notes	various	4.029%	1,321
Revolving credit facility	June 2027	6.450%	74
Total variable rate debt		15.882%	\$ 2,255

We maintain certain short-term lines of credit and other borrowing arrangements with foreign banks and alliance partners primarily to fund settlement activity associated with operations in Latin America. We entered into an annually renewable term loan facility, which was fully funded in April 2023, to fund settlement advance cash payments in Brazil. This term loan has a notional value of 514 million Brazilian real (\$106 million U.S. dollar equivalent) at December 31, 2023 that matures in April 2024 and bears interest at a variable Certificado de Depósito Interbancário (CDI) Rate, plus a specified margin of 1.70% per annum.

The following table provides a summary of the outstanding borrowings and weighted average interest rates of our foreign lines of credit and other borrowing arrangements by country at December 31, 2023:

	<b>Outstanding Borrowings (in millions)</b>	<b>Weighted-Average Interest Rate</b>
Argentina	\$ 208	121.581 %
Brazil	123	13.500 %
Uruguay	55	11.125 %
Other	56	4.912 %
Total	\$ 442	63.060 %

We maintain unsecured U.S. dollar and Euro commercial paper programs with various maturities generally ranging from one day to four months. Outstanding borrowings under our commercial paper programs bear interest based on the prevailing rates at the time of issuance.

We also maintain a senior unsecured multicurrency revolving credit facility, which matures in June 2027 and provides for a maximum aggregate principal amount of availability of \$6.0 billion. Borrowings under the credit facility bear interest at a variable rate based on a Secured Overnight Financing Rate (SOFR) or a base rate in the case of U.S. dollar borrowings, in each case, plus a specified margin based on our long-term debt rating in effect from time to time. We are required to pay a facility fee based on the aggregate commitments in effect under the credit agreement from time to time.

In June 2023, we repaid all remaining outstanding borrowings on our existing term loan facility utilizing proceeds from the issuance of U.S. dollar commercial paper notes and operating cash on hand, thereby terminating such facility. Borrowings under the term loan facility accrued interest at a variable rate based on one-month LIBOR or on a base rate, plus, in each case, a specified margin based on our long-term debt rating in effect from time to time.

*Debt Covenants and Compliance*

The indentures governing our senior notes contain covenants that, among other matters, limit (i) our ability to consolidate or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, another person, (ii) our and certain of our subsidiaries' ability to create or assume liens, and (iii) our and certain of our subsidiaries' ability to engage in sale and leaseback transactions. We may, at our option, redeem the senior notes, in whole or in part, at any time and from time to time, at the applicable redemption price.

The revolving credit facility contains various restrictions and covenants that require us to, among other things, limit our consolidated indebtedness as of the end of each fiscal quarter to no more than 3.75 times our consolidated net income before interest, taxes, depreciation, amortization, non-cash charges and expenses and certain other adjustments during the period of four fiscal quarters then ended, subject to certain exceptions.

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During the year ended December 31, 2023, we were in compliance with all financial debt covenants. Our ability to meet future debt covenant requirements will depend on our continued ability to generate earnings and cash flows. We expect to remain in compliance with all terms and conditions associated with our outstanding debt, including financial debt covenants.

### **Debt Guarantees**

We maintain noncontrolling ownership interests in Sagent M&C, LLC and defi SOLUTIONS Group, LLC (collectively, the “Lending Joint Ventures”). The Lending Joint Ventures maintain, as amended in April 2022, variable-rate term loan facilities with aggregate outstanding borrowings of \$437 million in senior unsecured debt at December 31, 2023 and variable-rate revolving credit facilities with an aggregate borrowing capacity of \$83 million with a syndicate of banks, which mature in April 2027. There were \$24 million of outstanding borrowings on the revolving credit facilities at December 31, 2023. We have guaranteed the debt of the Lending Joint Ventures and do not anticipate that the Lending Joint Ventures will fail to fulfill their debt obligations. We maintained a liability of \$31 million at December 31, 2023 for the estimated fair value of our non-contingent obligations to stand ready to perform over the term of the guarantee arrangements. Such guarantees will be amortized in future periods over the contractual term of the debt. In addition, we maintained a contingent liability of \$23 million at December 31, 2023, representing the current expected credit losses to which we are exposed. This contingent liability is estimated based on certain financial metrics of the Lending Joint Ventures and historical industry data, which is used to develop assumptions of the likelihood the guaranteed parties will default and the level of credit losses in the event a default occurs. We have not made any payments under the guarantees, nor have we been called upon to do so.

### **Other**

Access to capital markets impacts our cost of capital and our ability to refinance maturing debt and fund future acquisitions. Our ability to access capital on favorable terms depends on a number of factors, including general market conditions, interest rates, credit ratings on our debt securities, perception of our potential future earnings and the market price of our common stock. As of December 31, 2023, we had a corporate credit rating of Baa2 with a stable outlook from Moody’s Investors Service, Inc. (“Moody’s”) and BBB with a stable outlook from Standard & Poor’s Ratings Services (“S&P”) on our senior unsecured debt securities. As of December 31, 2023, we had a commercial paper credit rating of P-2 from Moody’s and A-2 from S&P.

The interest rates payable on certain of our senior notes and commercial paper notes programs are subject to adjustment from time to time if Moody’s or S&P changes the debt rating applicable to the notes. If the ratings from Moody’s or S&P decrease below investment grade, the per annum interest rates on certain senior notes are subject to increase by up to two percent. In no event will the total increase in the per annum interest rates exceed two percent above the original interest rates, nor will the per annum interest rate be reduced below the original interest rate applicable to the senior notes.

### **Cash and Cash Equivalents**

Investments, exclusive of settlement assets, with original maturities of 90 days or less that are readily convertible to cash are considered to be cash equivalents as reflected within our consolidated balance sheets.

The table below details our cash and cash equivalents held at:

<b>(In millions)</b>	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Available	\$ 450	\$ 288
Unavailable <sup>(1)</sup>	754	614
<b>Total</b>	<b>\$ 1,204</b>	<b>\$ 902</b>

<sup>(1)</sup> Represents cash held by our joint ventures that is not available to fund operations outside of those entities unless the board of directors of the relevant entity declares a dividend, as well as cash held by other entities that are subject to foreign exchange controls in certain countries or regulatory capital requirements.

#### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Market risk refers to the risk that a change in the level of one or more market prices, interest rates, currency exchange rates, indices, correlations or other market factors, such as liquidity, will result in losses for a certain financial instrument or group of financial instruments. Our senior management actively monitors certain market risks to which we are exposed, primarily from fluctuations in interest rates and foreign currency exchange rates. In order to limit our exposure to these risks, we may enter into derivative instruments with creditworthy institutions to hedge against changing interest rates and foreign currency rate fluctuations. We currently utilize forward exchange contracts, fixed-to-fixed cross-currency rate swap contracts and other non-derivative hedging instruments to manage risk.

##### ***Interest Rate Risk***

In addition to existing cash and cash equivalents balances and cash provided by operating activities, we use a combination of fixed- and variable-rate debt instruments to finance our operations. We are exposed to interest rate risk on certain of these debt obligations. We had fixed- and variable-rate debt, excluding finance leases and other financing obligations, with varying maturities for an aggregate carrying amount of \$20.0 billion and \$2.3 billion, respectively, at December 31, 2023. Our fixed-rate debt at December 31, 2023 primarily consisted of fixed-rate senior notes with a fair value of \$19.3 billion, based on matrix pricing which considers readily observable inputs of comparable securities. The potential change in fair value of our fixed-rate senior notes from a hypothetical 1% change in market interest rates would not alone impact any decisions to repurchase our outstanding fixed-rate debt instruments before their maturity. Our variable-rate debt at December 31, 2023 primarily consisted of outstanding U.S. dollar and Euro commercial paper and borrowings on our variable rate foreign lines of credit. Based on our outstanding debt balances and interest rates at December 31, 2023, a hypothetical 1% increase in market interest rates related to our variable-rate debt would increase annual interest expense by approximately \$23 million. This sensitivity analysis assumes the outstanding debt balances at December 31, 2023 and the change in market interest rates is applicable for an entire year.

In connection with processing electronic payments transactions, funds received from subscribers are invested into short-term, highly liquid investments from the time we collect the funds until payments are made to the applicable recipients. Fluctuations in market interest rates affect the interest-related income that we earn on these investments. We also earn interest on intermediary settlement cash balances received from agents, payment networks, bank partners, merchants or direct consumers that we hold on behalf of merchants until the funding becomes due to the merchants or payees. Subscriber funds and intermediary settlement cash balances earning interest averaged \$3.4 billion during the year ended December 31, 2023. The interest earned on subscriber funds and intermediary settlement cash is recorded as a component of total revenue in the consolidated statements of income. During the year ended December 31, 2023, a hypothetical 1% decrease in market interest rates would decrease the annual interest-related income by approximately \$34 million. This sensitivity analysis uses the average subscriber fund and intermediary settlement cash balances during the year ended December 31, 2023 and assumes the change in market interest rates is applicable for an entire year.

Our risk with regard to interest rate fluctuations is largely mitigated by the offsetting impacts associated with our variable-rate debt and interest earning liquid investments associated with subscriber funds and intermediary settlement cash.

##### ***Foreign Currency Risk***

We conduct business globally and are exposed to foreign currency risk from changes in the value of underlying assets and liabilities of our non-U.S. dollar-denominated foreign investments and foreign currency transactions. We manage the exposure to these risks through the use of foreign currency forward exchange contracts, fixed-to-fixed cross-currency rate swap contracts and non-derivative net investment hedges. Translation gains and losses from non-U.S. subsidiaries are generally reflected as a component of accumulated other comprehensive loss within shareholders' equity on the consolidated balance sheets. For subsidiaries located in highly inflationary economies, the financial statements are remeasured into U.S. dollars, and the foreign currency gains and losses from the remeasurement of monetary assets and liabilities are reflected in the consolidated statements of income, rather than in shareholders' equity. The remeasurement of monetary assets and liabilities of our Argentina subsidiary resulted in net pre-tax foreign currency exchange losses of \$164 million and \$52 million during the years ended December 31, 2023 and 2022, respectively.

Our exposure to foreign currency exchange risks generally arise from our international operations to the extent they are conducted in local currency. Approximately 15% of our total revenue was generated internationally in 2023. The major currencies to which our revenues are exposed are the Argentine Peso, Brazilian Real, British Pound, Euro and Indian Rupee.

A strengthening or weakening of the U.S. dollar, relative to the currencies in which our income is denominated, by 10% would have resulted in a decrease or increase, respectively, in our reported operating income as follows:

(In millions)	Year Ended December 31,	
	2023	2022
EMEA (Europe, Middle East and Africa)	\$ 1	\$ 5
APAC (Asia-Pacific)	—	1
LATAM (Latin America)	51	9
Total increase or decrease	<u>\$ 52</u>	<u>\$ 15</u>

We maintain foreign currency forward exchange contracts, designated as cash flow hedges, to hedge foreign currency exposure to the Indian Rupee. At December 31, 2023, the notional amount of these derivatives was \$443 million, with a fair value of \$2 million. In addition, we maintain fixed-to-fixed cross-currency rate swap contracts to hedge a portion of our net investment in certain subsidiaries whose functional currencies are in the Euro and Singapore Dollar. At December 31, 2023, aggregate notional fixed-to-fixed cross-currency rate swaps of 400 million Euros and 751 million Singapore Dollars were designated as net investment hedges. We also designated certain of our Euro- and British Pound-denominated senior notes and Euro commercial paper notes as net investment hedges to hedge a portion of our net investment in certain subsidiaries whose functional currencies are the Euro and British Pound. Additionally, we maintain fixed-to-fixed cross-currency swap contracts, designated as fair value hedges, to mitigate the spot foreign exchange rate risk on the principal amount of certain foreign currency denominated debt.

**Item 8. Financial Statements and Supplementary Data**

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**Fiserv, Inc.**  
**Consolidated Statements of Income**  
(In millions, except per share data)

	Year Ended December 31,		
	2023	2022	2021
<b>Revenue:</b>			
Processing and services <sup>(1)</sup>	\$ 15,630	\$ 14,460	\$ 13,307
Product	3,463	3,277	2,919
Total revenue	<u>19,093</u>	<u>17,737</u>	<u>16,226</u>
<b>Expenses:</b>			
Cost of processing and services	5,332	5,771	6,084
Cost of product	2,338	2,221	2,044
Selling, general and administrative	6,576	6,059	5,810
Net gain on sale of businesses and other assets	(167)	(54)	—
Total expenses	<u>14,079</u>	<u>13,997</u>	<u>13,938</u>
<b>Operating income</b>	<u>5,014</u>	<u>3,740</u>	<u>2,288</u>
Interest expense, net	(976)	(733)	(693)
Other (expense) income, net	(140)	(94)	71
Income before income taxes and (loss) income from investments in unconsolidated affiliates	3,898	2,913	1,666
Income tax provision	(754)	(551)	(363)
(Loss) income from investments in unconsolidated affiliates	(15)	220	100
Net income	3,129	2,582	1,403
Less: net income attributable to noncontrolling interests and redeemable noncontrolling interests	61	52	69
Net income attributable to Fiserv, Inc.	<u>\$ 3,068</u>	<u>\$ 2,530</u>	<u>\$ 1,334</u>
<b>Net income attributable to Fiserv, Inc. per share:</b>			
Basic	\$ 5.02	\$ 3.94	\$ 2.01
Diluted	\$ 4.98	\$ 3.91	\$ 1.99
<b>Shares used in computing net income attributable to Fiserv, Inc. per share:</b>			
Basic	611.7	642.3	662.6
Diluted	615.9	647.9	671.6

<sup>(1)</sup> Includes processing and other fees charged to related party investments accounted for under the equity method of \$178 million, \$201 million and \$203 million for the years ended December 31, 2023, 2022 and 2021, respectively (see Note 19).

See accompanying notes to consolidated financial statements.

**Fiserv, Inc.**  
**Consolidated Statements of Comprehensive Income**  
(In millions)

	Year Ended December 31,		
	2023	2022	2021
Net income	\$ 3,129	\$ 2,582	\$ 1,403
Other comprehensive income (loss):			
Fair market value adjustment on derivatives	14	(15)	8
Reclassification adjustment for net realized losses (gains) on cash flow hedges included in cost of processing and services	4	2	(10)
Reclassification adjustment for net realized losses on cash flow hedges included in net interest expense	15	19	21
Tax impacts of derivatives	(8)	(2)	(5)
Unrealized gain (loss) on defined benefit pension plans	7	(78)	67
Tax impacts of defined benefit pension plans	(2)	18	(17)
Foreign currency translation	288	(421)	(497)
Reclassification adjustment for accumulated foreign currency translation impacts from the sale of foreign entities included in net gain on sale of businesses and other assets	10	56	—
Tax impacts of foreign currency translation	68	(73)	36
Total other comprehensive income (loss)	<u>396</u>	<u>(494)</u>	<u>(397)</u>
Comprehensive income	<u>\$ 3,525</u>	<u>\$ 2,088</u>	<u>\$ 1,006</u>
Less: net income attributable to noncontrolling interests and redeemable noncontrolling interests	61	52	69
Less: other comprehensive loss attributable to noncontrolling interests	(10)	(50)	(39)
Comprehensive income attributable to Fiserv, Inc.	<u><u>\$ 3,474</u></u>	<u><u>\$ 2,086</u></u>	<u><u>\$ 976</u></u>

See accompanying notes to consolidated financial statements.

**Fiserv, Inc.**  
**Consolidated Balance Sheets**  
(In millions)

	December 31,	
	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 1,204	\$ 902
Trade accounts receivable, less allowance for doubtful accounts	3,582	3,585
Prepaid expenses and other current assets	2,344	1,575
Settlement assets	27,681	21,482
Total current assets	34,811	27,544
Property and equipment, net	2,161	1,958
Customer relationships, net	7,075	8,424
Other intangible assets, net	4,135	3,991
Goodwill	37,205	36,811
Contract costs, net	968	905
Investments in unconsolidated affiliates	2,262	2,403
Other long-term assets	2,273	1,833
Total assets	\$ 90,890	\$ 83,869
<b>Liabilities and Equity</b>		
Accounts payable and accrued expenses	\$ 4,355	\$ 3,883
Short-term and current maturities of long-term debt	755	468
Contract liabilities	761	625
Settlement obligations	27,681	21,482
Total current liabilities	33,552	26,458
Long-term debt	22,363	20,950
Deferred income taxes	3,078	3,602
Long-term contract liabilities	250	235
Other long-term liabilities	978	936
Total liabilities	60,221	52,181
Commitments and Contingencies (see Note 18)		
Redeemable Noncontrolling Interests	161	161
Fiserv, Inc. Shareholders' Equity:		
Preferred stock, no par value: 25 million shares authorized; none issued	—	—
Common stock, \$0.01 par value: 1,800 million shares authorized; 784 million shares issued	8	8
Additional paid-in capital	23,103	23,011
Accumulated other comprehensive loss	(783)	(1,189)
Retained earnings	20,444	17,376
Treasury stock, at cost, 190 million and 154 million shares, respectively	(12,915)	(8,378)
Total Fiserv, Inc. shareholders' equity	29,857	30,828
Noncontrolling interests	651	699
Total equity	30,508	31,527
Total liabilities and equity	\$ 90,890	\$ 83,869

See accompanying notes to consolidated financial statements.

**Fiserv, Inc.**  
**Consolidated Statements of Equity**  
(In millions)

Fiserv, Inc. Shareholders' Equity									
	Number of Shares		Amount						
	Common Shares	Treasury Shares	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock	Noncontrolling Interests	Total Equity
<b>Balance at January 1, 2021</b>	789	121	\$ 8	\$ 23,643	\$ (387)	\$ 13,441	\$ (4,375)	\$ 740	\$ 33,070
Net income <sup>(1)</sup>					1,334			25	1,359
Distributions paid to noncontrolling interests <sup>(2)</sup>								(6)	(6)
Change in redemption value of redeemable noncontrolling interest (see Note 13)				(18)					(18)
Other comprehensive loss					(287)			(39)	(326)
Prior period adjustment (see Note 9)					(71)	71			—
Share-based compensation				239					239
Shares issued under stock plans		(5)		(293)			212		(81)
Purchases of treasury stock		23					(2,565)		(2,565)
Retirement of treasury stock (see Note 19)	(5)	(5)		(588)			588		—
<b>Balance at December 31, 2021</b>	784	134	8	22,983	(745)	14,846	(6,140)	720	31,672
Net income <sup>(1)</sup>					2,530			24	2,554
Distributions paid to noncontrolling interests <sup>(2)</sup>								(8)	(8)
Other comprehensive loss					(444)			(50)	(494)
Share-based compensation				323					323
Shares issued under stock plans		(5)		(295)			262		(33)
Purchases of treasury stock		25					(2,500)		(2,500)
Capital contribution from noncontrolling interest								13	13
<b>Balance at December 31, 2022</b>	784	154	8	23,011	(1,189)	17,376	(8,378)	699	31,527
Net income <sup>(1)</sup>					3,068			35	3,103
Distributions paid to noncontrolling interests <sup>(2)</sup>								(8)	(8)
Acquisition of noncontrolling interest of consolidated subsidiary <sup>(3)</sup>				6				(65)	(59)
Other comprehensive income (loss)					406			(10)	396
Share-based compensation				342					342
Shares issued under stock plans		(4)		(256)			207		(49)
Purchases of treasury stock		40					(4,744)		(4,744)
<b>Balance at December 31, 2023</b>	784	190	\$ 8	\$ 23,103	\$ (783)	\$ 20,444	\$ (12,915)	\$ 651	\$ 30,508

- (1) The total net income presented in the consolidated statements of equity for the years ended December 31, 2023, 2022 and 2021 is different than the amount presented in the consolidated statements of income due to the net income attributable to redeemable noncontrolling interests of \$26 million, \$28 million and \$44 million, respectively, not included in equity.
- (2) The total distributions presented in the consolidated statements of equity for the years ended December 31, 2023, 2022 and 2021 exclude \$ 26 million, \$34 million and \$43 million, respectively, in distributions paid to redeemable noncontrolling interests, and for the year ended December 31, 2021, excludes \$13 million in distributions related to the dissolution of the Banc of America Merchant Services joint venture, not included in equity.
- (3) The Company acquired the remaining 49% ownership interest in European Merchant Services B.V., a Netherlands-based merchant acceptance business, during the year ended December 31, 2023. The Company previously held a majority controlling financial interest in this consolidated subsidiary.

See accompanying notes to consolidated financial statements.

**Fiserv, Inc.**  
**Consolidated Statements of Cash Flows**  
(In millions)

	Year Ended December 31,		
	2023	2022	2021
<b>Cash flows from operating activities:</b>			
Net income	\$ 3,129	\$ 2,582	\$ 1,403
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and other amortization	1,479	1,320	1,158
Amortization of acquisition-related intangible assets	1,642	1,849	2,038
Amortization of financing costs and debt discounts	41	43	52
Share-based compensation	342	323	239
Deferred income taxes	(511)	(558)	(262)
Net gain on sale of businesses and other assets	(167)	(54)	—
Loss (income) from investments in unconsolidated affiliates	15	(220)	(100)
Distributions from unconsolidated affiliates	55	73	34
Non-cash impairment charges	—	14	15
Other operating activities	49	(10)	(48)
Changes in assets and liabilities, net of effects from acquisitions and dispositions:			
Trade accounts receivable	23	(770)	(358)
Prepaid expenses and other assets	(790)	(253)	(248)
Contract costs	(246)	(290)	(269)
Accounts payable and other liabilities	(54)	511	303
Contract liabilities	155	58	77
Net cash provided by operating activities	<u>5,162</u>	<u>4,618</u>	<u>4,034</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures, including capitalized software and other intangibles	(1,388)	(1,479)	(1,160)
Net proceeds from sale of businesses and other assets	234	246	—
Payments for acquisition of businesses, net of cash acquired	(13)	(988)	(848)
Distributions from unconsolidated affiliates	136	138	115
Purchases of investments	(39)	(52)	(256)
Proceeds from sale of investments	5	23	519
Other investing activities	(3)	—	—
Net cash used in investing activities	<u>(1,068)</u>	<u>(2,112)</u>	<u>(1,630)</u>
<b>Cash flows from financing activities:</b>			
Debt proceeds	5,567	1,624	6,435
Debt repayments	(3,015)	(3,315)	(7,881)
Net (repayments of) proceeds from commercial paper and short-term borrowings	(1,456)	1,837	1,741
Payments of debt financing costs	(38)	(10)	—
Proceeds from issuance of treasury stock	101	149	140
Purchases of treasury stock, including employee shares withheld for tax obligations	(4,827)	(2,677)	(2,786)
Settlement activity, net	(527)	(78)	711
Distributions paid to noncontrolling interests and redeemable noncontrolling interests	(34)	(42)	(62)
Payment to acquire noncontrolling interest of consolidated subsidiary	(56)	—	—
Payments of acquisition-related contingent consideration	(35)	(2)	(37)
Other financing activities	(36)	36	(2)
Net cash used in financing activities	<u>(4,356)</u>	<u>(2,478)</u>	<u>(1,741)</u>
Effect of exchange rate changes on cash and cash equivalents	33	(41)	(27)
Net change in cash and cash equivalents	(229)	(13)	636
Cash and cash equivalents, beginning balance	3,192	3,205	2,569
Cash and cash equivalents, ending balance	<u>\$ 2,963</u>	<u>\$ 3,192</u>	<u>3,205</u>

See accompanying notes to consolidated financial statements.

**Fiserv, Inc.**  
**Notes to Consolidated Financial Statements**

## **1. Summary of Significant Accounting Policies**

### **Description of the Business**

Fiserv, Inc. and its subsidiaries (collectively, the “Company”) is a leading global provider of payments and financial services technology solutions, serving clients that include merchants, banks, credit unions, other financial institutions and corporate clients. The Company provides account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale (“POS”) and business management platform. The Company’s reportable segments are Merchant Acceptance (“Acceptance”), Financial Technology (“Fintech”) and Payments and Network (“Payments”).

### **Principles of Consolidation**

The consolidated financial statements include the accounts of Fiserv, Inc. and its subsidiaries in which the Company holds a majority controlling financial interest. All intercompany transactions and balances between the Company and its subsidiaries have been eliminated in consolidation. Control is typically established when ownership and voting interests in an entity are greater than 50%. Investments in which the Company has significant influence but not control are accounted for using the equity method of accounting, for which the Company’s share of net income or loss is reported within (loss) income from investments in unconsolidated affiliates, and the related tax expense or benefit is reported within the income tax provision in the consolidated statements of income. Significant influence over an affiliate’s operations generally coincides with an ownership interest of between 20% and 50%; however, for partnerships and limited liability companies, an ownership interest of between 3% and 50% or board of director representation may also constitute significant influence.

The Company maintains a majority controlling financial interest in certain entities, mostly related to consolidated merchant alliances (see Note 19). Noncontrolling interests represent the minority shareholders’ share of the net income or loss and equity in consolidated subsidiaries. The Company’s noncontrolling interests presented in the consolidated statements of income include net income attributable to noncontrolling interests and redeemable noncontrolling interests. Noncontrolling interests are presented as a component of equity in the consolidated balance sheets. Noncontrolling interests that are redeemable upon the occurrence of an event that is not solely within the Company’s control are presented outside of equity and are carried at their estimated redemption value if it exceeds the initial carrying value of the redeemable interest (see Note 13).

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S.”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from those estimates.

### **Revenue Recognition**

The Company generates revenue from the delivery of processing, service and product solutions. Revenue is measured based on consideration specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer which may be at a point in time or over time. Additional information regarding the Company’s revenue recognition policies is included in Note 3 to the consolidated financial statements.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and investments with original maturities of 90 days or less and are stated at cost in the consolidated balance sheets, which approximates market value. Cash and cash equivalents that are restricted from use due to regulatory or other requirements are included in other long-term assets in the consolidated balance sheets. Cash and cash equivalents held on behalf of merchants and other payees are included in settlement assets in the consolidated balance sheets. The changes in settlement cash and cash equivalents are included in settlement activity, net within cash flows from financing activities in the consolidated statements of cash flows.

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The following table provides a reconciliation between cash and cash equivalents on the consolidated balance sheets and the consolidated statements of cash flows:

(In millions)	December 31,		
	2023	2022	2021
Cash and cash equivalents on the consolidated balance sheets	\$ 1,204	\$ 902	\$ 835
Cash and cash equivalents included in settlement assets (see Note 5)	1,756	2,283	2,361
Other restricted cash	3	7	9
Total cash and cash equivalents on the consolidated statements of cash flows	<u><u>\$ 2,963</u></u>	<u><u>\$ 3,192</u></u>	<u><u>\$ 3,205</u></u>

### **Allowance for Doubtful Accounts**

The Company analyzes the collectability of trade accounts receivable by considering historical bad debts and issued client credits, client creditworthiness, current economic trends, changes in client payment terms and collection trends when evaluating the adequacy of the allowance for doubtful accounts. Any change in the assumptions used in analyzing a specific account receivable may result in an additional allowance for doubtful accounts being recognized in the period in which the change occurs. The allowance for doubtful accounts was \$86 million and \$52 million at December 31, 2023 and 2022, respectively.

### **Leases**

The Company maintains certain leasing receivables associated with its POS terminal leasing businesses. Leasing receivables are included in prepaid expenses and other current assets and other long-term assets in the consolidated balance sheets. Interest income on the Company's leasing receivables is recognized using the effective interest method, and is included within product revenue in the consolidated statements of income. Initial direct costs incurred to obtain operating leases and other sales-type leases, in which the fair value of the underlying asset is equal to its carrying amount at the lease commencement date, are deferred and recognized over the lease term. Initial direct costs to obtain a sales-type lease are expensed as incurred if the fair value of the underlying asset is different from its carrying amount at the lease commencement date. Additional information regarding the Company's lease policies is included in Note 11 to the consolidated financial statements.

### **Prepaid Expenses and Other Current Assets**

Prepaid expenses represent advance payments for goods and services to be consumed in the future, such as maintenance, postage and insurance, and totaled \$423 million and \$431 million at December 31, 2023 and 2022, respectively. Other current assets, including net income tax receivables, Clover Capital cash advances and settlement advance cash payments, totaled \$1,921 million and \$1,144 million at December 31, 2023 and 2022, respectively. The net income tax receivable balance, including receivables associated with transferable federal tax credits (see Note 17), was \$534 million at December 31, 2023.

The Company offers merchants advance access to capital through its Clover Capital cash advance program. Under this program, merchants sell fixed amounts of their future credit card receivables to the Company in exchange for an up-front purchase price payment. Future credit card receivables purchased by the Company under the Clover Capital program were \$281 million and \$164 million at December 31, 2023 and 2022, respectively. The Company maintained a reserve of \$12 million and \$7 million at December 31, 2023 and 2022, respectively, based on an estimate of uncollectible amounts.

The Company also offers merchants within its international operations advance access to capital by providing them the opportunity to receive settlement cash payments in advance in exchange for their receivables from card issuers, including when the cardholders have elected to pay over time in installments. The Company maintains short-term lines of credit with foreign banks and alliance partners to fund such anticipated settlement activity (see Note 12). These local currency denominated arrangements are primarily associated with the Company's operations in Latin America, the most significant of which are denominated in Argentine Peso and Brazilian Real. The Company's outstanding cash advances from card issuers related to this settlement funding activity were \$381 million and \$264 million at December 31, 2023 and 2022, respectively.

### **Settlement Assets and Obligations**

Settlement assets and obligations represent intermediary balances arising from the settlement process, which involves the transfer of funds among card issuers, payment networks, processors, merchants and consumers, and collateral amounts held to manage merchant credit risk, primarily associated with the Company's merchant acquiring services. As a processor, the Company facilitates the clearing and settlement activity for the merchant and records settlement assets and obligations upon processing a payment transaction. Settlement assets represent cash received or amounts receivable from agents, payment

networks, bank partners, merchants or direct consumers. Settlement obligations represent amounts payable to merchants and payees.

Certain merchant settlement assets (included within settlement receivables) that relate to settlement obligations are held by partner banks to which the Company does not have legal ownership, but which the Company has the right to use, to satisfy the related settlement obligations. The Company records settlement obligations for amounts payable to merchants and for outstanding payment instruments issued to payees that have not yet been presented for settlement. Additional information regarding the Company's settlement assets and obligations is included in Note 5 to the consolidated financial statements.

#### **Allowance for Merchant Credit Losses**

With respect to the Company's merchant acquiring business, the Company's merchant customers have the legal obligation to refund any charges properly reversed by the cardholder. However, in the event the Company is not able to collect the refunded amounts from the merchants, the Company may be liable for the reversed charges. The Company's risk in this area primarily relates to situations where a cardholder has purchased goods or services to be delivered in the future. The Company requires cash deposits, guarantees, letters of credit or other types of collateral from certain merchants to mitigate this risk. Collateral held by the Company, or held by partner banks for the Company's benefit, is classified within settlement assets, and the obligation to repay the collateral is classified within settlement obligations in the consolidated balance sheets. The Company also utilizes a number of systems and procedures to manage merchant credit risk. Despite these efforts, the Company experiences losses due to merchant defaults. The aggregate merchant credit loss expense, recognized by the Company within cost of processing and services in the consolidated statements of income, was \$80 million, \$62 million and \$41 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company maintains an allowance for merchant credit losses that are expected to exceed the amount of merchant collateral available to the Company was \$0.7 billion and \$1.5 billion at December 31, 2023 and 2022, respectively. The allowance includes estimated losses from anticipated chargebacks and fraud events that have been incurred on merchants' payment transactions that have been processed but not yet reported to the Company, which is recorded within accounts payable and accrued expenses in the consolidated balance sheets, as well as estimated losses on refunded amounts to cardholders that have not yet been collected from the merchants, which is recorded within prepaid expenses and other current assets in the consolidated balance sheets. The allowance is based primarily on the Company's historical experience of credit losses and other factors such as changes in economic conditions or increases in merchant fraud. The aggregate merchant credit loss allowance was \$36 million and \$29 million at December 31, 2023 and 2022, respectively.

#### **Property and Equipment**

Property and equipment is reported at cost. Depreciation of property and equipment is computed primarily using the straight-line method over the shorter of the estimated useful life of the asset or the leasehold period, if applicable. Property and equipment consisted of the following:

(In millions)	Estimated Useful Lives	December 31,	
		2023	2022
Land	—	\$ 48	\$ 47
Data processing equipment	3 to 5 years	3,630	3,025
Buildings and leasehold improvements	5 to 40 years	801	724
Furniture and equipment	5 to 8 years	365	370
		4,844	4,166
Less: Accumulated depreciation		(2,683)	(2,208)
Total		\$ 2,161	\$ 1,958

Depreciation expense for all property and equipment totaled \$566 million, \$555 million and \$498 million for the years ended December 31, 2023, 2022 and 2021, respectively.

#### **Intangible Assets**

Customer related intangible assets represent customer contracts and relationships obtained as part of acquired businesses and are amortized using an accelerated amortization method which corresponds with the customer attrition rates used in the initial valuation of the intangibles over their estimated useful lives, generally ten to twenty years. Acquired software and technology represents software and technology intangible assets obtained as part of acquired businesses and is amortized using the straight-

line method over their estimated useful lives, generally four to ten years. Trade names are amortized using the straight-line method over their estimated useful lives, generally eight to twenty years. Non-compete agreements are amortized using the straight-line method over their estimated useful lives, generally four to five years.

Purchased software represents software licenses purchased from third parties and is amortized using the straight-line method over their estimated useful lives, generally five years.

The Company continually develops, maintains and enhances its products and systems. Product development expenditures represented approximately 7% of the Company's total revenue for each of the years ended December 31, 2023, 2022 and 2021. Research and development costs incurred prior to the establishment of technological feasibility are expensed as incurred. Routine maintenance of software products, design costs and other development costs incurred prior to the establishment of a product's technological feasibility are also expensed as incurred. Costs are capitalized commencing when the technological feasibility of the software has been established.

Capitalized software development costs represent the capitalization of certain costs incurred to develop new software or to enhance existing software which is marketed externally or utilized by the Company to process client transactions. Capitalized software development costs are amortized using the straight-line method over their estimated useful lives, generally five years.

The Company may, at its discretion, negotiate to pay an independent sales organization ("ISO") an agreed-upon up-front amount in exchange for the ISO's surrender of its right to receive commission payments from the Company related to future transactions of merchants referred by the ISO ("residual buyout"). The amount that the Company pays for these residual buyouts is capitalized and subsequently amortized using the straight-line method over the expected life of the merchant portfolios, generally five to nine years. The Company may also obtain residual buyouts as part of acquired businesses. Additional information regarding the Company's identifiable intangible assets is included in Note 6 to the consolidated financial statements.

#### **Goodwill**

Goodwill represents the excess of purchase price over the fair value of identifiable assets acquired and liabilities assumed in a business combination. The Company evaluates goodwill for impairment on an annual basis, or more frequently if circumstances indicate possible impairment. Goodwill is tested for impairment at a reporting unit level, which is one level below the Company's reportable segments. When assessing goodwill for impairment, the Company considers (i) the prior year's amount of excess fair value over the carrying value of each reporting unit, (ii) the period of time since a reporting unit's last quantitative test, (iii) the extent a reorganization or disposition changes the composition of one or more of the reporting units and (iv) other factors to determine whether or not to first perform a qualitative test. When performing a qualitative test, the Company assesses numerous factors to determine whether it is more likely than not that the fair value of its reporting units is less than their respective carrying values. Examples of qualitative factors that the Company assesses include its share price, its financial performance, market and competitive factors in its industry and other events specific to its reporting units. If the Company concludes that it is more likely than not that the fair value of a reporting unit is less than its carrying value, the Company performs a quantitative impairment test by comparing reporting unit carrying values to estimated fair values.

The Company elected to perform a quantitative test for certain reporting units, including those that changed in composition or where the prior year's amount of excess fair value over carrying value was of a lower magnitude, and tested the remainder of its reporting units using a qualitative approach. The Company's most recent annual impairment assessment of its reporting units in the fourth quarter of 2023 determined that its goodwill was not impaired as the estimated fair values exceeded the carrying values. However, it is reasonably possible that future developments related to the interest or currency exchange rate environments; a shift in strategic initiatives; a deterioration in financial performance within a particular reporting unit; or significant changes in the composition of, or assumptions used in, the quantitative test for certain of the Company's reporting units (such as an increase in risk-adjusted discount rates) could have a future material impact on one or more of the estimates and assumptions used to evaluate goodwill impairment. Additionally, a significant change in a merchant alliance business relationship or operating performance could result in a material goodwill impairment charge. There is no accumulated goodwill impairment for the Company through December 31, 2023. Additional information regarding the Company's goodwill is included in Note 7 to the consolidated financial statements.

## Asset Impairment

The Company reviews property and equipment, lease right-of-use (“ROU”) assets, intangible assets and its investments in unconsolidated affiliates for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The Company reviews capitalized software development costs for impairment at each reporting date. Recoverability of property and equipment, lease ROU assets, capitalized software development costs and other intangible assets is assessed by comparing the carrying amount of the asset to either the undiscounted future cash flows expected to be generated by the asset or the net realizable value of the asset, depending on the type of asset. The Company assesses lease ROU assets that are exited in advance of the non-cancellable lease terms by comparing the carrying values of the lease ROU assets to the discounted cash flows from estimated sublease payments. The Company’s investments in unconsolidated affiliates are assessed by comparing the carrying amount of the investments to their estimated fair values and are impaired if any decline in fair value is determined to be other than temporary. Measurement of any impairment loss is based on estimated fair value. The estimated fair values of the Company’s investments in unconsolidated merchant alliances assume a continuation beyond the existing contractual term. A renewal of certain of the merchant alliance agreements beyond the current contractual term is not solely within the Company’s control. A significant change in a merchant alliance business relationship could result in a material impairment charge to the carrying value of the equity method investment in such unconsolidated affiliate.

## Fair Value Measurements

The Company applies fair value accounting for all assets and liabilities that are recognized or disclosed at fair value in its consolidated financial statements on a recurring basis. Fair value represents the amount that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, the Company uses the hierarchy prescribed in Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements* (“ASC Topic 820”), and considers the principal or most advantageous market and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability. The three levels in the hierarchy are as follows:

- Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that are accessible as of the measurement date.
- Level 2 – Inputs other than quoted prices within Level 1 that are observable either directly or indirectly, including but not limited to quoted prices in markets that are not active, quoted prices in active markets for similar assets or liabilities and observable inputs other than quoted prices such as interest rates or yield curves.
- Level 3 – Unobservable inputs reflecting management’s judgments about the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

Additional information regarding the Company’s fair value measurements is included in Note 10 to the consolidated financial statements.

### Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following:

(In millions)	December 31,	
	2023	2022
Trade accounts payable	\$ 449	\$ 652
Client deposits	931	871
Transferable federal tax credits (see Note 17)	804	—
Accrued compensation and benefits	344	279
Accrued taxes	203	432
Accrued interest	298	216
Accrued payment network fees	232	219
Operating lease liabilities	118	124
Accrued professional fees	96	108
Other accrued expenses	880	982
Total	\$ 4,355	\$ 3,883

### Foreign Currency

The U.S. dollar is the functional currency of the Company's U.S.-based and certain foreign-based businesses. Where the functional currency differs from the U.S. dollar, assets and liabilities are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. Revenue and expenses are translated at the average exchange rates during the reporting period. Gains and losses from foreign currency translation are recorded as a separate component of accumulated other comprehensive loss. Gains and losses from foreign currency transactions are included in determining net income for the reporting period.

Financial statements of subsidiaries located in highly inflationary economies outside of the U.S. are remeasured into U.S. dollars, and the foreign currency gains and losses from the remeasurement of monetary assets and liabilities are reflected in the consolidated statements of income, rather than as foreign currency translation within accumulated other comprehensive loss in the consolidated balance sheets. The remeasurement of monetary assets and liabilities in highly inflationary economies, including Argentina, resulted in foreign currency exchange losses of \$164 million, \$52 million and \$5 million during the years ended December 31, 2023, 2022 and 2021, respectively, which is included within other (expense) income, net within the consolidated statements of income.

To reduce exposure to changes in the value of the Company's net investments in certain of its foreign currency-denominated subsidiaries due to changes in foreign currency exchange rates, the Company uses fixed-to-fixed cross-currency rate swap contracts and foreign currency-denominated debt as economic hedges of its net investments in such foreign currency-denominated subsidiaries. Foreign currency transaction gains or losses on the qualifying net investment hedge instruments are recorded as foreign currency translation, net of tax, within other comprehensive income (loss) in the consolidated statements of comprehensive income and will remain in accumulated other comprehensive loss within the consolidated balance sheets until the sale or complete liquidation of the underlying foreign subsidiaries.

### Derivatives

Derivatives are entered into for periods consistent with related underlying exposures and are recorded in the consolidated balance sheets as either an asset or liability measured at fair value. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded as a component of accumulated other comprehensive loss and recognized in the consolidated statements of income when the hedged item affects earnings. If the derivative is designated as a net investment hedge, changes in the fair value of the derivative, net of tax, are recorded in the foreign currency translation component of other comprehensive income (loss) until the sale or complete liquidation of the underlying net investment. If the derivative is designated as a fair value hedge, changes in the fair value of the derivative are recorded in the same line item as the changes in the fair value of the hedged item and recognized in the consolidated statements of income. To the extent a derivative is not designated as a hedge, changes in fair value are recognized in the consolidated statements of income. The Company's policy is to enter into derivatives with creditworthy institutions and not to enter into such derivatives for speculative purposes.

**Employee Benefit Plans**

The Company maintains frozen defined benefit pension plans covering certain employees in Europe and the U.S. The Company records actuarial gains/losses and prior service cost in the consolidated balance sheets and recognizes changes in these amounts during the year in which changes occurred through other comprehensive income (loss). Various assumptions were used when computing amounts relating to the Company's defined benefit pension plan obligations and their associated expenses (including the discount rate and the expected rate of return on plan assets). Certain of these frozen defined benefit pension plans were terminated effective September 30, 2023. Additional information regarding the Company's employee benefit plans is included in Note 15 to the consolidated financial statements.

**Cost of Processing, Services and Product**

Cost of processing and services consists of costs directly associated with providing services to clients and includes the following: personnel; equipment and data communication; infrastructure costs, including costs to maintain software applications; client support; certain depreciation and amortization; and other operating expenses.

Cost of product consists of costs directly associated with the products sold and includes the following: costs of materials and postage; software development; hardware costs (primarily POS devices); personnel; infrastructure costs; certain depreciation and amortization; and other costs directly associated with product revenue.

**Selling, General and Administrative Expenses**

Selling, general and administrative expenses primarily consist of: salaries, wages, commissions and related expenses paid to sales personnel, administrative employees and management; third-party commissions and payments to distribution partners; advertising and promotional costs; certain depreciation and amortization; and other selling and administrative expenses.

**Interest Expense, Net**

Interest expense, net consists of interest expense primarily associated with the Company's outstanding borrowings and finance lease obligations, as well as interest income primarily associated with the Company's investment securities. Interest expense, net consisted of the following:

(In millions)	Year Ended December 31,		
	2023	2022	2021
Interest expense	\$ (1,004)	\$ (746)	\$ (696)
Interest income	28	13	3
Interest expense, net	\$ (976)	\$ (733)	\$ (693)

**Income Taxes**

Deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and net operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is recorded against deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Liabilities are established for unrecognized tax benefits, attributable to differences between a tax position taken or expected to be taken in a tax return and the benefit recognized in the financial statements. In establishing a liability for an unrecognized tax benefit, assumptions are made in determining whether, and the extent to which, a tax position will be sustained. A tax position is recognized only when it is more likely than not to be sustained upon examination by the relevant taxing authority, based on its technical merits. The amount of tax benefit recognized reflects the largest benefit the Company believes is more likely than not to be realized upon ultimate settlement. As additional information becomes available, the liability for unrecognized tax benefits is reevaluated and adjusted, as appropriate. Tax benefits ultimately realized can differ from amounts previously recognized due to uncertainties, with any such differences generally impacting the provision for income tax. Additional information regarding the Company's income taxes is included in Note 17 to the consolidated financial statements.

**Net Income Per Share**

Net income per share attributable to Fiserv, Inc. in each year is calculated using actual, unrounded amounts. Basic net income per share is computed by dividing net income attributable to Fiserv, Inc. by the weighted-average number of common shares

outstanding during the year. Diluted net income per share is computed by dividing net income attributable to Fiserv, Inc. by the weighted-average number of common shares and common stock equivalents outstanding during the year. Common stock equivalents consist of outstanding stock options, unvested restricted stock units and unvested restricted stock awards, and are computed using the treasury stock method. The Company excluded 0.3 million, 1.7 million and 1.5 million weighted-average shares from the calculations of common stock equivalents for anti-dilutive stock options in 2023, 2022 and 2021, respectively. The computation of shares used in calculating basic and diluted net income per share is as follows:

(In millions)	Year Ended December 31,		
	2023	2022	2021
Weighted-average common shares outstanding used for the calculation of net income attributable to Fiserv, Inc. per share – basic	611.7	642.3	662.6
Common stock equivalents	4.2	5.6	9.0
Weighted-average common shares outstanding used for the calculation of net income attributable to Fiserv, Inc. per share – diluted	615.9	647.9	671.6

## Supplemental Cash Flow Information

Supplemental cash flow information consisted of the following:

(In millions)	Year Ended December 31,		
	2023	2022	2021
Interest paid	\$ 879	\$ 703	\$ 648
Income taxes paid	1,219	709	666
Treasury stock purchases settled after the balance sheet date	29	6	—
Software obtained under financing arrangements	188	104	143

## 2. Recent Accounting Pronouncements

### Recently Adopted Accounting Pronouncements

In 2022, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* (“ASU 2022-03”), which clarifies the guidance in ASC Topic 820, *Fair Value Measurement*, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security and introduces new disclosure requirements for equity securities subject to contractual sale restrictions that are measured at fair value in accordance with ASC Topic 820. For public entities, ASU 2022-03 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. The provisions within ASU 2022-03 are to be applied prospectively with any adjustments from the adoption recognized in earnings and disclosed on the date of adoption. The Company adopted ASU 2022-03 effective January 1, 2024, and the adoption did not have a material impact on the Company’s consolidated financial statements.

In 2022, the FASB issued ASU No. 2022-02, *Financial Instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* (“ASU 2022-02”), which among other items, requires that entities disclose current-period gross write-offs by year of origination for financing receivables and net investments in leases. For public entities, the provisions within ASU 2022-02 are to be applied prospectively and are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company adopted ASU 2022-02 effective January 1, 2023, and the adoption did not have a material impact on the Company’s financial statement disclosures for the year ended December 31, 2023.

### Recently Issued Accounting Pronouncements

In 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740) - Improvement to Income Tax Disclosures* (“ASU 2023-09”), which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. ASU 2023-09 requires entities to consistently categorize and provide greater disaggregation of information within the income tax reconciliation to enable users of financial statements to understand the nature and magnitude of factors contributing to the difference between the effective and statutory tax rates. For public entities, the provisions within ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, and for interim periods of fiscal years beginning after

December 15, 2025. The Company is currently assessing the impact the adoption of ASU 2023-09 will have on its consolidated financial statement disclosures.

In 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures* (“ASU 2023-07”), which enhances and expands the current annual and interim requirements on segment information disclosures. Under the new disclosure requirements, entities will be required to disclose, on an annual and interim basis: significant segment expense categories and amounts for each reportable segment that are included in the reported measure of segment profit or loss and regularly provided to the chief operating decision maker (“CODM”); an aggregate amount and qualitative description of other segment items included in each reported measure of segment profit or loss for each reportable segment; measures of a segment’s profit or loss that are used by the CODM to assess segment performance and decide how to allocate resources; and disclosure of the title and position of the individual or the name of the group identified as the CODM. For public entities, the provisions within ASU 2023-07 are to be applied retrospectively for all comparative periods and are effective for fiscal years beginning after December 15, 2023, and for interim periods of fiscal years beginning after December 15, 2024. The Company is currently assessing the impact the adoption of ASU 2023-07 will have on its consolidated financial statement disclosures.

### **3. Revenue Recognition**

#### **Significant Accounting Policy**

ASC Topic 606, *Revenue from Contracts with Customers* (“ASC 606”), outlines a single comprehensive model to use in accounting for revenue arising from contracts with customers. The core principle, involving a five-step process, of the revenue model is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured based on consideration specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue. Shipping and handling activities associated with outbound freight after control over a product has transferred to a customer are accounted for as a fulfillment activity and recognized as revenue at the point in time at which control of the goods transfers to the customer. As a practical expedient, the Company does not adjust the transaction price for the effects of a significant financing component if, at contract inception, the period between customer payment and the transfer of goods or services is expected to be one year or less.

#### **Nature of Goods and Services**

The Company’s operations are comprised of the Acceptance segment, the Fintech segment and the Payments segment (see Note 20). The following is a description of principal activities from which the Company generates its revenue. Contracts with customers are evaluated on a contract-by-contract basis as contracts may include multiple types of goods and services as described below.

##### *Processing and Services*

Processing and services revenue is generated from account- and transaction-based fees for merchant transaction processing and acquiring, electronic billing and payment services, electronic funds transfer and debit/credit processing services; consulting and professional services; and software maintenance for ongoing client support.

The Company recognizes processing and services revenue in the period in which the specific service is performed unless they are not deemed distinct from other goods or services in which revenue would then be recognized as control is transferred of the combined goods and services. The Company’s arrangements for processing and services typically consist of an obligation to provide specific services to its customers on a when and if needed basis (a stand-ready obligation) and revenue is recognized from the satisfaction of the performance obligations in the amount billable to the customer. These services are typically provided under a fixed or declining (tier-based) price per unit based on volume of service; however, pricing for services may also be based on minimum monthly usage fees. Fees for the Company’s processing and services arrangements are typically billed and paid on a monthly basis.

##### *Product*

Product revenue is generated from print and card production, software license, and hardware (primarily POS device) sales.

For software license agreements that are distinct, the Company recognizes software license revenue upon delivery, assuming a contract is deemed to exist. Revenue for arrangements with customers that include significant customization, modification or

production of software such that the software is not distinct is typically recognized over time based upon efforts expended, such as labor hours, to measure progress towards completion. For arrangements involving hosted licensed software for the customer, a software element is considered present to the extent the customer has the contractual right to take possession of the software at any time during the hosting period without significant penalty and it is feasible for the customer to either operate the software on their own hardware or contract with another vendor to host the software. In certain instances, the Company may offer extended payment terms beyond one year. To the extent a significant financing component exists, it is calculated as the difference between the promised consideration and the present value of the software license fees utilizing a discount rate reflective of a separate financing transaction, and is recognized as interest income over the extended payment period. The cash selling price of the software license fee is recognized as revenue at the point in time when the software is transferred to the customer.

The Company sells or leases hardware (POS devices) and other peripherals as part of its contracts with customers. Hardware typically consists of POS terminals or Clover® devices. The Company does not manufacture hardware; rather, it purchases hardware from third-party vendors and holds such hardware in inventory until purchased by a customer. The Company accounts for sales of hardware as a separate performance obligation and recognizes the revenue at its standalone selling price when the customer obtains control of the hardware.

#### **Significant Judgments in Application of the Guidance**

The Company uses the following methods, inputs and assumptions in determining amounts of revenue to recognize:

##### *Identification of Performance Obligations*

To identify its performance obligations, the Company considers all of the goods or services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. For multi-element arrangements, the Company accounts for individual goods or services as a separate performance obligation if they are distinct, the good or service is separately identifiable from other items in the arrangement and if a customer can benefit from it on its own or with other resources that are readily available to the customer. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation. Determining whether goods or services are distinct performance obligations that should be accounted for separately may require significant judgment.

Technology or service components from third parties are frequently embedded in or combined with the Company's applications or service offerings. Whether the Company recognizes revenue based on the gross amount billed to a customer or the net amount retained involves judgment that depends on the relevant facts and circumstances, including the level of contractual responsibilities and obligations for delivering solutions to end customers, to determine whether control of goods and services is obtained prior to their transfer to a customer.

##### *Determination of Transaction Price*

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring products or services to the customer. The Company includes any fixed charges within its contracts as part of the total transaction price. To the extent that variable consideration is not constrained, the Company includes an estimate of the variable amount, as appropriate, within the total transaction price and updates its assumptions over the duration of the contract.

##### *Assessment of Estimates of Variable Consideration*

Many of the Company's contracts with customers contain some component of variable consideration; however, the constraint will generally not result in a reduction in the estimated transaction price for most forms of variable consideration. The Company may constrain the estimated transaction price in the event of a high degree of uncertainty as to the final consideration amount owed because of an extended length of time over which fees may be adjusted.

##### *Allocation of Transaction Price*

The transaction price (including any discounts or rebates) is allocated between distinct goods and services in a multi-element arrangement based on their relative standalone selling prices. The standalone selling prices are determined based on the prices at which the Company separately sells each good or service. For items that are not sold separately, the Company estimates the standalone selling prices using available information such as market conditions and internally approved pricing guidelines. Judgment may be required to determine standalone selling prices for each performance obligation and whether it depicts the amount the Company expects to receive in exchange for the related good or service.

#### Contract Modifications

Contract modifications occur when the Company and its customers agree to modify existing customer contracts to change the scope or price (or both) of the contract or when a customer terminates some, or all, of the existing services provided by the Company. When a contract modification occurs, it requires the Company to exercise judgment to determine if the modification should be accounted for as (i) a separate contract, (ii) the termination of the original contract and creation of a new contract, or (iii) a cumulative catch up adjustment to the original contract. Further, contract modifications require the identification and evaluation of the performance obligations of the modified contract, including the allocation of consideration to the remaining performance obligations and the period of revenue recognition for each identified performance obligation.

#### Disaggregation of Revenue

The table below presents the Company's revenue disaggregated by type of revenue, including a reconciliation with its reportable segments. The majority of the Company's revenue is earned domestically, with revenue generated internationally comprising approximately 15%, 14% and 14% of total revenue for the years ended December 31, 2023, 2022 and 2021, respectively.

<u>(In millions)</u> <u>Type of Revenue</u>	<u>Reportable Segments</u>				<u>Corporate and Other</u>	<u>Total</u>
	<u>Acceptance</u>	<u>Fintech</u>	<u>Payments</u>			
<b>Year Ended December 31, 2023</b>						
Processing	\$ 6,942	\$ 1,671	\$ 4,902	\$ 23	\$ 13,538	
Hardware, print and card production	978	60	1,091	—	2,129	
Professional services	25	469	318	—	812	
Software maintenance	—	531	40	—	571	
License and termination fees	40	198	189	—	427	
Output Solutions postage	—	—	—	1,071	1,071	
Other	147	242	156	—	545	
<b>Total Revenue</b>	<b>\$ 8,132</b>	<b>\$ 3,171</b>	<b>\$ 6,696</b>	<b>\$ 1,094</b>	<b>\$ 19,093</b>	
<b>Year Ended December 31, 2022</b>						
Processing	\$ 6,226	\$ 1,608	\$ 4,709	\$ 22	\$ 12,565	
Hardware, print and card production	918	42	1,036	—	1,996	
Professional services	21	484	278	—	783	
Software maintenance	—	553	24	—	577	
License and termination fees	69	252	114	—	435	
Output Solutions postage	—	—	—	989	989	
Other	58	231	101	2	392	
<b>Total Revenue</b>	<b>\$ 7,292</b>	<b>\$ 3,170</b>	<b>\$ 6,262</b>	<b>\$ 1,013</b>	<b>\$ 17,737</b>	
<b>Year Ended December 31, 2021</b>						
Processing	\$ 5,511	\$ 1,544	\$ 4,497	\$ 32	\$ 11,584	
Hardware, print and card production	830	44	913	—	1,787	
Professional services	43	471	265	—	779	
Software maintenance	—	557	11	—	568	
License and termination fees	47	186	65	—	298	
Output Solutions postage	—	—	—	860	860	
Other	48	220	82	—	350	
<b>Total Revenue</b>	<b>\$ 6,479</b>	<b>\$ 3,022</b>	<b>\$ 5,833</b>	<b>\$ 892</b>	<b>\$ 16,226</b>	

## Contract Balances

The following table provides information about contract assets and contract liabilities from contracts with customers:

(In millions)	December 31,		
	2023	2022	2021
Contract assets	\$ 754	\$ 551	\$ 541
Contract liabilities	1,011	860	810

Contract assets, reported within other long-term assets in the consolidated balance sheets, primarily relate to customer discounts where revenue recognition and payment of consideration under the contract is contingent upon the transfer of services to a customer over the contractual period. Contract liabilities primarily relate to advance consideration received from customers (deferred revenue) for which transfer of control occurs, and therefore revenue is recognized, as services are provided. Contract balances are reported in a net contract asset or liability position on a contract-by-contract basis at the end of each reporting period.

During the years ended December 31, 2023 and 2022, contract assets and contract liabilities increased primarily due to customer discounts, customer prepaid maintenance and deferred conversion revenue associated with long-term contracts obtained during the respective year. The Company recognized \$625 million and \$585 million of revenue during the years ended December 31, 2023 and 2022, respectively, that was included in the contract liabilities balance at the beginning of the year.

## Transaction Price Allocated to Remaining Performance Obligations

The following table includes estimated processing, services and product revenue expected to be recognized in the future related to performance obligations that were unsatisfied (or partially unsatisfied) at December 31, 2023:

(In millions)	Year Ending December 31,	
2024		\$ 2,435
2025		1,876
2026		1,304
2027		837
Thereafter		799

The Company applies the optional exemption under ASC 606 and does not disclose information about remaining performance obligations for account- and transaction-based processing fees that qualify for recognition under the as-invoiced practical expedient. These multi-year contracts contain variable consideration for stand-ready performance obligations for which the exact quantity and mix of transactions to be processed are contingent upon the customer's request. The Company also applies the optional exemptions under ASC 606 and does not disclose information for variable consideration that is a sales-based or usage-based royalty promised in exchange for a license of intellectual property or that is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service in a series. The amounts disclosed above as remaining performance obligations consist primarily of fixed or monthly minimum processing fees and maintenance fees under contracts with an original expected duration of greater than one year.

## Contract Costs

The Company incurs incremental costs to obtain a contract as well as costs to fulfill contracts with customers that are expected to be recovered. These costs consist of sales commissions incurred only if a contract is obtained, and customer conversion or implementation related costs. Capitalized sales commissions and conversion or implementation costs were as follows:

(In millions)	December 31,	
	2023	2022
Capitalized sales commissions	\$ 496	\$ 485
Capitalized conversion or implementation costs	472	420

Capitalized contract costs are amortized based on the transfer of goods or services to which the asset relates. The amortization period also considers expected customer lives and whether the asset relates to goods or services transferred under a specific

anticipated contract. The amortization of capitalized sales commissions is included in selling, general and administrative expenses and amortization of capitalized conversion or implementation costs within cost of processing and services. These costs totaled \$195 million, \$173 million and \$148 million during the years ended December 31, 2023, 2022 and 2021, respectively. Impairment losses recognized during the years ended December 31, 2023, 2022 and 2021 related to capitalized contract costs were not significant.

#### 4. Acquisitions and Dispositions

Acquisitions were accounted for as business combinations using the acquisition method of accounting in accordance with ASC Topic 805 *Business Combinations*. Purchase price was allocated to the respective identifiable assets acquired and liabilities assumed based on the estimated fair values at the date of acquisitions. The results of operations for the following acquired and divested businesses are included in the consolidated results of the Company from the respective dates of acquisition and through the respective dates of disposition. Pro forma information for these acquired businesses is not provided because they did not have a material effect, individually or in the aggregate, on the Company's consolidated results of operations.

##### Acquisitions

###### *Acquisition of Merchant One*

On December 20, 2022, the Company acquired Merchant One, Inc. ("Merchant One"), an independent sales organization focused on acquiring merchants in the restaurant, retail and e-commerce industries using an innovative mix of direct and digital marketing strategies, for \$302 million, net of \$1 million of acquired cash. Merchant One is included within the Acceptance segment and enhances the Company's merchant distribution and sales force channels.

During the year ended December 31, 2023, the Company identified and recorded measurement period adjustments to the preliminary Merchant One purchase price allocation, including refinements to valuations of acquired intangible assets, which were the result of additional analysis performed and information identified based on facts and circumstances that existed as of the acquisition date. These measurement period adjustments resulted in an increase to goodwill of \$61 million and a corresponding decrease in identifiable intangible assets, including customer relationships. Such measurement period adjustments did not have a material impact on the Company's consolidated statement of income. The allocation of the purchase price was finalized in the second quarter of 2023 and resulted in the recognition of identifiable intangible assets of \$118 million, goodwill of \$179 million and other net assets of \$6 million. Goodwill, which is deductible for tax purposes, is primarily attributed to the anticipated value created by expanding the reach of the Clover® cloud-based POS and business management platform, and select value-added services that enable the Company to deliver new and innovative capabilities to Merchant One's clients.

The amounts allocated to identifiable intangible assets are as follows:

(In millions)	Gross Carrying Amount	Weighted-Average Useful Life
Residual buyouts	\$ 83	9 years
Customer relationships	35	10 years
Total	<u><u>\$ 118</u></u>	9 years

###### *Acquisition of Finxact*

On April 1, 2022, the Company acquired a remaining ownership interest in Finxact, Inc. ("Finxact"), a developer of cloud-native banking solutions powering digital transformation throughout the financial services sector, for \$645 million, net of \$27 million of acquired cash. The Company previously held a noncontrolling equity interest in Finxact, which was accounted for under the equity method. The remeasurement of the Company's previously held equity interest to its acquisition-date fair value resulted in the recognition of a pre-tax gain of \$110 million, included within income from investments in unconsolidated affiliates in the consolidated statement of income during the year ended December 31, 2022. Finxact is included within the Fintech segment and advances the Company's digital banking strategy, expanding its account processing, digital, and payments solutions.

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The allocation of purchase price recorded for Finxact was finalized in the fourth quarter of 2022 as follows:

<b>(In millions)</b>		
Cash	\$	27
Other net assets		1
Intangible assets		105
Goodwill		670
Total consideration	\$	803
Less: Fair value of previously held equity interest		(131)
<b>Total purchase price</b>	<b>\$</b>	<b>672</b>

Goodwill, which is not deductible for tax purposes, is primarily attributed to the anticipated value created by the combined scale, core platform modernization, and accelerated delivery of enhanced digital banking solutions offered to financial institutions of all sizes. The amounts allocated to identifiable intangible assets were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Acquired software and technology	\$ 90	6 years
Trade name	9	5 years
Customer relationships	6	8 years
<b>Total</b>	<b>\$ 105</b>	6 years

*Acquisition of BentoBox*

On November 22, 2021, the Company acquired BentoBox CMS, Inc (“BentoBox”), a digital marketing and commerce platform that helps restaurants connect with their guests, for \$317 million, net of \$24 million of acquired cash. BentoBox is included within the Acceptance segment and expands the Company’s Clover® dining solutions and commerce and business management capabilities.

During the year ended December 31, 2022, the Company identified and recorded measurement period adjustments to the preliminary BentoBox purchase price allocation, including refinements to valuations of acquired intangible assets, which were the result of additional analysis performed and information identified based on facts and circumstances that existed as of the acquisition date. These measurement period adjustments resulted in an increase to goodwill of \$62 million, with offsetting amounts to the change in goodwill attributable to a decrease in identifiable intangible assets, including acquired software and technology, of \$84 million and deferred tax adjustments of \$22 million. Such measurement period adjustments did not have a material impact on the Company’s consolidated statement of income. The allocation of purchase price was finalized in the second quarter of 2022 and resulted in the recognition of identifiable intangible assets of \$52 million, goodwill of \$266 million and other net assets of \$23 million. Goodwill, which is not deductible for tax purposes, is primarily attributed to the anticipated value created by the enhanced strength of the Company’s omnichannel platform to drive increased operational efficiencies for restaurants, enabling operators to deliver seamless and distinct hospitality experiences for their diners.

The amounts allocated to identifiable intangible assets were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Acquired software and technology	\$ 25	6 years
Customer relationships and other	27	4 years
<b>Total</b>	<b>\$ 52</b>	5 years

*Acquisition of Pineapple Payments*

On May 4, 2021, the Company acquired Pineapple Payments Holdings, LLC (“Pineapple Payments”), an independent sales organization that provides payment processing, proprietary technology, and payment acceptance solutions for merchants, for \$207 million, net of \$6 million of acquired cash, and including earn-out provisions estimated at a fair value of \$30 million. Pineapple Payments is included within the Acceptance segment and expands the reach of the Company’s payment solutions through its technology- and relationship-led distribution channels.

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The allocation of purchase price was finalized in the fourth quarter of 2021 and resulted in the recognition of identifiable intangible assets of \$27 million, goodwill of \$79 million and other net assets of \$7 million. Goodwill, of which \$59 million is deductible for tax purposes, is primarily attributed to the anticipated value created by the accelerated delivery of new and innovative capabilities to merchant clients.

The amounts allocated to identifiable intangible assets were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Customer relationships	\$ 90	17 years
Residual buyouts	20	8 years
Acquired software and technology	6	7 years
Non-compete agreements and other	11	5 years
Total	\$ 127	14 years

*Acquisition of Ondot*

On January 22, 2021, the Company acquired a remaining ownership interest in Ondot Systems, Inc. ("Ondot"), a digital experience platform provider for financial institutions, for \$271 million, net of \$13 million of acquired cash and cash equivalents. The Company previously held a noncontrolling equity interest in Ondot, which was accounted for at cost. The remeasurement of the Company's previously held equity interest to its acquisition-date fair value resulted in the recognition of a pre-tax gain of \$12 million, included within other (expense) income, net in the consolidated statement of income during the year ended December 31, 2021. Ondot is included within the Payments segment and expands the Company's digital capabilities, enhancing its suite of integrated payments, banking and merchant solutions.

The allocation of purchase price recorded for Ondot was finalized in the third quarter of 2021 as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Cash and cash equivalents	\$ 13	
Receivables and other assets	9	
Intangible assets	142	
Goodwill	173	
Payables and other liabilities	(31)	
Total consideration	\$ 306	
Less: Fair value of previously held equity interest	(22)	
Total purchase price	\$ 284	

Goodwill, which is not deductible for tax purposes, is primarily attributed to the anticipated value created by the combined scale of integrated digital solutions to consumers, merchants, acquirers, networks and card issuers. The amounts allocated to identifiable intangible assets were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Acquired software and technology	\$ 90	6 years
Customer relationships	35	6 years
Non-compete agreements and other	17	4 years
Total	\$ 142	6 years

*Other Acquisitions*

On October 9, 2023, the Company acquired Skytef Soluções em Captura de Transações Ltda ("Skytef"), a distributor for independent software vendor partners and merchants of the Company's Electronic Funds Transfer payments software. Skytef is included within the Acceptance segment and expands the Company's distribution network and POS applications. On November 1, 2023, the Company acquired Sled S.A. ("Sled"), a provider of instant payment solutions. Sled is included within the

Acceptance segment and expands the Company's direct payment service capabilities. The Company acquired these businesses in Latin America for an aggregate purchase price, including hold-backs, of approximately \$17 million.

On December 29, 2022, the Company acquired OrangeData S.A. ("Yacaré"), an Argentina-based payment service provider that enables customers to transact at merchant locations using QR codes. Yacaré is included within the Acceptance segment and enhances the Company's instant payment transaction capabilities. On September 1, 2022, the Company acquired NexTable, Inc. ("NexTable"), a provider of cloud-based reservation and table management solutions for restaurants. NexTable is included within the Acceptance segment and expands the Company's end-to-end restaurant solutions. On June 1, 2022, the Company acquired The LR2 Group, LLC ("City POS"), an independent sales organization that promotes payment processing services and facilitates the sale of POS equipment for merchants. City POS is included within the Acceptance segment and expands the Company's merchant services business. The Company acquired these businesses for an aggregate purchase price of \$44 million, including earn-out provisions estimated at a fair value of \$6 million (see Note 10). The allocation of purchase price for these acquisitions resulted in the recognition of identifiable intangible assets of \$23 million, goodwill of \$22 million and other net assumed liabilities of \$1 million. The purchase price allocations for the CityPOS and NexTable acquisitions were finalized in the third and fourth quarters of 2022, respectively. The purchase price allocation for the Yacaré acquisition was finalized in the second quarter of 2023. Measurement period adjustments did not have a material impact on the Company's consolidated statement of income. Goodwill for these acquisitions, of which \$17 million is deductible for tax purposes, is primarily attributed to the value created by expanding the reach of the Company's payment solutions and enhancing omnichannel capabilities.

The amounts allocated to identifiable intangible assets for other acquisitions acquired in 2022 were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Acquired software and technology	\$ 12	7 years
Customer relationships	11	10 years
<b>Total</b>	<b>\$ 23</b>	<b>9 years</b>

On November 15, 2021, the Company acquired a remaining ownership interest in NetPay Solutions Group ("NetPay"), a multi-channel payment service provider offering a range of onboarding, customer lifecycle, risk management and settlement capabilities to businesses of all sizes. The Company previously held a noncontrolling equity interest in NetPay, which was accounted for under the equity method and approximated acquisition-date fair value. NetPay is included within the Acceptance segment and expands the Company's merchant services business. On October 1, 2021, the Company acquired Integrity Payments, LLC ("AIP"), an independent sales organization that promotes payment processing services for merchants, which is included within the Acceptance segment. On June 14, 2021, the Company acquired Spend Labs Inc. ("SpendLabs"), a mobile-native, cloud-based software provider of commercial card payment solutions. SpendLabs is included within the Payments segment and expands the Company's digital capabilities across mobile and desktop devices for small and mid-sized businesses. On March 1, 2021, the Company acquired Radius8, Inc. ("Radius8"), a provider of a platform that uses consumer location and other information to drive incremental merchant transactions. Radius8 is included within the Acceptance segment and enhances the Company's ability to help merchants increase sales, expand mobile application registration and improve one-to-one target marketing. The Company acquired these businesses for an aggregate purchase price of \$87 million, net of the fair value of the Company's previously held noncontrolling equity interest in NetPay of \$4 million and including earn-out provisions estimated at a fair value of \$4 million (see Note 10). The allocation of purchase price for these acquisitions resulted in the recognition of identifiable intangible assets of \$47 million, goodwill of \$61 million and net assumed liabilities of \$7 million. The purchase price allocation for the Radius8 acquisition was finalized in the third quarter of 2021 and for SpendLabs in the fourth quarter of 2021. The purchase price allocations for the NetPay and AIP acquisitions were finalized in the first quarter of 2022. Measurement period adjustments did not have a material impact on the consolidated statements of income. Goodwill for these acquisitions, of which \$14 million is deductible for tax purposes, is primarily attributed to synergies, the anticipated value created by advancing digital capabilities to the Company's clients, and selling the Company's products and services to the acquired businesses' existing client base.

The amounts allocated to identifiable intangible assets for other acquisitions acquired in 2021 were as follows:

<b>(In millions)</b>	<b>Gross Carrying Amount</b>	<b>Weighted-Average Useful Life</b>
Acquired software and technology	\$ 31	6 years
Customer relationships	9	10 years
Residual buyouts	7	5 years
Total	<u>47</u>	<u>7 years</u>

## Dispositions

### *Disposition of Financial Reconciliation Business*

On July 25, 2023, the Company sold its financial reconciliation business, which was reported within the Fintech segment, for cash proceeds of \$35 million. The Company recognized a pre-tax gain of \$172 million on the sale, recorded within net gain on sale of businesses and other assets, with a related tax expense of \$8 million recorded within the income tax provision, in the consolidated statement of income for the year ended December 31, 2023. The pre-tax gain was comprised of the difference between the consideration received and the net carrying amount of the business, including \$38 million of allocated goodwill, \$15 million of other net assets, primarily consisting of trade accounts receivable and capitalized software, and \$10 million of accumulated foreign currency translation losses which were reclassified from accumulated other comprehensive loss.

### *Disposition of Fiserv Costa Rica and Systems Integration Services*

On October 17, 2022, the Company sold Fiserv Costa Rica, S.A. and its Systems Integration Services (“SIS”) operations, which provides information technology engineering services in the U.S. and India, to a single buyer, for an aggregate sales price of \$49 million. The Company recognized a pre-tax gain of \$44 million on the sales, recorded within net gain on sale of businesses and other assets, with a related tax expense of \$8 million recorded within the income tax provision, in the consolidated statement of income for the year ended December 31, 2022. The Company recognized a pre-tax loss of \$3 million, recorded within net gain on sale of businesses and other assets during the year ended December 31, 2023, associated with final working capital adjustments related to the disposition of Fiserv Costa Rica, S.A. Both Fiserv Costa Rica, S.A. and SIS were reported primarily within the Fintech segment.

### *Disposition of Korea Operations*

On September 30, 2022, the Company sold its Korea operations, which were reported within the Acceptance segment, for total consideration of \$0 million, consisting of \$43 million in net cash and an equity interest in the buyer of \$7 million. The Company recognized a pre-tax loss of \$127 million on the sale, recorded within net gain on sale of businesses and other assets in the consolidated statement of income for the year ended December 31, 2022. The pre-tax loss was comprised of the difference between the consideration received and the net carrying amount of the business, including \$40 million of allocated goodwill, \$48 million of customer relationship net intangible assets and \$56 million of accumulated foreign currency translation losses, which were reclassified from accumulated other comprehensive loss.

## 5. Settlement Assets and Obligations

Settlement assets and obligations represent intermediary balances arising from the settlement process, which involves the transfer of funds between card issuers, payment networks, merchants and consumers, and collateral amounts held to manage merchant credit risk, primarily associated with the Company’s merchant acquiring services. The Company records settlement assets and obligations upon processing a payment transaction. Settlement assets represent amounts receivable from agents, payment networks, bank partners, merchants or direct consumers for submitted merchant transactions, and funds received by the Company in advance of paying to merchants or payees. Settlement obligations represent the unpaid amounts that are due to merchants and payees for their payment transactions and collateral deposits.

The principal components of the Company's settlement assets and obligations were as follows:

(In millions)	December 31,	
	2023	2022
<b>Settlement assets</b>		
Cash and cash equivalents	\$ 1,756	\$ 2,283
Receivables	<u>25,925</u>	<u>19,199</u>
Total settlement assets	<u><u>27,681</u></u>	<u><u>21,482</u></u>
<b>Settlement obligations</b>		
Payment instruments outstanding	\$ 733	\$ 650
Card settlements and collateral deposits due to merchants	<u>26,948</u>	<u>20,832</u>
Total settlement obligations	<u><u>27,681</u></u>	<u><u>21,482</u></u>

## 6. Intangible Assets

Identifiable intangible assets consisted of the following:

(In millions)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
<b>December 31, 2023</b>			
Customer relationships	\$ 14,669	\$ 7,594	\$ 7,075
Acquired software and technology	2,148	1,148	1,000
Trade names	641	356	285
Purchased software	1,087	520	567
Capitalized software and other intangibles	<u>3,356</u>	<u>1,073</u>	<u>2,283</u>
Total	<u><u>21,901</u></u>	<u><u>10,691</u></u>	<u><u>11,210</u></u>
<b>December 31, 2022</b>			
Customer relationships	\$ 14,795	\$ 6,371	\$ 8,424
Acquired software and technology	2,510	1,234	1,276
Trade names	633	295	338
Purchased software	1,146	595	551
Capitalized software and other intangibles	<u>2,601</u>	<u>775</u>	<u>1,826</u>
Total	<u><u>21,685</u></u>	<u><u>9,270</u></u>	<u><u>12,415</u></u>

Gross software development costs capitalized for new products and enhancements to existing products totaled \$870 million, \$807 million and \$613 million for the years ended December 31, 2023, 2022 and 2021, respectively. Amortization expense associated with the above identifiable intangible assets was \$2,360 million, \$2,441 million and \$2,548 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company estimates that annual amortization expense with respect to intangible assets recorded at December 31, 2023 will be as follows:

**(In millions)**

**Year Ending December 31,**

2024	\$ 2,276
2025	2,007
2026	1,759
2027	1,395
2028	1,047
Thereafter	2,726
<b>Total</b>	<b>\$ 11,210</b>

## 7. Goodwill

The following table presents changes in goodwill during the years ended December 31, 2023 and 2022.

<b>(In millions)</b>	<b>Reportable Segments</b>			<b>Total</b>
	<b>Acceptance</b>	<b>Fintech</b>	<b>Payments</b>	
Goodwill - December 31, 2021	\$ 21,382	\$ 2,039	\$ 13,012	\$ 36,433
Acquisitions and valuation adjustments	202	670	—	872
Dispositions	(40)	(5)	—	(45)
Foreign currency translation	(344)	(2)	(103)	(449)
Goodwill - December 31, 2022	21,200	2,702	12,909	36,811
Acquisitions and valuation adjustments	66	—	—	66
Dispositions	—	(38)	—	(38)
Foreign currency translation	302	2	62	366
<b>Goodwill - December 31, 2023</b>	<b>\$ 21,568</b>	<b>\$ 2,666</b>	<b>\$ 12,971</b>	<b>\$ 37,205</b>

## 8. Investments in Unconsolidated Affiliates

The Company maintains investments in various affiliates that are accounted for as equity method investments, the most significant of which are related to the Company's merchant alliances. The Company's share of net income or loss from these investments is reported within (loss) income from investments in unconsolidated affiliates and the related tax expense or benefit is reported within the income tax provision in the consolidated statements of income.

### *Merchant Alliances*

The Company maintains ownership interests in various merchant alliances. A merchant alliance is an agreement between the Company and a financial institution that combines the processing capabilities and management expertise of the Company with the visibility and distribution channel of the financial institution. A merchant alliance acquires credit and debit card transactions from merchants. The Company provides processing and other services to the alliance and charges fees to the alliance based on contractual pricing (see Note 19). The Company's investment in its merchant alliances was \$1.9 billion and \$2.1 billion at December 31, 2023 and 2022, respectively, and is reported within investments in unconsolidated affiliates in the consolidated balance sheets.

### *Other Equity Method Investments*

The Company maintains noncontrolling ownership interests in Sagent M&C, LLC ("Sagent") and defi SOLUTIONS Group, LLC (collectively the "Lending Joint Ventures"), which are accounted for under the equity method. In March 2022, Sagent completed a transaction with a third party for the contribution from and the sale by such third party to Sagent of certain intangible and tangible personal property rights, resulting in a dilution of the Company's ownership interest in Sagent. As a result of the transaction, the Company recognized a net pre-tax gain of \$80 million within (loss) income from investments in unconsolidated affiliates, with related tax expense of \$19 million recorded through the income tax provision, in the consolidated statement of income for the year ended December 31, 2022. The Company's remaining noncontrolling ownership interest in

Sagent continues to be accounted for as an equity method investment. The Company's net investment in the Lending Joint Ventures was \$5 million and \$72 million at December 31, 2023 and 2022, respectively, and is reported within investments in unconsolidated affiliates in the consolidated balance sheets. In addition, the Company maintains other strategic investments accounted for under the equity method. The Company's aggregate investment in such entities was \$254 million and \$257 million at December 31, 2023 and 2022, respectively, and is reported within investments in unconsolidated affiliates in the consolidated balance sheets.

The Lending Joint Ventures maintain, as amended in April 2022, variable-rate term loan facilities with aggregate outstanding borrowings of \$37 million in senior unsecured debt at December 31, 2023 and variable-rate revolving credit facilities with an aggregate borrowing capacity of \$83 million with a syndicate of banks, which mature in April 2027. There were \$24 million of aggregate outstanding borrowings on the revolving credit facilities at December 31, 2023. The Company has guaranteed the debt of the Lending Joint Ventures and does not anticipate that the Lending Joint Ventures will fail to fulfill their debt obligations (see Note 10).

In February 2021, in connection with a third-party merger transaction that resulted in a dilution of the Company's equity ownership interest in InvestCloud Holdings, LLC ("InvestCloud"), the Company made an additional capital contribution of \$200 million into the combined entity and recognized a pre-tax gain of \$28 million within (loss) income from investments in unconsolidated affiliates in the consolidated statement of income, with related tax expense of \$6 million recorded through the income tax provision, during the year ended December 31, 2021. In June 2021, the Company sold its entire ownership interest in InvestCloud for \$466 million, resulting in a pre-tax gain of \$33 million, recorded within (loss) income from investments in unconsolidated affiliates in the consolidated statement of income, with related tax expense of \$8 million recorded through the income tax provision, during the year ended December 31, 2021.

The Company classifies distributions from its investments accounted for using the equity method in the consolidated statements of cash flows using the cumulative earnings approach. Under this approach, distributions received from unconsolidated affiliates are classified as cash flows from operating activities to the extent that the cumulative distributions do not exceed the cumulative earnings on the investment. To the extent the current period distribution exceeds the cumulative earnings on the investment, the distribution is considered a return of investment and is classified as cash flows from investing activities. The Company received cash distributions from unconsolidated affiliates of \$191 million, \$211 million and \$149 million, of which \$136 million, \$138 million and \$115 million were recorded as cash flows from investing activities in the Company's consolidated statements of cash flows for the years ended December 31, 2023, 2022 and 2021, respectively.

#### *Other Equity Investments*

The Company also maintains investments, of which it does not have significant influence, in various equity securities without a readily determinable fair value. Such investments totaled \$156 million and \$135 million at December 31, 2023 and 2022, respectively, and are included within other long-term assets in the consolidated balance sheets. The Company reviews these investments each reporting period to determine whether an impairment or observable price change for the investment has occurred. To the extent such events or changes occur, the Company evaluates the fair value compared to its cost basis in the investment. Gains or losses from a sale of these investments or a change in fair value are included within other (expense) income, net in the consolidated statements of income for the period. During the year ended December 31, 2021, the Company remeasured its equity interest in Ondot to fair value upon the acquisition of the remaining ownership interest, resulting in the recognition of a pre-tax gain of \$12 million (see Note 4). Other adjustments made to the values recorded for certain equity securities and gains and losses from sales of equity securities during the years ended December 31, 2023, 2022 and 2021 were not significant.

### **9. Derivatives and Hedging Instruments**

In order to limit exposure to risk, the Company maintains derivative instruments with creditworthy institutions to hedge against changing interest rates and foreign currency rate fluctuations. The Company utilizes forward exchange contracts, fixed-to-fixed cross-currency rate swap contracts and other non-derivative hedging instruments to manage such risk. The Company has designated these instruments as cash flow hedges, net investment hedges, or fair value hedges, as further described below. Derivative instruments maintained by the Company are measured on a recurring basis and are recorded at fair value either as an asset or liability in the consolidated balance sheets (see Note 10).

#### *Cash Flow Hedges*

The Company maintains forward exchange contracts, designated as cash flow hedges, to hedge foreign currency exposure to the Indian Rupee. The notional amount of these derivatives was \$443 million and \$346 million at December 31, 2023 and 2022, respectively. Based on the amounts recorded in accumulated other comprehensive loss at December 31, 2023, the Company

estimates that it will recognize gains of approximately \$2 million in cost of processing and services during the next twelve months as foreign exchange forward contracts settle.

The Company previously entered into treasury lock agreements (“Treasury Locks”), designated as cash flow hedges to manage exposure to fluctuations in benchmark interest rates in anticipation of the issuance of fixed rate debt in connection with the acquisition and refinancing of certain indebtedness of First Data Corporation (“First Data”) and its subsidiaries. In 2019, concurrent with the issuance of U.S dollar-denominated senior notes, the Treasury Locks were settled resulting in a loss, net of income taxes, and recorded in accumulated other comprehensive loss that is being amortized to earnings over the terms of the originally forecasted interest payments. The unamortized balance recorded in accumulated other comprehensive loss related to the Treasury Locks was \$116 million and \$130 million at December 31, 2023 and 2022, respectively. Based on the amounts recorded in accumulated other comprehensive loss at December 31, 2023, the Company estimates that it will recognize approximately \$14 million in net interest expense during the next twelve months related to settled interest rate hedge contracts.

#### *Net Investment Hedges*

To reduce exposure to changes in the value of the Company’s net investments in certain of its foreign currency-denominated subsidiaries due to changes in foreign currency exchange rates, the Company uses fixed-to-fixed cross-currency rate swap contracts and foreign currency-denominated debt as economic hedges of its net investments in such foreign currency-denominated subsidiaries.

At December 31, 2023, aggregate notional fixed-to-fixed cross-currency rate swaps of 400 million Euros and 751 million Singapore Dollars have been designated as net investment hedges to hedge a portion of the Company’s net investment in certain subsidiaries whose functional currencies are the Euro and Singapore Dollar.

The Company has also designated certain of its Euro- and British Pound-denominated senior notes and Euro commercial paper notes as net investment hedges to hedge a portion of its net investment in certain subsidiaries whose functional currencies are the Euro and the British Pound. On May 24, 2023, in conjunction with the public offering and issuance of the 4.500% Euro-denominated senior notes due in May 2031 (see Note 12), the Company elected to designate such notes as a net investment hedge and simultaneously de-designated its existing net investment hedge election on its 0.375% Euro-denominated senior notes due in July 2023. To mitigate foreign currency exchange exposure on the 0.375% Euro-denominated senior notes, the Company entered into a forward exchange contract, not designated as a hedge, with matching critical terms which settled in July 2023 in conjunction with the maturity of the senior notes.

Foreign currency transaction gains or losses on the qualifying net investment hedge instruments are recorded as foreign currency translation within other comprehensive income (loss) in the consolidated statements of comprehensive income and will remain in accumulated other comprehensive loss in the consolidated balance sheets until the sale or complete liquidation of the underlying foreign subsidiaries.

Foreign currency transaction gains (losses), net of income tax, related to net investment hedges that were recorded as foreign currency translation within other comprehensive income (loss) in the consolidated statements of comprehensive income were as follows:

(In millions)	Year Ended December 31,		
	2023	2022	2021
Cross-currency rate swap contracts	\$ (29)	\$ (17)	\$ —
Foreign currency-denominated debt	(177)	236	110

The Company recorded income tax impacts of \$68 million, \$(73) million and \$36 million for the years ended December 31, 2023, 2022 and 2021, respectively, in other comprehensive income (loss) from the translation of foreign currency-denominated senior notes, Euro commercial paper notes and cross-currency rate swap contracts.

#### *Fair Value Hedges*

The Company maintains a fixed-to-fixed cross-currency rate swap contract of 525 million notional British Pounds, designated as a fair value hedge, to mitigate the spot foreign exchange rate risk on the principal amount of its British Pound-denominated 2.250% senior notes due in July 2025. Changes in the fair value of the cross-currency rate swap, along with the offsetting changes in the fair value of the senior notes, attributable to fluctuations in the British Pound/U.S. dollar spot rates are recognized in other (expense) income, net within the consolidated statements of income. The Company also maintains fixed-to-fixed cross-currency rate swap contracts in the aggregate notional amount of 157 million Euros, designated as fair value hedges, to mitigate the spot foreign exchange rate risk on the principal amount of a Euro-denominated intercompany note. Changes in

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the fair value of the cross-currency rate swaps, along with the offsetting change in the fair value of the intercompany note, attributable to fluctuations in the Euro/U.S. dollar spot rates are recognized in other (expense) income, net within the consolidated statements of income.

#### 10. Fair Value Measurements

The fair values of cash equivalents, trade accounts receivable, other current assets, settlement assets and obligations, accounts payable, and client deposits approximate their respective carrying values due to the short period of time to maturity. Derivative instruments maintained by the Company (see Note 9) are measured on a recurring basis based on foreign currency spot rates and forwards quoted by banks and foreign currency dealers and are marked to market each period. Contingent consideration related to certain of the Company's acquisitions (see Note 4) is estimated using the present value of a probability-weighted assessment approach based on the likelihood of achieving the earn-out criteria. The fair value of the Company's contingent liability for current expected credit losses associated with its debt guarantees, as further described below, is estimated based on assumptions of future risk of default and the corresponding level of credit losses at the time of default.

Assets and liabilities measured at fair value on a recurring basis consisted of the following:

(In millions)	Classification	Fair Value Hierarchy	Fair Value at December 31,	
			2023	2022
<b>Assets</b>				
Forward exchange contracts designated as cash flow hedges	Prepaid expenses and other current assets	Level 2	\$ 2	\$ —
Cross-currency rate swap contract designated as fair value hedge	Other long-term assets	Level 2	3	—
<b>Liabilities</b>				
Cross-currency rate swap contracts designated as fair value hedges	Other long-term liabilities	Level 2	\$ 1	\$ —
Forward exchange contracts designated as cash flow hedges	Accounts payable and accrued expenses	Level 2	—	7
Forward exchange contracts designated as cash flow hedges	Other long-term liabilities	Level 2	—	1
Cross-currency rate swap contracts designated as net investment hedges	Other long-term liabilities	Level 2	61	23
Contingent consideration	Accounts payable and accrued expenses	Level 3	2	6
Contingent consideration	Other long-term liabilities	Level 3	—	2
Contingent debt guarantee	Other long-term liabilities	Level 3	23	21

#### Debt

The Company's senior notes are recorded at amortized cost but measured at fair value for disclosure purposes. The estimated fair value of senior notes was based on matrix pricing which considers readily observable inputs of comparable securities (Level 2 of the fair value hierarchy). The carrying value of the Company's foreign lines of credit, term loan credit agreement, commercial paper notes and revolving credit facility borrowings approximates fair value as these instruments have variable interest rates and the Company has not experienced any change to its credit ratings (Level 2 of the fair value hierarchy). The estimated fair value of total debt, excluding finance leases and other financing obligations, was \$21.6 billion and \$19.2 billion at December 31, 2023 and 2022, respectively, and the carrying value was \$22.2 billion and \$20.6 billion at December 31, 2023 and 2022, respectively.

#### Debt Guarantee Arrangements

The Company maintains liabilities for its obligations to perform over the term of its debt guarantee arrangements with the Lending Joint Ventures (see Note 8), which are reported within other long-term liabilities in the consolidated balance sheets. In April 2022, the Lending Joint Ventures amended their respective term loans and revolving credit facilities, increasing aggregate borrowing capacity by \$75 million and extending the maturity to April 2027. The Company elected to guarantee this incremental indebtedness, resulting in aggregate guarantees of \$520 million and a pre-tax expense of \$48 million related to such debt guarantee obligations, recorded within other (expense) income, net in the consolidated statement of income and within

other operating activities in the consolidated statement of cash flows, during the year ended December 31, 2022. The Company is entitled to receive a defined fee in exchange for its incremental guarantee of this indebtedness. The Company has not made any payments under the guarantees, nor has it been called upon to do so, and does not anticipate that the Lending Joint Ventures will fail to fulfill their debt obligations.

The non-contingent component of the Company's debt guarantee arrangements is recorded at amortized cost, but measured at fair value for disclosure purposes. The carrying value of the Company's non-contingent liability of \$31 million and \$40 million approximates the fair value at December 31, 2023 and 2022, respectively (Level 3 of the fair value hierarchy). Such guarantees will be amortized in future periods over the contractual term of the debt. The contingent component of the Company's debt guarantee arrangements represents the current expected credit losses to which the Company is exposed. The amount of the liability is estimated based on certain financial metrics of the Lending Joint Ventures and historical industry data, which is used to develop assumptions of the likelihood the guaranteed parties will default and the level of credit losses in the event a default occurs. The Company recognized \$7 million, \$12 million and \$12 million during the years ended December 31, 2023, 2022 and 2021, respectively, within other (expense) income, net in its consolidated statements of income related to its release from risk under the non-contingent guarantees as well as a change in the provision of estimated credit losses associated with the indebtedness of the Lending Joint Ventures.

#### *Other Non-Financial Assets*

Certain of the Company's non-financial assets are measured at fair value on a non-recurring basis, including property and equipment, lease ROU assets, equity securities without a readily determinable fair value, goodwill and other intangible assets, and are subject to fair value adjustment in certain circumstances. Additional information about fair value adjustments recorded on a non-recurring basis during the years ended December 31, 2023, 2022 and 2021 is included in Notes 1 and 8.

### **11. Leases**

#### *Company as Lessee*

The Company primarily leases office space, data centers and equipment from third parties. The Company determines if a contract is a lease at inception. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term begins on the commencement date, which is the date the Company takes possession or obtains control of the asset, and may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Many of the Company's leases contain renewal options for varying periods, which can be exercised at the Company's sole discretion. Leases are classified as operating or finance leases based on factors such as the lease term, lease payments, and the economic life, fair value and estimated residual value of the asset. Certain leases include options to purchase the leased asset at the end of the lease term, which is assessed as a part of the Company's lease classification determination. The Company's leases have remaining lease terms ranging from one month to 20 years.

The Company uses the right-of-use model to account for its leases. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized on the commencement date based on the present value of lease payments over the lease term. ROU assets are based on the lease liability and are increased by prepaid lease payments and decreased by lease incentives received. For leases where the Company is reasonably certain to exercise a renewal option, such option periods have been included in the determination of the Company's ROU assets and lease liabilities. Certain leases require the Company to pay taxes, insurance, maintenance and other operating expenses associated with the leased asset. Such amounts are not included in the measurement of the ROU assets and lease liabilities to the extent they are variable in nature. These variable lease costs are recognized as variable lease expenses when incurred. As a practical expedient, lease agreements with lease and non-lease components are accounted for as a single lease component for all asset classes. The Company estimates contingent lease incentives when it is probable that the Company is entitled to the incentive at lease commencement. The Company elected the short-term lease recognition exemption for all leases that qualify. Therefore, leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets; instead, lease payments are recognized as lease expense on a straight-line basis over the lease term. The depreciable life of the ROU assets and leasehold improvements are limited by the expected lease term unless the Company is reasonably certain of a transfer of title or purchase option. The Company uses its incremental borrowing rate to discount future lease payments in the calculation of the lease liability and ROU asset based on the information available on the commencement date for each lease. The Company's leases typically do not provide an implicit rate. The determination of the incremental borrowing rate requires judgment and is determined using the Company's current unsecured borrowing rate, adjusted for various factors such as collateralization, currency and term to align with the terms of the lease.

Lease Balances

(In millions)	December 31,	
	2023	2022
<b>Assets</b>		
Operating lease assets <sup>(1)</sup>	\$ 628	\$ 586
Finance lease assets <sup>(2)</sup>	623	541
Total lease assets	<u><u>\$ 1,251</u></u>	<u><u>\$ 1,127</u></u>
<b>Liabilities</b>		
Current:		
Operating lease liabilities <sup>(1)</sup>	\$ 118	\$ 124
Finance lease liabilities <sup>(2)</sup>	187	156
Noncurrent:		
Operating lease liabilities <sup>(1)</sup>	665	628
Finance lease liabilities <sup>(2)</sup>	430	366
Total lease liabilities	<u><u>\$ 1,400</u></u>	<u><u>\$ 1,274</u></u>

<sup>(1)</sup> Operating lease assets are included within other long-term assets, and operating lease liabilities are included within accounts payable and accrued expenses (current portion) and other long-term liabilities (noncurrent portion) in the consolidated balance sheets.

<sup>(2)</sup> Finance lease assets are included within property and equipment, net and finance lease liabilities are included within short-term and current maturities of long-term debt (current portion) and long-term debt (noncurrent portion) in the consolidated balance sheets.

Components of Lease Cost

(In millions)	Year Ended December 31,		
	2023	2022	2021
Operating lease cost <sup>(1)</sup>	\$ 185	\$ 186	\$ 162
Finance lease cost: <sup>(2)</sup>			
Amortization of right-of-use assets	189	169	122
Interest on lease liabilities	31	17	23
Total lease cost	<u><u>\$ 405</u></u>	<u><u>\$ 372</u></u>	<u><u>\$ 307</u></u>

<sup>(1)</sup> Operating lease expense is included within cost of processing and services, cost of product and selling, general and administrative expense, dependent upon the nature and use of the ROU asset, in the consolidated statements of income. Operating lease expense includes approximately \$41 million, \$38 million and \$39 million of variable lease costs during the years ended December 31, 2023, 2022 and 2021, respectively.

<sup>(2)</sup> Finance lease expense is recorded as depreciation and amortization expense within cost of processing and services, cost of product and selling, general and administrative expense, dependent upon the nature and use of the ROU asset, and interest expense, net in the consolidated statements of income.

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Supplemental Cash Flow Information

(In millions)	Year Ended December 31,		
	2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows - operating leases	\$ 134	\$ 131	\$ 153
Operating cash flows - finance leases	31	17	23
Financing cash flows - finance leases	207	183	161
Right-of-use assets obtained in exchange for lease liabilities:			
Operating leases	\$ 76	\$ 109	\$ 197
Finance leases	279	234	231

Lease Term and Discount Rate

	December 31,	
	2023	2022
Weighted-average remaining lease term:		
Operating leases	10 years	10 years
Finance leases	4 years	4 years
Weighted-average discount rate:		
Operating leases	2.8 %	2.7 %
Finance leases	4.8 %	3.8 %

Maturity of Lease Liabilities

Future minimum rental payments on leases with initial non-cancellable lease terms in excess of one year were due as follows at December 31, 2023:

(In millions)	Year Ending December 31,	Operating Leases <sup>(1)</sup>	Finance Leases <sup>(2)</sup>
2024	\$ 131	\$ 216	
2025	121		187
2026	118		149
2027	109		95
2028	81		33
Thereafter	386		6
Total lease payments	946		686
Less: Interest	(163)		(69)
Present value of lease liabilities	\$ 783		\$ 617

<sup>(1)</sup> Operating lease payments include \$52 million related to options to extend lease terms that are reasonably certain of being exercised.

<sup>(2)</sup> Finance lease payments exclude \$59 million of legally binding minimum lease payments for leases signed but not yet commenced. Finance leases that have been signed but not yet commenced are for equipment and will commence in 2024 with lease terms of up to 5 years.

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*Company as Lessor*

The Company owns certain POS terminal equipment which it leases to merchants. Leases are classified as operating or sales-type leases based on factors such as the lease term, lease payments, and the economic life, fair value and estimated residual value of the asset. The terms of the leases typically range from one month to four years. For operating leases, the minimum lease payments received are recognized as lease income on a straight-line basis over the lease term and the leased asset is included in property and equipment, net in the consolidated balance sheets and depreciated over its estimated useful life. For sales-type leases, selling profit is recognized at the commencement date of the lease to the extent the fair value of the underlying asset is different from its carrying amount. Selling profit is directly impacted by the Company's estimate of the amount to be derived from the residual value of the asset at the end of the lease term. The residual value of the asset is computed using various assumptions, including the expected value of the underlying asset at the end of the lease term. Unearned income is recognized as interest income over the lease term. For sales-type leases, the Company derecognizes the carrying amount of the underlying leased asset and recognizes a net investment in the leased asset in the consolidated balance sheets. The net investment in a leased asset is computed based on the present value of the minimum lease payments not yet received, along with the present value of the residual value of the asset less unearned interest income.

Components of Lease Income

<b>(In millions)</b>	<b>Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Sales-type leases:			
Selling profit <sup>(1)</sup>	\$ 56	\$ 55	\$ 61
Interest income <sup>(1)</sup>	81	99	85
Operating lease income <sup>(2)</sup>	259	279	297

(1) Selling profit includes \$160 million, \$147 million and \$141 million recorded within product revenue with a corresponding charge of \$104 million, \$92 million and \$80 million recorded within cost of product in the consolidated statements of income for the years ended December 31, 2023, 2022 and 2021, respectively. Interest income is included within product revenue in the consolidated statements of income.

(2) Operating lease income includes a nominal amount of variable lease income and is included within product revenue in the consolidated statements of income for each of the years ended December 31, 2023, 2022 and 2021.

Components of Net Investment in Sales-Type Leases

<b>(In millions)</b>	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Minimum lease payments	\$ 465	\$ 428
Residual values	20	20
Less: Unearned interest income	(177)	(169)
Net investment in leases <sup>(1)</sup>	<u>\$ 308</u>	<u>\$ 279</u>

(1) Net investments in leased assets are included within prepaid expenses and other current assets (current portion) and other long-term assets (noncurrent portion) in the consolidated balance sheets.

**Maturities of Future Minimum Lease Payment Receivables**

Future minimum lease payments receivable on sales-type leases were as follows at December 31, 2023:

**(In millions)**

Year Ending December 31,	Sales-Type Leases
2024	\$ 182
2025	147
2026	95
2027	38
2028	3
Thereafter	—
Total minimum lease payments	\$ 465

**Lease Payment Receivables Portfolio**

The Company accounts for lease payment receivables in connection with POS terminal equipment as a single portfolio. The Company recognizes an allowance for expected credit losses on lease payment receivables at the commencement date of the lease by considering the term, geography and internal credit risk ratings of such lease. The internal credit risk ratings are established based on lessee specific risk factors, such as FICO score, number of years the lessee has been in business and the nature of the lessee's industry, which are considered indicators of the likelihood a lessee may default in the future. The allowance for estimated credit losses on lease payment receivables was \$50 million and \$60 million at December 31, 2023 and 2022, respectively.

The Company determines delinquency status on lease payment receivables based on the number of calendar days past due. The Company considers lease payments that are 90 days or less past due as performing. Lease payments that are greater than 90 days past due are placed on non-accrual status in which interest income is no longer recognized. Lease payment receivables are fully written off in the period they become delinquent greater than 180 days past due. Lease payment receivables that were determined to be on non-accrual status were nominal at each of December 31, 2023 and 2022.

## 12. Debt

The Company's debt consisted of the following:

<b>(In millions)</b>	December 31,	
	2023	2022
<b>Short-term and current maturities of long-term debt:</b>		
Foreign lines of credit	\$ 442	\$ 198
Finance lease and other financing obligations	313	270
Total short-term and current maturities of long-term debt	\$ 755	\$ 468
<b>Long-term debt:</b>		
0.375% senior notes due July 2023 (Euro-denominated)	\$ —	\$ 531
3.800% senior notes due October 2023	—	1,000
2.750% senior notes due July 2024	2,000	2,000
3.850% senior notes due June 2025	900	900
2.250% senior notes due July 2025 (British Pound-denominated)	672	632
3.200% senior notes due July 2026	2,000	2,000
2.250% senior notes due June 2027	1,000	1,000
1.125% senior notes due July 2027 (Euro-denominated)	555	531
5.450% senior notes due March 2028	900	—
5.375% senior notes due August 2028	700	—
4.200% senior notes due October 2028	1,000	1,000
3.500% senior notes due July 2029	3,000	3,000
2.650% senior notes due June 2030	1,000	1,000
1.625% senior notes due July 2030 (Euro-denominated)	555	531
4.500% senior notes due May 2031 (Euro-denominated)	889	—
3.000% senior notes due July 2031 (British Pound-denominated)	672	632
5.600% senior notes due March 2033	900	—
5.625% senior notes due August 2033	1,300	—
4.400% senior notes due July 2049	2,000	2,000
U.S. dollar commercial paper notes	418	2,329
Euro commercial paper notes	1,321	1,210
Revolving credit facility	74	35
Term loan facility	—	200
Unamortized discount and deferred financing costs	(145)	(120)
Finance lease and other financing obligations	652	539
Total long-term debt	\$ 22,363	\$ 20,950

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Annual maturities of the Company's total debt were as follows at December 31, 2023:

<b>(In millions)</b>	
<b>Year Ending December 31,</b>	
2024	\$ 755
2025	1,834
2026	2,198
2027	5,502
2028	2,648
Thereafter	10,326
Total principal payments	23,263
Unamortized discount and deferred financing costs	(145)
<b>Total debt</b>	<b>\$ 23,118</b>

The Company was in compliance with all financial debt covenants during the year ended December 31, 2023.

### *Senior Notes*

The Company has outstanding \$20.0 billion of various fixed-rate senior notes, as described above. The indentures governing the Company's senior notes contain covenants that, among other matters, limit (i) the Company's ability to consolidate or merge with or into, or convey, transfer or lease all or substantially all of its properties and assets to, another person, (ii) the Company's and certain of its subsidiaries' ability to create or assume liens, and (iii) the Company's and certain of its subsidiaries' ability to engage in sale and leaseback transactions. The Company may, at its option, redeem the senior notes, in whole or in part, at any time and from time to time, at the applicable redemption price. Interest on the Company's U.S. dollar-denominated senior notes is paid semi-annually, while interest on its Euro- and British Pound-denominated senior notes is paid annually. The interest rate applicable to certain of the senior notes is subject to an increase of up to two percent in the event that the credit rating assigned to such notes is downgraded below investment grade.

On August 21, 2023, the Company completed the public offering and issuance of \$2.0 billion of senior notes, comprised of \$700 million aggregate principal amount of 5.375% senior notes due in August 2028 and \$1.3 billion aggregate principal amount of 5.625% senior notes due in August 2033. The Company used the net proceeds from these senior notes offerings for general corporate purposes, including the repayment of U.S. dollar commercial paper notes, share repurchases and, in October 2023, the repayment of its 3.800% senior notes.

On May 24, 2023, the Company completed the public offering and issuance of 800 million Euros aggregate principal amount of 4.500% senior notes due in May 2031. The Company used the net proceeds from this senior notes offering for general corporate purposes, including the repayment of U.S. dollar commercial paper notes and, in July 2023, the repayment of its 0.375% Euro-denominated senior notes.

On March 2, 2023, the Company completed the public offering and issuance of \$1.8 billion of senior notes, comprised of \$900 million aggregate principal amount of 5.450% senior notes due in March 2028 and \$900 million aggregate principal amount of 5.600% senior notes due in March 2033. The Company used the net proceeds from these senior notes offerings for general corporate purposes, including the repayment of U.S. dollar commercial paper notes.

At December 31, 2023, the 2.750% senior notes due in July 2024 were classified in the consolidated balance sheet as long-term, as the Company has the intent to refinance this debt on a long-term basis and the ability to do so under its revolving credit facility.

### *Commercial Paper*

The Company maintains unsecured U.S. dollar and Euro commercial paper programs. From time to time, the Company may issue under these programs U.S. dollar commercial paper with maturities of up to 397 days from the date of issuance and Euro commercial paper with maturities of up to 183 days from the date of issuance. Outstanding borrowings under the U.S. dollar program were \$0.4 billion and \$2.3 billion at December 31, 2023 and 2022, respectively, with a weighted average interest rate of 5.454% and 4.818%, respectively. Outstanding borrowings under the Euro program were \$1.3 billion and \$1.2 billion at December 31, 2023 and 2022, respectively, with a weighted average interest rate of 4.029% and 1.918%, respectively. The Company intends to maintain available capacity under its revolving credit facility, as described below, in an amount at least equal to the aggregate outstanding borrowings under its commercial paper programs. Outstanding borrowings under the commercial paper programs are classified in the consolidated balance sheets as long-term as the Company has the intent to

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refinance this commercial paper on a long-term basis through the continued issuance of new commercial paper upon maturity, and the Company also has the ability to refinance such commercial paper under its revolving credit facility.

### *Revolving Credit Facility*

The Company maintains a senior unsecured multicurrency revolving credit facility, which matures in June 2027 and provides for a maximum aggregate principal amount of availability of \$6.0 billion. Borrowings under the credit facility bear interest at a variable rate based on a Secured Overnight Financing Rate (SOFR), or a base rate in the case of U.S. dollar borrowings, in each case, plus a specified margin based on the Company's long-term debt rating in effect from time to time (6.450% at December 31, 2023). The credit facility also requires the Company to pay a facility fee based on the aggregate commitments in effect under the agreement from time to time. The credit facility contains various restrictions and covenants that require the Company to, among other things, limit its consolidated indebtedness as of the end of each fiscal quarter to no more than 3.75 times the Company's consolidated net income before interest, taxes, depreciation, amortization, non-cash charges and expenses and certain other adjustments ("EBITDA") during the period of four fiscal quarters then ended, subject to certain exceptions.

### *Foreign Lines of Credit*

The Company maintains certain short-term lines of credit and other borrowing arrangements with foreign banks and alliance partners primarily to fund settlement activity associated with international operations in Latin America. The Company entered into an annually renewable term loan facility, which was fully funded in April 2023, to fund settlement advance cash payments associated with international operations in Brazil. This term loan has a notional value of 514 million Brazilian real (\$106 million USD equivalent) at December 31, 2023 that matures in April 2024 and bears interest at a variable Certificado de Depósito Interbancário (CDI) Rate, plus a specified margin of 1.70% per annum.

The following table provides a summary of the outstanding borrowings and weighted average interest rates of the Company's foreign lines of credit and other borrowing arrangements by country at December 31:

	Outstanding Borrowings (in millions)		Weighted-Average Interest Rate	
	2023	2022	2023	2022
Argentina	\$ 208	\$ 68	121.581 %	69.791 %
Brazil	123	61	13.500 %	16.254 %
Uruguay	55	34	11.125 %	12.188 %
Other	56	35	4.912 %	0.994 %
Total	\$ 442	\$ 198	63.060 %	30.578 %

### *Term Loan Facility*

In June 2023, the Company repaid all remaining outstanding borrowings on its existing term loan facility utilizing proceeds from the issuance of U.S. dollar commercial paper notes and operating cash on hand, thereby terminating such facility. Borrowings under the term loan facility accrued interest at a variable rate based on one-month LIBOR or on a base rate, plus, in each case, a specified margin based on the Company's long-term debt rating in effect from time to time. The variable interest rate on the term loan facility borrowings was 5.639% at December 31, 2022.

### *Deferred Financing Costs*

Deferred financing costs are amortized as a component of interest expense, net over the term of the underlying debt using the effective interest method. Deferred financing costs, primarily related to the Company's senior notes, totaled \$94 million and \$76 million at December 31, 2023 and 2022, respectively, and are reported as a direct reduction of the related debt instrument in the consolidated balance sheets. Deferred financing costs related to the Company's revolving credit facility are reported in other long-term assets in the consolidated balance sheets and totaled \$7 million and \$10 million at December 31, 2023 and 2022, respectively.

### **13. Redeemable Noncontrolling Interests**

The minority partner in one of the Company's existing merchant alliance joint ventures maintains a redeemable noncontrolling 1% interest which is presented outside of equity and carried at its estimated redemption value. The minority partner is entitled to a contractually determined share of the entity's income, and the joint venture agreement contains redemption features whereby the interest held by the minority partner is redeemable either (i) at the option of the holder or (ii) upon the occurrence of an event that is not solely within the Company's control. The joint venture may be terminated by either party for convenience.

any time after December 31, 2024. In the event of termination for cause, as a result of a change in control, or for convenience after the predetermined date, the Company may be required to purchase the minority partner membership interest at a price equal to the fair market value of the minority interest through a distribution of cash, certain merchant contracts of the joint venture, or a combination thereof. In conjunction with the termination of the joint venture, the minority partner may also exercise an option to purchase certain additional merchant contracts at fair market value.

In 2021, the Company and a joint venture minority partner mutually agreed to terminate one of the Company's merchant alliance joint ventures effective March 2022. The redeemable noncontrolling interest was adjusted by \$18 million to reflect the estimated redemption value, with such adjustment recorded within additional paid-in capital in the consolidated statement of equity for the year ended December 31, 2021. In conjunction with the termination, the joint venture minority partner elected to exercise its option to purchase certain additional merchant contracts of the joint venture. The Company received proceeds of \$175 million from the sale of such merchant contracts of the joint venture, resulting in the recognition of a pre-tax gain of \$137 million within net gain on sale of businesses and other assets, with related tax expense of \$7 million recorded through the income tax provision, in the consolidated statement of income for the year ended December 31, 2022.

The following table presents a summary of the redeemable noncontrolling interests activity during the years ended December 31:

<b>(In millions)</b>	<b>2023</b>	<b>2022</b>
Balance at beginning of year	\$ 161	\$ 278
Distributions paid to redeemable noncontrolling interests	(26)	(34)
Share of income	26	28
Derecognition of redeemable noncontrolling interest	—	(111)
Balance at end of year	<u>\$ 161</u>	<u>\$ 161</u>

#### 14. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss by component, net of income taxes, consisted of the following:

<b>(In millions)</b>	<b>Derivatives</b>	<b>Foreign Currency Translation</b>	<b>Pension Plans</b>	<b>Total</b>
<b>Year Ended December 31, 2023</b>				
Balance at December 31, 2022	\$ (103)	\$ (1,064)	\$ (22)	\$ (1,189)
Other comprehensive income before reclassifications	11	366	5	382
Amounts reclassified from accumulated other comprehensive loss	14	10	—	24
Net current-period other comprehensive income	25	376	5	406
Balance at December 31, 2023	<u>\$ (78)</u>	<u>\$ (688)</u>	<u>\$ (17)</u>	<u>\$ (783)</u>
<b>Year Ended December 31, 2022</b>				
Balance at December 31, 2021	\$ (107)	\$ (676)	\$ 38	\$ (745)
Other comprehensive loss before reclassifications	(11)	(444)	(60)	(515)
Amounts reclassified from accumulated other comprehensive loss	15	56	—	71
Net current-period other comprehensive income (loss)	4	(388)	(60)	(444)
Balance at December 31, 2022	<u>\$ (103)</u>	<u>\$ (1,064)</u>	<u>\$ (22)</u>	<u>\$ (1,189)</u>

#### 15. Employee Benefit Plans

##### *Defined Contribution Plans*

The Company and its subsidiaries maintain defined contribution savings plans covering the majority of their employees. Under the plans, eligible participants may elect to contribute a specified percentage of their salaries and the Company makes matching contributions, each subject to certain limitations. The plans provide tax-deferred amounts for each participant, consisting of

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employee elective contributions, company matching and discretionary company contributions. During the year ended December 31, 2021, Company matching contributions were 100% on the first 1% contributed and 25% on the next 4% contributed for eligible participants. Effective January 1, 2022, Company matching contributions were increased to 100% on the first 1% contributed and 50% on the next 4% contributed for eligible participants. Expenses for company contributions under these plans totaled \$78 million, \$79 million, and \$58 million for the years ended December 31, 2023, 2022 and 2021, respectively.

**Defined Benefit Plans**

The Company maintains noncontributory defined benefit pension plans (collectively, the “Plans”) covering certain of its employees in the United Kingdom (“U.K.”), the U.S., Germany and Austria. All of these plans were frozen and provide benefits to eligible employees based on an employee’s average final compensation and years of service.

Effective September 30, 2023, the Company terminated the U.K. and U.S. defined benefit pension plans and expects to purchase group annuity contracts from certain insurance companies that will provide for the administration of future payments to eligible plan participants. In connection with such terminations and upon the settlements of the respective plans, which are expected to be completed in 2024, the Company will fund estimated plan termination liability shortfalls for the U.S. defined benefit pension plan of approximately \$25 million and expects to recognize a non-cash pension settlement charge of approximately \$10 million, which includes the recognition of remaining net actuarial losses recorded within accumulated other comprehensive loss. The amount of accrued vested benefits to be received by participants will not be impacted.

**Funded Status**

The following table provides a reconciliation of benefit obligations, plan assets and the funded status of the Plans as of and for the years ended December 31:

(In millions)	U.K. Plan		U.S. and Other Plans	
	2023	2022	2023	2022
<b>Change in projected benefit obligations:</b>				
Balance at beginning of year	\$ (418)	\$ (736)	\$ (169)	\$ (221)
Interest cost	(21)	(12)	(8)	(5)
Actuarial (loss) gain	(5)	230	(1)	41
Benefits paid	26	28	14	14
Foreign currency translation	(27)	72	—	2
Balance at end of year	\$ (445)	\$ (418)	\$ (164)	\$ (169)
<b>Change in fair value of plan assets:</b>				
Balance at beginning of year	\$ 570	\$ 983	\$ 130	\$ 183
Actual return on plan assets	8	(290)	8	(39)
Benefits paid	(26)	(28)	(14)	(14)
Foreign currency translation	37	(95)	—	—
Balance at end of year	\$ 589	\$ 570	\$ 124	\$ 130
<b>Funded status of the plans</b>				
	<u>\$ 144</u>	<u>\$ 152</u>	<u>\$ (40)</u>	<u>\$ (39)</u>

The funded status of the Plans is recognized as an asset or a liability within other long-term assets or within other long-term liabilities in the consolidated balance sheets.

**Projected Benefit Obligations**

The Company records amounts relating to Plan obligations and their associated expenses based on calculations which include actuarial assumptions, including the discount rate and the expected rate of return on plan assets. Changes in any of the assumptions and the amortization of differences between the assumptions and actual experience affect the amount of pension expense in future periods. The Company reviewed its actuarial assumptions at least annually and modified the assumptions based on then-current rates and trends, as appropriate. The effects of modifications were recognized immediately within the consolidated balance sheets, and were generally amortized to operating income over future periods, with the deferred amount recorded in accumulated other comprehensive loss within the consolidated balance sheets. The Company’s funding policy was

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to contribute quarterly an amount as recommended by the Plans' independent actuaries. Company contributions under the Plans were nominal in both 2023 and 2022. The Company employed a building block approach in determining the expected long-term rate of return for plan assets with proper consideration of diversification and re-balancing. Historical markets were studied and long-term historical relationships between equities and fixed-income securities were preserved consistent with the widely accepted capital market principle that assets with higher volatility generate a greater return over the long run. Current market factors such as inflation and interest rates were evaluated before long-term capital market assumptions were determined. Peer data and historical returns were reviewed to check for reasonableness and appropriateness.

The weighted-average rate assumptions used in the measurement of the Company's projected benefit obligations and net periodic benefit expense as of and for the years ended December 31 were as follows:

	Projected Benefit Obligations		Net Periodic Benefit Expense	
	2023	2022	2023	2022
Discount rate	4.81 %	5.01 %	5.01 %	1.97 %
Expected long-term return on plan assets	n/a	n/a	4.74 %	2.19 %

The estimated settlement of future benefit payments of \$391 million for the U.K. and U.S. defined benefit pension plans is expected to be paid before December 31, 2024.

#### Plan Assets

Prior to its termination, the Company's investment strategy for the U.K. plan was to allocate the assets into two pools: (i) liability-hedging assets whereby the focus was risk management, protection and insurance relative to the liability target invested in, but not limited to, money market funds, debt, U.K. government bonds and U.K. government index-linked bonds; and (ii) return-seeking assets whereby the focus was on return generation and taking risk in a controlled manner. Such assets included equities, government bonds, high-yield bonds, property, commodities or hedge funds. Prior to its termination, the Company's investment strategy for the U.S. plan employed a total return investment approach whereby a diversified blend of equities and fixed-income investments were used to maximize the long-term return of plan assets for a prudent level of risk. The Company set an allocation mix necessary to support the underlying plan liabilities as influenced significantly by the demographics of the participants and the frozen nature of the plan.

Upon termination of these defined benefit pension plans, a modified investment allocation strategy was adopted for purposes of protecting the funded status of the respective plan assets subsequent to such terminations. The assets of the respective plans are now invested exclusively in liability-hedging assets. Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements, and periodic asset and liability studies.

The following table sets forth assets carried and measured at fair value on a recurring basis for the Plans at December 31:

(In millions)	Level 1	Level 2	Level 3
<b>December 31, 2023</b>			
Cash and cash equivalents <sup>(1)</sup>			
Cash and cash equivalents <sup>(1)</sup>	\$ 27	\$ —	\$ —
Equity securities <sup>(2)</sup>	—	—	—
Fixed income securities <sup>(3)</sup>	312	—	—
Other investments <sup>(4)</sup>	269	6	—
Total investments at fair value	\$ 608	\$ 6	\$ —
<b>December 31, 2022</b>			
Cash and cash equivalents <sup>(1)</sup>			
Cash and cash equivalents <sup>(1)</sup>	\$ 43	\$ —	\$ —
Equity securities <sup>(2)</sup>	1	40	—
Fixed income securities <sup>(3)</sup>	137	86	—
Other investments <sup>(4)</sup>	301	(26)	—
Total investments at fair value	\$ 482	\$ 100	\$ —

<sup>(1)</sup> Cash and cash equivalents include highly liquid investments in money market funds.

<sup>(2)</sup> Equity securities primarily consist of domestic, international and global equity pooled funds.

(3) Fixed income securities primarily consist of debt securities issued by U.S. and foreign government agencies and debt obligations issued by a variety of private and public corporations.

(4) Other investments primarily consist of index-linked government bonds, derivatives and other investments.

In addition to the investments presented within the fair value hierarchy table above, the Plans' assets include investments in various collective trusts that are measured at fair value using the net asset value per share (or its equivalent) practical expedient. Such investments totaled \$99 million and \$118 million at December 31, 2023 and 2022, respectively.

#### Net Periodic Benefit Cost

The components of net periodic benefit cost (income) were as follows:

<u>(In millions)</u>	Year Ended December 31,		
	2023	2022	2021
Interest cost	\$ 29	\$ 17	\$ 16
Expected return on plan assets	(26)	(18)	(23)
Net periodic benefit expense (income)	\$ 3	\$ (1)	\$ (7)

#### **16. Share-Based Compensation**

The Company recognizes the fair value of share-based compensation awards granted to employees in cost of processing and services, cost of product, and selling, general and administrative expense in its consolidated statements of income.

The Company's share-based compensation awards are typically granted in the first quarter of the year; however, grants may also occur throughout the year in conjunction with acquisitions of businesses, and primarily consist of the following:

- *Restricted Stock Units and Awards* – The Company grants restricted stock units and awards to employees and non-employee directors. Time-based restricted stock units and award grants generally vest over a three- or four-year period. Performance-based restricted stock units generally vest over a three- to five-year period based upon the achievement of defined performance goals including revenue growth, achievement of integration milestones, and completion of strategic initiatives. The Company recognizes compensation expense for restricted stock units and awards based on the market price of its common stock on the grant date over the period during which the units and awards vest.
- *Performance Share Units* – The Company grants performance share units to employees. The number of shares issued at the end of the performance period is determined by the level of achievement of predefined performance goals, including earnings, revenue growth, integration attainment, and shareholder return. The Company recognizes compensation expense on performance share units ratably over the requisite performance period of the award, generally two to five years, to the extent management views the performance goals as probable of attainment. The Company recognizes compensation expense for the fair value of the shareholder return component over the requisite service period of the award.
- *Stock Options* – The Company grants stock options to employees and non-employee directors at exercise prices equal to the fair market value of the Company's stock on the dates of grant. Stock option grants generally vest over a three- or four-year period. All stock options expire ten years from the date of the award. The Company recognizes compensation expense for the fair value of the stock options over the requisite service period of the stock option award.
- *Employee Stock Purchase Plan* – The Company maintains an employee stock purchase plan that allows eligible employees to purchase a limited number of shares of common stock each quarter through payroll deductions at a discount of the closing price of the Company's common stock on the last business day of each calendar quarter. The employee discount of 5% under the employee stock purchase plan is considered noncompensatory and therefore does not give rise to recognizable compensation cost.

The Company recognized \$342 million, \$323 million and \$239 million of share-based compensation expense during the years ended December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, the total remaining unrecognized compensation cost for restricted stock units and awards, performance share units, and unvested stock options, net of estimated forfeitures, of \$361 million is expected to be recognized over a weighted-average period of 1.9 years. During the years ended December 31, 2023, 2022 and 2021, stock options to purchase 2.4 million, 3.7 million and 4.4 million shares, respectively, were exercised.

*Share-Based Compensation Activity*

No stock option awards were granted during the years ended December 31, 2023 and 2022. The weighted-average estimated fair value of stock options granted during the year ended December 31, 2021 was \$33.35 per share. The fair values of stock options granted were estimated on the date of grant using a binomial option-pricing model with the following assumptions:

	2021
Expected life (in years)	6.5
Average risk-free interest rate	0.6 %
Expected volatility	29.3 %
Expected dividend yield	0 %

The Company determined the expected life of stock options using historical data. The risk-free interest rate was based on the U.S. treasury yield curve in effect as of the grant date. Expected volatility was determined using weighted-average implied market volatility combined with historical volatility. The Company believes that a blend of historical volatility and implied volatility better reflects future market conditions and better indicates expected volatility than purely historical volatility.

A summary of stock option activity is as follows:

	Shares (In thousands)	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In millions)
Stock options outstanding - December 31, 2022	6,336	\$ 62.91		
Granted	—	—		
Forfeited	(38)	112.83		
Exercised	(2,433)	47.11		
Stock options outstanding - December 31, 2023	3,865	\$ 72.36	3.74	\$ 234
Stock options exercisable - December 31, 2023	<u>3,574</u>	<u>\$ 69.10</u>	<u>3.52</u>	<u>\$ 228</u>

A summary of restricted stock unit, restricted stock award and performance share unit activity is as follows:

	Restricted Stock Units and Awards		Performance Share Units	
	Shares (In thousands)	Weighted- Average Grant Date Fair Value	Shares (In thousands)	Weighted- Average Grant Date Fair Value
Units and awards - December 31, 2022	5,530	\$ 96.88	3,243	\$ 100.93
Granted	2,664	113.52	372	131.66
Forfeited	(453)	102.97	(269)	102.03
Vested	(2,322)	99.51	(127)	101.54
Units and awards - December 31, 2023	<u>5,419</u>	<u>\$ 103.11</u>	<u>3,219</u>	<u>\$ 104.09</u>

In conjunction with certain acquisitions, the Company granted restricted stock units with performance vesting provisions to be measured over two and five years, which are presented as performance share units within the table above.

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The table below presents additional information related to stock option and restricted stock unit activity:

<b>(In millions)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Total intrinsic value of stock options exercised	\$ 177	\$ 226	\$ 339
Fair value of restricted stock units vested	267	335	332
Income tax benefit from stock options exercised and restricted stock units vested	101	109	142
Cash received from stock options exercised	62	105	91

At December 31, 2023, 19.7 million share-based awards were available for grant under the Amended and Restated Fiserv, Inc. 2007 Omnibus Incentive Plan. Under its employee stock purchase plan, the Company issued 0.4 million shares during the year ended December 31, 2023 and 0.5 million shares in each of the years ended December 31, 2022 and 2021. At December 31, 2023, there were 22.9 million shares available for issuance under the employee stock purchase plan.

## 17. Income Taxes

Substantially all of the Company's pre-tax earnings are derived from domestic operations in all years presented. The income tax provision was as follows:

<b>(In millions)</b>	<b>Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Components of income tax provision (benefit):</b>			
Current:			
Federal	\$ 913	\$ 802	\$ 378
State	148	175	138
Foreign	204	132	109
	<u>1,265</u>	<u>1,109</u>	<u>625</u>
Deferred:			
Federal	(380)	(339)	(186)
State	(12)	(84)	(106)
Foreign	(119)	(135)	30
	<u>(511)</u>	<u>(558)</u>	<u>(262)</u>
Income tax provision	<u>\$ 754</u>	<u>\$ 551</u>	<u>\$ 363</u>

A reconciliation of the statutory federal income tax rate to the Company's effective income tax rate is as follows:

	<b>Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Statutory federal income tax rate	21.0 %	21.0 %	21.0 %
State income taxes, net of federal effect	2.8 %	2.5 %	1.6 %
Foreign tax law changes <sup>(1)</sup>	— %	— %	8.0 %
Foreign derived intangibles income deduction	(0.4)%	(0.9)%	(3.1)%
Excess tax benefit from share-based awards	(0.8)%	(0.8)%	(2.2)%
Sale of businesses and subsidiary restructuring	(1.3)%	(2.2)%	(2.1)%
Unrecognized tax benefits	(0.2)%	(0.5)%	(2.7)%
Nondeductible executive compensation	0.2 %	0.4 %	0.7 %
Transferable federal tax credits <sup>(2)</sup>	(1.4)%	— %	— %
Valuation allowance	(0.6)%	(0.5)%	(1.3)%
Other, net	— %	(0.1)%	1.9 %
Effective income tax rate	<u>19.3 %</u>	<u>18.9 %</u>	<u>21.8 %</u>

<sup>(1)</sup> Foreign tax law changes during the year ended December 31, 2021 included \$134 million of income tax expense attributed to the revaluation of certain net deferred tax liabilities in connection with enacted corporate income tax rate changes in foreign countries. In 2021, the enacted tax rate in the United Kingdom increased from 19% to 25% starting in 2023, and the tax rate in Argentina increased from 25% to 35%.

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(2) Pursuant to provisions under the Inflation Reduction Act, the Company purchased transferable federal tax credits during 2023 from various counterparties. Such federal tax credits were purchased at negotiated discounts, resulting in an income tax benefit recorded during the year ended December 31, 2023. Receivables associated with transferable federal tax credits are recorded within prepaid expenses and other current assets, and amounts owed to counterparties for the purchased credits are recorded within accounts payable and accrued expenses within the consolidated balance sheet at December 31, 2023.

Significant components of deferred tax assets and liabilities consisted of the following:

<b>(In millions)</b>	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Accrued expenses	\$ 193	\$ 170
Share-based compensation	122	116
Net operating loss and credit carry-forwards	642	805
Leasing liabilities	183	170
Other	252	163
Subtotal	1,392	1,424
Valuation allowance	(467)	(620)
Total deferred tax assets	925	804
Capitalized software development costs	(331)	(481)
Intangible assets	(2,047)	(2,319)
Property and equipment	(341)	(308)
Capitalized commissions	(112)	(106)
Investments in joint ventures	(562)	(597)
Leasing right-of-use assets	(144)	(134)
Other	(386)	(405)
Total deferred tax liabilities	(3,923)	(4,350)
Total	\$ (2,998)	\$ (3,546)

The Company maintained a valuation allowance of \$467 million and \$620 million at December 31, 2023 and 2022, respectively, against its deferred tax assets. Substantially all of the valuation allowance relates to certain foreign and state net operating loss carryforwards.

Deferred tax assets and liabilities are reported in the consolidated balance sheets as follows:

<b>(In millions)</b>	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Noncurrent assets	\$ 80	\$ 56
Noncurrent liabilities	(3,078)	(3,602)
Total	\$ (2,998)	\$ (3,546)

Noncurrent deferred tax assets are included in other long-term assets in the consolidated balance sheets at December 31, 2023 and 2022.

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The following table presents the amounts of federal, state and foreign net operating loss carryforwards and foreign tax credit carryforwards:

(In millions)	December 31,	
	2023	2022
Net operating loss carryforwards: <sup>(1)</sup>		
Federal	\$ 86	\$ 214
State	3,074	2,810
Foreign	1,880	2,373
Foreign tax credit carryforwards	16	17

<sup>(1)</sup> At December 31, 2023, the Company had federal net operating loss carryforwards of \$86 million, most of which do not expire, state net operating loss carryforwards of \$3.1 billion, most of which expire in 2024 through 2043, and foreign net operating loss carryforwards of \$1.9 billion, of which \$162 million expire in 2024 through 2043, and the remainder of which do not expire.

The Company asserts that its investment in its foreign subsidiaries is intended to be indefinitely reinvested. Undistributed historical and future earnings of its foreign subsidiaries are not considered to be indefinitely reinvested. Should these earnings be distributed in the future in the form of dividends or otherwise, the Company may be subject to foreign or U.S. taxes. The Company has the ability and intent to limit distributions so as to not make a distribution in excess of its investment in those subsidiaries. The Company will continue to monitor its global cash requirements and the need to recognize a deferred tax liability.

Unrecognized tax benefits were as follows:

(In millions)	December 31,		
	2023	2022	2021
Unrecognized tax benefits - Beginning of year	\$ 96	\$ 124	\$ 171
Increases for tax positions taken during the current year	2	3	16
Increases for tax positions taken in prior years	8	—	5
Decreases for tax positions taken in prior years	(10)	(18)	(41)
Decreases for settlements	(3)	(2)	(1)
Lapse of the statute of limitations	(9)	(11)	(26)
Unrecognized tax benefits - End of year	<u>\$ 84</u>	<u>\$ 96</u>	<u>\$ 124</u>

At December 31, 2023, unrecognized tax benefits of \$49 million, net of federal and state benefits, would affect the effective income tax rate if recognized. The Company believes it is reasonably possible that the liability for unrecognized tax benefits may decrease by up to \$5 million over the next twelve months as a result of possible closure of federal tax audits, potential settlements with certain states and foreign countries, and the lapse of the statute of limitations in various state and foreign jurisdictions.

The Company classifies interest expense and penalties related to income taxes as components of its income tax provision. The income tax provision included interest expense (benefits) and penalties on unrecognized tax benefits of \$2 million in 2023, less than \$1 million in 2022 and \$(6) million in 2021. Accrued interest expense and penalties related to unrecognized tax benefits totaled \$15 million and \$13 million at December 31, 2023 and 2022, respectively.

The Company's U.S. federal income tax returns for 2022 and 2023, and tax returns in certain states and foreign jurisdictions for 2017 through 2023, remain subject to examination by taxing authorities.

## 18. Commitments and Contingencies

### Litigation and Legislative Matters

In the normal course of business, the Company or its subsidiaries are named as defendants in lawsuits in which claims are asserted against the Company. The Company maintained accruals of \$32 million and \$21 million at December 31, 2023 and 2022, respectively, related to its various legal proceedings, primarily associated with the Company's merchant acquiring business and certain tax matters. The Company's estimate of the possible range of exposure for various litigation matters in excess of amounts accrued is \$0 million to approximately \$90 million. In the opinion of management, the liabilities, if any,

which may ultimately result from such legal proceedings are not expected to have a material adverse effect on the Company's consolidated financial statements.

In June 2023, a Canadian tax law change related to the Goods and Services Tax / Harmonized Sales Tax (GST/HST) treatment of payment card services was enacted. The Company estimated its exposure related to this multi-year retroactive tax law change and recognized a pre-tax expense of \$27 million within selling, general and administrative expenses in the consolidated statement of income during the year ended December 31, 2023.

#### *Electronic Payments Transactions*

In connection with the Company's processing of electronic payments transactions, which are separate and distinct from the settlement payment transactions described in Note 5, funds received from subscribers are invested from the time the Company collects the funds until payments are made to the applicable recipients. These subscriber funds are invested in short-term, highly liquid investments. Subscriber funds, which are not included in the Company's consolidated balance sheets, can fluctuate significantly based on consumer bill payment and debit card activity and totaled approximately \$3.5 billion and \$1.7 billion at December 31, 2023 and 2022, respectively.

#### *Indemnifications and Warranties*

The Company may indemnify its clients from certain costs resulting from claims of patent, copyright or trademark infringement associated with its clients' use of the Company's products or services. The Company may also warrant to clients that its products and services will operate in accordance with identified specifications. From time to time, in connection with sales of businesses, the Company agrees to indemnify the buyers of such businesses for liabilities associated with the businesses that are sold. Payments, net of recoveries, under such indemnification or warranty provisions were not material to the Company's consolidated financial statements.

### **19. Related Party Transactions**

#### *Merchant Alliances*

A portion of the Company's business is conducted through merchant alliances between the Company and financial institutions (see Note 8). A merchant alliance is an agreement between the Company and a financial institution that combines the processing capabilities and management expertise of the Company with the visibility and distribution channel of the financial institution. A merchant alliance acquires credit and debit card transactions from merchants. The Company provides processing and other services to the alliance and charges fees to the alliance based on contractual pricing.

To the extent the Company maintains a controlling financial interest in an alliance, the alliance's financial statements are consolidated with those of the Company and the related processing fees are treated as an intercompany transaction and eliminated in consolidation. To the extent the Company has significant influence in, but not control of, an alliance, the Company uses the equity method to account for its investment in the alliance. As a result, the processing and other service fees charged to merchant alliances accounted for under the equity method are recognized in the Company's consolidated statements of income primarily as processing and services revenue. Such fees totaled \$177 million, \$187 million and \$171 million during the years ended December 31, 2023, 2022 and 2021, respectively. No directors or officers of the Company have ownership interests in any of the alliances. The formation of each of these alliances generally involves the Company and the financial institution contributing contracts with merchants to the alliance and a cash payment from one owner to the other to achieve the desired ownership percentage for each. The Company and the financial institution enter into a long-term processing service agreement, which governs the Company's provision of transaction processing services to the alliance. The Company had approximately \$38 million and \$43 million of amounts due from unconsolidated merchant alliances included within trade accounts receivable, net in the Company's consolidated balance sheets at December 31, 2023 and 2022, respectively.

#### *Joint Venture Transition Services Agreements*

Pursuant to certain transition services agreements, the Company provides, at fair value, various administration, business process outsourcing, and technical and data center related services for defined periods to certain joint ventures accounted for under the equity method. Amounts transacted through these agreements, including with InvestCloud through June 2021 (see Note 8), totaled \$5 million, \$18 million and \$37 million during the years ended December 31, 2023, 2022 and 2021, respectively, and were primarily recognized as processing and services revenue in the consolidated statements of income.

#### *Share Repurchases*

On August 7, 2023, the Company entered into a stock purchase agreement with ValueAct Capital Master Fund, L.P., an affiliate of which employed a member of the Company's board of directors, to repurchase 4.1 million shares of the Company's common

stock for \$121.98 per share in a privately negotiated transaction for an aggregate purchase price of \$500 million. The repurchase was effected pursuant to an existing repurchase authorization for up to 75.0 million shares of the Company's common stock approved by the Company's board of directors on February 22, 2023. The share repurchase was completed on August 8, 2023, and the fair value of the repurchased shares of Company common stock was recorded to treasury stock during the year ended December 31, 2023.

On May 3, 2021, New Omaha Holdings L.P. ("New Omaha"), a shareholder of the Company, completed an underwritten secondary public offering of 23.0 million shares of Fiserv, Inc. common stock (the "2021 offering"). The Company did not sell any shares in, nor did it receive any proceeds from, the 2021 offering. New Omaha received all of the net proceeds from the 2021 offering. In connection with the 2021 offering, the Company repurchased from the underwriters 5.0 million shares of its common stock that were subject to the 2021 offering, at a price equal to the price per share paid by the underwriters to New Omaha in the 2021 offering (the "2021 share repurchase"). The 2021 share repurchase totaled \$588 million and was funded with cash on hand. The repurchased shares were cancelled and no longer outstanding following the completion of the 2021 share repurchase. Prior to the 2021 offering, New Omaha owned approximately 13% of the Company's outstanding shares of common stock, and immediately following the 2021 offering, New Omaha owned approximately 9% of such outstanding shares. As of December 31, 2022, New Omaha did not own any of the outstanding shares of the Company's common stock.

## **20. Business Segment Information**

The Company's operations are comprised of the Acceptance segment, the Fintech segment and the Payments segment. The businesses in the Acceptance segment provide a wide range of commerce-enabling solutions and serve merchants of all sizes around the world. These solutions include merchant acquiring and digital commerce services; mobile payment services; security and fraud protection products; Clover®, the Company's cloud-based POS and integrated commerce operating system for small and mid-sized businesses and independent software vendors; and Carat™, the Company's integrated operating system for large businesses. The Company distributes the products and services in the Acceptance segment businesses through a variety of channels, including direct sales teams, strategic partnerships with agent sales forces, independent software vendors, financial institutions and other strategic partners in the form of joint venture alliances, revenue sharing alliances and referral agreements. Merchants, financial institutions and distribution partners in the Acceptance segment are frequently clients of the Company's other segments.

The businesses in the Fintech segment provide financial institutions around the world with the technology solutions they need to run their operations, including products and services that enable financial institutions to process customer deposit and loan accounts and manage an institution's general ledger and central information files. As a complement to the core account processing functionality, the Fintech segment businesses also provide digital banking, financial and risk management, professional services and consulting, check processing, and other products and services that support numerous types of financial transactions. Certain of the businesses in the Fintech segment provide products or services to corporate clients to facilitate the management of financial processes and transactions. Many of the products and services offered in the Fintech segment are integrated with products and services provided by the Company's other segments.

The businesses in the Payments segment provide financial institutions and corporate and public sector clients with the products and services required to process digital payment transactions. This includes card transactions such as debit, credit and prepaid card processing and services; a range of network services; security and fraud protection products; and card production and print services. In addition, the Payments segment businesses offer non-card digital payment software and services, including bill payment, account-to-account transfers, person-to-person payments, electronic billing, and security and fraud protection products. Clients of the Payments segment businesses reflect a wide range of industries around the world, including merchants, distribution partners and financial institution customers in the Company's other segments.

Corporate and Other supports the reportable segments described above, and consists of amortization of acquisition-related intangible assets, unallocated corporate expenses and other activities that are not considered when management evaluates segment performance, such as gains or losses on sales of businesses, certain assets or investments; costs associated with acquisition and divestiture activity; certain services revenue associated with various dispositions; and the Company's Output Solutions postage reimbursements.

The Company is effecting changes in its business designed to further enhance operational performance in the delivery of its integrated portfolio of products and solutions to its financial institution clients. As a result, the Company expects to realign its reportable segments to correspond with these organizational changes, which the Company expects to be completed effective for the quarter ending March 31, 2024. The Company continues to allocate resources and assess performance based on the current reportable segment structure.

Operating results for each segment were as follows:

(In millions)	Reportable Segments				Corporate and Other	Total
	Acceptance	Fintech	Payments			
<b>Year Ended December 31, 2023</b>						
Processing and services revenue	\$ 7,087	\$ 2,982	\$ 5,538	\$ 23	\$ 15,630	
Product revenue	1,045	189	1,158	1,071	3,463	
Total revenue	8,132	3,171	6,696	1,094	19,093	
Operating income (loss)	2,856	1,159	3,189	(2,190)	5,014	
Capital expenditures, including capitalized software and other intangibles	465	254	304	365	1,388	
Depreciation and amortization expense	334	274	318	2,236	3,162	
<b>Year Ended December 31, 2022</b>						
Processing and services revenue	\$ 6,288	\$ 2,986	\$ 5,164	\$ 22	\$ 14,460	
Product revenue	1,004	184	1,098	991	3,277	
Total revenue	7,292	3,170	6,262	1,013	17,737	
Operating income (loss)	2,321	1,157	2,823	(2,561)	3,740	
Capital expenditures, including capitalized software and other intangibles	464	259	286	470	1,479	
Depreciation and amortization expense	276	241	275	2,420	3,212	
<b>Year Ended December 31, 2021</b>						
Processing and services revenue	\$ 5,560	\$ 2,832	\$ 4,883	\$ 32	\$ 13,307	
Product revenue	919	190	950	860	2,919	
Total revenue	6,479	3,022	5,833	892	16,226	
Operating income (loss)	1,996	1,081	2,557	(3,346)	2,288	
Capital expenditures, including capitalized software and other intangibles	314	222	272	352	1,160	
Depreciation and amortization expense	245	226	254	2,523	3,248	

The Company does not evaluate the performance or allocate resources to its reportable segments using asset data. Long-lived assets, excluding goodwill and other intangibles, within the Company's international regions comprised approximately 26% and 25% of total consolidated long-lived assets, excluding goodwill and other intangible assets, at December 31, 2023 and 2022, respectively.

**Fiserv, Inc.**  
**Schedule II — Valuation and Qualifying Accounts**  
(In millions)

Description	Balance at Beginning of Period	Additions			Deductions	Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts			
<b>Year ended December 31, 2023</b>						
Deferred tax asset valuation allowance	\$ 620	2	(125) <sup>(1)</sup>		(30)	\$ 467
<b>Year ended December 31, 2022</b>						
Deferred tax asset valuation allowance	\$ 697	33	(41)		(69)	\$ 620
<b>Year ended December 31, 2021</b>						
Deferred tax asset valuation allowance	\$ 888	13	(127) <sup>(1)</sup>		(77) <sup>(1)</sup>	\$ 697

<sup>(1)</sup> The decrease in the deferred tax asset valuation allowance is primarily due to subsidiary restructurings.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Fiserv, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Fiserv, Inc. and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, equity, and cash flows, for each of the three years in the period ended December 31, 2023, and the related notes and the schedule listed in Item 8 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 22, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Revenue – Refer to Note 1 and Note 3 to the consolidated financial statements*

##### *Critical Audit Matter Description*

The Company generates revenue from the delivery of processing, service and product solutions. Revenue is measured based on consideration specified in a contract with a customer, and the Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer, which may be at a point in time or over time. The Company's revenue consists of a significant volume of transactions sourced from multiple systems and applications. The processing of such transactions and recording of the majority of revenue is system-driven and based on contractual terms with customers. In addition, contract modifications occur when the Company and its customers agree to modify existing customer contracts to change the scope or price (or both) of the contract. Contract modifications also occur when a customer terminates some, or all, of the existing services provided by the Company, which may result in the customer paying a termination fee to the Company based upon the terms in the initial contract. When a contract modification occurs, it requires the Company to exercise judgment to determine if the modification should be accounted for as: (i) a separate contract, (ii) the termination of the original contract and creation of a new contract, or (iii) a cumulative catch-up adjustment to the original contract. Further, contract modifications require the identification and evaluation of the performance obligations of the modified contract.

including the allocation of consideration to the remaining performance obligations and the period of recognition for each identified performance obligation.

We identified the complexity of revenue processing and revenue recognition, including customer contract modifications, as a critical audit matter because of the increased extent of effort and involvement of professionals in our firm having expertise in information technology (IT) to identify, test, and evaluate the Company's systems and automated controls and the management judgments necessary to determine the appropriate accounting. This required an increased extent of effort and a high degree of auditor judgment when performing audit procedures to evaluate whether revenue transactions were recognized appropriately.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to revenue recognition included the following, among others:

- We evaluated management's significant accounting policies.
- We tested internal controls within the relevant revenue business processes, including those in place to reconcile the various reports extracted from the IT systems to the Company's general ledger and those related to the Company's accounting for contract modifications.
- With the assistance of professionals in our firm having expertise in IT, we:
  - Identified the relevant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls, change management controls, and IT operations controls.
  - Tested system interface controls and automated controls within the relevant revenue streams, as well as the controls designed to assess the accuracy and completeness of revenue.
- We developed expectations of revenue at a disaggregated level based on historical transaction prices and current year volumes. We compared those estimates to revenue recognized by the Company.
- For a sample of revenue transactions, we tested selected transactions by agreeing the amounts of revenue recognized to source documents and tested the mathematical accuracy of the recorded revenue.
- We selected a sample of significant customer contract modifications and performed the following procedures:
  - Obtained and read the customer contracts.
  - Evaluated whether the contract represented a new contract or a contract modification and, if applicable, assessed the accounting treatment of any modification in scope or price.
  - Tested management's identification of new or remaining performance obligations.
  - Recalculated the transaction price and assessed the appropriateness of the allocation of consideration to each performance obligation.
  - Assessed the pattern of delivery for each distinct performance obligation.

***Goodwill — Certain Reporting Units — Refer to Note 1 and Note 7 to the consolidated financial statements***

*Critical Audit Matter Description*

The Company's evaluation of goodwill for impairment involves the comparison of the fair value of each reporting unit to its carrying value. The Company determines the fair value of its reporting units using both a discounted cash flow model and a market approach. The determination of fair value using the discounted cash flow model requires management to make significant estimates and assumptions, which include assumptions related to revenue growth rates, margin growth rates and discount rates. The goodwill balance was \$37,205 million as of December 31, 2023. For all reporting units, the fair values exceeded the carrying values and therefore, no impairment was recognized.

The three reporting units we identified as a critical audit matter have fair values exceeding their carrying values as of the annual assessment, ranging between 16% and 36%. Revenue growth rates, margin growth rates, and discounts rates for these three reporting units are sensitive to significant and long-term deterioration in the macroeconomic environment, industry or market conditions.

We identified goodwill for these three reporting units as a critical audit matter because of the significant estimates and assumptions management makes to estimate the fair value of these reporting units and the sensitivity of operations to changes in the macroeconomic environment, industry or market conditions. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve professionals in our firm having expertise in valuation, when

performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to revenue growth rates, margin growth rates, and selection of the discount rates.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to the revenue growth rates, margin growth rates, and the selection of discount rates for the three reporting units included the following, among others:

- We tested the effectiveness of controls over management's goodwill impairment evaluation, including those over the determination of the fair value of these reporting units, specifically controls related to management's forecasts and selection of the discount rates.
- We evaluated management's ability to accurately forecast by comparing actual results to management's historical forecasts.
- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) historical results, (2) industry reports containing analyses of the Company's and its competitors' products and (3) forecasted information included in Company press releases as well as in analyst and industry reports of the Company and companies in its peer group.
- With the assistance of professionals in our firm having expertise in valuation, we evaluated the discount rates including testing the underlying source information and the mathematical accuracy of the calculations and developing a range of independent estimates and comparing those to the discount rates selected by management.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 22, 2024

We have served as the Company's auditor since 1985.

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

Not applicable.

**Item 9A. Controls and Procedures**

*(a) Disclosure Controls and Procedures*

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2023.

*(b) Management Report on Internal Control Over Financial Reporting*

**Management's Annual Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework (2013)*. Based on management's assessment, our management believes that, as of December 31, 2023, our internal control over financial reporting was effective based on those criteria.

Our independent registered public accounting firm has issued their attestation report on our internal control over financial reporting. The report is included below under the heading "Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting."

*(c) Changes in Internal Control Over Financial Reporting*

There was no change in internal control over financial reporting that occurred during the three months ended December 31, 2023 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

*(d) Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting*

Our independent registered public accounting firm, Deloitte & Touche LLP, assessed the effectiveness of our internal control over financial reporting and has issued their report as set forth below.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Fiserv, Inc.

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Fiserv, Inc. and subsidiaries (the “Company”) as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 22, 2024, expressed an unqualified opinion on those financial statements.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management’s Annual Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 22, 2024

**Item 9B. Other Information**

(b) Except as set forth below, during the three months ended December 31, 2023, none of the Company's directors or Section 16 officers adopted or terminated a Rule 10b5-1 Trading Plan or "non-Rule 10b5-1 trading arrangement," as defined in Item 408(a) of Regulation S-K.

On December 15, 2023, Guy Chiarello, Chief Operating Officer of the Company, adopted a trading arrangement for the sale of securities of the Company's common stock (a "Rule 10b5-1 Trading Plan") that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Mr. Chiarello's Rule 10b5-1 Trading Plan provides for the exercise of up to 143,929 employee stock options and sale of the underlying shares of common stock pursuant to one or more limit orders until August 30, 2024.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

**PART III**

**Item 10. Directors, Executive Officers and Corporate Governance**

Except for information concerning our executive officers included in Part I of this Form 10-K under the caption "Information About Our Executive Officers," which is incorporated by reference herein, and the information regarding our Code of Conduct below, the information required by Item 10 is incorporated by reference to the information set forth under the captions "Our Board of Directors – Who We Are," "Our Board of Directors – How We Are Selected, Elected and Evaluated," "Our Board of Directors – How We Are Organized – Our Committees – Audit Committee" and "Delinquent Section 16(a) Reports" in our definitive proxy statement for our 2024 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023.

Our board of directors has adopted a Code of Conduct and Business Ethics ("Code of Conduct") that applies to all of our directors and employees, including our chief executive officer, chief financial officer, chief accounting officer and other persons performing similar functions as well as our other executive officers. We have posted a copy of our Code of Conduct on the "About – Investor Relations – Corporate Governance – Governance Documents" section of our website at [www.fiserv.com](http://www.fiserv.com). We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, the Code of Conduct by posting such information on the "About – Investor Relations" section of our website at [www.fiserv.com](http://www.fiserv.com). We are not including the information contained on our website as part of, or incorporating it by reference into, this report.

**Item 11. Executive Compensation**

The information required by Item 11 is incorporated by reference to the information set forth under the captions "Our Board of Directors – How We Are Paid," "Compensation Discussion and Analysis," "Compensation Committee Report," "Compensation Committee Interlocks and Insider Participation," "Executive Compensation," and "Pay Ratio" in our definitive proxy statement for our 2024 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information set forth under the caption "Our Shareholders – Common Stock Ownership" in our definitive proxy statement for our 2024 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023, is incorporated by reference herein.

### Equity Compensation Plan Information

The table below sets forth information with respect to compensation plans under which equity securities are authorized for issuance as of December 31, 2023.

Plan Category	(a)	(b)	(c)
Plan Category	Number of shares to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by our shareholders	6,052,880 <sup>(2)</sup>	83.14 <sup>(3)</sup>	19,724,910 <sup>(4)</sup>
Equity compensation plans not approved by our shareholders	N/A	N/A	N/A
Total <sup>(5)</sup>	6,052,880 <sup>(2)</sup>	83.14 <sup>(3)</sup>	19,724,910 <sup>(4)</sup>

- (1) Columns (a) and (c) of the table above do not include 5,241,872 unvested restricted stock units outstanding under the Amended and Restated Fiserv, Inc. 2007 Omnibus Incentive Plan (the “Incentive Plan”) or 22,934,827 shares authorized for issuance under the Fiserv, Inc. Amended and Restated Employee Stock Purchase Plan.
- (2) Consists of options outstanding under the Incentive Plan; 3,219,338 shares subject to performance share units at the target award level under the Incentive Plan; and 175,296 shares subject to non-employee director deferred compensation notional units under the Incentive Plan.
- (3) Represents the weighted-average exercise price of outstanding options under the Incentive Plan and does not take into account outstanding performance share units or non-employee director deferred compensation notional units under the Incentive Plan.
- (4) Reflects the number of shares available for future issuance under the Incentive Plan.
- (5) This table does not include 1,206,637 options outstanding under the 2007 Stock Incentive Plan for Key Employees of First Data Corporation and its Affiliates (the “2007 First Data Plan”) and the First Data Corporation 2015 Omnibus Incentive Plan (the “2015 First Data Plan” and together with the 2007 First Data Plan, the “First Data Plans”) as of December 31, 2023 at a weighted-average exercise price of \$48.61. We assumed the First Data Plans in connection with our acquisition of First Data Corporation on July 29, 2019 and converted certain outstanding First Data equity awards into corresponding equity awards relating to common stock of Fiserv, Inc. in accordance with an exchange ratio in the merger agreement. This table also does not include 1,492 shares of restricted stock and restricted stock units outstanding under the 2015 First Data Plan, as of December 31, 2023. No additional equity awards will be made under the First Data Plans.

#### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information required by Item 13 is incorporated by reference to the information set forth under the captions “Our Board of Directors – How We Are Organized – Our Independence,” and “Our Board of Directors – How We Govern – Review, Approval or Ratification of Transactions with Related Persons,” in our definitive proxy statement for our 2024 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023.

#### **Item 14. Principal Accounting Fees and Services**

The information required by Item 14 is incorporated by reference to the information set forth under the captions “Independent Registered Public Accounting Firm and Fees” and “Audit Committee Pre-Approval Policy” in our definitive proxy statement for our 2024 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission no later than 120 days after the close of the fiscal year ended December 31, 2023.

## PART IV

### Item 15. Exhibits, Financial Statement Schedules

#### *Financial Statement Schedules*

Financial statement schedules have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or accompanying notes.

#### *Exhibits*

The exhibits listed in the accompanying exhibit index are filed as part of this Annual Report on Form 10-K.

### EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1	<a href="#">Restated Articles of Incorporation (1)</a>
3.2	<a href="#">Amended and Restated By-laws (2)</a>
4.1	<a href="#">Description of Securities of the Registrant</a>
4.2	<a href="#">Indenture, dated as of November 20, 2007, by and among Fiserv, Inc., the guarantors named therein and U.S. Bank National Association (4)</a>
4.3	<a href="#">Thirteenth Supplemental Indenture, dated as of May 22, 2015, between Fiserv, Inc. and U.S. Bank National Association (5)</a>
4.4	<a href="#">Fifteenth Supplemental Indenture, dated as of September 25, 2018, between Fiserv, Inc. and U.S. Bank National Association (6)</a>
4.5	<a href="#">Sixteenth Supplemental Indenture, dated as of June 24, 2019, between Fiserv, Inc. and U.S. Bank National Association (7)</a>
4.6	<a href="#">Seventeenth Supplemental Indenture, dated as of June 24, 2019, between Fiserv, Inc. and U.S. Bank National Association (7)</a>
4.7	<a href="#">Eighteenth Supplemental Indenture, dated as of June 24, 2019, between Fiserv, Inc. and U.S. Bank National Association (7)</a>
4.8	<a href="#">Nineteenth Supplemental Indenture, dated as of June 24, 2019, between Fiserv, Inc. and U.S. Bank National Association (7)</a>
4.9	<a href="#">Twenty-First Supplemental Indenture, dated as of July 1, 2019, between Fiserv, Inc. and U.S. Bank National Association (8)</a>
4.10	<a href="#">Twenty-Second Supplemental Indenture, dated as of July 1, 2019, between Fiserv, Inc. and U.S. Bank National Association (8)</a>
4.11	<a href="#">Twenty-Third Supplemental Indenture, dated as of July 1, 2019, between Fiserv, Inc. and U.S. Bank National Association (8)</a>
4.12	<a href="#">Twenty-Fourth Supplemental Indenture, dated as of July 1, 2019, between Fiserv, Inc. and U.S. Bank National Association (8)</a>
4.13	<a href="#">Twenty-Fifth Supplemental Indenture, dated as of May 13, 2020, between Fiserv, Inc. and U.S. Bank National Association (9)</a>
4.14	<a href="#">Twenty-Sixth Supplemental Indenture, dated as of May 13, 2020, between Fiserv, Inc. and U.S. Bank National Association (9)</a>
4.15	<a href="#">Twenty-Seventh Supplemental Indenture, dated as of March 2, 2023, between Fiserv, Inc. and U.S. Bank Trust Company, National Association (10)</a>
4.16	<a href="#">Twenty-Eighth Supplemental Indenture, dated as of March 2, 2023, between Fiserv, Inc. and U.S. Bank Trust Company, National Association (10)</a>
4.17	<a href="#">Twenty-Ninth Supplemental Indenture, dated as of May 24, 2023, between Fiserv, Inc. and U.S. Bank and Trust Company, National Association (11)</a>
4.18	<a href="#">Thirtieth Supplemental Indenture, dated as of August 21, 2023, between Fiserv, Inc. and U.S. Bank and Trust Company, National Association (12)</a>
4.19	<a href="#">Thirty-First Supplemental Indenture, dated as of August 21, 2023, between Fiserv, Inc. and U.S. Bank Trust Company, National Association (12)</a>

4.20	<a href="#">Agency Agreement, dated as of July 1, 2019, by and among Fiserv, Inc., Elavon Financial Services DAC, UK Branch, and U.S. Bank National Association (8)</a>
4.21	<a href="#">Agency Agreement, dated as of May 24, 2023, by and among Fiserv, Inc., Elavon Financial Services DAC, UK Branch, and U.S. Bank Trust Company, National Association (11)</a>
4.22	<a href="#">Term Loan Credit Agreement, dated as of February 15, 2019, among Fiserv, Inc. and the financial institutions party thereto(13)</a>
4.23	<a href="#">Amendment No. 1 to Term Loan Credit Agreement, dated as of July 26, 2019(14)</a>
	Pursuant to Item 601(b)(4)(iii) of Regulation S-K, the Company agrees to furnish to the Securities and Exchange Commission, upon request, any instrument defining the rights of holders of long-term debt that is not filed as an exhibit to this Form 10-K.
10.1	<a href="#">Amended and Restated Fiserv, Inc. 2007 Omnibus Incentive Plan (15)*</a>
	Amended and Restated Fiserv, Inc. 2007 Omnibus Incentive Plan Forms of Award Agreements
10.2	<a href="#">- Form of Restricted Stock Unit Agreement (Non-Employee Director) (16)*</a>
10.3	<a href="#">- Form of Restricted Stock Unit Agreement (Employee-SO)*</a>
10.4	<a href="#">- Form of Restricted Stock Unit Agreement (Employee-ST)*</a>
10.5	<a href="#">- Form of Restricted Stock Unit Agreement (Employee-N) (17)*</a>
10.6	<a href="#">- Form of Non-Qualified Stock Option Agreement (Non-Employee Director-LE) (16)*</a>
10.7	<a href="#">- Form of First Amendment to Non-Qualified Stock Option Agreement (Non-Employee Director - LE) (18)*</a>
10.8	<a href="#">- Form of Non-Qualified Stock Option Agreement (Non-Employee Director - EE) (18)*</a>
10.9	<a href="#">- Form of Second Amendment to Non-Qualified Stock Option Agreement (Non-Employee Director - LE/EE) (19)*</a>
10.10	<a href="#">- Form of Stock Option Agreement (Employee-F) (20)*</a>
10.11	<a href="#">- Form of Amendment to Stock Option Agreement (Employee-F) (21)*</a>
10.12	<a href="#">- Form of Stock Option Agreement (Employee-E) (20)*</a>
10.13	<a href="#">- Form of Stock Option Agreement (Employee-SO) (17)*</a>
10.14	<a href="#">- Form of Stock Option Agreement (Employee-ST) (17)*</a>
10.15	<a href="#">- Form of Performance Share Unit Agreement (Employee-SO)*</a>
10.16	<a href="#">- Form of Performance Share Unit Agreement (Employee-ST) (17)*</a>
10.17	<a href="#">2007 Stock Incentive Plan for Key Employees of First Data Corporation and its Affiliates(22)*</a>
	2007 Stock Incentive Plan for Key Employees of First Data Corporation and its Affiliates Forms of Award Agreements
10.18	<a href="#">- Form of Stock Option Agreement for Executive Committee Members (23)*</a>
10.19	<a href="#">- Form of Stock Option Agreement for U.S. Employees effective for grants in or after January 2014 (23)*</a>
10.20	<a href="#">First Data Corporation 2015 Omnibus Incentive Plan (22)*</a>
	First Data Corporation 2015 Omnibus Incentive Plan Forms of Award Agreements
10.21	<a href="#">- Form of Option Agreement for Management Committee and Directors (23)*</a>
10.22	<a href="#">- Form of Option Grant Notice and Option Grant Agreement (23)*</a>
10.23	<a href="#">Fiserv, Inc. Executive Severance and Change of Control Policy, effective August 10, 2021 (24)*</a>
10.24	<a href="#">Fiserv, Inc. Executive Officer Cash Severance Policy (2)*</a>
10.25	<a href="#">Employment Agreement, dated December 21, 2022, between Fiserv, Inc. and Frank J. Bisignano (25)*</a>
10.26	<a href="#">Fiserv, Inc. Amended and Restated Non-Qualified Deferred Compensation Plan (3)*</a>
10.27	<a href="#">Form of Non-Employee Director Indemnity Agreement (26)</a>
10.28	<a href="#">Fiserv, Inc. Non-Employee Director Deferred Compensation Plan (19)*</a>
10.29	<a href="#">Non-Employee Director Compensation Schedule (27)*</a>
10.30	<a href="#">Credit Agreement, dated as of June 16, 2022, among Fiserv, Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the financial institutions party thereto (28)*</a>
21.1	<a href="#">Subsidiaries of Fiserv, Inc.</a>
23.1	<a href="#">Consent of Independent Registered Public Accounting Firm</a>

31.1	<a href="#">Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
31.2	<a href="#">Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1	<a href="#">Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
97.1	<a href="#">Fiserv, Inc. Compensation Recoupment Policy</a>
101.INS**	Inline XBRL Instance Document - The XBRL Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH**	Inline XBRL Taxonomy Extension Schema Document
101.CAL**	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* This exhibit is a management contract or compensatory plan or arrangement.

\*\* Filed with this Annual Report on Form 10-K are the following documents formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Consolidated Statements of Income for the years ended December 31, 2023, 2022 and 2021, (ii) the Consolidated Statements of Comprehensive Income for the years ended December 31, 2023, 2022 and 2021, (iii) the Consolidated Balance Sheets at December 31, 2023 and 2022, (iv) the Consolidated Statements of Equity for the years ended December 31, 2023, 2022 and 2021, (v) the Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022 and 2021, (vi) Notes to Consolidated Financial Statements, and (vii) the information included in Part II, ITEM 9B(b).

- (1) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on February 27, 2018, and incorporated herein by reference.
- (2) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on November 21, 2022, and incorporated herein by reference.
- (3) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 27, 2020, and incorporated herein by reference.
- (4) Previously filed as an exhibit to the Company's Registration Statement on Form S-3 (File No. 333-147309) filed on November 13, 2007, and incorporated herein by reference.
- (5) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on May 22, 2015, and incorporated herein by reference.
- (6) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on September 25, 2018, and incorporated herein by reference.
- (7) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on June 24, 2019, and incorporated herein by reference.
- (8) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on July 1, 2019, and incorporated herein by reference.
- (9) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on May 13, 2020, and incorporated herein by reference.
- (10) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on March 2, 2023, and incorporated herein by reference.
- (11) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on May 24, 2023, and incorporated herein by reference.

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- (12) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on August 21, 2023, and incorporated herein by reference.
- (13) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 21, 2019, and incorporated herein by reference.
- (14) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on July 29, 2019, and incorporated herein by reference.
- (15) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on May 2, 2018, and incorporated herein by reference.
- (16) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 24, 2012, and incorporated herein by reference.
- (17) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 23, 2023, and incorporated herein by reference.
- (18) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on August 2, 2017, and incorporated herein by reference.
- (19) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 1, 2017, and incorporated herein by reference.
- (20) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 23, 2017, and incorporated herein by reference.
- (21) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 20, 2015, and incorporated herein by reference.
- (22) Previously filed as an exhibit to the Company's Post-Effective Amendment No. 1 on Form S-8 to the Form S-4 Registration Statement of Fiserv, Inc. filed July 29, 2019, and incorporated herein by reference.
- (23) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on November 7, 2019, and incorporated herein by reference.
- (24) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on August 12, 2021, and incorporated herein by reference.
- (25) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on December 22, 2022, and incorporated herein by reference.
- (26) Previously filed as an exhibit to the Company's Annual Report on Form 10-K filed on February 28, 2008, and incorporated herein by reference.
- (27) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed on July 27, 2022, and incorporated herein by reference.
- (28) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed on June 21, 2022, and incorporated herein by reference.

**Item 16. Form 10-K Summary**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 22, 2024.

FISERV, INC.

By: /s/ Frank J. Bisignano

Frank J. Bisignano

Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 22, 2024.

Name

/s/ Frank J. Bisignano

Frank J. Bisignano

/s/ Robert W. Hau

Robert W. Hau

/s/ Kenneth F. Best

Kenneth F. Best

/s/ Henrique De Castro

Henrique De Castro

/s/ Harry F. DiSimone

Harry F. DiSimone

/s/ Lance M. Fritz

Lance M. Fritz

/s/ Dylan G. Haggart

Dylan G. Haggart

/s/ Wafaa Mamilli

Wafaa Mamilli

/s/ Heidi G. Miller

Heidi G. Miller

/s/ Doyle R. Simons

Doyle R. Simons

/s/ Kevin M. Warren

Kevin M. Warren

/s/ Charlotte Yarkoni

Charlotte Yarkoni

Capacity

Chairman of the Board, President and Chief Executive Officer  
(Principal Executive Officer)

Chief Financial Officer  
(Principal Financial Officer)

Chief Accounting Officer  
(Principal Accounting Officer)

Director

Director

Director

Director

Director

Director

Director

Director

Director

**DESCRIPTION OF THE REGISTRANT'S SECURITIES  
REGISTERED PURSUANT TO SECTION 12 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

As of December 31, 2019, Fiserv, Inc. ("Fiserv," the "Company", "we," "our" or "us") had six classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (i) Common Stock, par value \$0.01 per share; (ii) 1.125% Senior Notes due 2027; (iii) 1.625% Senior Notes due 2030; (iv) 2.250% Senior Notes due 2025; (v) 3.000% Senior Notes due 2031; and (vi) 4.500% Senior Notes due 2031. Each of the Company's securities registered under Section 12 of the Exchange Act are listed on the New York Stock Exchange.

References in the following descriptions to "\$," or "U.S. dollars" are to the lawful currency of the United States of America; references to "€" or "euro" are to the single currency introduced at the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended; and references herein to "£" and "GBP" are to the lawful currency of the United Kingdom. As used in the following descriptions, the terms "Fiserv," "we," "us" and "our" refer to Fiserv, Inc. and not any of its subsidiaries, unless the context requires otherwise.

**DESCRIPTION OF COMMON STOCK**

The following description of our common stock summarizes general terms and provisions that apply to our common stock. This description is qualified in its entirety by reference to our articles of incorporation and by-laws, which are filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part, and applicable Wisconsin law.

**General**

Our authorized capital stock consists of 1,800,000,000 shares of common stock, \$.01 par value per share, and 25,000,000 shares of preferred stock, no par value per share.

**Common Stock**

Subject to Section 180.1150 of the Wisconsin Business Corporation Law (described below under "—Statutory Provisions"), holders of our common stock are entitled to one vote for each share of common stock held by them on all matters properly presented to shareholders. Subject to the prior rights of the holders of any shares of our preferred stock that are outstanding, our board of directors may at its discretion declare and pay dividends on our common stock out of our earnings or assets legally available for the payment of dividends. Subject to the prior rights of the holders of any shares of our preferred stock that are outstanding, if we are liquidated, any amounts remaining after the discharge of outstanding indebtedness will be paid pro rata to the holders of our common stock. Holders of our common stock have no preemptive, subscription, redemption or conversion rights. The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

**Preferred Stock**

Our board of directors is authorized to issue our preferred stock in series and to fix the voting rights; the designations, preferences, limitations and relative rights of any series with respect to the rate of dividend, the price, the terms and conditions of redemption; the amounts payable in the event of voluntary or involuntary liquidation; sinking fund provisions for redemption or purchase of a series; and the terms and conditions on which a series may be converted.

It is not possible to state the actual effect of the issuance of any shares of preferred stock upon the rights of holders of our common stock until the board of directors determines the specific rights of the holders of the preferred stock. However, these effects might include:

- restricting dividends on the common stock;
- diluting the voting power of the common stock;
- impairing the liquidation rights of the common stock; and

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- delaying or preventing a change in control of our company.

#### **Statutory Provisions**

Section 180.1150 of the Wisconsin Business Corporation Law provides that the voting power of public Wisconsin corporations such as us held by any person or persons acting as a group in excess of 20% of our voting power is limited to 10% of the full voting power of those shares, unless full voting power of those shares has been restored pursuant to a vote of shareholders. Sections 180.1140 to 180.1144 of the Wisconsin Business Corporation Law contain some limitations and special voting provisions applicable to specified business combinations involving Wisconsin corporations such as us and a significant shareholder, unless the board of directors of the corporation approves the business combination or the shareholder's acquisition of shares before these shares are acquired.

Similarly, Sections 180.1130 to 180.1133 of the Wisconsin Business Corporation Law contain special voting provisions applicable to some business combinations, unless specified minimum price and procedural requirements are met. Following commencement of a takeover offer, Section 180.1134 of the Wisconsin Business Corporation Law imposes special voting requirements on share repurchases effected at a premium to the market and on asset sales by the corporation, unless, as it relates to the potential sale of assets, the corporation has at least three independent directors and a majority of the independent directors vote not to have the provision apply to the corporation.

#### **DESCRIPTION OF THE NOTES**

The following description of our 1.125% Senior Notes due 2027 (the "2027 euro notes"), 1.625% Senior Notes due 2030 (the "2030 euro notes"), 4.500% Senior Notes due 2031 (the "2031 euro notes" and, together with the 2027 euro notes and the 2030 euro notes, the "euro notes"), 2.250% Senior Notes due 2025 (the "2025 sterling notes") and 3.000% Senior Notes due 2031 (the "2031 sterling notes" and, together with the 2025 sterling notes, the "sterling notes," and the sterling notes, together with the euro notes, collectively, the "notes") summarizes certain material terms of the notes. This description is qualified in its entirety by reference to the base indenture (as defined below) and supplemental indentures (as defined below), which are filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part.

The notes were issued under and are governed by an indenture, dated as of November 20, 2007 (the "base indenture"), as supplemented in the case of the 2027 euro notes, by the twenty-first supplemental indenture, dated as of July 1, 2019, as supplemented in the case of the 2030 euro notes, by the twenty-second supplemental indenture, dated as of July 1, 2019, as supplemented in the case of the 2025 sterling notes, by the twenty-third supplemental indenture, dated as of July 1, 2019, as supplemented in the case of the 2031 sterling notes, by the twenty-fourth supplemental indenture, dated as of July 1, 2019, and as supplemented in the case of the 2031 euro notes, by the twenty-ninth supplemental indenture, dated as of May 24, 2023 (collectively, the "supplemental indentures"), entered into between us and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (the "trustee") (the base indenture, together with the supplemental indentures, the "indenture"). Although for convenience the 2027 euro notes, the 2030 euro notes, the 2031 euro notes, the 2025 sterling notes and the 2031 sterling notes are referred to as "notes," each were issued as a separate series and do not together have any class voting rights. Accordingly, for purposes of this Description of the Notes, references to the "notes" are deemed to refer to each series of notes separately, and not to the 2027 euro notes, the 2030 euro notes, the 2031 euro notes, the 2025 sterling notes and the 2031 sterling notes on any combined basis.

#### **General**

On July 1, 2019, we issued €500,000,000 aggregate principal amount of the 2027 euro notes, €500,000,000 aggregate principal amount of the 2030 euro notes, £525,000,000 aggregate principal amount of the 2025 sterling notes and £525,000,000 aggregate principal amount of the 2030 sterling notes. On May 24, 2023, we issued €800,000,000 aggregate principal amount of the 2031 euro notes. We may, without the consent of the holders of the notes, increase the principal amount of each series in the future, on the same terms and conditions (except for the issue date, public offering price and, if applicable, the payment of interest accruing prior to the issue date and the initial interest payment date) and with the same CUSIP numbers as the notes previously issued; *provided* that additional notes will be fungible with the previously issued notes for U.S. federal income tax purposes.

The notes are our senior unsecured obligations and rank equally with all of our other senior unsecured indebtedness from time to time outstanding. Our obligations arising under the notes are not guaranteed by any of our subsidiaries. The notes effectively rank junior to any secured indebtedness we currently have outstanding or may incur in the future to the extent of the collateral securing the same and are structurally subordinated in right of

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payment to the liabilities (including trade accounts payable) and preferred equity of our subsidiaries. The notes are, in effect, subordinated to all of our existing and future secured debt and to the existing and future debt of our subsidiaries.

The indenture does not contain any covenants or provisions that would afford the holders of the notes protection in the event of a highly leveraged or other transaction that is not in the best interests of noteholders, except to the limited extent described below under “—Purchase of Notes upon a Change of Control Triggering Event” and “—Covenants.”

#### **Principal and Interest**

The 2027 euro notes will mature on July 1, 2027, the 2030 euro notes will mature on July 1, 2030, the 2031 euro notes will mature on May 24, 2031, the 2025 sterling notes will mature on July 1, 2025 and the 2031 sterling notes will mature on July 1, 2031, unless, in each case, we redeem or purchase the notes prior to that date, as described below under “—Optional Redemption,” “—Optional Tax Redemption” and “—Purchase of Notes upon a Change of Control Triggering Event.” Interest on the 2027 euro notes accrues at the rate of 1.125% per year, interest on the 2030 euro notes accrues at the rate of 1.625% per year, interest on the 2031 euro notes accrues at the rate of 4.500% per year, interest on the 2025 sterling notes accrues at the rate of 2.250% per year and interest on the 2031 sterling notes accrues at the rate of 3.000% per year, and, in each case, will be paid on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last scheduled interest payment date to which interest was paid on such series of notes (or from July 1, 2019, if no interest has been paid on such notes) to, but excluding, the next scheduled interest payment date. This payment convention is referred to as the ACTUAL/ACTUAL (ICMA) (as defined in the rulebook of the International Capital Markets Association) day count convention.

We will pay interest on the notes annually in arrears, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, on July 1 of each year, and with respect to the 2031 euro notes, on May 24 each year, to the holder in whose name each such note is registered on the day that is 15 days prior to the relevant interest payment date, whether or not such day is a business day.

Amounts due on each interest payment date, stated maturity date or any earlier redemption or repurchase date, as applicable, of each series of the notes will be payable at the office or agency maintained for such purpose in London, initially the corporate trust office of the paying agent, or by electronic means, in euro in relation to the euro notes, and in GBP in relation to the sterling notes. The principal and interest payable on the global notes (as defined below) registered in the name of a nominee of the common depositary will be made in immediately available funds to the ICSDs or to the nominee of the common depositary, as the case may be, as the registered holder of such notes. If any of the notes are no longer represented by global notes, payment of interest on the notes in certified form may, at our option, be made by check mailed directly to holders of the notes at their registered addresses.

Neither we nor the trustee will impose any service charge for any transfer or exchange of a note. However, we may ask holders of the notes to pay any taxes or other governmental charges in connection with a transfer or exchange of notes.

If any interest payment date, stated maturity date or earlier redemption or purchase date falls on a day that is not a business day, we will make the required payment of principal, premium, if any, and/or interest on the next business day as if it were made on the date payment was due, and no interest will accrue on the amount so payable for the period from and after that interest payment date, the stated maturity date or earlier redemption or purchase date, as the case may be, to the next business day. The term “business day” means any day other than a Saturday or Sunday (i) which is not a day on which banking institutions in The City of New York or London are authorized or obligated by law, regulation or executive order to close and (ii) in the case of the euro notes, on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (the TARGET2 system) or any successor thereto is open.

#### **Euro Notes—Issuance in Euro; Sterling Notes—Issuance in GBP**

Initial holders of the euro notes were required to pay for the euro notes in euro, and principal, premium, if any, and interest payments in respect of the euro notes will be payable in euro; including any payments made upon the redemption or repurchase of the euro notes. If the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or the euro is no longer used by the then member states of the European Economic and Monetary Union that have adopted the euro as their currency or for the settlement of

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transactions by public institutions within the international banking community, then all payments in respect of the euro notes will be made in U.S. dollars until the euro is again available to us or so used.

Initial holders of the sterling notes were required to pay for the sterling notes in GBP, and principal, premium, if any, and interest payments in respect of the sterling notes will be payable in GBP; including any payments made upon the redemption or repurchase of the sterling notes. If GBP is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or is no longer used for the settlement of transactions by public institutions within the international banking community, then all payments in respect of the sterling notes will be made in U.S. dollars until GBP is again available to us or so used.

The amount payable on any date in euro or GBP, as applicable, will be converted into U.S. dollars at the market exchange rate (as defined below) as of the close of business on the second business day prior to the relevant payment date or, if such market exchange rate is not then available, on the basis of the then most recent U.S. dollar/euro exchange rate or U.S. dollar/GBP exchange rate, as applicable, available on or prior to the second business day prior to the relevant payment date as determined by us in our sole discretion.

The term "market exchange rate" means the noon buying rate in The City of New York for cable transfers of euro or GBP, as applicable, as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the indenture or the notes. Neither the trustee nor the paying agent will be responsible for obtaining exchange rates, effecting currency conversions or otherwise handling redenominations. Holders of the notes are subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them.

#### **Optional Redemption**

We may, at our option, redeem the 2027 euro notes, the 2030 euro notes, the 2031 euro notes, the 2025 sterling notes or the 2031 sterling notes, in whole or from time to time in part, at any time prior April 1, 2027, with respect to the 2027 euro notes, April 1, 2030, with respect to the 2030 euro notes, February 24, 2031, with respect to the 2031 euro notes, April 1, 2025 with respect to the 2025 sterling notes and April 1, 2031 with respect to the 2031 sterling notes (the foregoing dates in respect of the 2027 euro notes, the 2030 euro notes, the 2031 euro notes, the 2025 sterling notes and the 2031 sterling notes, each a "Par Call Date"), at a redemption price equal to the greater of:

- 100% of the aggregate principal amount of any notes being redeemed; and
- the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed, not including unpaid interest accrued to the redemption date, that would have been due if such series of notes matured on the related Par Call Date discounted to the redemption date on an annual (ACTUAL/ACTUAL (ICMA)) basis at a rate equal to the applicable comparable government bond rate plus 25 basis points, with respect to any 2027 euro notes being redeemed, 30 basis points, with respect to any 2030 euro notes being redeemed, 35 basis points, with respect to any 2031 euro notes being redeemed, 25 basis points, with respect to any 2025 sterling notes being redeemed, and 35 basis points, with respect to any 2031 sterling notes being redeemed,

plus, in each case, accrued and unpaid interest on the notes being redeemed to, but not including, the redemption date.

On or after any Par Call Date, we may, at our option, redeem the notes of the applicable series, in whole or from time to time in part, at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest on the notes being redeemed to, but not including, the redemption date.

The term "comparable government bond" means (i) with respect to the euro notes, in relation to any comparable government bond rate calculation, at the discretion of an independent investment banker selected by us, a German government bond whose maturity is closest to the maturity of the applicable series of euro notes to be redeemed (assuming for this purpose that each series of euro notes matured on the related Par Call Date), or if such independent investment banker in its discretion determines that such similar bond is not in issue, such other German government bond as such independent investment banker may, with the advice of three brokers of, and/or market makers in, German government bonds selected by us, determine to be appropriate for determining the comparable

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government bond rate and (ii) with respect to the sterling notes, in relation to any comparable government bond rate calculation, at the discretion of an independent investment banker selected by us, a United Kingdom government bond whose maturity is closest to the maturity of the applicable series of sterling notes to be redeemed (assuming for this purpose that each series of sterling notes matured on the related Par Call Date), or if such independent investment banker in its discretion determines that such similar bond is not in issue, such other United Kingdom government bond as such independent investment banker may, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by us, determine to be appropriate for determining the comparable government bond rate.

The term "comparable government bond rate" means the yield to maturity, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), on the third business day prior to the date fixed for redemption, of the applicable comparable government bond on the basis of the middle market price of such comparable government bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment banker selected by us.

The term "independent investment banker" means, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, each of J.P. Morgan Securities plc, Citigroup Global Markets Limited and Wells Fargo Securities International Limited (or their respective successors), and, with respect to the 2031 euro notes, Citigroup Global Markets Limited, MUFG Securities EMEA plc and Wells Fargo Securities International Limited (or their respective successors), or if each such firm is unwilling or unable to select the comparable government bond, an independent investment banking institution of international standing appointed by us.

We (or, at our request, the trustee) will give written notice of any redemption of any series of notes to holders of that series of notes to be redeemed at their addresses, as shown in the security register for the affected notes (or in accordance with the applicable procedures of Euroclear Bank, S.A./N.V., as operator of the Euroclear System ("Euroclear") or Clearstream Banking, S.A. ("Clearstream" and, together with Euroclear, the "ICSDs" and each, an "ICSD")), not more than 60 nor less than 10 days prior to the date fixed for redemption, except that notice may be given more than 60 days prior to the date fixed for redemption if the notice is issued in connection with a defeasance, covenant defeasance or satisfaction and discharge. The notice of redemption will specify, among other items, the aggregate principal amount of the notes of the applicable series to be redeemed, the redemption date and the redemption price or the manner of calculating the redemption price (in which case no redemption price need be specified).

Any notice of redemption may provide that payment of the redemption price and the performance of our obligations with respect to such redemption may be performed by another person.

If we choose to redeem less than all of the notes of a series, then we will notify the trustee at least five days before giving notice of redemption, or such shorter period as is satisfactory to the trustee, of the aggregate principal amount of the notes of such series to be redeemed and the redemption date. The trustee will select, in the manner it deems fair and appropriate, the notes of that series to be redeemed in part.

If we have given notice as provided in the indenture and made funds irrevocably available for the redemption of the notes of a series called for redemption on or prior to the redemption date referred to in that notice, then those notes will cease to bear interest on that redemption date and the only remaining right of the holders of those notes will be to receive payment of the redemption price.

The notes will not be subject to, or have the benefit of, a sinking fund.

#### **Purchase of Notes upon a Change of Control Triggering Event**

If a change of control triggering event occurs, holders of the notes will have the right to require us to repurchase all or any part of their notes pursuant to the offer described below (the "change of control offer") on the terms set forth in the notes (*provided* that with respect to euro notes submitted for repurchase in part, the remaining portion of such euro notes is in a principal amount of €100,000 or an integral multiple of €1,000 in excess thereof, and with respect to the sterling notes submitted for purchase in part, the remaining portion of such sterling notes is in a principal amount of £100,000 or an integral multiple of £1,000 in excess thereof). In the change of control offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to but excluding the date of purchase (the "change of control payment"). Within 30 days following any change of control triggering event, we will be required to deliver (or otherwise transmit in accordance with the procedures of the ICSDs) a notice to holders of the notes

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describing the transaction or transactions that constitute the change of control triggering event and offering to repurchase the notes on the date specified in the notice, which date will be no earlier than 10 days and no later than 60 days from the date such notice is given (the “change of control purchase date”), pursuant to the procedures required by the notes and described in such notice. The notice will, if mailed prior to the date of the consummation of the change of control, state that the offer to purchase is conditioned on the change of control triggering event occurring on or prior to the change of control purchase date; *provided* that if the change of control triggering event occurs after such change of control purchase date, we will be required to offer to purchase the notes as described above. We must comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a change of control triggering event. To the extent that the provisions of any securities laws or regulations conflict with the change of control provisions of the notes, we will be required to comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the change of control provisions of the notes by virtue of such conflicts.

On the change of control purchase date, we will be required, to the extent lawful, to:

- accept for payment all notes or portions of notes properly tendered pursuant to the change of control offer;
- deposit with the paying agent an amount equal to the change of control payment in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee the notes properly accepted together with an officers’ certificate stating the aggregate principal amount of notes or portions of notes being purchased.

The paying agent will promptly deliver (or otherwise transmit in accordance with the procedures of the ICSDs) to each holder of notes properly tendered the purchase price for the notes, and the trustee will promptly authenticate and deliver (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any notes surrendered; *provided* that, with respect to the euro notes, each new euro note will be in a principal amount of €100,000 and any integral multiple of €1,000 in excess thereof and, with respect to the sterling notes, each new sterling note will be in a principal amount of £100,000 and any integral multiple of £1,000 in excess thereof.

We will not be required to make a change of control offer upon a change of control triggering event if (i) a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us, and such third party purchases all notes properly tendered and not withdrawn under its offer; or (ii) prior to the occurrence of the related change of control triggering event, we have given written notice of a redemption of the notes as provided under “—Optional Redemption” above, unless we have failed to pay the redemption price on the redemption date.

If holders of not less than 90% in aggregate principal amount of the notes then outstanding validly tender and do not withdraw such notes in a change of control offer and we, or any third party making such an offer in lieu of us as described above, purchase all of such notes properly tendered and not withdrawn by such holders, we or such third party will have the right, upon not less than 10 days’ nor more than 60 days’ prior notice (*provided* that such notice is given not more than 60 days following such repurchase pursuant to the change of control offer described above) to redeem all notes that remain outstanding following such purchase on a date specified in such notice (the “second change of control purchase date”) and at a price in cash equal to 101% of the aggregate principal amount of the notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased to, but excluding, the second change of control purchase date.

For purposes of the foregoing discussion of a repurchase at the option of holders, the following definitions are applicable:

“Below investment grade rating event” means that the rating of the notes is lowered by each of the Rating Agencies and the notes are rated below an investment grade rating by each of the Rating Agencies, and such lowering occurs on any date from the date of the public notice of our intention to effect a change of control until the end of the 60-day period following public notice of the occurrence of a change of control (which 60-day period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by either of the Rating Agencies as a result of the change of control); *provided* that a below investment grade rating event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect to a particular change of control (and thus shall not be deemed a below investment grade rating event for purposes of

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the definition of change of control triggering event hereunder) if the Rating Agency or Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee and us in writing at its or our request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable change of control (whether or not the applicable change of control shall have occurred at the time of the below investment grade rating event).

“Change of control” means the occurrence of any of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties and assets of Fiserv and our subsidiaries taken as a whole to any “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act) other than us or one of our subsidiaries; (2) the approval by the holders of our common stock of any plan or proposal for the liquidation or dissolution of Fiserv (whether or not otherwise in compliance with the provisions of the indenture); (3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the then outstanding number of shares of our voting stock; or (4) Fiserv consolidates or merges with or into any entity, pursuant to a transaction in which any of the outstanding voting stock of Fiserv or such other entity is converted into or exchanged for cash, securities or other property (except when voting stock of Fiserv is converted into, or exchanged for, at least a majority of the voting stock of the surviving person). Notwithstanding the foregoing, with respect to the 2031 euro notes, a transaction will not be considered to be a change of control if (a) we become a direct or indirect wholly owned subsidiary of a person and (b) immediately following that transaction, the direct or indirect holders of the voting stock of such person are substantially the same as the holders of our voting stock immediately prior to that transaction.

“Change of control triggering event” means the occurrence of both a change of control and a below investment grade rating event.

“Investment grade rating” means a rating equal to or higher than Baa3 (or the equivalent under any successor rating category) by Moody’s, BBB- (or the equivalent under any successor rating category) by S&P and the equivalent investment grade rating by any other Rating Agency, respectively.

“Moody’s” means Moody’s Investors Service, Inc., or its successor.

“Rating Agency” means (1) each of Moody’s and S&P; and (2) if any of Moody’s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) under the Exchange Act selected by us (as certified by an officer of us to the trustee) as a replacement agency for Moody’s or S&P, or both of them, as the case may be.

“S&P” means S&P Global Ratings, a division of S&P Global Inc., or its successor.

The definition of change of control includes a phrase relating to the direct or indirect sale, transfer, lease, conveyance or other disposition of “all or substantially all” of the properties and assets of us and our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale, transfer, lease, conveyance or other disposition of less than all of the properties and assets of us and our subsidiaries taken as a whole to another person or group may be uncertain.

## Covenants

### *Merger, Consolidation and Sale of Assets*

We have agreed, with respect to each series of notes, not to consolidate or merge with or into any other person, permit any other person to consolidate with or merge into us or sell, transfer, lease or convey all or substantially all of the properties and assets of Fiserv and our subsidiaries, taken as a whole, to any other person, unless:

- we are the surviving entity or our successor is an entity organized and existing under the laws of the United States of America (or any state or territory thereof or the District of Columbia), the United Kingdom (or any constituent country thereof), Germany, France, Luxembourg, the Netherlands, Ireland or Canada (or any province or territory thereof);

- the surviving entity, if other than us, expressly assumes, by a supplemental indenture, the due and punctual payment of the principal of and any premium and interest on the outstanding notes and the performance and observance of every covenant in the indenture and any paying agency agreement that we would otherwise have to perform or observe;
- immediately after giving effect to such transaction and treating any indebtedness that becomes an obligation of ours or any of our subsidiaries as a result of such transaction as having been incurred by us or any of our subsidiaries at the time of such transaction, there will not be any event of default or event which, after notice or lapse of time or both, would become an event of default;
- if, as a result of any such transaction, our property or assets would become subject to a lien which would not be permitted under “—Limitations on Liens,” we or our successor shall take those steps that are necessary to secure all outstanding notes equally and ratably with the indebtedness secured by that lien; and
- we will have delivered to the trustee an officers’ certificate and an opinion of counsel, each stating that all conditions precedent to the consummation of the particular transaction under the indenture have been complied with.

Upon any consolidation or merger with or into any other person or any sale, transfer, lease or conveyance of all or substantially all of the properties and assets of Fiserv and our subsidiaries, taken as a whole, to any other person, the successor person will succeed to, and be substituted for, us under the indenture, and we, except in the case of a lease, will be relieved of all obligations and covenants under the notes and the indenture to the extent we were the predecessor person.

#### ***Limitations on Liens***

Neither we nor any of our restricted subsidiaries may create or assume, except in our favor or in favor of one or more of our wholly owned subsidiaries, any mortgage, pledge, lien or encumbrance (as used in this paragraph, “liens”) on any principal property, or upon any stock or indebtedness of any of our restricted subsidiaries, that secures any indebtedness of Fiserv or such restricted subsidiary unless the outstanding notes of each series are secured equally and ratably with (or prior to) the obligations so secured by such lien, except that the foregoing restriction does not apply to the following types of liens:

- (a) liens in connection with workers’ compensation, unemployment insurance or other social security obligations (which phrase shall not be construed to refer to ERISA or the minimum funding obligations under Section 412 of the Internal Revenue Code of 1986, as amended);
  - (b) liens to secure the performance of bids, tenders, letters of credit, contracts (other than contracts for the payment of indebtedness), leases, statutory obligations, surety, customs, appeal, performance and payment bonds and other obligations of a similar nature, in each such case arising in the ordinary course of business;
  - (c) mechanics’, workmen’s, carriers’, warehousemen’s, materialmen’s, landlords’, or other similar liens arising in the ordinary course of business with respect to obligations (i) which are not more than 30 days’ past due or are being contested in good faith and by appropriate action or (ii) the nonpayment of which in the aggregate would not reasonably be expected to have a material adverse effect on Fiserv and its subsidiaries taken as a whole;
  - (d) liens for taxes, assessments, fees or governmental charges or levies which (i) are not delinquent, (ii) are payable without material penalty, (iii) are being contested in good faith and by appropriate action or (iv) the nonpayment of which in the aggregate would not reasonably be expected to have a material adverse effect on Fiserv and its subsidiaries taken as a whole;
  - (e) liens consisting of attachments, judgments or awards against Fiserv or any subsidiary with respect to which an appeal or proceeding for review shall be pending or a stay of execution shall have been obtained, or which are otherwise being contested in good faith and by appropriate action, and in respect of which adequate reserves shall have been established in accordance with GAAP on the books of Fiserv or any of its subsidiaries;
  - (f) easements, rights of way, restrictions, leases of property to others, easements for installations of public utilities, title imperfections and restrictions, zoning ordinances and other similar encumbrances
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affecting property which in the aggregate do not materially impair the operation of the business of Fiserv and its subsidiaries taken as a whole;

(g) liens existing on the date of the indenture and securing indebtedness or other obligations of Fiserv or any of its subsidiaries;

(h) statutory liens in favor of lessors arising in connection with property leased to Fiserv or any of its subsidiaries;

(i) liens on margin stock to the extent that a prohibition on such liens pursuant to this provision would violate Regulation U of the U.S. Federal Reserve Board, as amended;

(j) liens on property hereafter acquired by Fiserv or any of its subsidiaries created within 270 days, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, and 365 days, with respect to the 2031 euro notes, of such acquisition (or in the case of real property, completion of construction including any improvements or the commencement of operation of the property, whichever occurs later) to secure or provide for the payment or financing of all or any part of the purchase price or construction thereof; *provided* that the lien secured thereby shall attach only to the property so acquired or constructed and related assets (except that individual financings by one person (or an affiliate thereof) may be cross-collateralized to other financings provided by such person and its affiliates that are permitted by this clause (j));

(k) liens in respect of financing leases and permitted sale-leaseback transactions;

(l) (i) liens on the property of a person that becomes a subsidiary of Fiserv after the date hereof; *provided* that (A) such liens existed at the time such person becomes a subsidiary of Fiserv and were not created in anticipation thereof, (B) any such liens are not extended to any property of Fiserv or of any of its subsidiaries, other than the property or assets of such subsidiary, and (ii) liens on the proceeds of indebtedness incurred to finance an acquisition, investment or refinancing pursuant to customary escrow or similar arrangements to the extent such proceeds (A) secure such indebtedness or are otherwise restricted in favor of the holders of such indebtedness and (B) will be required to repay such indebtedness if such acquisition, investment or refinancing is not consummated;

(m) liens on property existing at the time of acquisition thereof and not created in contemplation thereof;

(n) liens (i) of a collecting bank arising under Section 4-208 of the Uniform Commercial Code on the items in the course of collection, (ii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set off) and which are within the general parameters customary in the banking industry and (iii) liens on assets in order to secure defeased and/or discharged indebtedness;

(o) liens securing securitized indebtedness and receivables factoring, discounting, facilities or securitizations;

(p) any extension, renewal, refinancing, substitution or replacement (or successive extensions, renewals, refinancings, substitutions or replacements), as a whole or in part, of any of the liens referred to in paragraphs (g), (j), (l), (m) and (r) of this covenant to the extent that the principal amount secured by such lien at such time is not increased (other than increases related to required premiums, accrued interest and reasonable fees and expenses in connection with such extensions, renewals, refinancings, substitutions or replacements); *provided* that such extension, renewal, refinancing, substitution or replacement lien shall be limited to all or any part of substantially the same property or assets that secured the lien extended, renewed, refinanced, substituted or replaced (plus improvements on such property and proceeds thereof);

(q) liens on proceeds of any of the assets permitted to be the subject of any lien or assignment permitted by this covenant,

(r) with respect to the 2031 euro notes, liens upon specific items of inventory or other goods of any person securing such person's obligation in respect of banker's acceptances issued or created in the ordinary course of business for the account of such person to facilitate the purchase, shipment, or storage of such inventory or other goods;

(s) with respect to the 2031 euro notes, liens (i) that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of debt, (B) relating

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to our pooled deposit or sweep accounts to permit satisfaction of overdraft or similar obligations and other cash management activities incurred in the ordinary course of business or (C) relating to purchase orders and other agreements entered into with our customers in the ordinary course of business and (ii) (W) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (X) encumbering reasonable customary initial deposits and margin deposits and attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business, (Y) in favor of banking institutions arising as a matter of law or pursuant to customary account agreements encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry, and (Z) of financial institutions funding the vault cash or other arrangements, pursuant to which various financial institutions fund the cash requirements of automated teller machines and cash access facilities operated by us or our subsidiaries at customer locations (the “Vault Cash Operations”), in the cash provided by such institutions for such Vault Cash Operations;

(t) with respect to the 2031 euro notes, liens pursuant to the terms and conditions of any contracts between us or any subsidiary and the U.S. government; and

(u) other liens; *provided* that, without duplication, the aggregate sum of all obligations and indebtedness secured by liens incurred pursuant to this clause (u), together with the aggregate principal amount secured by liens incurred pursuant to clause (p) that extend, renew, refinance, substitute for or replace liens incurred under this clause (u) and the aggregate attributable value of any property involved in a sale-leaseback transaction that is permitted to be incurred solely because it falls under the Applicable Threshold described in the proviso contained in the definition of “permitted sale-leaseback transactions,” would not exceed the greater of (i) \$1,000 million, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, and \$2,000 million, with respect to the 2031 euro notes, and (ii) 15.0% of net worth as determined at the time of, and immediately after giving effect to, the incurrence of such lien based on the balance sheet for the end of the most recent quarter for which financial statements are available.

#### ***Limitations on Sale-Leaseback Transactions***

Neither we nor any of our restricted subsidiaries may sell or transfer to any person other than Fiserv or any of its subsidiaries any principal property owned by us or any of our restricted subsidiaries with the intention of taking back a lease thereof, other than permitted sale-leaseback transactions. Our real property, improvements and fixtures are not subject to the limitations on sale-leaseback transactions described in the preceding sentence.

#### ***Definitions***

Set forth below is a summary of certain of the defined terms used in the foregoing provisions. Reference is made to the indenture for the full definition of all such terms, as well as any other terms used above for which no definition is provided.

The term “attributable value” means, in respect of any sale-leaseback transaction, the lesser of (a) the sale price of the principal property involved in such transaction multiplied by a fraction the numerator of which is the remaining portion of the base term of the lease included in such sale-leaseback transaction and the denominator of which is the base term of such lease and (b) the present value (discounted at the rate of interest implicit in such transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease involved in such transaction (including any period for which the lease has been extended).

The term “GAAP” means generally accepted accounting principles in the United States.

The term “indebtedness” means, with respect to any person (a) all indebtedness for borrowed money, (b) all obligations of such person evidenced by notes, bonds, debentures or similar instruments and (c) all indebtedness of any other person of the foregoing types to the extent guaranteed by such person, but only, for each of clauses (a) through (c), if and to the extent any of the foregoing indebtedness would appear as a liability upon an unconsolidated balance sheet of such person prepared in accordance with GAAP (but not including contingent liabilities which appear only in a footnote to a balance sheet); *provided, however*, that, notwithstanding anything to the contrary contained herein, for purposes of this definition, “indebtedness” shall not include (1) any intercompany indebtedness between or among Fiserv and its subsidiaries, (2) any indebtedness that has been defeased and/or discharged if funds in an amount equal to all such indebtedness (including interest and any other amounts required to be paid to the holders thereof in order to give effect to such defeasance) have been irrevocably deposited with a trustee, paying agent or other similar Person for the benefit of the relevant holders of such indebtedness or

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(3) interest, fees, make-whole amounts, premium, charges or expenses, if any, relating to the principal amount of indebtedness.

The term “net worth” means, at any date, the sum of all amounts that would be included under shareholders’ equity on a consolidated balance sheet of Fiserv and its subsidiaries determined in accordance with GAAP on such date or, in the event such date is not a fiscal quarter end, as of the immediately preceding fiscal quarter end; *provided* that, for purposes of calculating shareholders’ equity, any accumulated other comprehensive income or loss, in each case as reflected on such consolidated balance sheet of Fiserv and its subsidiaries determined in accordance with GAAP, shall be excluded; provided, further, that “net worth” shall be adjusted to give effect to each acquisition and disposition of assets other than in the ordinary course of business (including by way of merger) that has occurred on or prior to the date on which net worth is being calculated but after the immediately preceding quarter end as if such acquisition or disposition had occurred on the date of such immediately preceding quarter end.

The term “permitted sale-leaseback transaction” means any sale or transfer by us or any of our restricted subsidiaries of any principal property owned by us or any of our restricted subsidiaries with the intention of taking back a lease thereof; *provided, however*, that “permitted sale-leaseback transactions” shall not include any such transaction involving machinery and/or equipment (excluding any lease for a temporary period of not more than thirty-six months with the intent that the use of the subject machinery and/or equipment will be discontinued at or before the expiration of such period) relating to facilities (a) in full operation for more than 180 days as of the date of the indenture and (b) that are material to the business of Fiserv and its subsidiaries taken as a whole, to the extent that the aggregate attributable value of the machinery and/or equipment from time to time involved in such transactions (giving effect to payment in full under any such transaction and excluding the Applied Amounts, as defined in the following sentence), plus the amount of obligations and indebtedness from time to time secured by liens incurred under clause (r) of the covenant described under “—Limitations on Liens” above, exceeds the greater of (i) \$1,000 million and (ii) 15.0% of net worth as determined at the time of, and immediately after giving effect to, the incurrence of such transactions based on the balance sheet for the end of the most recent quarter for which financial statements are available (such greater amount, the “Applicable Threshold”). For purposes of this definition, “Applied Amounts” means an amount (which may be conclusively determined by the board of directors of Fiserv) equal to the greater of (i) capitalized rent with respect to the applicable machinery and/or equipment and (ii) the fair value of the applicable machinery and/or equipment, that is applied within 180 days of the applicable transaction or transactions to repayment of the notes or to the repayment of any indebtedness for borrowed money which, in accordance with GAAP, is classified as long-term debt and that is on parity with the notes.

The term “principal property” means the real property, fixtures, machinery and equipment relating to any facility owned by us or any restricted subsidiary, except for any facility that, in the opinion of our board of directors, is not of material importance to the business conducted by us and our subsidiaries, taken as a whole, or, with respect to the 2031 euro notes, has a net book value, on the date the determination of whether such property is a principal property is being made for purposes of the covenants set forth under “—Limitations on Liens” and “—Limitations on Sale-Leaseback Transactions”, of less than 2% of our net worth.

The term “property” means, with respect to any person, all types of real, personal or mixed property and all types of tangible or intangible property owned or leased by such person.

The term “restricted subsidiary” means any subsidiary of ours that constitutes a “significant subsidiary” (as such term is defined in Regulation S-X, promulgated pursuant to the Securities Act of 1933) and, with respect to the 2031 euro notes, owns a principal property, excluding: (i) Bastogne, Inc. and any bankruptcy-remote, special-purpose entity created in connection with the financing of settlement float with respect to customer funds or otherwise, (ii) any subsidiary which is not organized under the laws of any state of the United States of America; (iii) any subsidiary which conducts the major portion of its business outside the United States of America; and (iv) any subsidiary of any of the foregoing.

The term “securitized indebtedness” means, with respect to any person as of any date, the reasonably expected liability of such person for the repayment of, or otherwise relating to, all accounts receivable, general intangibles, chattel paper or other financial assets and related rights and assets sold or otherwise transferred by such person, or any subsidiary or affiliate thereof, on or prior to such date.

The term “subsidiary” of any person (the “parent”) means any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP (excluding any FIN 46 Entity, but only to the extent that the owners of such FIN 46 Entity’s indebtedness have no

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recourse, directly or indirectly, to such person or any of its subsidiaries for the principal, premium, if any, and interest on such indebtedness) as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held by such person. “FIN 46 Entity” means any person the financial condition and results of which, solely due to Accounting Standards Codification 810 or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect (as amended, restated, supplemented, replaced or otherwise modified from time to time), such person is required to consolidate in its financial statements. “Controlled” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through the ability to exercise voting power, by contract or otherwise.

The term “wholly owned subsidiary” of any person means (i) any corporation, association or other business entity of which 100% of the total voting power of shares of capital stock or other equity interests entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such person or one or more of the other subsidiaries of such person (or a combination thereof) and (ii) any partnership, limited liability company or similar pass-through entity of which the sole partners, members or other similar persons in corresponding roles, however designated, are such person or one or more of the other subsidiaries of such person (or any combination thereof).

Except as otherwise expressly provided in the indenture, all accounting terms not otherwise defined in the indenture have the meanings assigned to them in accordance with GAAP as in effect on the date of the indenture, but (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any indebtedness or other liabilities of Fiserv or any subsidiary at “fair value,” as defined therein and (ii) without giving effect to any treatment of indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such indebtedness in a reduced or bifurcated manner as described therein, and such indebtedness shall at all times be valued at the full stated principal amount thereof.

#### **Payment of Additional Amounts**

If, following a transaction to which the provisions of the indenture described above under “—Merger, Consolidation and Sale of Assets” applies, the surviving entity is organized under the laws of a jurisdiction other than the United States, any state or territory thereof or the District of Columbia, all payments made by the surviving entity under, or with respect to, the notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto), which we collectively refer to as the “Taxes,” imposed or levied by or on behalf of the jurisdiction of organization of the surviving entity or any political subdivision thereof or taxing authority therein, which we refer to as a “Taxing Jurisdiction,” unless the surviving entity is required to withhold or deduct Taxes by law or by the official interpretation or administration thereof.

If the surviving entity is so required to withhold or deduct any amount for, or on account of, such Taxes from any payment made under or with respect to the notes, the surviving entity will pay such additional amounts, which we refer to as “Additional Amounts,” as may be necessary so that the net amount received by each holder or beneficial owner (including Additional Amounts) after such withholding or deduction will not be less than the amount such holder would have received if such Taxes had not been required to be withheld or deducted; *provided, however,* that the foregoing obligation to pay Additional Amounts does not apply to:

- any Taxes imposed by the United States, including any Taxes withheld or deducted pursuant to Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (or any amended or successor version of such Sections), any U.S. Treasury regulations promulgated thereunder, any official interpretations thereof or any agreements (including any law implementing any such agreement) entered into in connection with the implementation thereof (collectively, “FATCA”);
- any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant holder or any beneficial owner (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust or entity) and a Taxing

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Jurisdiction (other than the mere receipt of such payment or the ownership or holding of such note outside of the surviving entity's country of organization);

- any Taxes that are imposed or withheld by reason of the failure by the relevant holder or any beneficial owner of the notes to comply on a timely basis with a written request of the surviving entity addressed to such holder or beneficial owner to provide certification, information, documents or other evidence concerning the nationality, residence or identity of such holder or beneficial owner or to make any declaration or similar claim or satisfy any other reporting requirement relating to such matters, which is required by a statute, treaty, regulation or administrative practice of the applicable Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of withholding or deduction of, all or part of such Taxes;
- any estate, inheritance, gift, sales, excise, transfer, personal property tax or similar tax, duty, assessment or governmental charge;
- any Taxes that are payable other than by deduction or withholding from a payment on or in respect of the notes;
- any Taxes that are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction;
- any Taxes that are payable by any person acting as custodian bank or collecting agent on behalf of a holder, or otherwise in any manner which does not constitute a withholding or deduction by the surviving entity, its paying agent, or any successor thereof from payments made by it;
- any Taxes that are payable by reason of a change in law that becomes effective more than 15 days after the relevant payment becomes due and is made available for payment to the holders, unless such Taxes would have been applicable had payment been made within such 15 day period;
- any Taxes that are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income; (ii) any international treaty or understanding relating to such taxation and to which the Taxing Jurisdiction or the European Union is a party or (iii) any provision of law implementing, or complying with, or introduced to conform with, such directive, regulation, treaty or understanding; or
- any combination of the Taxes described above.

In addition, the surviving entity shall not be required to pay Additional Amounts to a holder that is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such note.

Whenever reference is made in any context to the principal of, and any interest on, any note, such mention shall be deemed to include any relevant Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect of such note.

#### **Optional Tax Redemption**

Each series of notes may be redeemed at any time, at the surviving entity's option, in whole but not in part, upon not less than 10 nor more than 60 days' prior notice, at a redemption price equal to 100% of the principal amount of the notes of such series then outstanding, plus accrued and unpaid interest on the principal amount being redeemed (and any Additional Amounts) to (but excluding) the redemption date, if (i) at any time following a transaction to which the provisions of the indenture described above under "—Merger, Consolidation and Sale of Assets" apply, the surviving entity is required to pay Additional Amounts pursuant to the provisions described above under "—Payment of Additional Amounts" and (ii) such obligation cannot be avoided by the surviving entity taking reasonable measures available to it.

Prior to the mailing of any such notice of redemption pursuant to the foregoing, the surviving entity will deliver to the trustee an opinion of independent tax counsel of recognized standing to the effect that the surviving entity is or would be obligated to pay such Additional Amounts.

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No notice of redemption may be given earlier than 90 days prior to the earliest date on which the surviving entity would be obligated to pay Additional Amounts if a payment in respect of the relevant notes were then due.

#### **Events of Default**

An “event of default” with respect to each series of notes occurs if:

- we fail to pay interest on any of the notes of that series when due and payable and that failure continues for 30 consecutive days;
- we fail to pay the principal of, or premium, if any, on, any of the notes of that series at its maturity or when otherwise due;
- there is a default (which shall not have been cured or waived) in the payment of any principal of or interest on any of our indebtedness for borrowed money aggregating more than \$300 million in principal amount, after giving effect to any applicable grace period, or in the performance of any other term or provision of any of our indebtedness in excess of \$300 million in principal amount that results in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration is not rescinded or annulled, or such indebtedness has not been discharged, within a period of 15 consecutive days, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, and 60 consecutive days, with respect to the 2031 euro notes, after there has been given written notice specifying such default as provided in the indenture;
- we fail to perform any covenant in the indenture with respect to the notes of that series and that failure continues for 60 consecutive days, with respect to the 2027 euro notes, the 2030 euro notes, the 2025 sterling notes and the 2031 sterling notes, and 90 consecutive days, with respect to the 2031 euro notes, after we receive written notice as provided in the indenture; or
- certain actions are taken relating to our bankruptcy, insolvency or reorganization or the bankruptcy, insolvency or reorganization of any restricted subsidiary of ours and, in certain circumstances, remain in effect for 60 consecutive days.

If an event of default with respect to the notes of a series occurs and continues, except for the bankruptcy, insolvency or reorganization actions referred to above, then the trustee or the holders of at least 25% in principal amount of the outstanding notes of the applicable series may require us to repay immediately the principal of, and any unpaid premium and interest on, all outstanding notes of such series. The holders of at least a majority in principal amount of the outstanding notes of the applicable series may rescind and annul that acceleration if all events of default with respect to the notes of that series, other than the nonpayment of accelerated principal, have been cured or waived as provided in the indenture. An event of default arising from the bankruptcy, insolvency or reorganization actions referred to above shall cause the principal of, and any unpaid premium and interest on, all notes to become immediately due and payable without any declaration or other act by the trustee, the holders of the notes or any other party.

The trustee is not obligated to exercise any of its rights or powers under the indenture at the request or direction of any holder of notes, unless the holders offer reasonable indemnity to the trustee. If the holders offer reasonable indemnity to the trustee, then the holders of at least a majority in principal amount of the outstanding notes of an applicable series will have the right, subject to some limitations, to direct the time, method and place of conducting any proceeding available to the trustee or exercising any trust or power conferred on the trustee with respect to the notes of that series.

No holder of any note of a series will have any right to institute any proceeding with respect to the indenture or for any remedy under the indenture unless:

- the holder has previously given to the trustee written notice of a continuing event of default with respect to the notes of that series;
- the holders of at least 25% in principal amount of the outstanding notes of that series have made a written request, and offered reasonable indemnity, to the trustee to institute a proceeding as trustee;
- the trustee has failed to institute the requested proceeding within 60 consecutive days after receipt of such notice; and

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- the trustee has not received from the holders of at least a majority in principal amount of the outstanding notes of that series a direction inconsistent with the request during that 60-day period.

However, the holder of any note will have the absolute and unconditional right to receive payment of the principal of, and premium, if any, and interest on, that note as expressed therein, and to institute suit for the enforcement of any such payment.

We are required to furnish to the trustee annually within 120 days after the end of our fiscal year a statement as to the absence of some defaults under the indenture. Within 30 days after the occurrence of an event of default the trustee shall give notice of such event of default or of any event which, after notice or lapse of time or both, would become an event of default, known to it, to the holders of the notes, except that, in the case of a default other than a payment default, the trustee may withhold notice if the trustee determines that withholding notice is in the interest of the holders.

#### **Modification, Amendment and Waiver**

We, together with the trustee, may modify or amend the indenture and the terms of the notes of a series with the consent of the holders of at least a majority in principal amount of the outstanding notes of such series; *provided* that no modification or amendment may, without the consent of each affected holder of the notes of the affected series:

- change the stated maturity of the principal of, or any installment of interest on, any note;
- reduce the principal of, or rate of interest on, any note;
- reduce any amount payable upon the redemption or purchase at the option of the holder of any note;
- change any place of payment where, or the currency in which, any principal of, or premium, if any, or interest on, any note is payable;
- impair the right to institute suit for the enforcement of any payment on or with respect to any note on or after the stated maturity or redemption date; or
- reduce the percentage in principal amount of outstanding notes the consent of whose holders is required for modification or amendment of the indenture, for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults.

The holders of at least a majority in principal amount of the outstanding notes of a series may, on behalf of the holders of all notes of that series, waive any past default under the indenture and its consequences, except a default in the payment of the principal of, or premium, if any, or interest on, any notes or in respect of a covenant or provision that under the indenture cannot be modified or amended without the consent of each holder of that series. In addition, the holders of at least a majority in principal amount of the outstanding notes of a series may, on behalf of the holders of all notes of that series, waive compliance with any other provision of the indenture or the notes, including compliance with our covenants described above under “—Covenants—Limitations on Liens” and “—Covenants—Limitations on Sale-Leaseback Transactions.”

In addition, we, together with the trustee, may modify or amend the indenture and the terms of the notes without seeking the consent of any holders of the notes to:

- allow our successor to assume our obligations under the indenture and the notes pursuant to the provisions described above under the heading “—Covenants—Merger, Consolidation and Sale of Assets”;
  - add to our covenants for the benefit of the holders of the notes or the trustee, paying agent, security registrar or other agent or similar person or surrender any right or power we have under the indenture;
  - add any additional events of default;
  - add to or change any provisions of the indenture to the extent necessary to permit or facilitate the issuance of notes in bearer form or in uncertificated form;
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- with respect to the 2031 euro notes, amend or supplement any provision contained in the indenture or in any supplemental indentures to the extent such amendment or supplement does not apply to any outstanding notes issued prior to the date of such amendment or supplement and entitled to the benefits of such provision;
- secure the notes and provide for the terms of the release of such security;
- add guarantees with respect to our obligations under the notes and provide for the terms of the release of such guarantees;
- provide for a successor trustee or paying agent with respect to the notes or otherwise change any of the provisions of the indenture as shall be necessary to provide for or facilitate the administration of the trusts thereunder by more than one trustee or paying agent;
- provide for the issuance of additional notes to the extent permitted under the indenture;
- provide for a co-issuer with respect to the notes;
- cure any ambiguity, omission, defect or inconsistency, as determined in good faith by us;
- conform the indenture to the description of the notes contained in the prospectus supplement and in the accompanying prospectus pursuant to which the notes were offered;
- comply with the rules and regulations of Euroclear, Clearstream or any other clearing system and the rules and regulations of any securities exchange or automated quotation system on which the notes may be listed or traded; or
- make any other amendment or supplement to the indenture as long as that amendment or supplement does not adversely affect the rights of the holders of any notes in any material respect, as determined in good faith by us.

No amendment or supplement to the indenture made solely to conform the indenture to the description of the notes contained in the prospectus supplement and in the accompanying prospectus pursuant to which the notes were offered will be deemed to adversely affect the interests of the holders of the notes.

#### **Defeasance, Covenant Defeasance and Satisfaction and Discharge**

Except as prohibited by the indenture, if we deposit with the trustee sufficient money or government obligations, or both, to pay the principal of, and premium, if any, and interest on, the notes on the scheduled due dates therefor, then at our option we may be discharged from certain of our obligations with respect to the notes or elect that our failure to comply with certain restrictive covenants, including those described in “—Covenants—Merger, Consolidation and Sale of Assets,” “—Covenants—Limitations on Liens,” and “—Covenants—Limitations on Sale-Leaseback Transactions” will not be deemed to be or result in an event of default under the notes.

In addition, the indenture will be discharged and will cease to be of further effect as to any series of notes (except as to any surviving rights expressly provided for in the indenture) when:

- either:
    - all notes of such series that have been authenticated (except lost, stolen or destroyed notes of such series that have been replaced or paid and notes of such series for whose payment money has theretofore been deposited in trust and thereafter repaid to us) have been delivered to the trustee for cancellation; or
    - all notes of such series that have not been delivered to the trustee for cancellation have become due and payable or will become due and payable at their stated maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the trustee and in any case we have deposited with the trustee or a paying agent as trust funds euro, sterling, U.S. dollars or government obligations in an amount sufficient, to pay the entire indebtedness of such notes not delivered to the trustee for cancellation, for principal, premium, if any, and accrued interest to the stated maturity or redemption date;
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- we have paid or caused to be paid all other sums payable by us in respect of such series of notes under the indenture; and
- we have delivered an officers' certificate and an opinion of counsel to the trustee stating that we have satisfied all conditions precedent to satisfaction and discharge of the indenture with respect to such series of notes.

For purposes of the notes, "government obligations" means (i) with respect to the euro notes, securities denominated in euro that are (A) direct obligations of the Federal Republic of Germany or any country that is a member of the European Economic and Monetary Union whose long-term debt is rated equal to or higher than A-1 (or the equivalent under any successor rating category) by Moody's or equal to or higher than A+ (or the equivalent under any successor rating category) by S&P or the equivalent rating category of another internationally recognized rating agency, the payments of which are supported by the full faith and credit of the German government or such other member of the European Economic and Monetary Union, or (B) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the Federal Republic of Germany or such other member of the European Economic and Monetary Union, the payments of which are unconditionally guaranteed as a full faith and credit obligation of the German government or such other member of the European Economic and Monetary Union; and (ii) with respect to the sterling notes, securities denominated in GBP, that are (A) direct obligations of the United Kingdom, the payments of which are supported by the full faith and credit of the United Kingdom, or (B) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United Kingdom, the payments of which are unconditionally guaranteed as a full faith and credit obligation of the United Kingdom.

#### **Trustee and Paying Agent**

The trustee under the indenture is U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association) and Elavon Financial Services DAC acts as our paying agent with respect to the notes, subject, in each case, to replacement upon certain events specified in the indenture and the paying agency agreement. The notes may be exchanged or transferred, subject to and upon satisfaction of the terms and conditions set forth in the indenture, at the office or agency maintained for such purpose, initially the corporate trust office of the trustee in Milwaukee, Wisconsin.

#### **Governing Law**

The notes and the indenture are governed by, and construed in accordance with, the laws of the State of New York.

#### **Book-Entry**

The notes were issued in book-entry form and are represented by global notes deposited with, or on behalf of, a common depositary on behalf of Euroclear and Clearstream, and are registered in the name of the common depositary or its nominee. Except as described herein, certificated notes will not be issued in exchange for beneficial interests in the global notes.

#### **Certificated Notes**

If Clearstream or Euroclear is at any time unwilling or unable to continue as depositary, and a successor depositary is not appointed by us within 90 days, we will issue euro notes of like tenor in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof and sterling notes of like tenor in minimum denominations of £100,000 principal amount and integral multiples of £1,000 in excess thereof, in each case in definitive form in exchange for an applicable registered global note that had been held by the depositary. Any notes issued in definitive form in exchange for a registered global note will be registered in the name or names that the depositary gives to the trustee or other relevant agent of the trustee. It is expected that the depositary's instructions will be based upon directions received by the depositary from participants with respect to ownership of beneficial interests in the applicable registered global note that had been held by the depositary. In addition, we may at any time determine that the notes of an applicable series shall no longer be represented by a global note and will issue notes in definitive form in exchange for such global note pursuant to the procedure described above.

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN  
RESTRICTED STOCK UNIT AWARD MEMORANDUM  
SENIOR OFFICER (SO RET)

Employee: [FIRST NAME] [LAST NAME]

Grant Date: [GRANT DATE]

Number of Shares Subject to Award: [NUMBER OF SHARES]

Date Vested:

1/3 of Shares Subject to Award	1 <sup>st</sup> anniversary of Grant Date
1/3 of Shares Subject to Award	2 <sup>nd</sup> anniversary of Grant Date
1/3 of Shares Subject to Award	3 <sup>rd</sup> anniversary of Grant Date

Additional terms and conditions of your Award are included in the Restricted Stock Unit Agreement. As a condition to your receipt of Shares, you must log on to Fidelity's website at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.

Note: Sections 5 through 7, 9(b)(iii)(B), and 9(b)(v) of the Restricted Stock Unit Agreement contains provisions that restrict your activities. These provisions apply to you and, by accepting this Award, you agree to be bound by these restrictions. Accepting this Award, and these provisions, is not a condition of your employment or continued employment by Fiserv.

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## RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the “Plan”), Fiserv, Inc., a Wisconsin corporation (the “Company”), has granted you Restricted Stock Units (the “Award”) entitling you to receive such number of shares of Company common stock (the “Shares”) as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this “Agreement”), the Award Memorandum and the terms of the Plan. Capitalized terms used in this Agreement and not defined herein shall have the meanings set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date.** The Award is granted to you on the Grant Date set forth in the Award Memorandum.
2. **Vesting.** Provided that you are an employee as of the applicable date, this Award will vest as indicated in the Award Memorandum, and, subject to any deferral election then in effect, the Shares subject to this Award will be issued as indicated in this Agreement. This Award also may continue to vest following your Retirement (as defined below) as described in Section 9.
3. **Termination of Award.** Your Award shall terminate in all events on the earlier of (a) the date upon which vesting is no longer permitted pursuant to Section 9 or (b) your failure to accept the terms of this Agreement, the Award Memorandum, and the Plan within the time period and in the manner specified in this Agreement.
4. **Definitions Related to Confidential Information, Non-Competition and Related Covenants .**
  - (a) “Fiserv” means the Company, its direct and indirect Subsidiaries, affiliated entities, successors, and assigns.
  - (b) “Confidential Information” means all trade secrets, Innovations (as defined below), confidential or proprietary business information and data, computer software, and database technologies or technological information, formulae, templates, algorithms, designs, process and systems information, processes, intellectual property rights, marketing plans, client lists and specifications, pricing and cost information and any other confidential information of Fiserv or its clients, vendors or subcontractors that relates to the business of Fiserv or to the business of any client, vendor or subcontractor of Fiserv or any other party with whom Fiserv agrees to hold information in confidence, whether patentable, copyrightable or protectable as a trade secret or not, except: (i) information that is, at the time of disclosure, in the public domain or that is subsequently published or otherwise becomes part of the public domain through no fault of yours; or (ii) information that is disclosed by you under order of law or governmental regulation; provided, however, that you agree to notify the General Counsel of Fiserv upon receipt of any request for disclosure as soon as possible prior to any such disclosure so that appropriate safeguards may be maintained.
  - (c) “Competing Product or Service” means any product or service that is sold in competition with, or is being developed and that will compete with, a product or service developed, manufactured, or sold by Fiserv. For purposes of this Agreement, Competing Products or Services as to you are limited to products and/or services with respect to which you participated in the development, planning, testing, sale, marketing or evaluation on behalf of Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv, or for which you supervised one or more Fiserv employees, units, divisions, or departments in doing so.

- (d) "Competitor" means an individual, business or any other entity or enterprise engaged or having publicly announced its intent to engage in the sale or marketing of any Competing Product or Service.
- (e) "Innovations" means all developments, improvements, designs, original works of authorship, formulas, processes, software programs, databases, and trade secrets, whether or not patentable, copyrightable or protectable as trade secrets, that you, either by yourself or jointly with others, create, modify, develop, or implement during the period of your employment with Fiserv that relate in any way to Fiserv's business.
- (f) "Moral Rights" means any rights to claim authorship of a work of authorship, to object to or prevent the modification of any such work of authorship, or to withdraw from circulation or control the publication or distribution of any such work of authorship.
- (g) "Client" means any person, association or entity: (i) for which you directly performed services or for which you supervised others in performing services with Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (h) "Prospective Client" means any person, association or entity: (i) who or with which Fiserv was in active business discussions or negotiations at any time during any part of the 24 months preceding the termination of your employment with Fiserv, in which you participated or for which you directly performed services or for which you supervised others in performing services with Fiserv relating to such person, association or entity; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (i) "Territory" means the geographic regions for which you had executive, managerial, supervisory, sales, marketing, client servicing, and/or other responsibilities during any part of the 24 months preceding the termination of your employment with Fiserv.
- (j) "Vendor" means a third party unaffiliated with Fiserv that contracts with Fiserv to provide services to Fiserv or its clients: (i) for which you directly worked with or for which you supervised others in working with during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (k) "Addendum" means a jurisdiction-specific provision for certain employees of Fiserv who are employed to work and/or reside in certain jurisdictions that modifies and/or supplements the terms of Sections 5 through 7, 9(b)(iii)(B), and 9(b)(v) of this Agreement to the extent specified in the Addendum. The Addendum will be incorporated into, construed jointly with, modify and/or supplement the terms of Sections 5 through 7, 9(b)(iii)(B), and 9(b)(v) of this Agreement.

- 5. **Confidentiality and Innovations**. During your employment, Fiserv will provide you with Confidential Information relating to Fiserv, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to Fiserv. You agree that all Confidential Information is and shall remain the sole and absolute property of Fiserv. Upon the termination of your employment with Fiserv for any reason, you shall immediately return to Fiserv all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. You further agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company:

- (a) You will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of Fiserv, or use any Confidential Information of Fiserv to solicit Clients, Prospective Clients, or Vendors, other than in connection with the authorized activities conducted in the course of your employment with Fiserv. You agree to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information.
- (b) All Innovations are and shall remain the sole and absolute property of Fiserv. You will provide all assistance requested by Fiserv, at its expense, in the preservation of its interest in any Innovations in any country, and hereby assign and agree to assign to Fiserv all rights, title and interest in and to all worldwide patents, patent applications, copyrights, trade secrets and other intellectual property rights in any Innovation. You also assign and agree to assign to Fiserv, or, where applicable, to waive, which waiver shall inure to the benefit of Fiserv and its assigns, all Moral Rights in any Innovation.
- (c) Notwithstanding the preceding statements, you understand that, pursuant to 18 U.S.C. §1833(b)(1) and §1833(b)(2):
- (i) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (I) is made (x) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (II) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
  - (ii) An individual who files a lawsuit for retaliation by the Company for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (I) files any document containing the trade secret under seal and (II) does not disclose the trade secret, except pursuant to court order.
- You understand that if you are found to have wrongfully misappropriated a trade secret, you may be liable to the Company for, among other things, exemplary damages and attorneys' fees.
- (d) You acknowledge and agree, that by reason of your employment, you will have access to Confidential Information and may come into contact with employees, Clients, Prospective Clients and Vendors of Fiserv and develop and maintain relationships with such employees, Clients, Prospective Clients and Vendors. You further acknowledge that such relationships have been developed at great expense by Fiserv. You acknowledge and agree that any post-employment efforts by you to work for a Competitor, Client or Prospective Client or to solicit the business or employees of Fiserv would necessarily require the use of Fiserv's Confidential Information that was obtained by you during your employment. For these and other legitimate business reasons, Fiserv is entitled to reasonable protection against unfair exploitation, diversion and misappropriation of its Confidential Information and its relationships with employees, Clients, Prospective Clients and Vendors through misappropriation of Fiserv's Confidential Information. Consequently, you agree to the restrictions set forth in this Agreement.
- (e) The restrictions on confidentiality set forth in this Agreement apply: (i) during the time of your employment with Fiserv; (ii) with respect to Confidential Information, for a period of 24 months following the date of termination of your employment with Fiserv; and (iii) with respect to trade secrets, for such period as is permitted by applicable law following the date of termination of your employment with Fiserv.

6. **Restrictions During Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation: During the time of your employment with Fiserv, you will not:
- (a) perform duties as or for a Competitor, Client or Prospective Client of Fiserv (except to the extent required by your employment with Fiserv);
  - (b) entice, induce, encourage, urge or solicit Clients, Prospective Clients or Vendors of Fiserv to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv; or
  - (c) entice, induce, encourage, urge, or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client, Prospective Client, or Vendor of Fiserv (the provisions of this Section 6(c) shall apply to any employee of Fiserv with whom you work with during any part of the 24 month period preceding the termination of your employment with Fiserv).
7. **Restrictions Following Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation. For a period of 12 months following the date of termination of your employment with Fiserv, in the Territory, you will not:
- (a) perform duties as or for a Competitor of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
  - (b) perform duties as or for a Client or Prospective Client of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
  - (c) entice, induce, encourage, urge, or solicit Clients, Prospective Clients or Vendors of Fiserv to currently and/or prospectively breach, modify or terminate any agreement or relationship they have or had with Fiserv;
  - (d) entice, induce, encourage, urge, or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client, Prospective Client, or Vendor of Fiserv (the provisions of this Section 7(d) shall apply to any employee of Fiserv with whom you worked during any part of the 24 month period preceding your termination of your employment with Fiserv); or
  - (e) participate voluntarily or provide assistance or information to any person or entity either negotiating with Fiserv involving a Competing Product or Service or concerning a potential or existing business or legal dispute with Fiserv, including, but not limited to, litigation, except as may be required by law.

**8. Acknowledgments Regarding Restrictive Covenants.**

- (a) For purposes of Sections 7(a)-(b) of this Agreement, and without limiting any other provision hereof, you acknowledge that Fiserv associates who are classified as having the highest grade in Fiserv will be deemed to have enterprise-wide duties which encompass duties relative to all Fiserv business units and functions.
- (b) **No provision of Sections 5 through 7 will apply to limit or restrict your conduct under this Agreement during or after your employment, or trigger any reimbursement obligations under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction, in which case the provision will apply as construed or amended. Certain state laws that void or may limit or prohibit the enforceability of Sections 5 through 7 are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**
- (c) You acknowledge and agree that compliance with Sections 5 through 7 and, if applicable, is necessary to protect Fiserv, and that a breach of any of Sections 5 through 7 will result in irreparable and continuing damage to Fiserv for which there will be no adequate remedy at law. In the event of a breach of Sections 5 through 7, or any part thereof, Fiserv, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. Fiserv may institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of Sections 5 through 7, or to enjoin you from performing services in breach of Sections 5 through 7. You hereby agree to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.
- (d) You further agree that, in the event of your breach Sections 5 through 7, Fiserv shall also be entitled to recover the value of all amounts previously paid or payable and any shares (or the current value of any shares) delivered or deliverable to you pursuant to any Fiserv bonus program, this Agreement, and any other Fiserv plan or arrangement.
- (e) You agree that the terms of this Agreement shall survive the termination of your employment with Fiserv.
- (f) YOU HAVE READ THIS AGREEMENT, INCLUDING SECTIONS 5 THROUGH 7, AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-EMPLOYMENT, ARE LIKEWISE FAIR AND REASONABLE.

**9. Termination of Employment.**

- (a) **Vesting.** If you cease to be an employee of the Company or any Subsidiary of the Company for any reason (a “Termination Event”), the unvested portion of the Award shall terminate on the date on which such Termination Event occurs; provided that, if the reason for your Termination Event is:
  - (i) Death or Disability, then the unvested portion of this Award as of the date of your death or Disability, subject to any deferral election then in effect, shall be vested in full;
  - (ii) Retirement, then the unvested portion of the Award shall continue to vest as described in subsection (b).

If you are regularly scheduled to work less than 20 hours per calendar week for the Company or any Subsidiary of the Company, you will be deemed to have experienced a Termination Event.

(b) **Continued Vesting Upon Retirement.**

- (i) For purposes of this Section 9, "Retirement" means the cessation of service as an employee for any reason other than death, Disability or termination for Cause if:
  - (A) you are at least 60 years of age and have at least 10 years of continuous service with the Company and its Subsidiaries; and
  - (B) you have provided for an orderly transition of your duties to a successor, including by:
    - (1) providing notice to the Chief Executive Officer of the Company (or in the case of the Chief Executive Officer, to the Chairman or Lead Director of the Board of Directors of the Company as the case may be) that you are considering retirement sufficiently in advance of your anticipated retirement date; and
    - (2) assisting with the identification and selection of, and transition of your duties to, a successor ((1) and (2) being referred to herein collectively as the "Specified Transition Requirements").

If you satisfy the requirements of clauses (A) and (B) above, your cessation of service will be deemed to be a qualifying Retirement; provided that, the Compensation Committee may determine, within 30 days after your cessation of service, that you failed to satisfy any Specified Transition Requirement. By way of example only, this could result from providing too short of notice or not providing an adequate amount of transition assistance.

- (ii) After your Retirement, the unvested portion of the Award shall continue to vest, subject to Sections 9(b)(iv) and (v) on the normal vesting dates indicated in the Award Memorandum as if you had not ceased to be an employee.
  - (iii) Notwithstanding the foregoing:
    - (A) If you receive written notification from the Compensation Committee that you failed to satisfy any Specified Transition Requirement, then any portion of the Award that is unvested as of the date of such notification shall terminate as of such date.
    - (B) In addition to the obligations set forth in Sections 5 through 7 for the period set forth therein, while any portion of this Award remains unvested and until the last vesting event of any equity award held by you at the time of Retirement (the "Restricted Period"), you may not:
      - (1) perform work of any kind for a Competitor, including as an employee, board member, consultant or otherwise;
      - (2) perform work for a non-Competitor other than as permitted by clause (v) below; or
      - (3) violate any post-employment covenant applicable to you under any agreement in effect with, or policy of, the Company or any of its Subsidiaries (each of (1)-(3) being a "Post-Retirement Violation").

- (iv) Without limiting any other provision of this Agreement, including Sections 5 through 7 as applicable, if a Post-Retirement Violation occurs and if the Post-Retirement Violation was of the nature described in Section 9(b)(iii)(B)(1) or (3) above:
    - (A) vesting of any unvested portion of the Award shall immediately cease;
    - (B) the remedies available to the Company under Section 8, including recoupment of Shares, shall apply if the Post-Retirement Violation occurred during the first 12 months following Retirement; and
    - (C) any Shares received upon vesting after your Retirement are subject to recoupment (either the actual shares or the current value thereof) if the Post-Retirement Violation occurred after the one-year anniversary of your Retirement.
  - (v) During the Restricted Period you may work for a non-Competitor; provided that you may not have a role or responsibilities similar to or greater than those which you had while employed by the Company. For the sake of clarity, work for a non-profit and service as a director for a non-Competitor are expressly permitted. If during the Restricted Period, you commence employment with or perform work for a non-Competitor where the role or responsibilities is similar to or greater than the those which you had while employed by Fiserv then vesting of any unvested portion of the Award shall immediately cease.
  - (vi) While this Award is outstanding, as a condition to continued vesting, upon request of the Company, you must certify that you have not engaged in a Post-Retirement Violation and must provide such information as the Company requests in order to verify such certification.
  - (vii) All determinations regarding whether you have engaged in a Post-Retirement Violation shall be made by the Compensation Committee.
  - (viii) If you die after Retirement and prior to the date the Award vests in full (and provided that a Post-Retirement Violation has not occurred), then the Award shall become fully vested as of the date of your death.
  - (ix) **No provision of Section 9(b) will apply to limit or restrict your conduct under this Agreement after your employment, nor will be deemed a Post-Retirement Violation under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction, in which case the provision will apply as construed or amended. Certain state laws that void or may limit or prohibit the enforceability of this Section 9(b) are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**
  - (x) YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, INCLUDING THIS SECTION 9(b), AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-RETIREMENT, ARE LIKEWISE FAIR AND REASONABLE.
- (c) **Change of Control.** If a Change of Control of the Company occurs, the provisions of Section 18(c) of the Plan shall apply to this Award. If the successor or purchaser in the Change of Control has assumed the Company's obligations with respect to this Award or provided a substitute award as contemplated by Section 18(c)(i) of the Plan and, within 12 months following the occurrence of the

Change of Control, you are terminated without Cause or you terminate your employment for Good Reason (as hereinafter defined), this Award or such substitute award shall become fully vested, and the provisions of Sections 5 through 7, 9(b)(iii)(B), and 9(b)(v) shall immediately cease to apply.

**“Good Reason”** means your suffering any of the following events without your consent: (x) significant or material lessening of your responsibilities; (y) a reduction in your annual base salary or a material reduction in the level of incentive compensation for which you have been eligible during the two years immediately prior to the occurrence of the Change of Control and/or a material adverse change in the conditions governing receipt of such incentive compensation from those that prevailed prior to the occurrence of the Change of Control; or (z) the Company requiring you to be based anywhere other than within 50 miles of your place of employment at the time of the occurrence of the Change of Control, except for reasonably required travel to an extent substantially consistent with your business travel obligations.

If the Change of Control of the Company occurs after your Retirement and prior to the date this Award has become vested in full (and prior to the occurrence of a Post-Retirement Violation), and if the successor or purchaser in the Change of Control does not either assume the Company's obligations with respect to the Award or provide a substitute award, then this Award shall vest in full immediately prior to the date of such Change of Control.

- (d) **Service as Director.** For purposes of this Agreement, an employee of Fiserv, if also serving as a director, will not be deemed to have terminated employment for purposes of this Agreement until his or her service as a director ends, and his or her years of service will be deemed to include years of service as a director.
  - (e) **No Further Obligation.** The Company will have no further obligations to you under this Agreement if the Award terminates as provided herein.
  - (f) **Separation Agreement.** The provisions of this Section 9 are subject to (and may be amended by) the terms of a written separation agreement entered into between you and the Company or any of its Subsidiaries.
10. **Deferral of Restricted Stock Units.** If you are eligible to, and properly elect to, defer delivery of all or part of the Shares otherwise issuable under this Award, such deferral will be governed by the Restricted Stock Unit Deferral Election Form executed by you separately from this Agreement.
11. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Shares to you as soon as practicable after the Award vests (pursuant to the terms hereof) with respect to such Shares, or, if a deferral election was made, at the time specified in the Deferral Election Form; provided that, if the Award vests as a result of a Termination Event resulting from your Disability after you become Retirement-eligible, then the Shares will be delivered upon the next scheduled vesting date after your separation from service within the meaning of Code Section 409A. If you die before the Company has distributed any portion of the vested Shares, the Company will issue the Shares to your estate or in accordance with applicable laws of descent and distribution. The Shares will be issued and delivered in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to this Award or the Shares, (b) any applicable federal or state laws and (c) the rules, regulations and other requirements of the Securities and Exchange Commission (“SEC”) or any stock exchange upon which the Shares are listed. The Company

may cause an appropriate book entry notation to be made with respect to the Shares to reference any of the foregoing restrictions.

12. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, until the Shares have been issued under this Award, this Award and the Shares issuable hereunder and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise). Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Award, or of any right or privilege conferred hereby, contrary to the provisions of the Plan or of this Agreement, or upon any attempted sale under any execution, attachment or similar process upon the rights and privileges conferred hereby, this Award and the rights and privileges conferred hereby shall immediately become null and void.
13. **Conditions to Issuance of Shares.** The Shares issued to you hereunder may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue any Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the SEC or any other governmental regulatory body, which the compensation committee of the Board of Directors (the "Compensation Committee") shall, in its discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Compensation Committee shall, in its discretion, determine to be necessary or advisable; (d) the lapse of such reasonable period of time following the date of vesting of the Award or the payment event specified in a deferral election as the Compensation Committee may establish from time to time for reasons of administrative convenience (provided that any such period shall be in compliance with Code Section 409A); and (e) your acceptance of the terms and conditions of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
14. **Dividends: No Rights as Shareholder.** If the Company declares a cash dividend and the dividend record date occurs prior to the date the Award vests, you will be credited with an additional number of Restricted Stock Units on the date the cash dividends are paid to the Company shareholders equal to (a) the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by (b) the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to the same terms and conditions as the Restricted Stock Units with respect to which the dividend equivalents were credited. Until this Award vests and the Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Shares. Specifically, you understand and agree that you do not have voting rights or, except as provided in this Section 10, the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
15. **Addresses for Notices.** Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company as follows: Corporate Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, WI 53045, or at such other address as the Company may hereafter designate in writing. Any notice to be given to you shall be addressed to you at the address set forth in the Company's records from time to time.
16. **Captions: Agreement Severable.** Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

**17. Securities and Tax Representations.**

- (a) You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the SEC. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement and any disposition of Shares and that upon the acquisition of any Shares subject to this Award, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
- (b) You represent and warrant that you understand the federal, state and local income and employment tax consequences associated with the granting of the Award, the vesting of the Award, the deferral of all or a portion of the Shares otherwise issuable upon vesting of the Award, and the subsequent sale or other disposition of any Shares. You understand and agree that when this Award vests and Shares are issued, and you thereby realize gross income (if any) taxable as compensation in respect of such vesting or issuance, the Company will be required to withhold federal, state and local taxes on the full amount of the compensation income realized by you and may also be required to withhold other amounts as a result of such vesting. You also understand and agree that the Company may be required to withhold certain payroll taxes in connection with your Retirement or your termination due to Disability prior to the issuance of Shares. You hereby agree to provide the Company with cash funds or Shares equal in value to the federal, state and local payroll and income taxes and other amounts required to be withheld by the Company or its Subsidiary in respect of any compensation income or wages in relation to the Award or make other arrangements satisfactory to the Company regarding such amounts, which may include deduction of such taxes from other wages owed to you by the Company or its Subsidiaries. All matters with respect to the total amount to be withheld shall be determined by the Company in its sole discretion.

**18. Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.

**19. General Provisions.**

- (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to be employed by the Company or any Subsidiary of the Company or limits in any respect any right of the Company or any Subsidiary of the Company to terminate your employment at any time, without liability.
- (b) This Agreement, the Award Memorandum, the Plan, the Restricted Stock Unit Deferral Election Form, if any, and the Addendum contain the entire agreement between the Company and you relating to the Award and the Shares and supersede all prior agreements or understandings relating thereto.
- (c) This Agreement, the Award Memorandum and the Addendum may only be modified, amended or cancelled as provided in the Plan.

- (d) If any one or more provisions of this Agreement, the Award Memorandum or the Addendum is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
- (e) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
- (f) This Agreement and the Award Memorandum shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to its conflict of law provisions, except that Sections 5 through 7, 9(b)(iii)(B), and 9(b)(v) of this Agreement and the Addendum shall be governed by and construed in accordance with the laws of the state in which you reside at the time your employment terminates with Fiserv as listed on the books and records of Fiserv without regard to that state's conflict of law provisions.
- (g) The Company agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the Company's administrative agent's website ([www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
- (h) This Agreement, the Award Memorandum and the Addendum shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
- (i) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind this Award and/or the Shares in certain circumstances.

**By selecting the "I accept" box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum, and the Plan.**

**Your acceptance of the terms of this Agreement, the Award Memorandum, the Plan, and the Addendum through our administrative agent's website is a condition to your receipt of Shares. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.**

FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN  
RESTRICTED STOCK UNIT AWARD MEMORANDUM  
STANDARD (ST RET)

Employee: [FIRST NAME] [LAST NAME]

Grant Date: [GRANT DATE]

Number of Shares Subject to Award: [NUMBER OF SHARES]

Date Vested:

1/3 of Shares Subject to Award	1 <sup>st</sup> anniversary of Grant Date
1/3 of Shares Subject to Award	2 <sup>nd</sup> anniversary of Grant Date
1/3 of Shares Subject to Award	3 <sup>rd</sup> anniversary of Grant Date

Additional terms and conditions of your Award are included in the Restricted Stock Unit Agreement. As a condition to your receipt of Shares, you must log on to Fidelity's website at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.

Note: Sections 5 through 7, 9(b)(iii), and 9(b)(v) of the Restricted Stock Unit Agreement contain provisions that restrict your activities. These provisions apply to you and, by accepting this Award, you agree to be bound by these restrictions. Accepting this Award, and these provisions, is not a condition of your employment or continued employment by Fiserv.

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## RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the “Plan”), Fiserv, Inc., a Wisconsin corporation (the “Company”), has granted you Restricted Stock Units (the “Award”) entitling you to receive such number of shares of Company common stock (the “Shares”) as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this “Agreement”), the Award Memorandum and the terms of the Plan. Capitalized terms used in this Agreement and not defined herein shall have the meanings set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date.** The Award is granted to you on the Grant Date set forth in the Award Memorandum.
2. **Vesting.** Provided that you are an employee as of the applicable date, this Award will vest as indicated in the Award Memorandum, and, subject to any deferral election then in effect, the Shares subject to this Award will be issued as indicated in this Agreement. This Award also may continue to vest following your Retirement (as defined below) as described in Section 9.
3. **Termination of Award.** Your Award shall terminate in all events on the earlier of (a) the date upon which vesting is no longer permitted pursuant to Section 9 or (b) your failure to accept the terms of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
4. **Definitions Related to Confidential Information, Non-Competition and Related Covenants.**
  - (a) “Fiserv” means the Company, its direct and indirect Subsidiaries, affiliated entities, successors, and assigns.
  - (b) “Confidential Information” means all trade secrets, Innovations (as defined below), confidential or proprietary business information and data, computer software, and database technologies or technological information, formulae, templates, algorithms, designs, process and systems information, processes, intellectual property rights, marketing plans, client lists and specifications, pricing and cost information and any other confidential information of Fiserv or its clients, vendors or subcontractors that relates to the business of Fiserv or to the business of any client, vendor or subcontractor of Fiserv or any other party with whom Fiserv agrees to hold information in confidence, whether patentable, copyrightable or protectable as a trade secret or not, except: (i) information that is, at the time of disclosure, in the public domain or that is subsequently published or otherwise becomes part of the public domain through no fault of yours; or (ii) information that is disclosed by you under order of law or governmental regulation; provided, however, that you agree to notify the General Counsel of Fiserv upon receipt of any request for disclosure as soon as possible prior to any such disclosure so that appropriate safeguards may be maintained.
  - (c) “Competing Product or Service” means any product or service that is sold in competition with, or is being developed and that will compete with, a product or service developed, manufactured, or sold by Fiserv. For purposes of this Agreement, Competing Products or Services as to you are limited to products and/or services with respect to which you participated in the development, planning, testing, sale, marketing or evaluation on behalf of Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv, or for which you supervised one or more Fiserv employees, units, divisions, or departments in doing so.

- (d) "Competitor" means an individual, business or any other entity or enterprise engaged or having publicly announced its intent to engage in the sale or marketing of any Competing Product or Service.
- (e) "Innovations" means all developments, improvements, designs, original works of authorship, formulas, processes, software programs, databases, and trade secrets, whether or not patentable, copyrightable or protectable as trade secrets, that you, either by yourself or jointly with others, create, modify, develop, or implement during the period of your employment with Fiserv that relate in any way to Fiserv's business.
- (f) "Moral Rights" means any rights to claim authorship of a work of authorship, to object to or prevent the modification of any such work of authorship, or to withdraw from circulation or control the publication or distribution of any such work of authorship.
- (g) "Client" means any person, association or entity: (i) for which you directly performed services or for which you supervised others in performing services with Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (h) "Prospective Client" means any person, association or entity: (i) who or with which Fiserv was in active business discussions or negotiations at any time during any part of the 24 months preceding the termination of your employment with Fiserv, in which you participated or for which you directly performed services or for which you supervised others in performing services with Fiserv relating to such person, association or entity; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (i) "Territory" means the geographic regions for which you had executive, managerial, supervisory, sales, marketing, client servicing, and/or other responsibilities during any part of the 24 months preceding the termination of your employment with Fiserv.
- (j) "Vendor" means a third party unaffiliated with Fiserv that contracts with Fiserv to provide services to Fiserv or its clients: (i) for which you directly worked with or for which you supervised others in working with during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
- (k) "Addendum" means a jurisdiction-specific provision for certain employees of Fiserv who are employed to work and/or reside in certain jurisdictions that modifies and/or supplements the terms of Sections 5 through 7, 9(b)(iii), and 9(b)(v) of this Agreement to the extent specified in the Addendum. The Addendum will be incorporated into, construed jointly with, modify and/or supplement the terms of Sections 5 through 7, 9(b)(iii), and 9(b)(v) of this Agreement.
5. **Confidentiality and Innovations.** During your employment, Fiserv will provide you with Confidential Information relating to Fiserv, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to Fiserv. You agree that all Confidential Information is and shall remain the sole and absolute property of Fiserv. Upon the termination of your employment with Fiserv for any reason, you shall immediately return to Fiserv all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. You further agree that, without the written consent of the Chief Executive Officer of the Company or, in the case

of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company:

- (a) You will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of Fiserv, or use any Confidential Information of Fiserv to solicit Clients, Prospective Clients or Vendors, other than in connection with the authorized activities conducted in the course of your employment with Fiserv. You agree to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information.
- (b) All Innovations are and shall remain the sole and absolute property of Fiserv. You will provide all assistance requested by Fiserv, at its expense, in the preservation of its interest in any Innovations in any country, and hereby assign and agree to assign to Fiserv all rights, title and interest in and to all worldwide patents, patent applications, copyrights, trade secrets and other intellectual property rights in any Innovation. You also assign and agree to assign to Fiserv, or, where applicable, to waive, which waiver shall inure to the benefit of Fiserv and its assigns, all Moral Rights in any Innovation.
- (c) Notwithstanding the preceding statements, you understand that, pursuant to 18 U.S.C. §1833(b)(1) and §1833(b)(2):
  - (i) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (I) is made (x) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (II) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
  - (ii) An individual who files a lawsuit for retaliation by the Company for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (I) files any document containing the trade secret under seal and (II) does not disclose the trade secret, except pursuant to court order.

You understand that if you are found to have wrongfully misappropriated a trade secret, you may be liable to the Company for, among other things, exemplary damages and attorneys' fees.

- (d) You acknowledge and agree, that by reason of your employment, you will have access to Confidential Information and may come into contact with employees, Clients, Prospective Clients and Vendors of Fiserv and develop and maintain relationships with such employees, Clients, Prospective Clients and Vendors. You further acknowledge that such relationships have been developed at great expense by Fiserv. You acknowledge and agree that any post-employment efforts by you to work for a Competitor, Client or Prospective Client or to solicit the business or employees of Fiserv would necessarily require the use of Fiserv's Confidential Information that was obtained by you during your employment. For these and other legitimate business reasons, Fiserv is entitled to reasonable protection against unfair exploitation, diversion, and misappropriation of its Confidential Information and its relationships with employees, Clients, Prospective Clients and Vendors through misappropriation of Fiserv's Confidential Information. Consequently, you agree to the restrictions set forth in this Agreement.

(e) The restrictions on confidentiality set forth in this Agreement apply: (i) during the time of your employment with Fiserv; (ii) with respect to Confidential Information, for a period of 24 months following the date of termination of your employment with Fiserv; and (iii) with respect to trade secrets, for such period as is permitted by applicable law following the date of termination of your employment with Fiserv.

6. **Restrictions During Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation. During the time of your employment with Fiserv, you will not:

- (a) perform duties as or for a Competitor, Client or Prospective Client of Fiserv (except to the extent required by your employment with Fiserv);
- (b) entice, induce, encourage, urge, or solicit Clients, Prospective Clients or Vendors of Fiserv to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv; or
- (c) entice, induce, encourage, urge, or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client, Prospective Client, or Vendor of Fiserv (the provisions of this Section 6(c) shall apply to any employee of Fiserv with whom you work with during any part of the 24 month period preceding the termination of your employment with Fiserv).

7. **Restrictions Following Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation: For a period of 12 months following the date of termination of your employment with Fiserv, in the Territory, you will not:

- (a) perform duties as or for a Competitor of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
- (b) perform duties as or for a Client or Prospective Client of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
- (c) entice, induce, encourage, urge or solicit Clients, Prospective Clients, or Vendors of Fiserv to currently and/or prospectively breach, modify or terminate any agreement or relationship they have or had with Fiserv;
- (d) entice, induce, encourage urge or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client, Prospective Client, or Vendor of Fiserv (the provisions of this Section 7(d) shall apply to any employee of Fiserv with whom you worked

during any part of the 24 month period preceding the termination of your employment with Fiserv); or

- (e) participate voluntarily or provide assistance or information to any person or entity either negotiating with Fiserv involving a Competing Product or Service, or concerning a potential or existing business or legal dispute with Fiserv, including, but not limited to, litigation, except as may be required by law.

**8. Acknowledgments Regarding Restrictive Covenants.**

- (a) **No provision of sections 5 through 7 will apply to limit or restrict your conduct under this Agreement during or after your employment, or trigger any reimbursement obligations under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction, in which case the provision will apply as construed or amended. Certain state laws that void or may limit or prohibit the enforceability of Sections 5 through 7 and are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**
- (b) You acknowledge and agree that compliance with Sections 5 through 7 and, if applicable, is necessary to protect Fiserv, and that a breach of any of these Sections 5 through 7 will result in irreparable and continuing damage to Fiserv for which there will be no adequate remedy at law. In the event of a breach of Sections 5 through 7, or any part thereof, Fiserv and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. Fiserv may institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of Sections 5 through 7, or to enjoin you from performing services in breach of Sections 5 through 7. You hereby agree to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.
- (c) You further agree that, in the event of your breach of Sections 5 through 7, Fiserv shall also be entitled to recover the value of all amounts previously paid or payable and any shares (or the current value of any shares) delivered or deliverable to you pursuant to any Fiserv bonus program, this Agreement, and any other Fiserv plan or arrangement.
- (d) You agree that the terms of this Agreement shall survive the termination of your employment with Fiserv.
- (e) **YOU HAVE READ THIS AGREEMENT, INCLUDING SECTIONS 5 THROUGH 7, AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-EMPLOYMENT, ARE LIKEWISE FAIR AND REASONABLE.**

**9. Termination of Employment.**

- (a) **Vesting.** If you cease to be an employee of the Company or any Subsidiary of the Company for any reason (a "Termination Event"), the unvested portion of the Award shall terminate on the date on which such Termination Event occurs; provided that, if the reason for your Termination Event is:

(i) Death or Disability, then the unvested portion of this Award as of the date of your death or Disability, subject to any deferral election then in effect, shall be vested in full;

(ii) Retirement, then the unvested portion of the Award shall continue to vest as described in subsection (b).

If you are regularly scheduled to work less than 20 hours per calendar week for the Company or any Subsidiary of the Company, you will be deemed to have experienced a Termination Event.

(b) **Continued Vesting Upon Retirement.**

(i) For purposes of this Section 9, “Retirement” means the cessation of service as an employee for any reason other than death, Disability or termination for Cause if:

- (A) you are at least 60 years of age and have at least 10 years of continuous service with the Company and its Subsidiaries; and
- (B) you have provided advance notice of your retirement as described below, unless a shorter period is approved by the Company's Chief Executive Officer, Chief Human Resources Officer or their respective designees:
  - (1) If you are employed at the Vice President level or below, you have provided at least 6 months' advance notice of your retirement; or
  - (2) If you are employed at the Senior Vice President level or above, you have provided at least 12 months' advance notice of your retirement.

The Chief Executive Officer or Chief Legal Officer of the Company shall make a determination if there is a question as to the level of an employee and the applicable notice requirement.

(ii) After your Retirement, the unvested portion of the Award shall continue to vest, subject to Section 9(b)(iv) and (v), on the normal vesting dates indicated in the Award Memorandum as if you had not ceased to be an employee.

(iii) If you are employed at the Vice President level or higher as of the date of your Retirement, in addition to the obligations set forth in Sections 5 through 7 for the period set forth therein, while any portion of this Award remains unvested and until the last vesting event of any equity award held by you at the time of Retirement (the “Restricted Period”), you may not:

- (A) perform work of any kind for a Competitor, including as an employee, board member, consultant or otherwise;
- (B) perform work for a non-Competitor other than as permitted by clause (v) below; or
- (C) violate any post-employment covenant applicable to you under any agreement in effect with, or policy of, the Company or any of its Subsidiaries (each of (A)-(C) being a Post-Retirement Violation).

- (iv) Without limiting any other provision of this Agreement, including Sections 5 through 7 as applicable, if a Post-Retirement Violation occurs and if the Post-Retirement Violation was of the nature described in 9(b)(iii)(A) or (C) above:
- (A) vesting of any unvested portion of the Award shall immediately cease;
  - (B) the remedies available to the Company under Section 8, including recoupment of Shares, shall apply if the Post-Retirement Violation occurred during the first 12 months following Retirement; and
  - (C) any Shares received upon vesting after Retirement are subject to recoupment (either the actual shares or the current value thereof) if the Post Retirement Violation occurred after the one-year anniversary of your Retirement.
- (v) During the Restricted Period you may work for a non-Competitor; provided that you may not have a role or responsibilities similar to or greater than those which you had while employed by the Company. For the sake of clarity, work for a non-profit and service as a director for a non-Competitor are expressly permitted. If during the Restricted Period, you commence employment with or perform work for a non-Competitor where the role or responsibilities is similar to or greater than the those which you had while employed by Fiserv, then vesting of any unvested portion of the Award shall immediately cease.
- (vi) While this Award is outstanding, as a condition to continued vesting, upon request of the Company, you must certify that you have not engaged in a Post-Retirement Violation and must provide such information as the Company requests in order to verify such certification.
- (vii) All determinations regarding whether you have engaged in a Post-Retirement Violation shall be made by the Compensation Committee.
- (viii) If you die after Retirement and prior to the date the Award vests in full (and provided that a Post-Retirement Violation has not occurred), then the Award shall become fully vested as of the date of your death.
- (ix) **No provision of Section 9(b) will apply to limit or restrict your conduct under this Agreement after your employment, nor will be deemed a Post-Retirement Violation under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction, in which case the provision will apply as construed or amended. Certain state laws that may limit the enforceability of Section 9(b) are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**
- (x) YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, INCLUDING THIS SECTION 9(b), AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION THE RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-RETIREMENT, ARE LIKEWISE FAIR AND REASONABLE.
- (c) **Change of Control.** If a Change of Control of the Company occurs, the provisions of Section 18(c) of the Plan shall apply to this Award. If the successor or purchaser in the

Change of Control has assumed the Company's obligations with respect to this Award or provided a substitute award as contemplated by Section 18(c)(i) of the Plan and, within 12 months following the occurrence of the Change of Control, you are terminated without Cause or you terminate your employment for Good Reason (as hereinafter defined), this Award or such substitute award shall become fully vested, and the provisions of Sections 5 through 7 and 9(b)(iii) and (v) shall immediately cease to apply.

"Good Reason" means your suffering any of the following events without your consent: (i) significant or material lessening of your responsibilities; (ii) a reduction in your annual base salary or a material reduction in the level of incentive compensation for which you have been eligible during the two years immediately prior to the occurrence of the Change of Control and/or a material adverse change in the conditions governing receipt of such incentive compensation from those that prevailed prior to the occurrence of the Change of Control; or (iii) the Company requiring you to be based anywhere other than within 50 miles of your place of employment at the time of the occurrence of the Change of Control, except for reasonably required travel to an extent substantially consistent with your business travel obligations.

If the Change of Control of the Company occurs after your Retirement and prior to the date this Award has become vested in full (and prior to the occurrence of a Post-Retirement Violation), and if the successor or purchaser in the Change of Control does not either assume the Company's obligations with respect to the Award or provide a substitute award, then this Award shall vest in full immediately prior to the date of such Change of Control.

- (d) **Service as Director.** For purposes of this Agreement, an employee of Fiserv, if also serving as a director, will not be deemed to have terminated employment for purposes of this Agreement until his or her service as a director ends, and his or her years of service will be deemed to include years of service as a director.
  - (e) **No Further Obligation.** The Company will have no further obligations to you under this Agreement if the Award terminates as provided herein.
  - (f) **Separation Agreement.** The provisions of this Section 9 are subject to (and may be amended by) the terms of a written separation agreement entered into between you and the Company or any of its Subsidiaries.
10. **Deferral of Restricted Stock Units.** If you are eligible to, and properly elect to, defer delivery of all or part of the Shares otherwise issuable under this Award, such deferral will be governed by the Restricted Stock Unit Deferral Election Form executed by you separately from this Agreement.
11. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Shares to you as soon as practicable after the Award vests (pursuant to the terms hereof) with respect to such Shares, or, if a deferral election was made, at the time specified in the Deferral Election Form; provided that, if the Award vests as a result of a Termination Event resulting from your Disability after you become Retirement-eligible, then the Shares will be delivered upon the next scheduled vesting date after your separation from service within the meaning of Code Section 409A. If you die before the Company has distributed any portion of the vested Shares, the Company will issue the Shares to your estate or in accordance with applicable laws of descent and distribution. The Shares will be issued and delivered in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company

may deem advisable under (i) the Plan and any agreement between you and the Company with respect to this Award or the Shares, (ii) any applicable federal or state laws and (iii) the rules, regulations and other requirements of the Securities and Exchange Commission ("SEC") or any stock exchange upon which the Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Shares to reference any of the foregoing restrictions.

12. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, until the Shares have been issued under this Award, this Award and the Shares issuable hereunder and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise). Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Award, or of any right or privilege conferred hereby, contrary to the provisions of the Plan or of this Agreement, or upon any attempted sale under any execution, attachment or similar process upon the rights and privileges conferred hereby, this Award and the rights and privileges conferred hereby shall immediately become null and void.
13. **Conditions to Issuance of Shares.** The Shares issued to you hereunder may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue any Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the SEC or any other governmental regulatory body, which the compensation committee of the Board of Directors (the "Compensation Committee") shall, in its discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Compensation Committee shall, in its discretion, determine to be necessary or advisable; (d) the lapse of such reasonable period of time following the date of vesting of the Award or the payment event specified in a deferral election as the Compensation Committee may establish from time to time for reasons of administrative convenience (provided that any such period shall be in compliance with Code Section 409A); and (e) your acceptance of the terms and conditions of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
14. **Dividends; No Rights as Shareholder.** If the Company declares a cash dividend and the dividend record date occurs prior to the date the Award vests, you will be credited with an additional number of Restricted Stock Units on the date the cash dividends are paid to the Company shareholders equal to (a) the amount of cash dividends payable with respect to a number of shares of stock equal to your Restricted Stock Units divided by (b) the Fair Market Value of a Share on the date the dividend is paid. These additional Restricted Stock Units will be subject to the same terms and conditions as the Restricted Stock Units with respect to which the dividend equivalents were credited. Until this Award vests and the Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Shares. Specifically, you understand and agree that you do not have voting rights or, except as provided in this Section 14, the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
15. **Addresses for Notices.** Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company as follows: Corporate Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, WI 53045, or at such other address as the Company may hereafter designate in writing. Any notice to be given to you shall be addressed to you at the address set forth in the Company's records from time to time.

16. **Captions: Agreement Severable.** Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

17. **Securities and Tax Representations.**

- (a) You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the SEC. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement and any disposition of Shares and that upon the acquisition of any Shares subject to this Award, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
- (b) You represent and warrant that you understand the federal, state and local income and employment tax consequences associated with the granting of the Award, the vesting of the Award, the deferral of all or a portion of the Shares otherwise issuable upon vesting of the Award, and the subsequent sale or other disposition of any Shares. You understand and agree that when this Award vests and Shares are issued, and you thereby realize gross income (if any) taxable as compensation in respect of such vesting or issuance, the Company will be required to withhold federal, state and local taxes on the full amount of the compensation income realized by you and may also be required to withhold other amounts as a result of such vesting. You also understand and agree that the Company may be required to withhold certain payroll taxes in connection with your Retirement or your termination due to Disability prior to the issuance of Shares. You hereby agree to provide the Company with cash funds or Shares equal in value to the federal, state and local payroll and income taxes and other amounts required to be withheld by the Company or its Subsidiary in respect of any compensation income or wages in relation to the Award or make other arrangements satisfactory to the Company regarding such amounts, which may include deduction of such taxes from other wages owed to you by the Company or its Subsidiaries. All matters with respect to the total amount to be withheld shall be determined by the Company in its sole discretion.

18. **Market Stand-Off.** The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.

19. **General Provisions.**

- (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to be employed by the Company or any Subsidiary of the Company or limits in any

respect any right of the Company or any Subsidiary of the Company to terminate your employment at any time, without liability.

- (b) This Agreement, the Award Memorandum, the Plan, the Restricted Stock Unit Deferral Election Form, if any, and the Addendum contain the entire agreement between the Company and you relating to the Award and the Shares and supersede all prior agreements or understandings relating thereto.
- (c) This Agreement, the Award Memorandum, and the Addendum may only be modified, amended or cancelled as provided in the Plan.
- (d) If any one or more provisions of this Agreement, the Award Memorandum, or the Addendum is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
- (e) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
- (f) This Agreement and the Award Memorandum shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to its conflict of law provisions, except that Sections 5 through 7 and 9(b)(iii), and 9(b)(v) of this Agreement and the Addendum shall be governed by and construed in accordance with the laws of the state in which you reside at the time your employment terminates with Fiserv as listed on the books and records of Fiserv without regard to that state's conflict of law provisions
- (g) The Company agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the Company's administrative agent's website ([www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.
- (h) This Agreement, as modified by the Addendum, and the Award Memorandum shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
- (i) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind this Award and/or the Shares in certain circumstances.

**By selecting the “I accept” box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum and the Plan.**

**Your acceptance of the terms of this Agreement, the Award Memorandum, the Plan, and the Addendum, through our administrative agent's website is a condition to your receipt of Shares. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.**

**FISERV, INC. 2007 OMNIBUS INCENTIVE PLAN  
PERFORMANCE SHARE UNIT AWARD MEMORANDUM –  
SENIOR OFFICER (SO RET)**

<b>Employee:</b>	<i>[FIRST NAME] [LAST NAME]</i>
<b>Grant Date:</b>	<i>[GRANT DATE]</i>
<b>Target Units:</b>	<i>[NUMBER OF SHARES AT TARGET]</i>
<b>3-Year Performance Period:</b>	<i>2024-2026</i>

**Performance Formula:**

The number of Target Units earned at the end of the 3-Year Performance Period will be determined based on (1) the Company's relative total shareholder return over the 3-Year Performance Period and (2) the average of the Company's annual achievement during each of fiscal years 2024, 2025 and 2026 (each, a "1-Year Performance Period") with respect to organic revenue growth and adjusted earnings per share as follows:

- A. 40% of Number of Target Units x Performance Multiplier Based on Relative TSR = Performance Share Units vested based on Relative TSR\*
- B. 40% of Number of Target Units x Average Performance Multiplier Based on Organic Revenue Growth = Performance Share Units vested based on Organic Revenue Growth\*
- C. 20% of Number of Target Units x Average Performance Multiplier Based on Adjusted Earnings Per Share ("Adjusted EPS") = Performance Share Units vested based on Adjusted EPS\*

\* No more than 200% of Target Units may vest hereunder.

The **Average Performance Multiplier** for Organic Revenue Growth and Adjusted EPS is calculated by taking the numeric average of the Performance Multiplier earned with respect to each fiscal year in the 3-Year Performance Period.

**Performance Goals:**

- A. **Relative TSR.** Total Shareholder Return ("TSR") for the Company ("Company TSR") as compared to the TSR for the S&P 500 peer group, accounting for reinvested dividends, will be measured once for the entire 3-Year Performance Period. Performance will be measured based on the percentile rank of the Company TSR relative to the TSR of the Peer Group Companies (as defined below) for the 3-Year Performance Period and will determine 40% of the total number of Target Units that will vest. The percentile rank of the Company TSR relative to the Peer Group Companies will be determined by the Compensation Committee of the Board of Directors, subject to the following:
  - The peer group will be the corporations included in the S&P 500 as of January 1, 2024 (each, a "Peer Group Company," and together the "Peer Group Companies"), subject to the changes described below;

- At the end of the 3-Year Performance Period, the Company TSR and the TSR of each Peer Group Company will be calculated using the average closing price of the relevant company's common stock during the 20 trading days preceding the first day of the 3-Year Performance Period as the starting price and the average closing price of a share of the relevant company's common stock during the 20 trading days preceding the last day of the 3-Year Performance Period as the ending price, and will account for the reinvestment of dividends, if any, during the 3-Year Performance Period;
- The Peer Group Companies and the Company shall be ranked in descending order based on their respective TSRs;
- If there is a bankruptcy of any Peer Group Company during the 3-Year Performance Period, then such Peer Group Company's TSR shall be deemed to be negative 99.99% for the 3-Year Performance Period;
- If a Peer Group Company ceases to be a publicly traded company (other than due to bankruptcy) during the 3-Year Performance Period, then such Peer Group Company shall be omitted from the ranking of the Peer Group Companies; and
- If a Peer Group Company is acquired by or is merged into another Peer Group Company during the 3-Year Performance Period, then only the TSR of the surviving Peer Group Company shall be considered.

	<b>Company TSR Relative Ranking</b>	<b>Performance Multiplier*</b>
Maximum	90 <sup>th</sup> percentile or higher	200%
Target	55 <sup>th</sup> percentile	100%
Threshold	30 <sup>th</sup> percentile	50%

\* Payouts for performance between threshold and target and target and maximum will be based on interpolation. In addition, if the Company TSR (on an absolute basis) for the 3-Year Performance Period is negative, the Performance Multiplier for Relative TSR shall be capped at 100%.

- B. Organic Revenue Growth.** Organic Revenue Growth will be measured separately for each of the 1-Year Performance Periods and will be as set forth in the year-end financial statements for the relevant fiscal year. The average of the three Performance Multipliers will determine 40% of the total number of Target Units that will vest. The Organic Revenue Growth goals for fiscal years 2024, 2025 and 2026 will be communicated to you in the relevant fiscal year.
-

	<b>Organic Revenue Growth (%)</b>	<b>Performance Multiplier*</b>
Maximum	**	200%
Target	**	100%
Threshold	**	50%

\* Performance results between levels will be interpolated on a linear basis. All results will be rounded to the nearest one-tenth of a percent.

\*\* To be fixed by a resolution of the Compensation Committee of the Board of Directors for each 1-Year Performance Period.

**C. Adjusted EPS.** Adjusted EPS will be measured separately for each of the 1-Year Performance Periods and will be as set forth in the year-end financial statements for the relevant fiscal year. The average of the three Performance Multipliers will determine 20% of the total number of Target Units that will vest. The Adjusted EPS goals for fiscal years 2024, 2025 and 2026 will be communicated to you in the relevant fiscal year.

	<b>Adjusted EPS</b>	<b>Performance Multiplier*</b>
Maximum	**	200%
Target	**	100%
Threshold	**	50%

\* Performance results between levels will be interpolated on a linear basis.

\*\* To be fixed by a resolution of the Compensation Committee of the Board of Directors for each 1-Year Performance Period.

## Adjustments

At any time before the Shares are issued, the Compensation Committee may adjust any or all of the Performance Formula, the Performance Goals, and/or the number of Units that vest with respect to the Performance Periods if it determines, in its sole discretion, that such adjustments are necessary or equitable, including, without limitation, to reflect (i) changes in law or accounting rules, (ii) a merger, acquisition, divestiture or other similar transaction, or (iii) any event that is significant, extraordinary, unusual or one-time in nature, and which positively or negatively impacts the Performance Goals.

The Compensation Committee will certify the level of achievement of each of the Performance Goals, and determine the number of shares to be issued, after the end of the 3-Year Performance Period in accordance with the terms of this Performance Share Unit Agreement.

**Additional terms and conditions of your Award are included in the Performance Share Unit Agreement. As a condition to your receipt of Shares, you must log on to Fidelity's website at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) and accept the terms and conditions of this Award within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Award within such time at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com), this Award will be forfeited and immediately terminate.**

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**Note:** Sections 5 through 7, 9(b)(ii)(B), and 9(b)(iv) of the Performance Share Unit Agreement contains provisions that restrict your activities. These provisions apply to you and, by accepting this Award, you agree to be bound by these restrictions. Accepting this Award, and these provisions, is not a condition of your employment or continued employment by Fiserv.

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## **PERFORMANCE SHARE UNIT AGREEMENT**

Pursuant to the Fiserv, Inc. 2007 Omnibus Incentive Plan (the “Plan”), Fiserv, Inc., a Wisconsin corporation (the “Company”), has granted you Performance Share Units (the “Award”) entitling you to receive such number of shares of Company common stock (the “Shares”) as set forth in the Award Memorandum on the terms and conditions set forth in this agreement (this “Agreement”), the Award Memorandum and the terms of the Plan. Capitalized terms used in this Agreement and not defined herein shall have the meanings set forth in the Plan.

In the event of a conflict between the terms of this Agreement or the Award Memorandum and the terms of the Plan, the terms of the Plan shall govern. In the event of a conflict between the terms of this Agreement and the Award Memorandum, the terms of this Agreement shall govern.

1. **Grant Date.** The Award is granted to you on the Grant Date set forth in the Award Memorandum.
2. **Vesting.** This Award will vest (if at all) as specified in the Award Memorandum on the date the Compensation Committee certifies the level of achievement of the Performance Goal(s) (the “Vesting Date”), provided you remain in employment through the Vesting Date. Subject to any deferral election then in effect, the Shares subject to this Award will be issued as indicated in this Agreement. This Award also may continue to vest following your Retirement (as defined below), death or Disability as described in Section 9.
3. **Termination of Award.** Your Award (except for the provisions of Sections 5 through 8) shall terminate in all events on the earliest of (a) the date upon which vesting is no longer permitted pursuant to Section 9, (b) the date the Shares due hereunder have been issued to you, or (c) your failure to accept the terms of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.
4. Definitions Related to **Confidential Information, Non-Competition and Related Covenants.**
  - (a) “Fiserv” means the Company, its direct and indirect Subsidiaries, affiliated entities, successors, and assigns.
  - (b) “Confidential Information” means all trade secrets, Innovations (as defined below), confidential or proprietary business information and data, computer software, and database technologies or technological information, formulae, templates, algorithms, designs, process and systems information, processes, intellectual property rights, marketing plans, client lists and specifications, pricing and cost information and any other confidential information of Fiserv or its clients, vendors or subcontractors that relates to the business of Fiserv or to the business of any client, vendor or subcontractor of Fiserv or any other party with whom Fiserv agrees to hold information in confidence, whether patentable, copyrightable or protectable as a trade secret or not, except: (i) information that is, at the time of disclosure, in the public domain or that is subsequently published or otherwise becomes part of the public domain through no fault of yours; or (ii) information that is disclosed by you under order of law or governmental regulation; provided, however, that you agree to notify the General Counsel of Fiserv upon receipt of any request for disclosure as soon as possible prior to any such disclosure so that appropriate safeguards may be maintained.
  - (c) “Competing Product or Service” means any product or service that is sold in competition with, or is being developed and that will compete with, a product or service developed, manufactured, or sold by Fiserv. For purposes of this Agreement, Competing Products or Services as to you are limited to products and/or services with respect to which you participated in the development, planning, testing, sale, marketing or evaluation on behalf of

Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv, or for which you supervised one or more Fiserv employees, units, divisions or departments in doing so.

- (d) "Competitor" means an individual, business or any other entity or enterprise engaged or having publicly announced its intent to engage in the sale or marketing of any Competing Product or Service.
  - (e) "Innovations" means all developments, improvements, designs, original works of authorship, formulas, processes, software programs, databases, and trade secrets, whether or not patentable, copyrightable or protectable as trade secrets, that you, either by yourself or jointly with others, create, modify, develop, or implement during the period of your employment with Fiserv that relate in any way to Fiserv's business.
  - (f) "Moral Rights" means any rights to claim authorship of a work of authorship, to object to or prevent the modification of any such work of authorship, or to withdraw from circulation or control the publication or distribution of any such work of authorship.
  - (g) "Client" means any person, association or entity: (i) for which you directly performed services or for which you supervised others in performing services with Fiserv during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
  - (h) "Prospective Client" means any person, association or entity: (A) who or with which Fiserv was in active business discussions or negotiations at any time during any part of the 24 months preceding the termination of your employment with Fiserv, in which you participated or for which you directly performed services or for which you supervised others in performing services with Fiserv relating to such person, association or entity; or (B) about which you have Confidential Information as a result of your employment with Fiserv.
  - (i) "Territory" means the geographic regions for which you had executive, managerial, supervisory, sales, marketing, client servicing, and/or other responsibilities during any part of the 24 months preceding the termination of your employment with Fiserv.
  - (j) "Vendor" means a third party unaffiliated with Fiserv that contracts with Fiserv to provide services to Fiserv or its clients: (i) for which you directly worked with or for which you supervised others in working with during any part of the 24 months preceding the termination of your employment with Fiserv; or (ii) about which you have Confidential Information as a result of your employment with Fiserv.
  - (k) "Addendum" means a jurisdiction-specific provision for certain employees of Fiserv who are employed to work and/or reside in certain jurisdictions that modifies and/or supplements the terms of Sections 5 through 7, 9(b)(ii)(B), and 9(b)(iv) of this Agreement to the extent specified in the Addendum. The Addendum will be incorporated into, construed jointly with, modify and/or supplement the terms of Sections 5 through 7, 9(b)(ii)(B), and 9(b)(iv) of this Agreement.
5. **Confidentiality and Innovations** During your employment, Fiserv will provide you with Confidential Information relating to Fiserv, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to Fiserv. You agree that all Confidential Information is and shall remain the sole and absolute property of Fiserv. Upon the termination of your employment from Fiserv for any reason, you shall immediately return to Fiserv all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including

but not limited to, all copies, abstracts, electronic versions, and summaries thereof. You further agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company:

- (a) You will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of Fiserv, or use any Confidential Information of Fiserv to solicit Clients, Prospective Clients or Vendors, other than in connection with the authorized activities conducted in the course of your employment with Fiserv. You agree to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information.
- (b) All Innovations are and shall remain the sole and absolute property of Fiserv. You will provide all assistance requested by Fiserv, at its expense, in the preservation of its interest in any Innovations in any country, and hereby assign and agree to assign to Fiserv all rights, title and interest in and to all worldwide patents, patent applications, copyrights, trade secrets and other intellectual property rights in any Innovation. You also assign and agree to assign to Fiserv, or, where applicable, to waive, which waiver shall inure to the benefit of Fiserv and its assigns, all Moral Rights in any Innovation.
- (c) Notwithstanding the preceding statements, you understand that, pursuant to 18 U.S.C. §1833(b)(1) and §1833(b)(2):
  - (i) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (I) is made (x) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (II) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
  - (ii) An individual who files a lawsuit for retaliation by the Company for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (I) files any document containing the trade secret under seal and (II) does not disclose the trade secret, except pursuant to court order.

You understand that if you are found to have wrongfully misappropriated a trade secret, you may be liable to the Company for, among other things, exemplary damages and attorneys' fees.

- (d) You acknowledge and agree, that by reason of your employment, you will have access to Confidential Information and may come into contact with employees, Clients, Prospective Clients and Vendors of Fiserv and develop and maintain relationships with such employees, Clients, Prospective Clients and Vendors. You further acknowledge that such relationships have been developed at great expense by Fiserv. You acknowledge and agree that any post-employment efforts by you to work for a Competitor, Client or Prospective Client or to solicit the business or employees of Fiserv would necessarily require the use of Fiserv's Confidential Information that was obtained by you during your employment. For these and other legitimate business reasons, Fiserv is entitled to reasonable protection against unfair exploitation, diversion and misappropriation of its Confidential Information and its relationships with employees, Clients, Prospective Clients and Vendors through misappropriation of Fiserv's Confidential Information. Consequently, you agree to the restrictions set forth in this Agreement.

(e) The restrictions on confidentiality set forth in this Agreement apply: (i) during the time of your employment with Fiserv; (ii) with respect to Confidential Information, for a period of 24 months following the date of termination of your employment with Fiserv; and (iii) with respect to trade secrets, for such period as is permitted by applicable law following the date of termination of your employment with Fiserv.

6. **Restrictions During Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described in below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation: During the time of your employment with Fiserv, you will not:

- (a) perform duties as or for a Competitor, Client or Prospective Client of Fiserv (except to the extent required by your employment with Fiserv); or
- (b) entice, induce, encourage, urge or solicit Clients, Prospective Clients or Vendors of Fiserv to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv; or
- (c) entice, induce, encourage, urge or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client, Prospective Client, or Vendor of Fiserv (the provisions of this Section 6(c) shall apply to any employee of Fiserv with whom you worked during any part of the 24 month period preceding the termination of your employment with Fiserv).

7. **Restrictions Following Employment.** You agree that, without the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer of the Company, without the written approval of the Board of Directors of the Company, you shall not engage in any of the conduct described below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation. For a period of 12 months following the date of termination of your employment with Fiserv, in the Territory, you will not:

- (a) perform duties as or for a Competitor of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
- (b) perform duties as or for a Client or Prospective Client of Fiserv that are the same as or similar to the duties performed by you for Fiserv at any time during any part of the 24 month period preceding the termination of your employment with Fiserv and which involve a Competing Product or Service;
- (c) entice, induce, encourage, urge or solicit Clients, Prospective Clients, or Vendors of Fiserv to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Fiserv;
- (d) entice, induce, encourage urge or solicit any employee to leave employment with Fiserv or become employed by a Competitor, Client or Prospective Client or Vendor of Fiserv (the provisions of this Section 7(d) shall apply to any employee of Fiserv with whom you worked

during any part of the 24 month period preceding the termination of your employment with Fiserv; or

- (e) participate voluntarily or provide assistance or information to any person or entity either negotiating with Fiserv involving a Competing Product or Service, or concerning a potential or existing business or legal dispute with Fiserv, including, but not limited to, litigation, except as may be required by law.

**8. Acknowledgments Regarding Restrictive Covenants.**

- (a) For purposes of Sections 7(a)-(b) of this Agreement, and without limiting any other provision hereof, you acknowledge that Fiserv associates who are classified as having the highest grade in Fiserv will be deemed to have enterprise-wide duties which encompass duties relative to all Fiserv business units and functions.
- (b) **No provision of Sections 5 through 7 will apply to limit or restrict your conduct under this Agreement during or after your employment, or trigger any reimbursement obligations under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction, in which case the provision will apply as construed or amended. Certain state laws that void or may limit or prohibit the enforceability of Sections 5 through 7 are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**
- (c) You acknowledge and agree that compliance with this Sections 5 through 7 and, if applicable, is necessary to protect Fiserv, and that a breach of any of Sections 5 through 7 will result in irreparable and continuing damage to Fiserv for which there will be no adequate remedy at law. In the event of a breach of Sections 5 through 7, or any part thereof, Fiserv, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. Fiserv may institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of Sections 5 through 7, or to enjoin you from performing services in breach of Sections 5 through 7. You hereby agree to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.
- (d) You further agree that, in the event of your breach of this Sections 5 through 7, Fiserv shall also be entitled to recover the value of all amounts previously paid or payable and any shares (or the current value of any shares) delivered or deliverable to you pursuant to any Fiserv bonus program, this Agreement, and any other Fiserv plan or arrangement.
- (e) You agree that the terms of this Agreement shall survive the termination of your employment with Fiserv.
- (f) **YOU HAVE READ THIS AGREEMENT, INCLUDING SECTIONS 5 THROUGH 7, AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE POST-EMPLOYMENT RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-EMPLOYMENT, ARE LIKEWISE FAIR AND REASONABLE.**

## **9. Termination of Employment.**

- (a) **Vesting.** If you cease to be an employee of the Company or any Subsidiary of the Company for any reason (a “Termination Event”) prior to the Vesting Date, then the Award shall terminate on the date on which such Termination Event occurs; provided that, if the reason for your Termination Event is:
- (i) Death or Disability, then the number of Shares issuable under this Award, if any, shall be determined after the end of the 3-Year Performance Period as if you had not terminated employment based on actual performance.
  - (ii) Retirement on a date that is after (6) months after the commencement of the 3-Year Performance Period, then the number of Shares issuable under this Award, if any, shall be determined after the end of the 3-Year Performance and be equal to the total issuable based on actual performance multiplied by a fraction, the numerator of which is the number of full months of your employment during the 3-Year Performance Period and the denominator of which is the number of full months in such performance period.

If you are regularly scheduled to work less than 20 hours per calendar week for the Company or any Subsidiary of the Company, you will be deemed to have experienced a Termination Event.

(b) **Retirement.**

- (i) For purposes of this Section 9, “Retirement” means the cessation of service as an employee, for any reason other than death, Disability or termination for Cause, if:
  - (A) you are at least 60 years of age and have at least 10 years of continuous service with the Company and its Subsidiaries; and
  - (B) you have provided for an orderly transition of your duties to a successor, including by:
    - (1) providing notice to the Chief Executive Officer of the Company (or in the case of the Chief Executive Officer, to the Chairman or Lead Director of the Board of Directors of the Company as the case may be) that you are considering retirement sufficiently in advance of your anticipated retirement date; and
    - (2) assisting with the identification and selection of, and transition of your duties to, a successor ((1) and (2) being referred to herein collectively as the “Specified Transition Requirements”).

If you satisfy the requirements of clauses (A) and (B) above, your cessation of service will be deemed to be a qualifying Retirement; provided that, the Compensation Committee may determine, within 30 days after your cessation of service, that you failed to satisfy any Specified Transition Requirement. By way of example only, this could result from providing too short of notice or not providing an adequate amount of transition assistance.

(ii) Notwithstanding the foregoing:

- (A) If you receive written notification from the Compensation Committee that you failed to satisfy any Specified Transition Requirement, then any portion of the Award that is unvested as of the date of such notification shall terminate as of such date.

(B) In addition to the obligations set forth in Sections 5 through 7 for the period set forth therein, while any portion of this Award remains unvested and until the last vesting event of any equity award held by you at the time of Retirement (the "Restricted Period"), you may not:

- (1) perform work of any kind for a Competitor, including as an employee, board member, consultant or otherwise;
- (2) perform work for a non-Competitor other than as permitted by clause (iv) below; or
- (3) violate any post-employment covenant applicable to you under any agreement in effect with, or policy of, the Company or any of its Subsidiaries (each of (1)-(3) being a "Post-Retirement Violation").

(iii) Without limiting any other provision of this Agreement, including Sections 5 through 7 as applicable, if a Post-Retirement Violation occurs and if the Post-Retirement Violation was of the nature described in Section 9(b)(ii)(B)(1) or (3) above:

- (A) vesting of any unvested portion of the Award shall immediately cease;
  - (B) the remedies available to the Company under Section 8, including recoupment of Shares, shall apply if the Post-Retirement Violation occurred during the first 12 months following Retirement; and
  - (C) any Shares received upon vesting after your Retirement are subject to recoupment (either the actual shares or the current value thereof) if the Post-Retirement Violation occurred after the one-year anniversary of your Retirement.
- (iv) During the Restricted Period you may work for a non-Competitor; provided that you may not have a role or responsibilities similar to or greater than those which you had while employed by the Company. For the sake of clarity, work for a non-profit and service as a director for a non-Competitor are expressly permitted. If during the Restricted Period, you commence employment with or perform work for a non-Competitor where the role or responsibilities is similar to or greater than the those which you had while employed by Fiserv then vesting of any unvested portion of the Award shall immediately cease.
- (v) While this Award is outstanding, as a condition to continued vesting, upon request of the Company, you must certify that you have not engaged in a Post-Retirement Violation and must provide such information as the Company requests in order to verify such certification.
- (vi) All determinations regarding whether you have engaged in a Post-Retirement Violation shall be made by the Compensation Committee.
- (vii) If you die after Retirement and prior to the date that this Award vests, then the provisions of Sections 5(a) and (b) shall continue to apply as if you had not died.
- (viii) **No provision of Section 9(b) will apply to limit or restrict your conduct under this Agreement after your employment, nor will be deemed a Post-Retirement Violation under this Agreement, in any jurisdiction where such provision is unenforceable under state law, unless the provision may be construed or deemed amended to be enforceable under state law by a court of competent jurisdiction,**

**in which case the provision will apply as construed or amended. Certain state laws that void or may limit or prohibit the enforceability of this Section 9(b) are set forth in the Addendum that will be provided and/or made available to you concurrently with this Agreement.**

- (ix) YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, INCLUDING THIS SECTION 9(b), AND AGREE THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREE THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS CONFIDENTIAL AND PROPRIETARY INFORMATION, THE RESTRICTIONS ON YOUR ACTIVITIES, INCLUDING THOSE THAT APPLY POST-RETIREMENT, ARE LIKEWISE FAIR AND REASONABLE.
- (c) **Change of Control**. If a Change of Control of the Company occurs prior to the end of the 3-Year Performance Period, then:
- (i) As of the date of the Change of Control, the number Performance Share Units that may be earned will be fixed and determined based on (A) the actual performance for any Performance Periods that have been completed as of the date of the Change of Control and (B) achievement of 150% of target (or where there is no target, assuming the Performance Goal had been met) for any other Performance Periods that have not been completed as of the date of the Change of Control (irrespective of the actual achievement of the Performance Goals as of such date); and
  - (ii) Such Performance Shares Units will become vested as of the last day of the 3-Year Performance Period if you remain employed until such date, except as otherwise provided in clause (iii) below, and shall be settled in accordance with Section 11 in the year following the end of the 3-Year Performance Period; or
  - (iii) If your employment terminates before the end of the 3-Year Performance Period due to your Retirement (determined solely under Section 9(b)(i)(A)), death, Disability, termination by Fiserv without Cause or your termination of your employment for Good Reason (as hereinafter defined), then the Performance Share Units shall be vested upon such termination of employment and shall be settled in accordance with Section 11 in the year following the end of the 3-Year Performance Period.
- "Good Reason" means your suffering any of the following events without your consent: (x) significant or material lessening of your responsibilities; (y) a reduction in your annual base salary or a material reduction in the level of incentive compensation for which you have been eligible during the two years immediately prior to the occurrence of the Change of Control and/or a material adverse change in the conditions governing receipt of such incentive compensation from those that prevailed prior to the occurrence of the Change of Control; or (z) the Company requiring you to be based anywhere other than within 50 miles of your place of employment at the time of the occurrence of the Change of Control, except for reasonably required travel to an extent substantially consistent with your business travel obligations.
- (d) **Service as Director**. For purposes of this Agreement, an employee of Fiserv, if also serving as a director, will not be deemed to have terminated employment for purposes of this Agreement until his or her service as a director ends, and his or her years of service will be deemed to include years of service as a director.

- (e) **Termination for Cause.** Notwithstanding anything herein to the contrary, if you are terminated from employment by Fiserv for Cause, then this Award will forfeit immediately without vesting as of the date of such termination.
- (f) **No Further Obligation.** The Company will have no further obligations to you under this Agreement if the Award terminates as provided herein.
- (g) **Separation Agreement.** The provisions of this Section 9 are subject to (and may be amended by) the terms of a written separation agreement entered into between you and the Company or any of its Subsidiaries.
10. **Deferral of Performance Share Units.** If you are eligible to, and properly elect to, defer delivery of all or part of the Shares otherwise issuable under this Award, such deferral will be governed by the Performance Share Unit Deferral Election Form executed by you separately from this Agreement.
11. **Issuance of Shares.** The Company, or its transfer agent, will issue and deliver the Shares to you as soon as practicable after the Vesting Date (pursuant to the terms hereof) with respect to such Shares, or, if a deferral election was made, at the time specified in the Deferral Election Form. If you die before the Company has distributed the Shares due with respect to the vested Performance Share Units, the Company will issue the Shares to your estate or in accordance with applicable laws of descent and distribution. The Shares will be issued and delivered in book entry form, and the Company will not be liable for damages relating to any delays in making an appropriate book entry or any mistakes or errors in the making of the book entry; provided that the Company shall correct any errors caused by it. Any such book entry will be subject to such stop transfer orders and other restrictions as the Company may deem advisable under (a) the Plan and any agreement between you and the Company with respect to this Award or the Shares, (b) any applicable federal or state laws, and/or (c) the rules, regulations and other requirements of the Securities and Exchange Commission ("SEC") or any stock exchange upon which the Shares are listed. The Company may cause an appropriate book entry notation to be made with respect to the Shares to reference any of the foregoing restrictions.
12. **Non-Transferability of Award.** Except as provided in the Plan, this Agreement and the Award Memorandum, until the Shares have been issued under this Award, this Award and the Shares issuable hereunder and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise). Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Award, or of any right or privilege conferred hereby, contrary to the provisions of the Plan or of this Agreement, or upon any attempted sale under any execution, attachment or similar process upon the rights and privileges conferred hereby, this Award and the rights and privileges conferred hereby shall immediately become null and void.
13. **Conditions to Issuance of Shares.** The Shares issued to you hereunder may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue any Shares hereunder prior to fulfillment of all of the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the SEC or any other governmental regulatory body, which the compensation committee of the Board of Directors (the "Compensation Committee") shall, in its discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Compensation Committee shall, in its discretion, determine to be necessary or advisable; (d) the lapse of such reasonable period of time following the date of vesting of the Award or the payment event specified in a deferral election as the Compensation Committee may establish from time to

time for reasons of administrative convenience (provided that any such period shall be in compliance with Code Section 409A); and (e) your acceptance of the terms and conditions of this Agreement, the Award Memorandum and the Plan within the time period and in the manner specified in this Agreement.

14. **Dividends; No Rights as Shareholder.** If the Company declares a cash dividend and the dividend record date occurs prior to the date the Vesting Date, you will be credited with an additional number of Target Units on the date the cash dividends are paid to the Company shareholders equal to (a) the amount of cash dividends payable with respect to a number of shares of stock equal to your Target Units divided by (b) the Fair Market Value of a Share on the date the dividend is paid. Until this Award vests and the Shares are issued to you, you shall have no rights as a shareholder of the Company with respect to the Shares. Specifically, you understand and agree that you do not have voting rights or, except as provided in this Section 10, the right to receive dividends or any other distributions paid with respect to shares of Company common stock by virtue of this Award or the Shares subject hereto.
15. **Addresses for Notices.** Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company as follows: Corporate Secretary, Fiserv, Inc., 255 Fiserv Drive, Brookfield, WI 53045, or at such other address as the Company may hereafter designate in writing. Any notice to be given to you shall be addressed to you at the address set forth in the Company's records from time to time.
16. **Captions; Agreement Severable.** Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.
17. **Securities and Tax Representations.**
  - (a) You acknowledge receipt of the prospectus under the Registration Statement on Form S-8 with respect to the Plan filed by the Company with the SEC. You represent and agree that you will comply with all applicable laws and Company policies relating to the Plan, this Agreement and any disposition of Shares and that upon the acquisition of any Shares subject to this Award, you will make or enter into such written representations, warranties and agreements as the Company may reasonably request to comply with applicable securities laws or this Agreement.
  - (b) You represent and warrant that you understand the federal, state and local income and employment tax consequences associated with the granting of the Award, the vesting of the Award, the deferral of all or a portion of the Shares otherwise issuable upon vesting of the Award, and the subsequent sale or other disposition of any Shares. You understand and agree that when this Award vests and Shares are issued, and you thereby realize gross income (if any) taxable as compensation in respect of such vesting or issuance, the Company will be required to withhold federal, state and local taxes on the full amount of the compensation income realized by you and may also be required to withhold other amounts as a result of such vesting. You also understand and agree that the Company may be required to withhold certain payroll taxes in connection with your Retirement or your termination due to Disability prior to the issuance of Shares. You hereby agree to provide the Company with cash funds or Shares equal in value to the federal, state and local payroll and income taxes and other amounts required to be withheld by the Company or its Subsidiary in respect of any compensation income or wages in relation to the Award or make other arrangements satisfactory to the Company regarding such amounts, which may include

deduction of such taxes from other wages owed to you by the Company or its Subsidiaries. All matters with respect to the total amount to be withheld shall be determined by the Company in its sole discretion.

18. **Market Stand-Off**. The Company reserves the right to impose restrictions on dispositions in connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended. Upon receipt of written notice from the Company of a trading restriction, you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Award without the prior written consent of the Company. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be determined by the Company. In no event, however, shall such period exceed one hundred eighty (180) days.
19. **General Provisions**.
  - (a) None of the Plan, this Agreement or the Award Memorandum confers upon you any right to continue to be employed by the Company or any Subsidiary of the Company or limits in any respect any right of the Company or any Subsidiary of the Company to terminate your employment at any time, without liability.
  - (b) This Agreement, the Award Memorandum, the Plan, the Restricted Stock Unit Deferral Election Form, if any, and the Addendum contain the entire agreement between the Company and you relating to the Award and the Shares and supersede all prior agreements or understandings relating thereto.
  - (c) This Agreement, the Award Memorandum and the Addendum may only be modified, amended or cancelled as provided in the Plan.
  - (d) If any one or more provisions of this Agreement, the Award Memorandum or the Addendum is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
  - (e) Any remedies available to the Company under the Plan or this Agreement are cumulative and are in addition to, and are not affected by, the other rights and remedies available to the Company under the Plan, this Agreement, by law or otherwise.
  - (f) This Agreement and the Award Memorandum shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to its conflict of law provisions, except that Sections 5 through 7, 9(b)(ii)(B), and 9(b)(iv) of this Agreement and the Addendum shall be governed by and construed in accordance with the laws of the state in which you reside at the time your employment terminates with Fiserv as listed on the books and records of Fiserv without regard to that state's conflict of law provisions.
  - (g) The Company agrees, and you agree, to be subject to and bound by all of the terms and conditions of the Plan. The Prospectus for the Plan is accessible on the Company's administrative agent's website ([www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com)) in the "forms library" and a paper copy is available upon request.

- (h) This Agreement, as modified by the Addendum, and the Award Memorandum shall be binding upon and inure to the benefit of any successor or assign of the Company and to any heir, distributee, executor, administrator or legal representative entitled by law to your rights hereunder.
- (i) You understand that, under the terms of the Plan, this Agreement and the Award Memorandum, the Company may cancel or rescind this Award and/or the Shares in certain circumstances.

**By selecting the “I accept” box on the website of our administrative agent, you acknowledge your acceptance of, and agreement to be bound by, this Agreement, the Award Memorandum and the Plan.**

**Your acceptance of the terms of this Agreement, the Award Memorandum, the Plan, and the Addendum through our administrative agent's website is a condition to your receipt of Shares. You must log on to our administrative agent's website and accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within 120 calendar days of your Award Grant Date. If you do not accept the terms and conditions of this Agreement, the Award Memorandum and the Plan within such time, this Award will be forfeited and immediately terminate.**

## SUBSIDIARIES OF FISERV, INC.

Name under which Subsidiary does Business	Jurisdiction of Incorporation
Administradora y Operadora de Tarjetas S.R.L.	
ayCash GmbH	Germany
BentoBox CMS Inc.	Delaware
BillMatrix Corporation	Delaware
BluePay Canada, ULC	Canada
BluePay Processing, LLC	Delaware
CardConnect, LLC	Delaware
Carreker Corporation	Delaware
CashEdge, Inc.	Delaware
CheckFree Corporation	Delaware
Checkfree Services Corporation	Delaware
CheckFreePay Corporation	Connecticut
Clover Network, LLC	Delaware
Concord EFS, Inc.	Delaware
Corillian Corporation	Oregon
Credit Card Services Rewards, LLC	Delaware
DW Holdings Canada ULC	Canada
Eastern State Bankcard Association Inc.	New York not-for-profit
Eastern States Monetary Services, Inc.	New York not-for-profit
FDGS Group, LLC	Delaware
FDR Delaware Holdings Limited	United Kingdom
FDR Limited, LLC	Delaware
FDR U.K. Limited	United Kingdom
Finxact LLC	Delaware
First Data (China) Co., Ltd.	China
First Data (India) Private Limited	India
First Data Austria GmbH	Austria
First Data Austria Holdings GmbH	Austria
First Data Canada Ltd.	Canada
First Data Cono Sur SRL	Argentina
First Data Corporation	Delaware
First Data Corporation Australia (Holdings) Pty Limited	Australia
First Data Egypt LLC	Egypt
First Data Europe Limited	United Kingdom
First Data Global Services Limited	Ireland
First Data GmbH	Germany
First Data Government Solutions, LP	Delaware
First Data Holding GmbH	Germany
First Data Holding I (Netherlands) BV	Netherlands
First Data Hong Kong Limited	Hong Kong
First Data Hydra Holdings LLC	Delaware
First Data Insurance Agency Inc.	Delaware
First Data International (Italia) Srl	Italy

First Data International LLC	Delaware
First Data International Luxembourg III S.a.r.l.	Luxembourg
First Data Merchant Services LLC	Florida
First Data Merchant Services Mexico S. de R.L de C.V.	Mexico
First Data Merchant Solutions (Hellas) Ltd.	Greece
First Data Merchant Solutions (Hong Kong) Private Limited	Hong Kong
First Data Merchant Solutions (Macau) Private Limited	Macau
First Data Merchant Solutions (Malaysia) Sdn. Bhd.	Malaysia
First Data Merchant Solutions Australia Pty Ltd.	Australia
First Data Merchant Solutions Private Limited	Singapore
First Data Middle East FZ-LLC	UAE
First Data Mobile Holdings Limited	Ireland
First Data Mobile Payments Limited	Ireland
First Data Mobile Solutions GmbH	Germany
First Data Mobile Solutions Limited	Ireland
First Data Network Australia Limited	Australia
First Data Procurements México, S. de R.L. de C.V.	Mexico
First Data Real Estate Holdings L.L.C.	Delaware
First Data Receivables, LLC	Delaware
First Data Reporting Services LLC	Delaware
First Data Resources Australia Limited	Australia
First Data Resources Investments Pty Limited	Australia
First Data Resources, LLC	Delaware
First Data Spain Holdings, S.L.	Spain
First Data Trust Company, LLC	Colorado
First Data UK Holdings Limited	United Kingdom
First Data Uruguay S.R.L.	Uruguay
Fiserv APAC Pte. Ltd.	Singapore
Fiserv Canada LP	Canada
Fiserv Colombia Ltda.	Colombia
Fiserv CP, LLC	Delaware
Fiserv do Brasil Instituição de Pagamento Ltda.	Brazil
Fiserv (Europe) Limited	United Kingdom
Fiserv Holding do Brasil Ltda.	Brazil
Fiserv Lanka (Private) Limited	Sri Lanka
Fiserv New Zealand	New Zealand
Fiserv Polska S.A.	Poland
Fiserv Slovakia, s.r.o.	Slovakia Republic
Fiserv Solutions (Europe) Limited	Ireland
Fiserv Solutions Canada BC ULC	Canada
Fiserv Solutions, LLC	Wisconsin
Fiserv South Africa (Pty) Ltd.	South Africa
Fiserv Transaction Services, LLC	Colorado
FTS (NSW) Pty. Limited	Australia
Funds & Assets Management LLC	New York
Information Technology, Inc.	Nebraska
Integrated Payment Systems Canada Inc.	Canada
Integrated Payment Systems, Inc.	Delaware
Integrity Payments LLC	Arizona

Inverland Jasper SL	Spain
ITI of Nebraska, Inc.	Nebraska
LR2 Group, LLC	California
Marketplace Merchant Solutions Limited	Ireland
Merchant One, LLC	Florida
Merchant Solutions Private Limited	Bangladesh
Money Network Financial, LLC	Delaware
NetPay Solutions Group Ltd.	United Kingdom
NetPay Merchant Services Limited	United Kingdom
NetPay Finance Limited	United Kingdom
New Payment Services, LLC	Georgia
NexTable, Inc.	Delaware
Ondot Systems Private India Ltd.	India
Ondot Systems, Inc.	Delaware
Orangedata S.A.	Argentina
Payline Data, LLC	Delaware
Payline Data Services, LLC	Delaware
Payline Intellectual Reserve, LLC	Utah
PaySys Europe, B.V.	Netherlands
PaySys International, Inc.	Florida
Pegaso Argentina S.R.L.	Argentina
Pineapple Payment Holdings, LLC	Delaware
Pineapple Payments Opco, LLC	Delaware
Posnet SRL	Argentina
Procesadora de Tarjetas y Medios de Pago Fiserv Chile Ltda.	Chile
Radius8, Inc.	Delaware
Research Park Association, Inc.	Florida not-for-profit
Skytef Soluções em Captura de Transações Ltda.	Brazil
Spend Labs, Inc.	Delaware
Spendlabs India Private Limited	India
Spendlabs International, Inc.	Canada (British Columbia)
Star Systems, Inc.	Delaware
Technologi Worldwide Limited	United Kingdom
TeleCheck International, LLC	Georgia
TeleCheck Services Canada, Inc.	Canada
TeleCheck Services of Puerto Rico, Inc.	Georgia
TeleCheck Services, LLC	Delaware
Tissington Limited	Ireland
TRS Recovery Services, Inc.	Colorado
XP Systems Corporation	Minnesota
YourPay LLC	Delaware

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-143191, 333-188795, 333-231868, and 333-235769 on Form S-8, No. 333-229689 on Post-Effective Amendment No. 1 on S-8 to S-4, and No. 333-258248 on Form S-3 of our reports dated February 22, 2024, relating to the financial statements of Fiserv, Inc. (the “Company”) and the effectiveness of the Company’s internal control over financial reporting, appearing in this Annual Report on Form 10-K of the Company for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin  
February 22, 2024

CERTIFICATION PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002

I, Frank J. Bisignano, certify that:

1. I have reviewed this Annual Report on Form 10-K of Fiserv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2024

By: /s/ Frank J. Bisignano  
Frank J. Bisignano  
Chairman, President and Chief Executive Officer

CERTIFICATION PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002

I, Robert W. Hau, certify that:

1. I have reviewed this Annual Report on Form 10-K of Fiserv, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2024

By: \_\_\_\_\_

/s/ Robert W. Hau

Robert W. Hau

Chief Financial Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Fiserv, Inc. (the “Company”) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Frank J. Bisignano, as Chairman, President and Chief Executive Officer of the Company, and Robert W. Hau, as Chief Financial Officer of the Company, each hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Frank J. Bisignano  
Frank J. Bisignano  
Chairman, President and Chief Executive Officer  
February 22, 2024

By: /s/ Robert W. Hau  
Robert W. Hau  
Chief Financial Officer  
February 22, 2024

**Fiserv, Inc. Compensation Recoupment Policy**

1. **Purpose.** The purpose of this Compensation Recoupment Policy (this “Policy”) is to describe the circumstances under which Fiserv, Inc. (together with its affiliates, the “Company”) is required to or shall have the right to recover compensation paid to employees and independent contractors (collectively “Recipient(s)”). Any references in compensation plans, agreements, equity awards or other policies to the Company’s “recoupment”, “clawback” or similarly-named policy shall be deemed to refer to this Policy with respect to Incentive-Based Compensation Received, and other compensation and equity awards that are granted, become vested, are paid or realized, on or after the Effective Date. With respect to Incentive-Based Compensation Received prior to the Effective Date, and with respect to other compensation and equity awards that were granted, vested, paid or realized prior to the Effective Date, such references to the Company’s “recoupment”, “clawback” or similarly-named policy in compensation plans, agreements, equity awards or other policies shall be deemed to refer to the Company’s “recoupment,” “clawback” or similarly-named policy, if any, in effect prior to the Effective Date.
  2. **Mandatory Recovery of Compensation.** In the event that the Company is required to prepare an Accounting Restatement, the Company shall recover, as reasonably prompt as practical, the amount of Excess Compensation from the current or former Covered Officer.
  3. **Discretionary Recovery of Compensation.** In addition to Section 2 and in accordance with Section 7(a), the Company has the right, but not the obligation (unless required pursuant to Section 2 of this Policy), to recover compensation as follows:
    - a. In the event that the Company determines that, as a result of the restatement of any operating or financial results (including an Accounting Restatement), the amount of any incentive awards that were granted, vested, paid or realized on the basis of such results (including time-vesting equity awards) was greater than it should have been, then the Company may recover from any individual who was a Recipient, including any member of the management committee, at the time the original results were published, all or any of the excess value of the award that was granted, or the excess amount that became vested, was paid or realized as a result of such restatement. In addition, the Company may also require such individual to pay interest (at the rate determined by the Company) and all costs of collection.
    - b. In the event that the Criminal Division of the United States Department of Justice (the “DOJ”) determines that it is warranted to enter into criminal resolutions with the Company, the Company may recover from a Culpable Individual the Recoupment Amount paid to a Culpable Individual during the period of misconduct that is the subject of investigation by the DOJ, as determined in the sole discretion of the Committee taking into consideration such factors as the Committee determines are relevant, not to exceed the amount of the applicable fine imposed on the Company by the DOJ with respect to such misconduct.
    - c. In the event that any current or former Recipient of the Company, its parent(s) or subsidiaries, violates the Company’s code of conduct, causes reputational harm to the Company, or violates a restrictive covenant, the Company may recover from such individual up to the Recoupment Amount.
- There is no time limit on the Company’s ability to recover amounts pursuant to this Section 3, other than limits imposed by law, and the Company may seek recovery from individuals who are no longer employed by the Company or any of its subsidiaries.
4. **Definitions.** For purposes of this Policy, the following terms, when capitalized, shall have the meanings set forth below:
    - (a) “*Accounting Restatement*” shall mean any accounting restatement required due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.
    - (b) “*Covered Officer*” shall mean an employee designated by the Board or Compensation Committee as an executive officer under Section 16 of the Securities Exchange Act of 1934.
    - (c) “*Culpable Individual*” shall mean any current or former Recipient of the Company, its parent(s) or subsidiaries who engaged in wrongdoing in connection with conduct under investigation by the DOJ or any other person who both (i) had supervisory authority over the Recipient(s) or business area engaged in the misconduct and (ii) knew of, or was willfully blind to, the misconduct.
    - (d) “*Effective Date*” shall mean October 2, 2023.

- (e) "*Excess Compensation*" shall mean the excess of (i) the amount of Incentive-Based Compensation Received by a person (A) after beginning service as a Covered Officer, (B) who served as a Covered Officer at any time during the performance period for that Incentive-Based Compensation, (C) while the Company has a class of securities listed on a national securities exchange or a national securities association, and (D) during the Recovery Period; over (ii) the Recalculated Compensation. For the avoidance of doubt, a person who served as a Covered Officer during the periods set forth in clauses (A) and (B) of the preceding sentence shall continue to be subject to this Policy even after such person's service as a Covered Officer has ended.
  - (f) "*Incentive-Based Compensation*" shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure. A financial reporting measure is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, regardless of whether such measure is presented within the financial statements or included in a filing with the Securities and Exchange Commission. Each of stock price and total shareholder return is a financial reporting measure. For the avoidance of doubt, incentive-based compensation subject to this Policy does not include stock options, restricted stock, restricted stock units or similar equity-based awards for which the grant is not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon completion of a specified employment period and/or attaining one or more non-financial reporting measures.
  - (g) "*Recalculated Compensation*" shall mean the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of the Excess Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of the Recalculated Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as the case may be, on the compensation Received. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the national securities exchange or association on which its securities are listed.
  - (h) Incentive-Based Compensation is deemed "*Received*" in the Company's fiscal period during which the financial reporting measure specified in the award of such Incentive-Based Compensation is attained, even if the payment or issuance of the Incentive-Based Compensation occurs after the end of that period.
  - (i) "*Recoupment Amount*" shall mean the gross amount of all compensation, in any form (including but not limited to cash, equity and deferred compensation), excluding base salary or base fees.
  - (j) "*Recovery Period*" shall mean the three completed fiscal years of the Company immediately preceding the date the Company is required to prepare an Accounting Restatement; provided that the Recovery Period shall not begin before the Effective Date. For purposes of determining the Recovery Period, the Company is considered to be "required to prepare an Accounting Restatement" on the earlier to occur of: (i) the date the Company's Board of Directors, a committee thereof, or the Company's authorized officers conclude, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement. If the Company changes its fiscal year, then the transition period within or immediately following such three completed fiscal years also shall be included in the Recovery Period, provided that if the transition period between the last day of the Company's prior fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, then such transition period shall instead be deemed one of the three completed fiscal years and shall not extend the length of the Recovery Period.
5. **Exceptions.** Notwithstanding anything to the contrary in this Policy, recovery of Excess Compensation will not be required to the extent the Company's committee of independent directors responsible for executive compensation decisions (or a majority of the independent directors on the Company's board of directors in the absence of such a committee) has made a determination that such recovery would be impracticable and one of the following conditions have been satisfied:
- (a) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Excess Compensation that was Incentive-Based Compensation based on the expense of enforcement, the Company must make a reasonable attempt to recover such Excess Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the national securities exchange or association on which its securities are listed.

- (b) Recovery would violate home country law where, with respect to Incentive-Based Compensation, that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Excess Compensation that was Incentive-Based Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the national securities exchange or association on which its securities are listed, that recovery would result in such a violation, and must provide such opinion to the exchange or association.
- (c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

6. **Manner of Recovery.** In addition to any other actions permitted by law or contract, the Company may take any or all of the following actions to recover any Excess Compensation , any Recoupment Amount and any other award or amount subject to recovery under this Policy: (a) require the individual to repay such amount in cash or shares; (b) offset such amount from any other compensation owed by the Company or any of its affiliates to the individual, regardless of whether the contract or other documentation governing such other compensation specifically permits or specifically prohibits such offsets; (c) forfeit or cancel any outstanding equity award held by the individual; (d) rescind shares of Company stock issued under any award; and (e) subject to Section 5(c), to the extent the Excess Compensation , Recoupment Amount or other compensation was deferred into a plan of deferred compensation, whether or not qualified, forfeit such amount (as well as the earnings on such amounts) from the individual's balance in such plan, regardless of whether the plan specifically permits or specifically prohibits such forfeiture.

7. **Other.**

- (a) This Policy shall be administered and interpreted, and may be amended from time to time, by the Company's board of directors, the Talent and Compensation Committee or any committee to which the board may delegate its authority in its sole discretion in compliance with the applicable listing standards of the national securities exchange or association on which the Company's securities are listed, and the determinations of the board or such committee shall be binding on all individuals subject to this Policy. In addition, the Chief Executive Officer of the Company may administer and interpret the Policy for all Recipients (including members of the management committee), who are not Covered Officers.
- (b) The Company's board of directors, the Talent and Compensation Committee and the Chief Executive Officer may, with respect to their relevant authority as described in Section 7(a), implement additional procedures and requirements not described herein as they deem necessary or appropriate to enforce the provisions of this Policy, which may include, but are not limited to, requiring any individual who is subject to this Policy to acknowledge that such individual agrees to be bound by, and to comply with, the terms and conditions of this Policy.
- (c) The Company shall not indemnify any individual who is subject to this Policy against the loss of Excess Compensation , Recoupment Amount or any other award or amount subject to recovery under this Policy.
- (d) The Company shall make all disclosures with respect to this Policy in accordance with the requirements of the Federal securities laws, including disclosure required by the Securities and Exchange Commission.
- (e) Any right to recovery under this Policy shall be in addition to, and not in lieu of, any other rights of recovery that may be available to the Company, including without limitation recovery rights under any Fiserv bonus program, equity award agreements and any other Fiserv plan or arrangement.