2.1 CSR FOR INGENICO GROUP

Ingenico Group has been engaged for several years in a responsible approach, which took on fresh impetus in 2019 with the launch of the SHARE program aimed at steering its actions over a five-year period.

This program reflects the gradual integration of CSR into the Company’s strategy and business model. We have therefore moved from a normative and regulatory compliance approach to a proactive one, a CSR of leadership supported by the Company’s governance bodies, generating opportunities to improve the Group’s overall competitiveness and performance.

2.1.1 Contextual analysis

2.1.1.1 Consideration of trends

Ingenico Group is aware that the world is changing and constantly evolving. Strong global trends are set to change our lifestyles and behaviors by 2030, including:

- a demographic explosion;
- accelerated urbanization;
- hyper-globalization;
- scaling up of innovation.

We are now in a new era in terms of trade, where payment methods are completely separated from the location where purchases are made. The payments sector is one of the fastest-growing sectors and is experiencing rapid change, driven by innovations in technology and operations.

These new technologies are changing the businesses and redrawing the map of established payment players, with the advent of new FinTech systems in response to emerging trends. This technological development also raises questions about the challenges associated with data protection and information system security. Potent threats are emerging (fraud, corruption, money laundering, cyberterrorism, and so on) that pose risks to the business model. It is also essential to prepare employees for the business lines of the future, by enhancing their skills and increasing their engagement.

Thanks to innovation, systems reliability and data security, Ingenico Group aims to be an integral part of the transformation in payment methods. Taking a forward-looking, future-oriented approach, the Group has analyzed the main impacts, risks and opportunities associated with its growing businesses. In this technological revolution, it aims to find new ways of bringing progress to bear that will maximize the positive, sustainable impacts for its stakeholders while reducing the drawbacks.

The Group’s CSR approach follows the guidelines for its business model and lends its full support, both in terms of strengthening technological, industrial and human capabilities, and in developing innovative products that meet the needs of a more inclusive, more responsible and more sustainable society. Digital payments have the potential to change the lives of many people in developing countries, by providing financial services to unbanked populations. In a context where two billion people in the world are unbanked, more than half of them women, financial inclusion can make a vital contribution to achieving the United Nations Sustainable Development Goals (SDGs), by reducing poverty, hunger and gender inequality.
2.1.1.2 Materiality analysis

A materiality analysis was undertaken in 2018 as a result of responses to a survey of the Group's stakeholders that asked them to give their opinion on the importance of several social, societal, environmental and governance issues (for more details, please refer to section 2.1.4.3, "Stakeholder consultation"). At the same time, members of the Executive Committee assessed the impact of these issues on the commercial success of the Company.

The results of this analysis confirmed the importance of information security, data privacy and ethical matters. It also highlighted the importance of customer satisfaction and human resources issues (professional development and talent retention, and employee satisfaction and engagement).

- Main issues in terms of their importance for stakeholders and their influence on Ingenico Group's economic success

![Materiality Analysis Diagram]

- Ethics
- Data privacy
- Information security
- Professional development and talent retention
- Customer satisfaction
- Employee satisfaction and engagement

Employees
Societal
Governance
Environment

Influence on commercial success
Minor
Average
Major
2.1.1.3 Non-financial risks

The main social and environmental risks for stakeholders and for society at large are identified and prioritized through a mapping carried out jointly by the CSR and enterprise risk management departments of Ingenico Group.

The criticality of non-financial risks is determined according to the potential impact for the stakeholders and the probability of occurrence, which then makes it possible to prioritize them by giving an inherent risk before the implementation of the associated policies and actions of risk control. Non-financial risks are therefore prioritized according to the level of criticality (low/medium/high/major).

These non-financial risks have been included in the Group’s risk mapping, the results of which are reflected in Chapter 1.2 entitled “Risk factors”.

The materiality analysis presented in Chapter 2.1.1.2 and the mapping of non-financial risks are complementary approaches enabling Ingenico Group to identify the main opportunities to be seized as well as the main non-financial risks related to its activities. It is on this basis that it has developed its CSR strategy.
<table>
<thead>
<tr>
<th>Material issues</th>
<th>Non-financial risks</th>
<th>Policies and actions engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elimination of forced labor and child labor in the supply chain</td>
<td>Risks linked to the environmental and social practices of suppliers and subcontractors</td>
<td>Supplier risk mapping&lt;br&gt;(See 2.4.8.1.2 Suppliers CSR risk mapping)&lt;br&gt;Contractual requirements&lt;br&gt;Assessment of suppliers’ CSR performance&lt;br&gt;Traceability of conflict minerals&lt;br&gt;(See 2.4.8.3 Contractual obligations, evaluation and monitoring of suppliers)</td>
</tr>
<tr>
<td>Responsible supply chain management</td>
<td>Risks linked to climate change</td>
<td>Evaluation of greenhouse gas emissions&lt;br&gt;Greenhouse gas emission reduction targets&lt;br&gt;(See 2.5.3 Group greenhouse gas emissions)</td>
</tr>
<tr>
<td>Professional development and talent retention&lt;br&gt;Employee satisfaction and engagement</td>
<td>Risks linked to the Group’s transformation in terms of human resources</td>
<td>Ingenico University/LinkedIn Learning&lt;br&gt;Training programs&lt;br&gt;Retention of key talent&lt;br&gt;(See Supporting skills development and 2.3.3 Talent retention)&lt;br&gt;Employee satisfaction survey&lt;br&gt;Engagement schemes available to employees&lt;br&gt;(See 2.3.1.3 Strengthening employee engagement)</td>
</tr>
<tr>
<td>Product safety&lt;br&gt;Electronic waste management</td>
<td>Risks related to the use and end of life of sold products</td>
<td>Environmental Regulatory watch&lt;br&gt;(See 2.5.1.2 Compliance with applicable environmental regulations)&lt;br&gt;Quality control procedure for terminals&lt;br&gt;(See 2.4.6 Product safety)&lt;br&gt;Collection systems for end-of-life terminals&lt;br&gt;(See 2.5.2.2 Impacts linked to the products and services offered)</td>
</tr>
<tr>
<td>Ethics</td>
<td>Risk of unethical conduct</td>
<td>Code of ethics&lt;br&gt;Gifts and hospitality policy&lt;br&gt;Whistle-blowing system&lt;br&gt;Conflict of interest questionnaire&lt;br&gt;(See 2.4.1 Ethics and combating corruption)</td>
</tr>
<tr>
<td>Protection of intellectual property</td>
<td>Risks related to intellectual property</td>
<td>Monitoring of prior art claims on patents&lt;br&gt;Use of specialist firms for intellectual property&lt;br&gt;(See 2.4.4 Intellectual property)</td>
</tr>
<tr>
<td>Information security</td>
<td>Risks related to IT security</td>
<td>Compliance with the security standards developed by PCI SSC&lt;br&gt;Regular intrusion and backup testing by the Ingenico ISD&lt;br&gt;(See 2.4.5 Information security)</td>
</tr>
<tr>
<td>Data privacy</td>
<td>Risks related to personal data protection</td>
<td>Raising employee awareness of data privacy&lt;br&gt;Compliance with GDPR obligations&lt;br&gt;(See 2.4.3 Data privacy)</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>Risk related to customer satisfaction</td>
<td>Customer satisfaction survey and associated action plans&lt;br&gt;Engage program&lt;br&gt;(See 2.4.10.2 Customers)</td>
</tr>
</tbody>
</table>
2.1.2 Commitment

2.1.2.1 CSR charter

Aware of the importance of sustainable development issues and the growing expectations of its stakeholders in terms of social responsibility and its role in building the world of tomorrow, Ingenico Group has developed a CSR policy tailored to its business model and environment, as set out in Chapter 1 of its Universal Registration Document.

This CSR charter, shared with all Ingenico Group employees, mirrors its SHARE program and is based on five commitments, which they are invited to apply in their activities:

| GOVERNANCE | Maintain responsible and ethical business practices Ingenico Group is committed to following the highest environmental, health, safety, labor conditions and social justice standards in its relationships with all its stakeholders and specifically through its supply chain management. |
| CORPORATE CITIZENSHIP | Ensure the best level of security and safety when using Ingenico Group solutions Protecting sensitive payment data is part of Ingenico Group’s DNA. Ingenico Group also believes that the protection of personal data and respect for an individual’s right to privacy are of utmost importance. The Group is dedicated to providing the most secure and safest payment solutions for its customers, their clients, its partners and other stakeholders. |
| Grow in harmony with society Ingenico Group wants to grow its business in harmony with its ecosystem. Therefore, the Group strives to maintain regular and open dialogue with its stakeholders in order to foster collaborative innovation and meet the needs of local markets, with a specific focus on solutions with a positive impact that help to raise funds for charitable organizations or facilitate financial transparency and inclusion. |
| ENVIRONMENT | Control its environmental footprint Ingenico Group is committed to the development of payment services that have a low impact on the environment. The Group also strives to minimize the environmental footprint resulting from the operation of its facilities and its business activities. |
| EMPLOYEES | Develop a blooming Ingenico Group community Ingenico Group strives to provide a respectful workplace that is safe, open and inclusive. CSR contributes to the positive corporate culture that the Group wants to promote in order to enhance employee engagement, which is key to driving the Company’s performance. |

2.1.2.2 Other charters and policies

To cover the main non-financial risks identified by the Group (for more details, please refer to Chapter 1.2, “Risk factors”), the Group has implemented policies. Some are formally documented and accessible to its employees and, in some cases, to its external stakeholders on its website, ingenico.com:

- Group environmental policy;
- code of ethics and business conduct;
- gifts and hospitality policy;
- whistle-blowing policy;
- responsible purchasing policy;
- due diligence policy for external service providers;
- business continuity policy;
2.1.2.3 SHARE 2023 program
The analysis of trends in its ecosystem and its key issues has enabled the Group to refine its CSR strategy and to develop the SHARE program, an action plan for the 2023-time frame, which was the subject of a large-scale internal and external communication campaign in 2019. Through SHARE, Ingenico Group reflects its willingness to engage in an open and transparent manner on topics identified as a priority and grouped around four fields of action. It has specific and measurable objectives that are incorporated into the remuneration criteria of the Group’s executives, ensuring regular monitoring at the highest level.

GOVERNANCE AND MANAGEMENT
- Maintain the assessment of our CSR performance at Gold level (EcoVadis)
- Have our Code of Ethics acknowledged by 95% of our employees and (Tier 1) production suppliers
- Improve customer satisfaction with a Net Promoter Score (NPS) higher than 17.6 for Retail and 26 for B&A

EMPLOYEES
- Deploy the Ingenico leadership model with 80% of Group employees briefed
- Improve employee engagement with an eNPS higher than 8
- Improve the representation of women in the workforce (35%) and reflect diversity in managerial positions (30% women and 70% non-French)

CORPORATE CITIZENSHIP
- Increase the annual volume of donations by 100% thanks to our solutions
- Assess the CSR performance of 80% of suppliers deemed to be at high and severe risk and implement corrective measures if necessary

ENVIRONMENT
- Offer end-of-life product recycling solutions in 75% of the countries where we are present
- Use renewable energies in 100% of European data centers for the Retail business

The progress of the different indicators is presented in the different sections of this statement on non-financial performance.

At the end of 2019, in addition to the renewal of the EcoVadis Gold status for the assessment of the Group’s CSR performance, two 2023 objectives were reached and even overachieved: the acknowledgement of Ingenico Group’s Code of Ethics by 100% of tier 1 production suppliers and the offer of end-of-life product recycling solutions in 81% of the countries where it is present.

2.1.2.4 Membership of recognized international initiatives
Ingenico Group supports international initiatives, abiding by and applying the guiding principles they promote.

2.1.2.4.1 Main reference frameworks

<table>
<thead>
<tr>
<th>Reference frameworks</th>
<th>Ingenico Group commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Nations Global Compact</td>
<td>Ingenico Group has supported the Global Compact since 2015. In 2019, it published its annual Global Compact report (Communication On Progress) at GC Advanced level.</td>
</tr>
<tr>
<td>United Nations Sustainable Development Goals (SDG)</td>
<td>Ingenico Group publishes its contribution to SDGs in its Universal Registration Document and on its website.</td>
</tr>
<tr>
<td>International Labour Organization (ILO) Universal Declaration of Human Rights</td>
<td>Ingenico Group applies the key principles of the ILO Tripartite Declaration and the Universal Declaration of Human Rights through the principles outlined in its code of ethics and business conduct.</td>
</tr>
<tr>
<td>OECD</td>
<td>Ingenico Group follows the OECD’s tax guidelines, including those of the BEPS (base erosion and profit shifting) Project.</td>
</tr>
</tbody>
</table>
2.1.2.4.2 The United Nations Global Compact and Sustainable Development Goals

Ingenico Group’s support for the United Nations Global Compact since 2015 reflects its commitment to sustainable development. Launched in July 2000 by UN Secretary General Kofi Annan, the Global Compact is the world’s largest corporate social responsibility initiative. As a supporter of the Global Compact, Ingenico Group is committed to respecting and promoting its ten core principles relating to human rights, labor standards, the environment, and the fight against corruption. Each year, Ingenico Group reports on the progress made in respecting and promoting each of the ten principles. In 2019, the Group once again published its annual report (Communication On Progress) at GC Advanced level, which corresponds to the highest reporting standard. This report is available on the Global Compact’s website (www.unglobalcompact.org).

As part of this commitment, Ingenico Group decided to integrate the UN Sustainable Development Goals ("SDGs") into its CSR strategy in order for it to be part of this global movement. The survey conducted in 2018 with the Group’s main stakeholders confirmed the importance of taking account of SDGs (for more details, please refer to section 2.1.4.3, "Stakeholder consultation").

The 17 SDGs, adopted in 2015 by the 193 member countries of the United Nations, make up the “2030 Agenda for Sustainable Development”. These goals call for action among governments and civil society, but also among businesses, which are crucial partners in this initiative. (For more information on SDGs and their targets, please visit the United Nations website: https://www.un.org/sustainabledevelopment/).

Given its business activities, the Group contributes in particular to the following four SDGs:

In fact, through its solutions with a positive impact and its responsible purchasing policy applied to its supply chain, its financial inclusion solutions and the integration of social standards in the management of its supply chain, the Group encourages economic growth and the promotion of decent work (SDG 8).

Thanks to the deployment of an eco-design process for its terminals, the implementation of recycling solutions for end-of-life products and the use of renewable energies, preventive measures, recycling and waste disposal, as well as the development of an eco-design process for its terminals, it contributes to sustainable consumption and production (SDG 12).

By annually assessing the greenhouse gas emissions of its entire value chain, and in setting itself goals to reduce them and actions to achieve this, it contributes to the fight against climate change (SDG 13).

Ingenico Group participates in building effective and accountable institutions by promoting the transparency and traceability of financial transactions and by actively combating corruption, which is one of the foundations of the Group’s Code of Ethics and Business Conduct (SDG 16).

More broadly, Ingenico Group contributes both directly and indirectly to 14 SDGs and to 26 of their targets, as illustrated by the diagram below.
Contribution of Ingenico Group to SDGs and their targets\(^{(1)}\) across the value chain

**Mitigation of risks for people and the environment**

- **Target 12.2 and 15.3**: Anticipate the depletion of a number of materials used in designing our products.
- **Target 8.7**: Ensure that the YIG ores and cobalt that are used in designing our products do not come from child labor and do not finance armed groups.
- **Target 6.3**: Ensure that no water pollution is caused within the supply chain by the manufacture of components used in the design of our products.
- **Target 6.3**: Ensure that no children work in the manufacture of components used in designing our products.
- **Target 13.2**: Favor maritime transport over air transport whenever possible.

**Positive impacts for people and the environment**

- **Target 16.5**: Ensure that all our activities are carried out in accordance with the principles of integrity of internal and external standards on business ethics, including anti-corruption measures.
- **Target 5.5**: Enable women to access management positions in a highly technical sector.
- **Targets 10.2 et 10.3**: Promote equal opportunities based on merit and skill, and prohibit discrimination.
- **Target 7.2**: Increase the share of renewable energies supplied to our main sites.

**Corporate operations**

- **Target 3.8**: Offer social coverage to our employees.
- **Target 4.4**: Offer training tailored to all Group employees.
- **Target 5.5**: Contribute to initiatives such as Women in Payments and Elles Bourgent.
- **Target 9.5**: Improve our products and solutions through R&D.

**Use**

- **Target 7.3**: Improve the energy performance of our terminals.
- **Target 13.2**: Feed data centers to process transactions.
- **Targets 9.3, 8.10 et 9.3**: Drive the growth of small and micro businesses and promote access for all to banking and financial services via our financial inclusion solutions.

**End-of-life**

- **Target 17.16**: Develop solutions to collect donations in partnership with social enterprises and NGOs.
- **Targets 16.4 et 17.1**: Develop solutions that promote financial traceability and transparency.
- **Target 12.5**: Allow our customers to use Ingenico terminal recycling solutions at end-of-life.

\(^{(1)}\) More information on the 17 SDGs and their 169 targets can be found at the following address: https://sustainabledevelopment.un.org/content/documents/21352030%20Agenda%20for%20Sustainable%20Development%20web.pdf.

SDGs are also the subject of a dedicated page on the Group’s website.
To strengthen its impact, Ingenico has developed SHARE, its CSR program, drawing upon the United Nations Sustainable Development Goals to ensure that it has the appropriate effects and addresses the challenges facing the world.

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**2.1.3 CSR Organization and Governance**

To provide a structure for its overall approach in terms of CSR, Ingenico Group set up a dedicated department that coordinates the Group’s main activities in this area. The department is attached to the Strategy and Transformation Division, which has direct representation on the Group’s Executive Committee. It draws on an ad hoc basis upon business experts from the main departments with a stake in environmental, social and societal topics: Human Resources, Communication, Innovation, Strategy, Compliance, Purchasing, Quality, Operations, etc. Together, they are responsible for driving the implementation of Ingenico Group’s CSR strategy.

All internal and external stakeholders in the Group can contact the CSR Department by e-mail at csr@ingenico.com.

In addition to the CSR Core Team, a network of some 20 ambassadors was set up in the Group’s main entities at the end of 2019. Their role is to inform employees about the Group’s CSR approach, promote it and manage local implementation of the SHARE program.

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- **A new network of CSR Ambassadors**

With regard to the Group’s governance bodies, CSR is regularly monitored by the Executive Committee and by the Board of Directors. As with ethics, it is now one of the subjects covered by the Compensation, Appointments and Governance Committee.
2.1.4 Stakeholder engagement

2.1.4.1 Stakeholder mapping

Ingenico Group’s various stakeholders are represented on the mapping below. They are grouped by broad categories and positioned according to their degree of proximity to the Group.

Ingenico Group strives to maintain an open, transparent and regular dialogue with each of them.

2.1.4.2 Methods of stakeholder dialogue

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Communication channels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Trade shows for Fintech and the payments sector, satisfaction surveys, after-sales service</td>
</tr>
<tr>
<td>Employees</td>
<td>Skyway Intranet, satisfaction surveys, announcements, performance reviews</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Self-assessment questionnaires, audits, assessment through the EcoVadis platform, e-mail guidelines</td>
</tr>
<tr>
<td>Investors</td>
<td>Telephone conferences, investor meetings, roadshows, general meetings</td>
</tr>
<tr>
<td>Other economic players</td>
<td>Working groups, participation in charitable activities, round tables, presence on governance bodies</td>
</tr>
<tr>
<td>Civil society</td>
<td>Press releases, voluntary work, events, collections</td>
</tr>
<tr>
<td>Regulators</td>
<td>Regular direct contact</td>
</tr>
</tbody>
</table>

The Group’s interactions with its stakeholders are detailed in Chapter 2.4.10, “Mobilization of stakeholders through ongoing dialogue”.
2.1.4.3 Stakeholder consultation

In 2018, Ingenico Group conducted a global survey of its key stakeholders (employees, customers, suppliers, investors and partners) in order to gain a better understanding of their expectations in terms of CSR governance. The 1,200 responses received enabled the Group to assess the importance of its various issues in the eyes of its stakeholders and to draw the following main lessons:

- all stakeholders expect the Group to deal with CSR matters.

Taking account of CSR is considered important or very important by 84% of stakeholders, some of whom believe that Ingenico Group must "lead by example in the market" and set itself "ambitious goals and achievements".

- furthermore, the Group must increase the level of communication about its CSR policy and action undertaken.

In fact, these are areas that are still unclear for the majority of stakeholders who would like "greater visibility in all countries of operation" and "to be able to share information on CSR with the end users of solutions".

- lastly, for most of the parties surveyed it is also important that the Group strategy be in line with the UN Sustainable Development Goals.

These results were taken into account in developing the SHARE program and the associated communication strategy.

2.1.5 Performance

2.1.5.1 Main monitoring indicators

<table>
<thead>
<tr>
<th>PEOPLE</th>
<th>CORPORATE CITIZENSHIP</th>
<th>ENVIRONMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,669 employees, <strong>96%</strong> of whom are permanent employees</td>
<td><strong>78%</strong> of strategic components suppliers assessed on their CSR performance</td>
<td><strong>18,005.1 MWh</strong> of electricity consumed of which <strong>8%</strong> from renewable sources</td>
</tr>
<tr>
<td><strong>16</strong> training hours per employee, on average</td>
<td><strong>19.5</strong> million transactions that resulted in the collection of <strong>€173.4 M</strong> in charity donations</td>
<td><strong>377.9 tons</strong> of end-of-life terminals collected and treated</td>
</tr>
<tr>
<td><strong>15.2%</strong> of women in managerial positions</td>
<td><strong>70%</strong> of new employees who signed the code of ethics on their arrival</td>
<td><strong>27.1 kgCO₂e</strong> per installed terminal</td>
</tr>
<tr>
<td><strong>92%</strong> of employees having access to LinkedIn Learning</td>
<td><strong>100%</strong> of Ingenico components suppliers assessed on the source of minerals used</td>
<td><strong>80%</strong> of data centers in Europe use electricity from renewable sources</td>
</tr>
<tr>
<td><strong>78%</strong> participation rate in the People INI survey</td>
<td>Net Promoter Score for employees (eNPS): <strong>-8.6</strong></td>
<td><strong>81%</strong> of countries where the Group is present have a recycling program for end-of-life terminals</td>
</tr>
<tr>
<td><strong>31.6%</strong> of women in total workforce</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2.1.5.2 External assessments

EcoVadis assessment
To ensure a more effective response to the growing number of requests for information on CSR-related issues from prospective and existing customers, since 2014 the Group has been assessed by EcoVadis, a platform that specializes in evaluating the CSR performance of suppliers. Up to 4 points, with an overall score of 70 out of 100 in 2019, Ingenico Group is among the top 3% of companies assessed by EcoVadis in its sector. It also won recognition for its CSR commitment, achieving the Gold standard for the second time running.

SRI Indices
Ingenico Group is included in the following SRI indices:
- Euronext Vigeo Eurozone 120;
- Euronext Vigeo Europe 120;
- Dow Jones Sustainability Europe;
- Ethibel Sustainability Excellence Europe;

These indices identify the companies with the best performance in terms of ESG (Environment, Social and Governance). Ingenico Group’s inclusion rewards its commitment to sustainable development and its work in the area of CSR transparency.

2.2 REPORTING SCOPE AND METHOD

2.2.1 Non-financial reporting protocol

The non-financial reporting process is described in an internal document entitled “2019 CSR Reporting Protocol”. This protocol presents the non-financial reporting context and objectives, as well as the corresponding organization put in place by Ingenico Group. The description of the non-financial reporting process includes a definition of the time frame, the scope, the levels of responsibility and control, as well as definitions, examples and various guidelines making it easier to understand the information that is expected for each indicator.

This report, which concerns the financial year ended December 31, 2019, presents information on the environmental, social and societal impacts of Ingenico Group entities’ business. In line with the Group’s desire to improve the transparency of its operations and its commitment to corporate responsibility, the non-financial reporting scope is identical to the financial reporting scope and its methodological limitations are presented below. The report includes all entities acquired before the second half of 2019 that are more than 50%-owned by Ingenico Group for its social and societal reporting, and sites with more than 15 internal employees for environmental reporting (employees on permanent, fixed-term, apprenticeship or work/study contracts). Data related to the workforce, training, absenteeism, accidents at work and occupational illnesses, teleworking and pay are, however, provided for all Group entities, including those with 15 or fewer employees.

The terms “the Group” and “Ingenico Group” refer to all entities incorporated within the scope of this report.

(1) SRI: Socially Responsible Investment.
assessed on their CSR performance* does not include Ingenico Group’s activities in China.

Ingenico Group’s non-financial reporting is managed by a project team that draws on a network of more than 70 contributors throughout the Group’s various entities. The majority of the data is collected using questionnaires via a dedicated online interface. This information is supplemented with data from the HR reporting system for the social section, data from environmental reporting and greenhouse gas emissions analysis for the environmental section, and information obtained through interviews or individual discussions. Data provided by the different contributors is then consolidated at Group level.

In accordance with the regulatory requirements arising from the transposition of the European Non-Financial Reporting Directive, Ingenico Group’s business model and the main risks related to its activities are set out in Chapter 1 of the 2019 Universal Registration Document and further detail is given in Chapter 2. The policies adopted and the due diligence procedures implemented to prevent, identify and mitigate the occurrence of the main risks, together with the results of these policies, are set out in this chapter. Where relevant, the report includes the information required by Article R. 225-105 of the French Commercial Code. However, the report does not cover the topics of the fight against food insecurity, the fight against food waste, respect for animal welfare or sustainable food production as set out in Article L. 225-102-1 of the French Commercial Code because these subjects are not considered relevant. In fact, given the nature of its business, these issues do not involve Ingenico Group at all, or do so to only a very limited degree.

The same report has been made in 2018, the document is available on Ingenico’s website since the April 24, 2018.

2.2.2 Declaration of compliance with the GRI

The GRI (Global Reporting Initiative) sets out a framework of indicators that measure the progress of companies’ sustainable development programs and its guidelines are essential to high-quality CSR reporting. To ensure that its quality assurance process meets the expectations of the GRI, Ingenico Group is working with MATERIALITY-Reporting, the GRI’s DATA PARTNER for France, to ensure that the tests set out for each principle are applied.

The Group’s report has been prepared in compliance with the GRI standards: CORE COMPLIANCE.

The GRI content index can be found on page 314.

2.2.3 Social reporting

2.2.3.1 Definitions

Workforce

There are seven types of contracts:

- permanent employees: employees on an open-ended employment contract with Ingenico Group, whose salary is ascertained via an Ingenico Group pay slip;
- fixed-term employees: employees on an Ingenico Group employment contract with a specified beginning and end date, whose salary is ascertained via an Ingenico Group pay slip;
- employees on an apprenticeship contract or undergoing professional training: this type of contract is reserved for students following a guided training program with a tripartite agreement (student, university and Ingenico Group). These apprentices have a fixed period indicated in their contract (from 9 to 24 months). Their salary is defined in the tripartite agreement and integrated in the Ingenico Group payroll system.

In this report, they are not included in the Group’s workforce;

- employees under VIE (volontariat international en entreprise – international corporate volunteer program): persons aged 18 to 28 who have signed a contract to carry out an assignment in a French company abroad.

In this report, they are not included in the Group’s workforce;

- interns: this category corresponds to students who need to complete a period of training in order to obtain or validate a diploma. During this time, they acquire experience under the management of an internship mentor. Students/interns are hired under a tripartite agreement (student, university and Ingenico Group) for a short term specified in the contract (from 3 to 9 months). If paid, their remuneration is defined by Ingenico Group and included in the Company payroll system.

In this report, they are not included in the Group’s workforce;

- temporary workers: persons who are physically present at Ingenico Group offices but have been supplied by an outside company for a short and predetermined time period to replace an Ingenico Group employee;
- outsourced workers: persons who are physically present at Ingenico Group offices but have been provided by an outside company for a predefined service and time period established by a contract with Ingenico Group.

Layoffs

Individual and collective layoffs are reported by the different Group entities according to local regulations.

Training

Training refers to all types of training, certified or otherwise, organized by the Company or by external providers. In 2019, e-learning has been taken into account in training.
Absenteism

Absenteism refers to cases when employees are absent from the workplace due to being incapacitated. This definition does not include authorized absences, such as paid leave, public holidays, maternity or paternity leave, study-related leave, or leave for family reasons.

However, the following absences fall within the scope of absenteism:

- absences due to ordinary illness;
- absences following an occupational accident;
- absences following a commuting accident;
- absences due to occupational illness;
- unjustified absences.

The absenteism rate is a ratio that can be expressed as:

\[
\text{Number of days of absence during a given time frame} \times 100 \\
\text{Number of scheduled workdays during that same time frame} \times \text{Number of full-time equivalent employees}
\]

2.2.3.2 Reporting scope

The social reporting scope includes all entities that are more than 50%-owned by Ingenico Group. The countries covered are listed in section 2.2.1.

However, data could not be provided by certain entities for the indicators below.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of hours of training</td>
<td>France (Think &amp; Go), New Zealand (Bambora New Zealand Ltd), Austria (e-Commerce Solutions GmbH), Australia (GC Services Australia Pty), South Africa (Ingenico South Africa Pty) (0.2% of the workforce as of December 31, 2019)</td>
</tr>
<tr>
<td>Absenteism</td>
<td>New Zealand (Bambora New Zealand Ltd), Austria (e-Commerce Solutions GmbH), Australia (GC Services Australia Pty), South Africa (Ingenico South Africa Pty) (0.1% of the workforce as of December 31, 2019)</td>
</tr>
<tr>
<td>Number of occupational accidents and illnesses</td>
<td>Netherlands (GC Services B.V. excluding only occupational diseases), Russia (Ingenico Payment Systems), New Zealand (Bambora New Zealand Ltd), Austria (e-Commerce Solutions GmbH), Australia (GC Services Australia Pty), South Africa (Ingenico South Africa Pty) (7% of the workforce as of December 31, 2019)</td>
</tr>
<tr>
<td>Telecommuting</td>
<td>New Zealand (Bambora New Zealand Ltd), Austria (e-Commerce Solutions GmbH), Australia (GC Services Australia Pty), South Africa (Ingenico South Africa Pty) (0.1% of the workforce as of December 31, 2019)</td>
</tr>
<tr>
<td>Employee turnover (hiring and departures)</td>
<td>Germany, Austria, United Kingdom, France (BS Payone GmbH) (5% of the workforce as of December 31, 2019)</td>
</tr>
</tbody>
</table>
2.2.4 Environmental reporting

2.2.4.1 Definitions

The greenhouse gas (GHG) emissions generated directly or indirectly by an entity can be classified into different categories of emissions, known as "scopes":

- Scope 1: direct GHG emissions from the combustion of fossil fuels for facilities and vehicles that are owned or controlled by the Company;
- Scope 2: indirect GHG emissions caused by the purchase of electricity, refrigeration, heating or steam needed for the Company’s activities;
- Scope 3: indirect GHG emissions related to business activities such as the purchase of raw materials, employee travel, transport of goods by external providers, or the use of products by customers.

The amount of end-of-life products (WEEE - Waste electrical and electronic equipment) collected and treated refers to the weight of waste produced by end-of-life terminals or spare parts collected from customers or the Group’s repair centers for sorting, recycling, recovery, or destruction of the various components.

2.2.4.2 Reporting scope

The environmental reporting scope covers sites with more than 15 employees located in 32 countries. The countries excluded from the list in paragraph 2.2.1 are sites with more than fifteen people are the following: Austria, Chile, Costa Rica, Czech Republic, Hungary, Malta, Morocco, Poland, Portugal, Serbia, South Africa and Vietnam.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Exclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>China (Fujian Landi excluding Beijing, Chongqing, Fuzhou, Ji Nan, Shanghai and Xiamen); United States, China and Singapore (Global Collect); Finland, Japan and Singapore (4.3% of workforce at December 31, 2019)</td>
</tr>
<tr>
<td>Electricity consumption</td>
<td>China (Fujian Landi excluding Beijing, Chongqing, Fuzhou, Ji Nan, Shanghai and Xiamen); United States and Singapore (Global Collect) (2.4% of the workforce at December 31, 2019)</td>
</tr>
<tr>
<td>Paper consumption</td>
<td>China (Fujian Landi excluding Beijing, Chongqing, Fuzhou, Ji Nan, Shanghai and Xiamen) and Singapore (Global Collect) (1.9% of the workforce at December 31, 2019)</td>
</tr>
</tbody>
</table>

All indicators are published according to the scope defined for the reporting year on a like-for-like basis to enable data to be compared from one year to the next.

2.2.4.3 Accounting for greenhouse gas (GHG) emissions

2.2.4.3.1 Methodology

The methodology used to calculate greenhouse gas or "GHG" emissions across Ingenico Group’s entire value chain is based on the GHG Protocol’s international accounting standard. The emission sources included in the calculation of GHG emissions are listed in section 2.5.3, entitled “Group greenhouse gas emissions”.

The following assumptions are used to calculate GHG emissions:

- Energy consumption of buildings and employee business travel

Direct emissions (Scope 1) associated with natural gas are calculated on the basis of information reported by entities with more than 15 employees and which use this resource, namely: Germany, Belgium, Canada, Denmark, the United States, Italy, the Netherlands, Norway, the United Kingdom, Switzerland and Turkey.

Indirect emissions (Scope 2) associated with the production and distribution of the electricity used by the Group are calculated on the scope of the 32 countries listed previously. If a Group entity only partially occupies a building (alongside other companies) and does not directly purchase the energy it consumes, the share allocated to Ingenico Group is estimated in proportion to the floor area it occupies.

The distances flown (Scope 3) by employees based in Australia, Belgium, China (except Landi), France, Germany, Italy, the Netherlands, Poland, the United Kingdom and Singapore are provided by the travel agency with which the Group has a partnership. Journeys are classified into three categories: short-, mid- and long-distance. For each distance, the class of travel is also identified (economy, business, first and premium), so that an emissions factor specific to the class of travel can be used.
Data regarding train travel (Scope 3) is provided by train companies or travel agencies. Distances traveled by train are currently available for entities in Belgium, France, Germany, India, the Netherlands and Sweden.

Direct emissions (Scope 1) associated with the fuel consumed by vehicles owned or under the operational control of the Group are calculated on the scope of business of entities located in Belgium, France, Germany, India, the Netherlands and Taiwan. The data collected relates directly to fuel consumption or to associated costs. In the second case, fuel consumption is estimated on the basis of the average cost of the fuel (diesel and petrol).

Other business travel includes the following modes of transport: taxis, rented cars and employees’ own vehicles (Scope 2). For taxis, the raw data collected relates either to expenses, or to distances traveled. In the first case, the distance traveled is estimated on the basis of an average cost (euros/km). Car rentals are managed by one agency, which provides a report of the total distance traveled. For travel using employees’ own vehicles, the distance traveled in km is collected directly (on the basis of expense claims).

GHG emissions associated with business travel for the other Group entities are extrapolated in proportion to the workforce.

Production of terminals, including the production and transportation of raw materials
GHG emissions associated with component production (Scope 3) have been estimated on the basis of the average weight of the main components representing more than 90% of the total weight of terminals (plastics, printed circuit board, printer, display, cables, battery, keyboard, packaging, thermal paper, and user guide). Measurements have been taken for the four most representative terminals (in terms of volume on 2019) then extrapolated based on the total quantities manufactured in 2019.

Transportation of the nine main components is taken into account when assessing the impact of transporting components between suppliers and assembly plants (Scope 3). Plastics, printed circuit board, printer, display, battery, cables, power supply, keyboard, and packaging. For each component, the main suppliers’ plants are identified, and the transportation distances are then estimated. The transported weight of each component is estimated on the basis of an average weight per terminal multiplied by the total number of terminals manufactured by each assembly site. The transported tons/km are calculated for each mode of transport.

GHG emissions associated with the activities of the terminal assembly plants (Scope 3) have been calculated on the basis of information provided by the facilities in Brazil and in Vietnam. They include total energy consumed, refrigerant gas emissions and on-site transportation. The contribution associated with Ingenico Group business is estimated using a surface area ratio (surface area dedicated to the manufacture of terminals/total surface area). GHG emissions associated with assembly plants located in China are extrapolated on the basis of production volumes. According to the cessation of activity during the year with assemblers located in Malaysia and Russia, the 2019 data have been extrapolated based on production volumes and data carried over to 2018.

Transportation of terminals from assembly plants to customers
International transportation from assembly plants is by air and sea (Scope 3). Detailed information (quantity, weight, distances) is provided by the two service providers with which Ingenico Group works. GHG emissions are calculated on the basis of the tons/km of terminals dispatched from assembly plants.

To calculate the GHG emissions associated with energy consumption at the storage sites (Scope 3), a consumption ratio in kWh/m³ is calculated using the information obtained for two storage sites (in France and the United Kingdom). This ratio is used to calculate the electricity consumption of all storage sites worldwide on the basis of the storage surface area occupied.

In terms of delivery to customers (Scope 3), flows are analyzed using the data provided from France and the United Kingdom. In the first case, information on tons/km is provided by the road haulage company. For terminals dispatched from the United Kingdom, the quantity of terminals dispatched by country is used, together with the type of transportation (air or road). Based on this information, the tons/km by type of transportation are estimated and used to assess GHG emissions. Emissions associated with the delivery of terminals to other countries in which the Group markets its products are assessed on the basis of the number of terminals sold by country, an average national distance and a ratio in kgCO₂e/terminal delivered, calculated using data from France and the United Kingdom.

Use of terminals and services provided by the Group
The in-service terminal population is estimated on the basis of the volumes of terminals sold over the last five years (with the average useful life of a terminal estimated at five years).

GHG emissions associated with terminal energy consumption (Scope 3) are estimated on the basis of the confirmed energy consumption of three of the most representative terminals in term of presence in the 2018 installed base (one Countertop, one Wireless and one Pinpad). Energy consumption and the associated GHG emissions are calculated on the basis of usage scenarios for each type of terminal (number of days’ use per year, average number of transactions per day, etc.). The data are then extrapolated on the basis of the total number of terminals installed in 2019.

To calculate the GHG emissions associated with the data centers used by the Group (Scope 3), electrical consumption for each data center is either reported by the service provider (in kWh) or estimated by multiplying the contractual kVA (theoretical maximum capacity) by the estimated operating time. This includes the power used by electrical equipment and cooling systems.

GHG emissions associated with the printing of payment receipts (Scope 3) are estimated on the basis of the number of terminals in the terminal population that are equipped with printers, a usage scenario and the average weight of a roll of thermal paper. GHG emissions associated with the production and transportation (average distance) of thermal paper to users is estimated using these quantities.

Maintenance of terminals
To calculate GHG emissions associated with maintenance (Scope 3), the transportation of terminals between maintenance centers and customers and the energy consumption of product maintenance centers in France, Italy and the United Kingdom are analyzed. It is assumed that nearly all transportation of defective terminals takes place by road from France, Italy and the United Kingdom to maintenance centers located in these same countries. In fact, only a fraction of the defective terminals from the French market are transported by air to the United Kingdom maintenance center. An average national distance is used for road haulage and GHG emissions are estimated on the basis of the volumes of terminals sent to maintenance centers in these three markets, before being extrapolated on the basis of the volumes of terminals sent to maintenance centers worldwide.

The electricity and natural gas consumption (Scopes 1 and 2) of the repair centers in Italy and the United Kingdom is used to calculate GHG emissions and thereby derive a standard value in kgCO₂e/repairs terminal. This value is then used to calculate
global GHG emissions, based on the total number of terminals repaired by the Group's maintenance centers worldwide.

Processing of end-of-life terminals
To determine GHG emissions associated with the processing of end-of-life terminals (Scope 3), the procedure for collection and processing in France was analyzed. In 2019, a partner was appointed to manage the transportation and processing of waste from terminals. This analysis includes transportation to the processing centers, then the processing of waste electronic and electrical equipment. The data were obtained by the recycling partner for the period from January 1, 2019, to November 21, 2019. The data for the rest of the year up to December 31, 2019, have been extrapolated on the basis of the quantities carried over to the same period of the previous year. The study does not include emissions from processing waste that are managed directly by customers.

The number of tons/km transported is calculated on the basis of the quantities received and processed by the partner in France and an average national distance. Emissions associated with transportation are extrapolated from the number of terminals collected and processed in countries in which Ingenico Group has set up a recycling scheme.

The calculation of emissions generated by processing terminals is based on the information provided by the recycling service provider in France. The type of processing (recycling of materials, energy recovery, disposal) was identified for each type of component (metals, plastics, printed circuit boards, cables, etc.). In order to extrapolate these emissions for the Group, it is assumed that all of the Group's waste processing procedures are similar to those in France, upon which the analysis was conducted. Group emissions are then extrapolated on the basis of the volumes of terminals that are collected and recycled worldwide. Terminals that are not collected and processed by an Ingenico Group recycling scheme are assumed to have been disposed of without processing or recycling.

2.2.4.3.2 Data and emission factors used
The GHG emissions assessment was carried out using the data collected for 2019. However, for some data, extrapolations were made on the basis of the 2018 data. These extrapolations represent less than 2% of the GHG emissions assessed in 2019.

The emission factors used to quantify the GHG emissions come primarily from two sources: the GHG Protocol, particularly for business and international travel; and the Base Carbone' database produced by ADEME (the French Environment and Energy Management Agency) for the energy consumption of terminals, the impact of thermal paper and a portion of the component production. The emission factors from the Ecoinvent database (EI 3.1) were also used for the portion related to component production.

2.3 THE INGENICO GROUP COMMUNITY

**Key indicators 2019**

- **8,669 employees,** 96% of whom are permanent employees
- **16 training hours per employee, on average**
- **15.2% of women in managerial positions**
- **92% of employees having access to LinkedIn Learning**
- **78% participation rate in the People INI survey**
- **31.6% of women in total workforce**

As a major player in the new world of commerce, Ingenico Group aims to attract, retain and develop the best talent, while promoting diversity within its workforce. The Group has expanded considerably through external growth in recent years, and it is crucial that the teams resulting from acquisitions are well integrated. Faced with these challenges, Ingenico Group has continued to implement its HR strategy initiated in 2018 and carried on with its efforts in terms of:

- professional development and talent retention;
- employee engagement;
- diversity and gender equality;
- health, safety and well-being at work.

### 2.3.1 HR strategy

To be recognized as a reference employer, Ingenico Group has continued to implement its HR strategy, based on three pillars:

- **strengthening HR fundamentals** by providing a clear, structured and well-aligned offering within the Group;
- developing the skills to manage transformation;
- improving the engagement of all employees.

As part of this strategy, a number of global initiatives and work programs were launched in 2019.
2.3.1.1 A new HR dynamic

Ingenico Group’s HR strategy aims to align and optimize the human resources function within the Group while maintaining its focus on corporate requirements. It involves a clear, structured HR offering aligned within the different Group entities, which revolves around a number of fundamentals implemented in 2018 and that were continued throughout 2019.

To succeed, the Group relies on a strong vision, which focused on the following priorities: employee engagement, the development of skills to manage transformation, and strengthening the HR function. In 2019, the organization of the HR function was revised to meet this vision. The organization will be put in place gradually over the next two years.

2.3.1.2 Supporting the development of skills

An exemplary leadership: the leadership model

At the end of 2018, a new leadership model was built, mobilizing more than sixty managers and employees around the world. This model was widely communicated and was rolled out in 2019. It applies to all employees and is based on five key behaviors: [Think Customer, Focus Forward, Inspire, Team-Up, Drive], detailing three levels of maturity for each behavior. The leadership model is intended to inspire each employee, to develop a culture derived from shared values and to foster dialogue on performance and development.

Ingenico Group’s leadership model is now integrated into all performance and talent management processes. This model will continue to be rolled out in 2020.

As part of its SHARE program launched in 2019, Ingenico Group has set itself a goal for the professional development of its employees.

<table>
<thead>
<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group-level leadership model deployed with 80% of employees aware</td>
<td>Model deployed in 2019</td>
<td>30%</td>
<td>52%</td>
</tr>
</tbody>
</table>

Professional development and career path management

To maintain its leadership in a constantly changing sector, Ingenico Group places skills development at the heart of its Human Resources policy.

In 2019, a new “Organization and Talent Development” function was created. Its mission is to implement a common talent management policy, to promote a holistic approach to skills and career development, to offer common training to all entities, and to provide more effective career guidance.

Training topics in 2019

In 2019, the Group continued its training initiatives in all its business areas. A total of 88,329 training hours were delivered to employees in Group entities (53,926 in 2018 and 80,424 in 2017). The average number of face-to-face training hours per employee was 10 hours in 2019.

The most popular training topics were languages trainings, personal development and IT trainings.

In addition to those, some entities have set up specific training courses:

- within the Australian entity, training on the audit and the sales force;
- in Australia and the United Kingdom, training on new tools;
- in Mexico and Thailand, language training courses.

In e-commerce entities, a pilot training course called “Manager Bootcamp” was launched in 2019, with the aim of informing new managers of the main HR, process and skills guidelines that the Group expects them to observe.
**Ingenico University**

Launched in 2015, Ingenico Group’s Ingenico University learning platform continues to develop so as to provide the Group’s employees with the best possible support toward meeting their training needs. The catalog of digital training materials continues to grow, with 14 Group learnings, including training on its businesses, solutions, strategy, and on payment.

As of December 31, 2019, of the 7,714 employees with access to Ingenico University and 98% of these trainings were followed until the end. The most popular training courses this year cover security of information, data privacy or personal development.

The average number of learning training hours per employee was six hours in 2019.

In addition to the programs deployed at Group level, some entities have also set up training policies at their own level. Landi in China offers an annual training plan or access to various online courses. In India, in addition to regulatory training, various programs are also offered to promote the development of general skills, called “Pillar Programme”. In France, managers provide feedback in a survey each year on the training needs of their teams, which are then combined and prioritized to offer training that best meets the needs of employees. In May 2018, a significant portion of the Bambora (Sweden) entity budget was also allocated to the implementation of a training platform called “Bambora Academy”.

**Learning Week**

In 2019, the Group acquired a LinkedIn Learning license, which is available to all Ingenico employees and is valid for three years. Thanks to this new tool, Ingenico Group launched a new global training initiative, by offering all its employees the option of attending online sessions: “Learning Weeks”.

The first LinkedIn Learning edition Week took place in July 2019, with a specific focus on the main areas of the Group’s leadership model (see Chapter 2.3.1.3. “Strengthening employee engagement”). Each day was therefore devoted to a behavior presented in this model.

The second edition was held in November 2019, on the theme of security in the world of payments. The third Learning Week is scheduled for the first quarter of 2020.

In 2020, the Group’s mission is to create a center of excellence. It will eventually integrate all of Ingenico’s learning resources, with three objectives: improving performance, promoting career development and improving employee engagement.

Employees’ requirements are assessed and mapped, to create demand-based training sessions.

In 2019, 49% of employees participated in LinkedIn training courses.
2.3.1.3 Strengthening employee engagement

People in

Any action in terms of engagement begins with listening to employees. As a result, a global internal survey, People In, was launched in October 2018. The survey comprised an assessment based on an overall score and 25 questions in three areas: Ingenico in general and the way its employees perceive the Company and its strategy, their interactions with their managers and, lastly, the working environment.

<table>
<thead>
<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>eNPS &gt; +8</td>
<td>-12</td>
<td>-6</td>
<td>-8.6</td>
</tr>
</tbody>
</table>

Internal communication

In order to involve its employees in its overall strategy, Ingenico Group is committed to developing regular, transparent internal communication. Numerous initiatives have been launched to boost the sharing of information with all employees.

Accessible to all Group’s employees, the Skyway global intranet indicates a desire to encourage cross-functional cooperation and to disseminate Group corporate culture more effectively. It pools all Group news related to its businesses and its organization, as well as its internal policies; it brings together all employees and facilitates the integration of employees who recently joined the company after acquisitions. Its content continued to be enriched in 2019. Skyway is also a collaborative work space that pulls together many applications, including a space for sharing documents and joint drafting with eShare.

Regular information and dialogue meetings (Townhall sessions) are also held in a number of Group entities, to share the Company’s plans and results. In Australia, monthly Shout-outs bring employees together to highlight team successes. In Argentina at Global Collect, a MorningUpDate session is organized each month to present internal projects. In Germany, a managers’ circle meets each month to keep employees informed and engage them in the strategy.

In 2019, the existing weekly newsletter (Week Starter), aimed at disseminating the Group’s news highlights and distributed to all employees, had a change of format and became the Globe newsletter. Distributed fortnightly, Globe offers richer, more user-friendly and more inspiring content for employees.

Community outreach events and initiatives

Ingenico Group takes a variety of actions to develop its employees’ engagement, including team-building activities, sporting events, and themed annual parties. In e-commerce entities, a budget is allocated to each department to organize events in accordance with team needs. In China, Landi organizes a major orienteering competition every year. In India, an entertainment committee has been created to organize events throughout the year. In Germany, a hackathon was organized, a temporary event during which volunteer programmers came together around various projects.

In addition to these regular events promoting fellowship and team spirit, Ingenico Group encourages community outreach initiatives, which, as well as having a positive societal impact, help strengthen employees’ feeling of belonging. In e-commerce entities, charity sales were organized during the year. The United Kingdom has set up a volunteer program.

Ingenico Group also offers the “Salary rounding” system, which enables employees in France to support charities of their choice. As a result of a vote by employees, it was decided to pay the donations to two new associations in 2019, in addition to those already included in the initiative: “A chacun son Everest” (Everyone has their Everest), which supports children suffering from cancer or leukemia and women in remission from breast cancer, and “The Sea Cleaners”, which is committed to preserving the oceans. The French entity also organized a meeting around a breakfast session between some member associations of the Arrondi sur salaire (salary rounding) scheme and Ingenico employees. The new associations were thus able to introduce themselves and the older ones presented the actions they had put in place. This meeting was conducted as part of Giving Tuesday, an event dedicated to generosity and solidarity.
2.3.2  A dynamic workforce for a dynamic Group

Ingenico Group continues to grow internationally. This expansion is reflected by strong growth in its workforce, rising from 2,830 employees in 2010 to 8,669 employees at the end of 2019, spread across 46 countries.

- Total headcount per country (permanent employees and fixed-term contracts)

With 95 nationalities represented in its workforce, Ingenico Group boasts a highly diverse talent pool as a result of the increasing internationalization of its business.

At the end of 2019, the Group’s total workforce stood at 8,669 people.

<table>
<thead>
<tr>
<th>Country</th>
<th>2017 Total</th>
<th>2017 %</th>
<th>2018 Total</th>
<th>2018 %</th>
<th>2019 Total</th>
<th>2019 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>1,768</td>
<td>22.1%</td>
<td>1,502</td>
<td>19.1%</td>
<td>1,397</td>
<td>16.1%</td>
</tr>
<tr>
<td>Germany</td>
<td>531</td>
<td>6.6%</td>
<td>547</td>
<td>7.0%</td>
<td>1,347</td>
<td>15.5%</td>
</tr>
<tr>
<td>France</td>
<td>1,044</td>
<td>13.1%</td>
<td>1,011</td>
<td>12.9%</td>
<td>961</td>
<td>11.1%</td>
</tr>
<tr>
<td>India</td>
<td>532</td>
<td>6.7%</td>
<td>494</td>
<td>6.3%</td>
<td>512</td>
<td>5.9%</td>
</tr>
<tr>
<td>United-Kingdom</td>
<td>463</td>
<td>5.8%</td>
<td>485</td>
<td>6.2%</td>
<td>509</td>
<td>5.9%</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>473</td>
<td>5.9%</td>
<td>438</td>
<td>5.6%</td>
<td>494</td>
<td>5.7%</td>
</tr>
<tr>
<td>The United States</td>
<td>377</td>
<td>4.7%</td>
<td>418</td>
<td>5.3%</td>
<td>377</td>
<td>4.3%</td>
</tr>
<tr>
<td>Belgium</td>
<td>332</td>
<td>4.2%</td>
<td>317</td>
<td>4.0%</td>
<td>324</td>
<td>3.7%</td>
</tr>
<tr>
<td>Sweden</td>
<td>255</td>
<td>3.2%</td>
<td>269</td>
<td>3.4%</td>
<td>315</td>
<td>3.6%</td>
</tr>
<tr>
<td>Australia</td>
<td>289</td>
<td>3.6%</td>
<td>291</td>
<td>3.7%</td>
<td>270</td>
<td>3.1%</td>
</tr>
<tr>
<td>Canada</td>
<td>223</td>
<td>2.8%</td>
<td>223</td>
<td>2.8%</td>
<td>233</td>
<td>2.7%</td>
</tr>
<tr>
<td>New-Zealand</td>
<td>3</td>
<td>0.0%</td>
<td>3</td>
<td>0.0%</td>
<td>182</td>
<td>2.1%</td>
</tr>
<tr>
<td>Turkey</td>
<td>169</td>
<td>2.1%</td>
<td>165</td>
<td>2.1%</td>
<td>162</td>
<td>1.9%</td>
</tr>
<tr>
<td>Spain</td>
<td>153</td>
<td>1.9%</td>
<td>147</td>
<td>1.9%</td>
<td>154</td>
<td>1.8%</td>
</tr>
<tr>
<td>Italy</td>
<td>167</td>
<td>2.1%</td>
<td>155</td>
<td>2.0%</td>
<td>147</td>
<td>1.7%</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>174</td>
<td>2.2%</td>
<td>151</td>
<td>1.9%</td>
<td>131</td>
<td>1.5%</td>
</tr>
<tr>
<td>Brazil</td>
<td>113</td>
<td>1.4%</td>
<td>120</td>
<td>1.5%</td>
<td>126</td>
<td>1.5%</td>
</tr>
<tr>
<td>Singapore</td>
<td>138</td>
<td>1.7%</td>
<td>134</td>
<td>1.7%</td>
<td>125</td>
<td>1.4%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>-</td>
<td>0.0%</td>
<td>115</td>
<td>1.5%</td>
<td>98</td>
<td>1.1%</td>
</tr>
<tr>
<td>Mexico</td>
<td>59</td>
<td>0.7%</td>
<td>93</td>
<td>1.2%</td>
<td>98</td>
<td>1.1%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>105</td>
<td>1.3%</td>
<td>94</td>
<td>1.2%</td>
<td>91</td>
<td>1.0%</td>
</tr>
<tr>
<td>Thailand</td>
<td>94</td>
<td>1.2%</td>
<td>115</td>
<td>1.5%</td>
<td>76</td>
<td>0.9%</td>
</tr>
<tr>
<td>Denmark</td>
<td>79</td>
<td>1.0%</td>
<td>67</td>
<td>0.9%</td>
<td>63</td>
<td>0.7%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>53</td>
<td>0.7%</td>
<td>59</td>
<td>0.8%</td>
<td>57</td>
<td>0.7%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>54</td>
<td>0.7%</td>
<td>60</td>
<td>0.8%</td>
<td>56</td>
<td>0.6%</td>
</tr>
<tr>
<td>Philippines</td>
<td>51</td>
<td>0.6%</td>
<td>64</td>
<td>0.8%</td>
<td>54</td>
<td>0.6%</td>
</tr>
<tr>
<td>Other</td>
<td>254</td>
<td>3.7%</td>
<td>310</td>
<td>4.0%</td>
<td>310</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>7,992</strong></td>
<td><strong>100%</strong></td>
<td><strong>7,847</strong></td>
<td><strong>100%</strong></td>
<td><strong>8,669</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

- Workforce as of December 31, 2019 (breakdown between permanent and fixed-term contracts)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th>2018</th>
<th></th>
<th>2019</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Permanent</td>
<td>Fixed-term</td>
<td>Total</td>
<td>Permanent</td>
<td>Fixed-term</td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>4,243</td>
<td>329</td>
<td>4,572</td>
<td>4,471</td>
<td>104</td>
<td>4,575</td>
</tr>
<tr>
<td>Retail</td>
<td>3,043</td>
<td>119</td>
<td>3,162</td>
<td>2,820</td>
<td>206</td>
<td>3,026</td>
</tr>
<tr>
<td>Corporate</td>
<td>251</td>
<td>7</td>
<td>258</td>
<td>237</td>
<td>9</td>
<td>246</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>7,537</strong></td>
<td><strong>455</strong></td>
<td><strong>7,992</strong></td>
<td><strong>7,528</strong></td>
<td><strong>319</strong></td>
<td><strong>7,847</strong></td>
</tr>
</tbody>
</table>
2.3.3 Talent recruitment and retention

2.3.3.1 Recruitment policy
The Group employs a variety of methods to ensure that Ingenico Group’s recruitment policy is effective, including IT tools, internal and external communication, cooptation, and partnerships with universities and schools. These measures enable Ingenico Group to recruit the best talent in the Fintech sector worldwide.

2.3.3.2 Hiring and departures

- **Hiring**
  In 2019, workforces from acquisitions represented 38.3% of hiring.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th></th>
<th>2018</th>
<th></th>
<th></th>
<th>2019</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Permanent</td>
<td>Fixed-term</td>
<td></td>
<td>Total</td>
<td>Permanent</td>
<td>Fixed-term</td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>2,066</td>
<td>134</td>
<td>913</td>
<td></td>
<td>2,301</td>
<td>1,425</td>
<td>219</td>
<td></td>
<td>1,644</td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td>25</td>
<td>34</td>
<td></td>
<td></td>
<td>11</td>
<td>45</td>
<td></td>
<td>54</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>2,066</td>
<td>235</td>
<td>2,301</td>
<td>1,425</td>
<td>219</td>
<td>1,644</td>
<td>235</td>
<td>1,630</td>
<td></td>
</tr>
</tbody>
</table>

* Payone is not included.

- **Departures**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th></th>
<th>2018</th>
<th></th>
<th></th>
<th>2019</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Permanent</td>
<td>Fixed-term</td>
<td></td>
<td>Total</td>
<td>Permanent</td>
<td>Fixed-term</td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>1,038</td>
<td>71</td>
<td>678</td>
<td></td>
<td>1,491</td>
<td>252</td>
<td>718</td>
<td></td>
<td>829</td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td>412</td>
<td>25</td>
<td></td>
<td></td>
<td>55</td>
<td>726</td>
<td></td>
<td>52</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td>19</td>
<td>10</td>
<td></td>
<td></td>
<td>7</td>
<td>47</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,038</td>
<td>106</td>
<td>1,144</td>
<td>1,491</td>
<td>314</td>
<td>1,805</td>
<td>86</td>
<td>1,611</td>
<td></td>
</tr>
</tbody>
</table>

* Payone is not included.

- **Reasons for leaving**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th></th>
<th>2018</th>
<th></th>
<th></th>
<th>2019</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resignation</td>
<td>771</td>
<td>1,247</td>
<td></td>
<td></td>
<td>1,043</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dismissal</td>
<td>121</td>
<td>173</td>
<td></td>
<td></td>
<td>190</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>End of fixed-term contract</td>
<td>57</td>
<td>96</td>
<td></td>
<td></td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual agreement</td>
<td>94</td>
<td>118</td>
<td></td>
<td></td>
<td>165</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redundancies</td>
<td>48</td>
<td>95</td>
<td></td>
<td></td>
<td>59</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>End of probationary period (by employer)</td>
<td>16</td>
<td>30</td>
<td></td>
<td></td>
<td>26</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>End of probationary period (by employee)</td>
<td>16</td>
<td>12</td>
<td></td>
<td></td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement</td>
<td>13</td>
<td>20</td>
<td></td>
<td></td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>All others</td>
<td>8</td>
<td>14</td>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,144</td>
<td>1,805</td>
<td></td>
<td></td>
<td>1,611</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Payone is not included.
2.3.3.3 Talent retention

Ingenico Group focuses particular attention on retaining its talent. Several measures are in place to attract attractive and motivating working conditions and to ensure a balance between work and personal life: competitive compensation and benefits, flexibility in the working environment, training, etc. The annual review process, conducted with 5,282 employees in 2019, allows the Group to listen to employees and ensure that their motivation and involvement is maintained throughout their career. The ‘PeopleDay’ tool helps employees to communicate regularly with their manager throughout the year, so that priorities can be adjusted in response to current events.

Apart from dialogue with their manager, employees can also give and receive assessments to/from other internal stakeholders, giving them a clearer understanding of their work and ensuring more regular dialogue between the various teams.

In 2019, the Group developed a global approach to support and grow its talents: this will be continued in 2020, with the deployment of a specific talent review process.

In this context, the voluntary turnover rate(1) decreased in 2019 to reach 11.4%, versus 12.3% in 2018.

The People In survey conducted in 2019 (see Chapter 2.3.1.3. “Strengthening employee engagement”) aims to address this issue of talent engagement and retention.

2.3.4 Optimal working conditions

2.3.4.1 Organization of working hours

- Breakdown of full-time and part-time contracts

The percentage of part-time staff remained stable between 2018 and 2019, representing 4.5% of the Group’s total workforce in 2019.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full-time</td>
<td>Part-time</td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>4,483</td>
<td>89</td>
<td>4,572</td>
</tr>
<tr>
<td>Retail</td>
<td>3,001</td>
<td>161</td>
<td>3,162</td>
</tr>
<tr>
<td>Corporate</td>
<td>247</td>
<td>11</td>
<td>258</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>7,731</strong></td>
<td><strong>261</strong></td>
<td><strong>7,992</strong></td>
</tr>
</tbody>
</table>

- Temporary workers and outsourcing

In 2019, the number of outsourced and temporary workers totaled 1,806 FTE (full-time equivalent employees). The bulk of the work that is outsourced consists of application development, call center, maintenance and repair work.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Outsourced</td>
<td>Temporary</td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>955</td>
<td>287</td>
<td>1,252</td>
</tr>
<tr>
<td>Retail</td>
<td>250</td>
<td>249</td>
<td>499</td>
</tr>
<tr>
<td>Corporate</td>
<td>78</td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,283</strong></td>
<td><strong>546</strong></td>
<td><strong>1,829</strong></td>
</tr>
</tbody>
</table>

2.3.4.2 Health and safety

Ingenico pays special attention to the health and safety of its employees.

Most of Group entities have a dedicated Health and Safety Committee. Through specific measures, these committees help to protect the health and safety of employees and so improve working conditions.

Health

Most entities offer full medical examinations for all their employees. In France, collective bargaining agreements on health and welfare costs are in place. In China, employees have access to sickness insurance, including for industrial injuries, and supplementary insurance for salespeople. In the Philippines, an annual review is offered to all employees.

The majority of the Group’s entities have set up a Health and Safety Committee in accordance with the regulations specific to each country.

In Sweden, a policy and manual on the working environment were drawn up in 2019. These arrangements will be applied subsequently to all Nordic entities. In addition, all Swedish managers and team leaders received training in March 2019 on the working environment.

In the New Zealand entity, an induction video on health and safety is provided to employees. In Brazil, Colombia, Mexico, the United States, the United Kingdom and Spain, well-being programs are also in place.

(1) Total number of resignations divided by the average number of permanent employees over the whole year.
Psychosocial risks are also subject to particular attention. Several countries have implemented specific initiatives aimed at prevention, such as in Belgium with the Corporate Vitality program launched in 2015, and in the United Kingdom with the Employee Assistance Program. Nordic countries consider work-related stress and fatigue as occupational illnesses.

In accordance with the European regulations on the prevention of risks of employee exposure to electromagnetic fields, several European countries have assessed or planned to assess these risks.

The Group recorded an absenteeism rate of 2.62% in 2019, compared to 2.11% in 2018 and 2.24% in 2017. In 2019, 87 occupational accidents, of which four were road traffic accidents, and 28 occupational illnesses were recorded at Group level.

Safety

To ensure the safety of employees, the Group's entities carry out evacuation exercises, make first aid training available and conduct on-site safety audits.

In Mexico, a country regularly affected by earthquakes, Ingenico Group employees took part in preventive protection exercises against potential earthquakes. These exercises are also conducted in Canada. In the United States, a response team was set up to take appropriate action in the event of fire, an employee heart attack or intrusion of a gunman into the premises. In e-commerce entities, an internal emergency plan has been deployed for evacuations, which includes conducting an audit of the building. Some entities are also putting evaluations in place to estimate employees' level of exposure to magnetic fields.

In the Global Collect entity in the Netherlands, an inventory and risk assessment were conducted at the beginning of 2019.

Management of employees in exceptional situations

The Group has a crisis management procedure to inform employees and allow them to take the necessary measures in the event of a major incident by using specific communication tools. Exceptional circumstances in France in 2019 (extended strike) required implementing advance notification in order to plan ahead for potential impacts on employees and on business continuity.

An update of the business continuity plan and regular drills help to validate the new safety measures. This procedure, which has been integrated into Ingenico Group's management system, received ISO 22301(1) certification following an external audit.

2.3.4.3 Development of telecommuting

The Group continues to develop and support telecommuting on a part-time basis, which enables its employees who can work in this way to achieve a work-life balance. Currently, 59.4% of the Group's entities give their employees the opportunity to work remotely. In 2019, telecommuting was used by a monthly average of 520 employees, an increase from the figures of 2018 (398).

In France, the charter relating to telecommuting, which entered into force in 2013, was revised in 2017 to relax the conditions of telecommuting for employees and to simplify the administrative processing of requests.

During 2019, several entities set up a telecommuting policy with specific conditions. In Argentina, Mexico and the United States, one day of telecommuting per week is authorized. In Germany and Spain, the conditions are specific according to the work performed and are described in the employment contract. In the Global Collect entity in the United States, the telecommuting policy depends on the location of the job. However, in some entities where there is no telecommuting policy, employees may be authorized by their manager to work from home.

2.3.4.4 Employee compensation and recognition

Because its people are crucial to Ingenico Group’s success, its compensation policy aims to support their commitment, recognize their individual and collective contributions, win their loyalty, and attract new talents.

To sustainably support this dynamic approach, the Group’s overall compensation policy is based on several core principles:

- a competitive and fair compensation policy based on a tailored job evaluation and classification system. In each of the Group’s entities and countries of operation, compensation packages are benchmarked annually with Ingenico Group’s market and calibrated in-house in order to assess and ensure fairness of pay within the Group;
- a compensation policy that aims to support and recognize employees’ contributions to the Group’s performance. This is achieved through annual pay review campaigns and a bonus policy governing the process for the setting and achievement of annual individual and collective objectives;
- a responsible compensation policy that aims to offer welfare benefits for all Group employees in line with local practices and regulations.

In most countries, these three core principles are tailored to local parameters and markets, such as social legislation and legal developments, as well as the economic conditions, the labor market and competition.

This policy is reinforced by an expanding communications approach aimed at helping employees to clearly identify and understand each component of their compensation.

Since 2015, all employees in France receive an individualized report in which their total compensation is broken down and explained. Through its communications, the Group also aims to make employees aware of various employment-related issues, such as health, benefits and retirement, and to encourage their use of all the tools available to them.

Payroll costs are shown in Note 6 “Employee benefits” to the consolidated financial statements as of December 31, 2019.

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(1) “Scope of application: business continuity management for the production of (POS) payment terminals and associated support, the provision of services and associated support, and the cross-functional activities of the head office.”
In accordance with its code of ethics and business conduct, the Group observes the principle of freedom of association and staff representation, whether by direct representation or through unions. It promotes constructive dialog with employee representatives and unions, based on mutual respect, responsibility, and the keeping of commitments.

A number of Group subsidiaries have active employee representative bodies, such as "works councils" which cover 34% of Ingenico Group's total workforce, or union representatives, which cover a total of 42% of the Group's workforce. Collective bargaining agreements are in place in France, Germany, Spain, Italy, India, Brazil, the Netherlands, and Sweden, representing 30% of the Group's workforce. In the main, these agreements cover employment conditions: working hours and profiles, paid leave and public holidays, the minimum wage, incentive programs, etc.

**2.3.5 Promotion of diversity**

**2.3.5.1 Anti-Discrimination practices**

Ingenico Group has put in place a code of ethics and business conduct which formalizes the core guidelines common to all Group entities. This code is based in particular on equal opportunity on the basis of merit and skill, and the prohibition of discrimination. By adhering to these principles, Ingenico Group is able to provide its employees with a fair and safe working environment.

The Group's subsidiaries use these guidelines to implement local initiatives, such as the introduction of policies specific to the fight against all forms of discrimination and promoting equal opportunity. The fight against discrimination is also highlighted within several entities via Employee Handbooks distributed to employees which set out the procedure to be followed to notify a case of harassment or discrimination within the entity. Others have introduced training to prevent the risks of discrimination and harassment, as well as formal complaint procedures.

Some Group entities offer employees the opportunity to consult dedicated people, as in Germany with the appointment of a legal representative on fair treatment, or in the Netherlands with the existence of an external adviser acting in total confidentiality. Although it is not the language of the country where the Company is based, the designation of English as the language used within the various entities of Bambora encourages the inclusion of all employees. In the United States, a positive discrimination plan has been implemented.

In the Netherlands, for example, diversity awareness sessions are conducted for young employees. In Germany, employees have to read and acknowledge receipt of a document relating to the law on equal treatment (Allgemeines Gleichbehandlungsgesetz).

In 2017, the Economic and Social Unit (UES Ingenico in France) signed an agreement promoting the integration, retention and development of disabled persons. This agreement involves actions in four specific areas: recruitment, job retention, training and awareness, as well as stronger collaboration with the protected and disability-adapted sector. In 2019, as part of European Disability Employment Week, the French entity carried out an awareness-raising action on "Dys" disorders (dyslexia, dysorthography, dyspraxia), the impact they may have on professional and personal life and the means to alleviate them.

In other Group entities, actions are also undertaken to encourage the integration of people with disabilities into the world of employment; implementation of partnerships with specific providers to facilitate integration of disabled persons; provision of adapted workstations and deployment of action plans to encourage the employment of disabled persons, such as in the United States, where job offers are published on sites specifically for people with disabilities; it is also customary in the Global Collect entity in the United States to pay attention, when preparing job offers, to not favoring a particular gender.

To combat discrimination of any kind, the entity in Mexico has set up specific training courses on "Mental Bias" (how not to have a "biased" opinion on minorities), personal development and "inclusive teams" aimed at making employees aware of discrimination.

Many of the Group's entities comply with local regulations regarding the employment of disabled persons, which generally take the form of "percentage of total employees in the entity". In addition, some entities are putting in place specific actions to encourage the integration of disabled persons, as in France, where a "Handinov" newsletter is regularly sent to employees.

In 2019, there were 88 disabled persons in the Group's workforce (excluding entities with fewer than 16 employees). In France, the percentage of disabled persons was 1.67% of the workforce in 2019.

In general, the Group endeavors to create all the conditions of an environment encouraging integration and preventing any discriminatory practices.
2.3.5.2 Representation of age groups and nationalities within the Group

- Workforce by age range

The average age of Group employees is 38.7 years, a figure that is relatively stable year on year.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th>2018</th>
<th></th>
<th>2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;30</td>
<td>30 &amp; 50</td>
<td>&gt;50</td>
<td>Total</td>
<td>&lt;30</td>
<td>30 &amp; 50</td>
</tr>
<tr>
<td>B&amp;A</td>
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<td>2,692</td>
<td>611</td>
<td>4,572</td>
<td>1,084</td>
<td>2,835</td>
</tr>
<tr>
<td>Retail</td>
<td>617</td>
<td>2,180</td>
<td>365</td>
<td>3,162</td>
<td>608</td>
<td>2,031</td>
</tr>
<tr>
<td>Corporate</td>
<td>23</td>
<td>182</td>
<td>53</td>
<td>258</td>
<td>30</td>
<td>167</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,909</td>
<td>5,054</td>
<td>1,029</td>
<td>7,992</td>
<td>1,722</td>
<td>5,033</td>
</tr>
</tbody>
</table>

- Workforce by age range and by type of contract

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th>2018</th>
<th></th>
<th>2019</th>
<th></th>
</tr>
</thead>
<tbody>
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<td></td>
<td>&lt;30 &amp; 50</td>
<td>&gt;50</td>
<td>Total</td>
<td>&lt;30 &amp; 50</td>
<td>&gt;50</td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>1.170</td>
<td>99</td>
<td>2,496</td>
<td>196</td>
<td>577</td>
<td>34</td>
</tr>
<tr>
<td>Retail</td>
<td>570</td>
<td>47</td>
<td>2,114</td>
<td>66</td>
<td>359</td>
<td>6</td>
</tr>
<tr>
<td>Corporate</td>
<td>17</td>
<td>6</td>
<td>182</td>
<td>0</td>
<td>52</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,757</td>
<td>152</td>
<td>4,792</td>
<td>262</td>
<td>988</td>
<td>41</td>
</tr>
</tbody>
</table>

2.3.5.3 Efforts to promote gender equality at work

Ingénico Group is convinced that diversity is a performance driver for the Company, and intends to improve the promotion of gender equality through various initiatives. This is why it has made diversity one of the main areas of development of its CSR program, SHARE.

<table>
<thead>
<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase the representation of women in the workforce to 35%</td>
<td>30%</td>
<td>31%</td>
<td>31.6%</td>
</tr>
<tr>
<td>Reflect workforce diversity in management positions (bands 7-8):</td>
<td>24%</td>
<td>25%</td>
<td>15%</td>
</tr>
<tr>
<td>● 30% women</td>
<td>56%</td>
<td>59%</td>
<td>62%</td>
</tr>
<tr>
<td>● 70% non-French</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In a highly technical business sector, where men are traditionally over-represented, Ingénioco Group is promoting gender equality (SDG 5*) through a variety of initiatives. In 2019, for the first time, Ingénioco used the Bloomberg reporting framework on gender equality to evaluate its data, policies and products from the perspective of diversity.

Ingénioco Group strives to create the conditions for an even better representation of women in its workforce, and initiatives are being developed in this end at Group entities and around the world. These initiatives focus on recruitment, career advancement, compensation, and work-life balance.

By way of example, the Chinese entity encourages increased numbers of women on research and development teams. In Taiwan, a room is available for female employees to breastfeed and a contract is in place with a nursery close to the workplace to assist with daycare for young children. In France, Ingénioco Group is a partner of the Élles Bougent [Girls on the Move] association, which aims to encourage young girls to consider careers in the scientific and technology sectors. Entities in Australia, Brazil, Colombia, the Nordic countries and the United States comply with the local requirements imposed in terms of equal opportunities.

Some initiatives are in place in the various Group entities. In Australia, International Women’s Day is celebrated, during which diversity statistics are shared with the local management team. Within the Paymark entity, a day is organized once a quarter to celebrate cultural diversity. Paymark is also a member of the “Champions for Change” program, which aims to raise awareness, engage and accelerate diversity and inclusion in the workplace.

The Group continues its efforts to foster gender equality through actions such as its partnership with Women in Payments, a network that promotes and participates in the development of female leadership in the payment sector. In France, Ingenico participated for the first time to the event “Assises de la Parité” (convention for gender parity), organized in 2019 by International Women’s Forum.

In 2019, in accordance with French law, Ingenico in France published its index on gender equality. This index is based on five indicators measured according to a points scale defined by decree:

- pay gap between women and men;
- increase rate differential between women and men;
- promotion rate differential between women and men;
- proportion of employees returning from maternity leave who received an increase on their return when increases occurred during the period of their leave;
- number of women out of the ten employees who received the highest compensation.

For the 2018 reference period published in 2019, the Ingenico index in France (UES Ingenico) was 89 out of 100.

The WIN program

The Group’s ambition for gender equality was notably realized in October 2019 with the creation of WIN – We at Ingenico – the Group network dedicated to diversity, sponsored by two members of the Group’s Executive Committee. WIN’s first task will be to promote gender equality and inclusion within the Group. WIN’s objective is to provide women with the resources necessary to achieve leadership positions within the Company and to create a more inclusive work environment. As part of this program, learning sessions were launched in 2019, as well as an initial internal event. In 2020, the Group will launch a mentoring program for the first time as part of WIN.

- **Workforce by gender**

  The number of women remained stable between 2018 and 2019, at 31.6% of the total workforce, and is close to parity within Corporate functions (123 women – 141 men). The difference between the number of women in top management positions and the number of women in the total workforce is 16.6%.


<table>
<thead>
<tr>
<th>Region</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Women</td>
<td>Men</td>
<td>Total</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>1,295</td>
<td>3,277</td>
<td>4,572</td>
</tr>
<tr>
<td>Retail</td>
<td>979</td>
<td>2,183</td>
<td>3,162</td>
</tr>
<tr>
<td>Corporate</td>
<td>113</td>
<td>145</td>
<td>258</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,387</strong></td>
<td><strong>5,605</strong></td>
<td><strong>7,992</strong></td>
</tr>
</tbody>
</table>

- **Workforce by gender and by type of contract**


<table>
<thead>
<tr>
<th>BU</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>W</td>
<td>M</td>
<td>W</td>
</tr>
<tr>
<td></td>
<td>Permanent</td>
<td>Fixed-term</td>
<td>Permanent</td>
</tr>
<tr>
<td>B&amp;A</td>
<td>1,109</td>
<td>186</td>
<td>3,134</td>
</tr>
<tr>
<td>Retail (CMD)</td>
<td>928</td>
<td>51</td>
<td>2,115</td>
</tr>
<tr>
<td>Corporate (CMD)</td>
<td>110</td>
<td>3</td>
<td>141</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,147</strong></td>
<td><strong>240</strong></td>
<td><strong>5,39</strong></td>
</tr>
<tr>
<td><strong>TOTAL (%)</strong></td>
<td><strong>89.9 %</strong></td>
<td><strong>10.1 %</strong></td>
<td><strong>96.2 %</strong></td>
</tr>
</tbody>
</table>

2.3.5.4 Diversity within governance bodies

As of December 31, 2019, the percentage of women on the Executive Committee was 40%, placing Ingenico Group among the most performant companies of SBF 120 in terms of women representation.

- **Workforce by gender in governance bodies as of December 31, 2019**


<table>
<thead>
<tr>
<th>2019</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Women</td>
<td>Men</td>
<td>Total</td>
</tr>
<tr>
<td>Executive Committee</td>
<td>4</td>
<td>40%</td>
<td>6</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>5</td>
<td>45%</td>
<td>6</td>
</tr>
</tbody>
</table>

(1) In accordance with legal provisions, the Board member representing employees is not taken into account when calculating the percentage of women on the Board of Directors.
• Workforce by age group in governance bodies as of December 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 30 years of age</td>
</tr>
<tr>
<td>Executive Committee</td>
<td>0</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>0</td>
</tr>
</tbody>
</table>

(1) The Board member representing employees is not taken into account when calculating this ratio.

• Workforce by nationality in governance bodies as of December 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>French</td>
</tr>
<tr>
<td>Executive Committee</td>
<td>8</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>8</td>
</tr>
</tbody>
</table>

(1) The Board member representing employees is not taken into account when calculating this ratio.

As part of its SHARE program launched in 2019, Ingenico Group has set itself a goal for non-discrimination, gender equality and employee diversity.

2.4 INGENICO GROUP’S CONTRIBUTION TO SOCIETY

• Key indicators 2019

- 78% of strategic components suppliers assessed on their CSR performance
- 19.5 million transactions that resulted in the collection of €173.4 M in charity donations
- 70% of new employees who signed the code of ethics on their arrival
- 100% of Ingenico components suppliers assessed on the source of minerals used
- Net Promoter Score for employees (NPS): -8.6

As a global company growing in influence and impact, Ingenico Group is increasingly committed to managing the societal impacts that stem from its operations, products and business relationships, which represent one of the four fields of action of its CSR program, SHARE.

Within a complex, constantly evolving ecosystem, the Group must address a number of societal risks and be able to grasp opportunities that allow it to have a positive impact on the world and to develop sustainably. As a responsible corporate citizen, Ingenico Group seeks to maintain and enhance professional ethics, prevent corruption and respect human rights, both in terms of its own business activities and within its supply chain. Some of its business activities expose Ingenico Group to risks associated with both the security of its information and the safety of its products. It must in particular prevent security breaches and ensure the protection of personal data. It must also guarantee that its products have no adverse effects on the health of their users. Considering the Group’s ambition to become the global leader in omnichannel payment, it must maintain regular dialogue with its many stakeholders in order to meet their expectations and adapt to their environment and to the specific features of certain local markets.

To meet these challenges in 2019 the Group continued to develop its policies in the following areas:
- business ethics;
- ensuring the protection of personal data;
- ensuring the safety of its products and solutions;
- developing responsible practices within its supply chain;
- engaging stakeholders.

These policies and the actions taken as a result are set out below.
2.4.1 Ethics and combating corruption

Ingenico Group is committed to ensuring that all its operations are conducted with honesty and integrity and in compliance with applicable laws and regulations, in particular in terms of combating corruption (SDG 16(9)). The board and its committee are particularly mindful with this subject.

2.4.1.1 Business ethics

In addition to meeting its purely regulatory obligations, including those relating to the fight against money laundering and the financing of terrorism in its regulated entities, the Group’s scrupulous ethical commitments are laid out in its code of ethics and business conduct(9) which is designed to create common principles that comply with all applicable laws and regulations. This is made available to all Ingenico Group employees in all the countries in which it operates. The code of ethics and business conduct, prefaced by Nicolas Huss, Chief Executive Officer of Ingenico Group, is distributed to employees upon arrival and accessible on the Group’s intranet and to third parties on its website.

For Ingenico Group, it is vital that its rigorous ethical culture is fully understood and put into practice throughout the Group. That is why the code of ethics and business conduct is available in 14 languages, accounting for most of those used by the Group’s employees: French, English, Chinese (traditional and simplified), Spanish, Turkish, German, Dutch, Russian, Portuguese, Italian, Indonesian, Thai and Japanese.

The code of ethics and business conduct focuses on the Group’s key principles that are based on texts and standards such as the Universal Declaration of Human Rights and the United Nations Global Compact, relating to environmental protection, its employees’ fundamental rights (equal opportunities, prohibition of harassment and of child and forced labor, occupational health and safety, freedom of association and collective bargaining), prohibiting any form of corruption, and to good corporate governance.

The code is the tool by which the Group aims to influence its entire ecosystem, and it sets out the standards the Group expects, not only from its own employees, but also from the third parties with whom it operates. In the majority of entities, Group suppliers are required to accept the code of ethics and business conduct before they can be listed.

Potential breaches of the code of ethics and business conduct can be identified using a reporting procedure that is available to all employees or stakeholders in the Group who want to raise an issue, doubt or grievance. To this end, the reporting hotline is accessible by email or by telephone. This reporting hotline is complemented by local whistleblowing procedures. The Group is committed to handling any reported incidents confidentially and fairly, in accordance with the relevant legislation.

In 2019, the Group continued its internal communication campaign regarding the Group’s ethics reporting hotline, via newsletters, posters and a dedicated page on the Group’s intranet. All cases reported were handled.

The code was updated in 2019 and includes as an appendix the Group’s policy on gifts and invitations, the whistle-blowing policy and a new anti-corruption policy.

In 2019, the Group also established a policy on conflicts of interest in order to formalize the prevention and management of conflict of interest situations within Ingenico.

The principles set out in the code of ethics and business conduct and its associated policies, such as the Group policy on gifts and invitations and the whistle-blowing policy, are covered in e-learning and/or classroom-based training courses.

The fight against corruption is one of the Group’s top priorities. It maintains an anti-corruption risk mapping, which continues to form the basis for a range of measures to strengthen its anti-corruption efforts.

In 2019, the Compliance Department conducted training and awareness-raising sessions on ethics and combating corruption among particularly exposed staff, such as the management committees of the two Business Units, Retail and B&A, the Group’s Executive Committee and management and key functions in China. The training program also included a Learning Week dedicated to risks and compliance.

New training courses and an e-learning module dedicated to combating corruption will be deployed in 2020 to act in the best possible way to address the main risks of corruption at Group level. These training courses will also comply with the legal obligations of France’s Sapin 2 Law.

2.4.1.2 Local initiatives to promote ethical practices

In addition, some entities have implemented measures tailored to the local context, such as external whistle-blowing hotlines in countries where this is authorized. This process is in place in Belgium, China, the Netherlands and the United States.

Other local initiatives in favor of ethical practices have been implemented locally, such as:

- specific ethics training offered in India and Spain;
- a policy to combat corruption, disciplinary processes and mandatory modules on Ingenico University relating to data protection and the code of ethics for all new employees in the United Kingdom;
- an anti-money laundering policy, reporting and targeted awareness-raising actions in Sweden and in certain entities of Global Collect;
- an anti-fraud committee, a policy and a hotline to report behaviors that are contrary to ethical practices in China;
- a questionnaire based on anti-corruption principles sent to the various employees in Thailand to identify any malfunctions and implement measures if necessary.

(1) For more information on the United Nations Sustainable Development Goals, see: http://www.un.org/sustainabledevelopment/
sustainable-development-goals/

• preliminary audits for any new customer in Australia and New Zealand in order to prevent money laundering and the financing of terrorist activities in accordance with the Anti-Money Laundering and Countering Financing of Terrorism Act;

• approval by managers of all employee expenses in countries using the -buy tool for combating money laundering;

• establishment of an anti-corruption officer position in Ukraine to ensure strict compliance and regular audits.

### 2.4.2 Tax transparency

Ingenico Group operates in 49 countries and is subject to taxation in all these jurisdictions. At local level, the Group’s entities undertake, without exception, to ensure compliance with the tax legislation. With regard to transfer prices, tax residence and the tax implications of the digital economy, the Group follows the provisions of the double taxation agreements and the OECD tax directives, particularly the BEPS (Base Erosion and Profit Shifting) project.

Given the complexity of the international tax environment, a certain degree of tax risk and uncertainty is inherent in the Group’s business activities. For this reason, the Group employs a team of tax experts who work closely with all internal stakeholders to manage these tax risks. It ensures that its tax team is fully involved in any significant commercial development, so that all the tax implications of its actions can be assessed beforehand. External advice is requested in the event of uncertainty or complexity. In addition, the Group maintains a dialogue with local tax authorities on various topics such as intellectual property issues.

Ingenico Group strives to manage its relationships with the tax authorities proactively, transparently and responsibly by talking to them before projects start and by communicating all the information requested. The sole objective of tax planning, in line with its economic and commercial activity, is to create long-term economic value. As a result, the Group does not engage in aggressive tax planning.

In 2019, the taxes payable were €54.7 million, with an effective tax rate of 20.18%.

#### Total 2019 taxes and social contribution allocation

- 25% Rest of the world
- 41% France
- 5% Italy
- 5% China
- 5% United Kingdom
- 11% Germany
- 8% United States
2.4.3 Data privacy

As digital technology develops, it is essential that personal data is protected and individuals’ privacy is respected (SDG 16†). In 2019, the Group continued to roll out its global project to achieve compliance with the General Data Protection Regulation (GDPR) as well as with local laws.

The network of Data Protection Officers, appointed to the local authorities in seven member countries of the European Union, has been strengthened and institutionalized in order to share and disseminate best practices in the Group in terms of the protection of personal data and to advise stakeholders on the application of the regulatory requirements in this regard.

In terms of employee training, two e-learning modules relating to the protection of personal data have been made available in three languages, with training followed and certified by more than 25% of the workforce based in the European Union during the second half of 2019. In addition to the initial training, Ingenico Group arranged awareness-raising actions through a Learning Week in October 2019 for all regions (webinar on data protection) and the incorporation of two courses on ethics, compliance and the protection of personal data on the LinkedIn Learning platform. These two courses are delivered in English and allow employees to acquire the basic knowledge and learn how to apply it at Ingenico.

The measures implemented as part of ensuring compliance with the GDPR, policies and procedures or standard documents in particular, are used as a basis for compliance actions necessary in other non-EU countries that have adopted similar regulations, such as Brazil (LGPD) and Turkey. They enable standard dissemination of best practices in the Group, thereby reinforcing the protection of personal data and compliance documentation.

Among the entities that have implemented additional measures, we can mention the following:

- the Landi entity in China, where an NDA (Non-Disclosure Agreement) is signed by all employees;
- the Global Collect entity, also based in China, which offers e-learning training on data protection topics;
- the Paymark entity in New Zealand and the Ingenico entity in Spain, which offer training on privacy protection.

2.4.4 Intellectual property

Respect for intellectual property rights was identified as a major issue by the Group’s stakeholders. To ensure that the rights of third parties are guaranteed, whenever necessary, the Group conducts research on existing intellectual property and keeps a close watch over its patent portfolio. It has also implemented a system for actively monitoring these matters (see Chapter 1).

2.4.5 Information security

Information security is a key concept for Ingenico Group and is at the heart of its innovation approach. In a context of open innovation, employees, customers, partners and even competitors around the world can now collaborate in the commercial innovation process, which requires solid security strategies and practices. As a result, information security has become a key component of commercial success.

The Group has developed a process for evaluating cyber security threats, a company-specific risk assessment process and an evidence-based management process. The Group regularly assesses the risks associated with information security and implements standardized countermeasures to combat them (see Chapter 1.2.3).

Ingenico has also deployed a security awareness module available as e-learning. This aims to identify the risks associated with information security and to ensure that employees and partners are trained and able to provide the best line of defense to counter the risks associated with information security. This module is made available to new employees as part of the induction program.

The Group’s policy is to select only those data centers with ISO 27001 certification for managing information security. As of December 31, 2019, Ingenico had 36 data centers and 33 of them (92%) had achieved this certification.

In addition, the Landi entity in China has set up a committee dedicated to information security.

† For more information on the United Nations Sustainable Development Goals, see http://www.un.org/sustainabledevelopment/
sustainable-development-goals/
2.4.6 Product safety

To protect the health and safety of its customers and the end users of its solutions, Ingenico Group provides detailed user guides that include, for example, information on terminal emissions and voltage levels, in line with the regulations in force in the various countries.

Ingenico Group’s environmental requirements for its suppliers and subcontractors concerning the composition of its terminals also help protect user’s health and safety. In particular, the Group ensures that its products do not contain dangerous substances, as defined by the regulations of RoHS (Restriction of Hazardous Substances), which aims to limit the use of 10 hazardous substances) and REACH (Registration, Evaluation, Authorization and Restriction of Chemicals, which aims to improve health protection and enhance knowledge regarding chemical substances).

In addition, Ingenico Group is committed to rigorously testing its products and applications, not only during the research and development phases, but also when terminals are sent for repair. Training on the health and safety aspects of products is provided, particularly for employees responsible for customer support. They are therefore able to provide guidance to customers for handling an incident such as a terminal that is emitting smoke or has a burning smell.

2.4.7 Solutions for financial transparency and inclusion

Ingenico Group develops electronic payment services to promote transparency and financial inclusion. By providing these services in a way that is secure, suited to the needs of local markets and widely accessible, the Group is helping governments to lay the foundations of social development.

2.4.7.1 Financial transparency solutions

The collection and redistribution of tax is essential to the development of a society. Without a secure, transparent and inclusive system, the State does not have the means to stimulate growth and redistribute its wealth. Ingenico Group’s tax transparency solutions give national public institutions the means to efficiently manage the country’s wealth, thereby contributing to the fight against fraud and the informal economy while reducing inequalities (SDGs 10, 16 and 17).

Transparent and secure solutions for tax collection

In order to ensure sustainable economic development, it is important that the State collects taxes from its citizens efficiently and limits the risk of fraud. By its very nature, electronic payment contributes to the reduction of fraud and illicit financial flows (SDG 16). Ingenico Group has strengthened its commitment by launching solutions to improve the traceability of monetary transactions and the transparency of the financial system in line with governments’ anti-fraud requirements, both in emerging economies and in G20 countries.

As an example, the solution designed for Turkey enables merchants’ transactions to be reported to the tax authorities. At the point of sale, the product supplied to merchants combines cash register, payment terminal and printer features. All merchants’ card or cash sales are stored indelibly in a fiscal memory and electronic sales register, enabling the authorities to have better control over financial transactions and to combat VAT fraud. This development was introduced following the adoption in 2012 of a law requiring all merchants to have a payment terminal with a fiscal module connected via the Internet to the Ministry of Finance. At the time, many multinational companies set up a payment solution that met the new legal requirements. Since this first initiative, Ingenico Group has extended its range of financial traceability solutions with the iWE280 and iDE280 products to cover larger numbers of merchants. 31,000 fiscal memory terminals were distributed in 2019, bringing the number of terminals installed to more than 250,000.

In Russia, the use of cash registers is regulated by Federal Law 54. To comply with these regulations, merchants must be equipped with a cash register certified by the Russian Tax Service. To do so, the cash register must be connected to a fiscal module via servers dedicated to the processing of tax data (Fiscal Data Operators).

Ingenico has adapted the Android APoS AB terminal to meet this need. By leaving a dedicated space on the terminal for the addition of a fiscal module and by making connection possible within the terminal, Ingenico enables its terminal to become a cash register compliant with the regulations. Ingenico has collaborated with collection solutions supplier ShtriK-M to support this solution on this terminal and certify it with the Russian Tax Service. This solution began to be deployed on the Russian market in the second half of 2019.

New solutions are expected to be deployed in other countries over the coming years, in line with the regulations adopted. Accordingly, specifications for automatic registration of tax data are currently being defined in Poland and are being studied in many African countries.

Apart from providing assistance with the collection of VAT, Ingenico offers solutions for the efficient collection of one-off, specific taxes. The best illustration of this is the Group’s long-term collaboration with its Kenyan partner, Tracom, on a tax collection solution in Nyeri County. This initiative was sponsored by Equity Bank and reinforces the emerging culture of electronic payments in the country. Agents equipped with Ingenico terminals and an app developed for the collection of fees and taxes (parking fees, property taxes, market stall fees, etc.) can now collect payments directly from taxpayers. This system enables better traceability of the funds collected and

2.4 Ingenico Group’s contribution to society

Effective cost reduction thanks to its fully electronic process. In this way, residents can pay local government fees from their workplace, without wasting time commuting or waiting in line.

Solutions for secure, inclusive redistribution of tax collected

In order to ensure society shares in the benefits of domestic growth, the State must be just as stringent in the payment of social benefits. In Zambia, Ingenico Group and its partner Paycode have implemented a system for the payment of subsidies to farmers. Ingenico’s biometric solution has enabled the Zambian government to pay $27.2 million in aid to almost 200,000 farmers. Once registered on the system, which simply requires a fingerprint, farmers can spend their allocation in a secure, closed-loop environment and make the investments necessary to increase their productivity.

Ingenico developed a similar system in Iraq, in partnership with QICard. It involves the production of biometric cards that holders, once they have registered, can use to transfer funds, withdraw cash, receive their pension from the State or their salary from their private sector employer using Ingenico biometric terminals. Thanks to the partnership with Mastercard, the second-generation cards are even capable of making in-store EMV transactions. Since it was launched, this program has been a resounding success, helping to reduce fraud significantly, while widening access to the service. At the end of 2019, more than 74 million biometric cards were in circulation and Ingenico Group had equipped the branches of 12 banks operating in Iraq with 15,000 biometric terminals.

2.4.7.2 Solutions for financial inclusion

These solutions aim to provide all individual and business customers with access to lower-cost financial services appropriate to their needs. Significant progress has been made in recent years. According to the World Bank, in 2017, 69% of adults had access to a bank account or a mobile banking service, compared to 51% in 2011. However, 1.7 billion adults are currently still financially excluded(1). Ingenico Group’s financial inclusion solutions meet this need and provide these populations with the tools they need to overcome poverty (SDG 1(2)). More specifically, the Group provides access to financial services (transfers, savings, loans) for hard-to-reach communities (people on low incomes, rural households, senior citizens) (SDGs 1 and 8) and it supports the development of microbusinesses by providing appropriate credit solutions (SDGs 8 and 9).

Access to financial services for unbanked populations

Since 2013, Ingenico Group and its partner eMoney have been working in West and Central Africa to roll out a solution that offers access to low-cost, secure financial services to those on low incomes. This solution, which is installed on Ingenico’s iWL mobile terminals, enables users to transfer money, pay bills and access banking services, as well as purchase mobile phone top-up credit. It has been launched in several countries including Benin, Ivory Coast, Burkina Faso, Niger, the Republic of the Congo (Brazzaville), Cameroon, Togo, and Guinea.

Based on this solution, a roaming savings and account-opening service was also launched nearly four years ago in Cameroon, in partnership with a local microfinance institution (MFB).

In East Africa, Ingenico Group provides Branchless Banking technology in partnership with Tracom for local banks looking to provide services in rural areas, through a network of “agents” who are recruited among local merchants and trained by the bank. Using a mobile device, “agents” can register new customers, activate their cards and enable customers to make deposits or withdraw money. This branchless banking solution is giving financially excluded people access to banking services in remote areas, at a lower cost, thereby overcoming the barriers of geographic access, basic financial knowledge and language. Today, more than 90,000 banking agents equipped with Ingenico terminals give the population access to financial services.

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(1) Global Findex Database 2017: https://globalfindex.worldbank.org/
(2) For more information on the United Nations Sustainable Development Goals, see http://www.un.org/sustainabledevelopment/sustainable-development-goals/
2.4.8 Responsible purchasing

With nearly €1 billion spent in 2019, managing responsible purchasing plays an essential role in Ingenico Group’s social responsibility.

Ingenico Group expects all its suppliers to meet the requirements set out in its code of ethics and business conduct, including the prohibition on child and forced labor, occupational health and safety, environmental protection, and the prevention of fraud and corruption.

For several years now, the Group has been developing its approach to responsible procurement through its purchasing policy, evaluating and monitoring its suppliers, incorporating environmental and social criteria, in order to minimize the risks and maximize the opportunities arising. This incremental approach involving many external and internal stakeholders has led in particular to the development of a specific action plan for responsible purchasing integrated into the SHARE program.

Ingenico Group’s supply chain falls into two main categories: direct purchases or production purchases that are required for the manufacture of terminals, and indirect purchases that are not associated with product manufacturing.

2.4.8.1 Responsible purchasing policy and CSR risk mapping

In 2018, Ingenico Group created two key tools for the development of its approach to responsible purchasing: a specific policy and an initial supplier risk mapping.

2.4.8.1.1 Responsible purchasing policy

The Group’s responsible purchasing policy is in keeping with its ambition of creating sustainable growth and value for all its stakeholders. It is built on five commitments:

- maintain fair relations with our suppliers;
- promote high labor and human rights standards through our supply chain;
- promote high environmental standards through our supply chain;
- promote high ethical standards through our supply chain;
- avoid conflict minerals and other controversial substances in our terminals.

In 2019, this policy, which is available online(1) for consultation by all stakeholders, was shared with all employees in the Group, so that everyone can understand the responsible purchasing approach and apply its principles in their day-to-day business activities, whether they are a buyer by profession or an occasional purchaser.

2.4.8.1.2 Supplier CSR risk mapping

Having completed initial work to map the supply-chain risks associated with modern slavery, mainly to comply with British legislation (the UK Modern Slavery Act), Ingenico Group decided to extend this work to encompass its entire supply chain and all CSR issues.

In partnership with EcoVadis, a specialist in supply chain CSR, Ingenico Group has produced a risk mapping covering all of its suppliers (excluding Landi). Two studies were carried out for this purpose: firstly, an in-depth analysis of direct purchases, i.e., 17 types of purchase and 228 suppliers, and a second analysis of indirect purchases, covering 78 different categories of purchase. Various criteria were considered, including country risk, sector and the Group’s level of dependence on specific suppliers.

This mapping covers social, environmental and ethical risks and has several objectives. These include providing a better understanding of the supply chain and prioritizing the actions to be taken according to the risks and suppliers identified.

This initial analysis showed that the greatest risks relate to direct purchasing and that the priority is for actions to be taken in respect of production suppliers.

In addition, the CSR risk mapping of Landi’s suppliers will be finalized during 2020.

2.4.8.2 Selection of suppliers

Ingenico Group incorporates CSR criteria into the selection process for its component suppliers. Their weightings are 5% for Ingenico’s and for Landi’s suppliers. They cover various topics relating to working conditions, health and safety, the environment and ethics.

2.4.8.3 Contractual obligations, evaluation and monitoring of suppliers

2.4.8.3.1 Direct purchases

Direct purchases accounted for expenditure of €570 million in 2019. As the production of all its terminals is outsourced, Ingenico Group pays particular attention to the responsible management of its supply chain. By imposing social and environmental standards on its Tier 1 and Tier 2 suppliers, the Group is helping to create decent work and economic growth (SDG 8) and reduce the impacts of its business activities on the environment (SDGs 12 and 13(2)).

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(2) For more information on the United Nations Sustainable Development Goals, see http://www.un.org/sustainabledevelopment/sustainable-development-goals/
Terminal assembly

In 2019, Ingenico Group used two Tier 1 suppliers for the assembly of payment terminals (excluding Landi and Healthcare). Jabil and Flex. These two companies have signed up to the Code of Conduct of the RBA (Responsible Business Alliance), thereby ensuring a supply chain that meets the highest standards in terms of environment, labor rights and social justice in the electronics sector.

Ingenico Group ensures rigorous control over the assembly plants of its two suppliers responsible for assembling Ingenico terminals and, specifically, has teams of Group employees at the main sites in Brazil, Malaysia and Vietnam. Their role is to oversee the assembly lines on a daily basis and ensure that operations comply with the rules set forth by Ingenico Group. Their constant presence at the assembly plants allows dozens of audits to be completed per year. In addition, Ingenico Group’s Industrial Operations Division and its Quality Department visit the various plants at least once every quarter. When practices that breach the Group’s principles are identified, the supplier is immediately informed. This is followed by a process of discussions and the implementation of corrective actions. All assembly plants have ISO 14001 environmental certification.

During 2019, Ingenico Group made the strategic choice to continue working with only one of these two suppliers, i.e. Jabil. Assembly of the Landi entity’s terminals in China has been completely outsourced since its production site closed in 2018. The terminal assembly plants of its two suppliers, Jofee and Malata, are also ISO 14001-certified. This means that, in 2019, all Group terminals were assembled at industrial sites with ISO 14001 environmental certification.

Component manufacturing

Upstream of the assembly chain, Ingenico works with a community of Tier 2 suppliers based primarily in Hong Kong, China, Taiwan, Vietnam, Thailand, Malaysia and Brazil. Ingenico Group expects these component suppliers to comply with the same standards that the Group sets for itself. These have been formally documented in a CSR agreement that all active component suppliers must sign. It stipulates Ingenico Group’s expectations vis-à-vis its suppliers regarding labor and human rights, health and safety, environmental protection, ethics, and their internal organization with regard to these issues. It lays out the minimum requirements that all suppliers must meet when working with Ingenico Group.

The Landi entity’s approach in China is identical with regard to its suppliers. In fact, active suppliers of components must sign a CSR agreement in which they undertake to comply with the requirements concerning labor law and human rights, as well as health, safety and environmental protection. They must also sign the Group’s code of ethics. These agreements also require suppliers to cascade the Group’s requirements down their own supply chains.

As of December 31, 2019, out of 116 suppliers of Ingenico’s strategic components, 81% have signed a CSR agreement or have demonstrated their membership of the RBA. With regard to the 118 Landi suppliers, this percentage is 55%.

In order to evaluate the CSR performance of its second-tier suppliers (excluding Landi), the Group launched an evaluation campaign of its strategic suppliers using the EcoVadis tool in the light of the risk mapping carried out in 2018. This made it possible to evaluate 36 suppliers, using the EcoVadis platform. This approach to evaluating the CSR performance of suppliers using the EcoVadis tool is intended gradually to replace the self-assessment questionnaire previously used. It will be put in place by the Landi entity in China in 2020.

In addition, the Quality Department continuously audits the various component suppliers around the world, when assessing potential new suppliers or launching new projects. Ten specific CSR items have been assessed as part of these audits since 2018. The auditors check a number of points relating to working conditions, health and safety, the environment and ethics. Where non-compliance is identified, the supplier is asked to take remedial action. In 2019, a total of 47 audits incorporating these CSR topics were conducted out of 65 audits of strategic suppliers.

As part of its SHARE program, launched in 2019, Ingenico Group has set itself a goal for evaluating the CSR performance of its strategic suppliers through its self-assessment questionnaire, the EcoVadis platform or on-site audits.

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<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 Status</th>
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<tbody>
<tr>
<td>80% of component suppliers identified as high or severe risk will be evaluated on their CSR performance and corrective actions will be implemented if necessary.</td>
<td>74% of strategic component suppliers 38% of component suppliers with high and severe risk</td>
<td>76% of strategic component suppliers 50% of component suppliers with high and severe risk</td>
<td>78% of strategic component suppliers 55% of component suppliers with high and severe risk</td>
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Sourcing of minerals

Ingenico Group intends to increase the traceability of its supply chain beyond its Tier 2 suppliers. Specifically, the Group ensures that the minerals that go into its terminal components do not benefit armed groups that violate human rights in the Democratic Republic of the Congo and neighboring countries (conflict minerals).

As initially requested by certain customers in the context of the US Dodd-Frank Act, the Group periodically assesses the supply chain with regard to the origins of “3TG” minerals (tin, tantalum, tungsten, and gold) in its products. In 2019 this evaluation which was carried out in close collaboration with Jabil using the reporting tool provided by the RMI (Responsible Minerals Initiative) covered 100% of suppliers of the components used in Ingenico terminals. At the end of this evaluation, Ingenico Group asked suppliers using at-risk smelters to put in place the necessary corrective actions. An evaluation of the suppliers of Ingenico and Landi was launched late 2019 and will be completed in the first quarter of 2020.
The Group also strengthened its control over the provenance of cobalt, another controversial substance potentially present in its terminals. It is controversial owing to child labor and dangerous working conditions in certain mines. Driven by the RBA and the RMI, a standardized reporting template for cobalt was made available, as a pilot, in 2018. Ingenico Group has tested this template on its suppliers, where relevant. The analysis of risks associated with the use of cobalt in its terminals will be intensified in 2020 since the RMI reporting model finally reached maturity in 2019 and since its list of refiners has been completed.

The Group’s responsible purchasing policy includes a dedicated section on minerals sourced from conflict zones and other controversial substances.

2.4.8.3.2 Indirect purchases

Amounting to €400 million in 2019 (excluding Bambora’s entities), indirect purchases are essential for the smooth operation of the Group. Indirect procurement covers various goods and services, from IT or office equipment to the services of external consultants. As with production suppliers, all suppliers of these goods and services are required to sign the Group’s code of ethics. In addition, in 2019, in order to extend its responsible purchasing approach to indirect purchases, Ingenico launched the CSR performance evaluation of its goods and services suppliers through the EcoVadis platform. The evaluation campaign conducted in 2019 involved 45 suppliers, 62% of which were evaluated as of December 31.

2.4.8.3.3 Integrity of service providers

Ingenico Group has set up an internal policy to check the integrity of its service providers, further strengthening the resources deployed to combat any illegal or unethical practices.

2.4.8.4 Local initiatives on responsible purchasing

With regard to indirect purchasing, a large number of entities in the Group have put in place reasonable due diligence measures: evaluation of potential suppliers; application of social and environmental criteria as part of the selection process (40% of the Group’s entities); CSR agreements or clauses and audits. The intention is that these will be standardized gradually. Some examples of best practices are set out below:

- In Germany, the Group assesses the CSR risks of its largest suppliers, as well as any new suppliers. Suppliers must also comply with the local procurement policy, which includes observing the principles of the United Nations Global Compact, the conventions of the International Labor Organization, and the Group’s code of ethics.
- In the United Kingdom, potential suppliers must complete an evaluation comprising a section on social, environmental and ethical issues.
- In Mexico, Australia, the Philippines and Thailand, many checks are carried out upstream to check whether suppliers meet certain criteria.
- In Italy and Indonesia, suppliers are selected only if they comply with certain legal obligations such as payment of the minimum wage, for example.

In 2019, none of Ingenico Group’s suppliers or subcontractors were considered to represent a risk of breaching the International Labour Organization conventions.

2.4.8.5 Local sourcing

Several Group entities are committed to using local suppliers. For example, the Canadian entity endeavors whenever possible to work with providers located within a restricted radius of its facilities to organize its team events, which helps to raise awareness among its employees of the importance of working with small local firms to support the economy.

2.4.9 Contributing to local development

By prioritizing the hiring of local residents, Ingenico Group is committed to boosting employment in the countries in which it operates. The Group is also committed to supporting the development of communities around its facilities through a range of initiatives, as presented below.

2.4.9.1 Supporting innovation

The payment ecosystem is constantly evolving. To meet this need for constant innovation, five years ago Ingenico Group created a dedicated Innovation Department, called Ingenico Labs. Composed of marketing experts, engineers, researchers, and decision-makers from strategic partners, the department works closely with all Group entities to define the merchant practices of tomorrow. This agile structure works with startups and experiments with other key stakeholders in the development of payment systems, such as Fintech corporations and leading digital technology firms. Startups are sometimes financed either through the Partech Ventures risk capital fund or by Ingenico Group directly, as was the case in 2018 for joined App, a chatbot specialist.

In 2019, Ingenico created a startup incubator dedicated to trade and Fintech in collaboration with CaixaBank and Global Payments. This incubator, called Zone2Boost, is located in Barcelona.
2.4.9.2 Technology for fundraising

Ingenico Group uses its payment services to collect donations to charitable organizations. The Group works either directly with the charities, or in partnership with its customers.

In 2019, €173,451,435 were raised for hundreds of charities through terminals or online, using Ingenico Group payment services.

The most common solution is the micro-donation, which is made through payment terminals in partnership with retailers. It allows in-store customers to round up the amount of their purchase to the nearest euro or to add a fixed donation for the benefit of a charity. This solution is now available on our terminals in three countries: France, the United Kingdom and Spain. In France, Ingenico Group has been in partnership with microDON since 2015 to deploy the Arrondi solution on the payment terminals used by many of the Group’s retail customers and connected to Axis, Ingenico’s transaction centralization platform. In 2019, 11.4 million micro-donations were made, amounting to nearly €2.7 million raised by the end of the year for charities supported by the six partner retailers. In the United Kingdom, the Pennies solution has been rolled out on nearly 6,500 standalone terminals operated by more than 30 partner retailers and enabled more than 1.1 million donations to be collected in 2019. Since 2011, this solution has been used to collect nearly £2 million for 68 charities. Lastly, the Group signed a new partnership this year with Worldcoo, which allows micro-donation to be offered in Spain.

The Group also lends terminals to support various fundraising initiatives. For example, in 2019, the French entity renewed its support for AMREF, the largest public health NGO in Africa by providing TETRA payment terminals for events in Paris and Monaco. In addition to this, the French entity was able to provide terminals to collect donations at two different events organized by the Women’s Foundation, which is the reference foundation for women’s rights in France. In the United Kingdom, the Group once again sponsored the Cards & Payment Awards and the terminals and connected screen it provided helped to raise several hundred pounds in aid of Anthony Nolan, a charity that helps children living with blood cancer. Since 2010, Ingenico Group has helped to raise more than £70,000 for various charities during this event.

Ingenico Group also makes an active contribution to fundraising through its online payment services, which it offers to NGOs at preferential rates. In 2012, the Group joined forces with iRaiser, an online fundraising platform for non-profit-making organizations, providing a payment solution for accepting one-off or recurring donations in France and internationally. From this year, Ingenico has a new partner: GiveXpert. This strengthens Ingenico’s position as a leader in the online donations market in France. Thanks to this network of partners, the Group addresses the needs of more than 150 NGOs, plus 52 other online NGO customers, including Greenpeace and Amnesty International. The number of transactions varies from 30,000 to 300,000 in December, when most online donations are made.

As part of its SHARE program launched in 2019, Ingenico Group has set itself a goal for the collection of donations. This goal reinforces the Group’s efforts to collect donations, which allows hundreds of charity projects to be financed each year. For example, in 2019, micro-donation on the payment terminal at Franprix allowed La Cloche to finance its Le Carillon (Chime) project, which recreates links between homeless people and residents of a neighborhood.

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<th>2023 objective</th>
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<tbody>
<tr>
<td>Increase the volume of annual donations by 100% through our solutions, i.e. 20 million transactions</td>
<td>10 million transactions</td>
<td>12 million transactions</td>
<td>19.4 million transactions</td>
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2.4.9.3 Philanthropic activities and support for charities

Ingenico Group supports various local associations through donations or at events and fundraisers.

Every year, Bambora raises funds for charitable organizations at events run by local ambassadors in the various countries in which it operates. Bambora decided to send humanitarian New Year cards to its customers in aid of Clowns Without Borders.

In Canada, the Group supported the Toronto Food Bank (a charity benefiting local communities), while in Australia, it supported the Cancer Council, which provides help for people with cancer, and TLC for Kids, which works with sick children and provides support for their families.

In Singapore, Ingenico Group took part for the sixth time in the Bloomberg Square Mile Relay charity run, which raises funds for Sports Care.

In the United Kingdom, the Group has supported charities for many years. In 2019, various events took place to raise funds for the Guide Dogs Scotland (dogs for the blind), Mind (people with mental health issues) and MNDA (people with neurological diseases) charities.

In Australia, Ingenico supported various charitable events, such as the Good Friday Apple for disadvantaged children, Australia’s Biggest Morning Tea for cancer research and Prostate Awareness for men’s health.

For several years now, the entity in India has supported numerous charity projects, such as support for disadvantaged girls, planting trees, and participation in infrastructure financing for people in need.

Lastly, in Belgium, €1,500 was collected for charity by the employees and this amount was matched by Ingenico.

2.4.9.4 Education-related initiatives

Education is of the utmost importance in our work environments. That is why Ingenico Group builds close relationships with the education and student sectors, as illustrated by its funding for doctoral students, its scholarships, its participation in careers events, partnerships and programs, as well as the opportunities it provides for apprentices and interns (SDG 4).

In France, the Group is a member of the Skills Development Committee of a partner school, ESLV, providing a professional expert perspective so that teachers can adapt their programs according to developments in the business world and the school can adapt its training to match the expectations of future employers. In 2019, Ingenico Group contacted the Global MBA Consulting Project at the EDHEC Business School in northern France, so that students were able to conduct market research into merchant and acquirer solutions for the payment sector and assess the perceived value of new Ingenico products and services. This reciprocal relationship between business and academia allows students to put theory into practice and the Group to harness new resources and knowledge.

Ingenico is a partner of Elles Bougent (Girls on the Move), a voluntary association whose main ambition is to strengthen the diversity of companies in the industrial and technological sectors by raising awareness in the educational community. As such, the Group encourages more young girls to become engineers in the aeronautics, automotive, energy, rail, maritime, space, digital, building and agri-food sectors. Our partnership actions and our eight patronesses are there to help them find about the sectors, the professions and how to get trained.

The Group also enabled an employee from its Valence site to be seconded to the ESISAR engineering school at INPG (Institut National Polytechnique de Grenoble) in Valence for a teaching assignment. Ingenico Labs is also providing funding to two doctoral students from the IT Security and Cryptology Department at l’École Normale Supérieure.

In the United States, Ingenico participated in a program at Georgia State University in 2019 aimed at educating students about careers in the payment sector.

The various entities of the Group regularly take part in internships and those on work/study programs so that they can acquire new skills and develop their knowledge.

In France, Ingenico attended the ENSICAEN Entreprises–Students recruitment forum to meet students who are training in electronic financial transactions. This informal encounter was an opportunity for presenting the Group’s business lines during mini-interviews on the Ingenico stand and offering them company internships.

Ingenico also attended the meeting at the invitation of Grenoble École de Management to take part in 2020 in the second edition of the recruitment of autistic young people to a company internship as part of preparing for the Datasperger certificate.

At Ingenico Labs, two projects are funded by a European Union digital innovation entity, EIT Digital. These two projects are Voice Commerce and Self/No Checkout. As part of this funding, Ingenico has made a commitment to collaborate for six months with four trainees drawn from students of the Master Innovation EIT Digital programs in European partner universities.

In China, the Landi entity organized a software development competition in partnership with Xiamen University, which enabled students to enjoy an excellent opportunity for practical application. The university has also developed a base of student interns for the Landi entity.

2.4.9.5 Support for communities with specific needs

With the increasing use of touch screens in payment services, the R&D teams at Ingenico Group are working on an innovative solution to help visually impaired or blind people to enter their PIN code on this type of technology. This solution is based on an add-on in the form of an intelligent grid linked to a software solution integrated into the payment application. By guiding the hand movements of blind or partially-sighted people, this solution makes touch screen keyboards as easy to use as physical ones. Having applied for a patent in 2017, Ingenico Group worked closely with the Valentin Haüy association, a charity with a long history of providing assistance to those with visual impairments. This partnership made it possible for Ingenico Group to test and refine prototypes, to ensure they match the requirements. The Group intends to pilot this initiative in 2020. If these field tests confirm that there is a market for and benefits from this solution, industrial-scale production will be launched in the longer term. At the same time, Ingenico Group has developed a simpler solution in Brazil dedicated to certain terminals. This new solution, called “Easygrid,” is a small plastic keyboard that can be added to Android terminals. This is a PCI (Payment Card Industry) certified solution that is now available on a Group-wide basis. The Group plans to continue its innovation process to provide the blind and visually impaired with even more aids for electronic transactions.
In France, Ingenico Group launched a partnership in 2016 with the association "Nos Quartiers ont des Talents" (Our Neighborhoods have Talent), which promotes the integration of young job seekers from priority neighborhoods and disadvantaged backgrounds into the workplace. Through this initiative, Group employees can sponsor young graduates and support them in their job search.

In another area, through its work with specialist organizations such as Cèdre and Elise, adapted enterprises responsible for the office waste sorting system in France, Ingenico Group contributes to the occupational integration of people with disabilities. In 2018, the Group entered into a partnership with Handeco, a charity whose goal is to put ESATs (assisted employment centers) and EAS (adapted enterprises) in touch with private companies or public sector employers. Lastly, the Group has sponsored an employee who has been involved for several years in the "Croisière de Pen Bron," which helps those left severely disabled as the result of an accident to enjoy a couple of days sailing.

The entity in the United Kingdom carried out a collection of Christmas presents from employees in partnership with local charities that were responsible for redistributing them to disadvantaged children.

The entity in the United States supports homes where teenagers from disadvantaged backgrounds live by means of quarterly financial assistance and the donation of Christmas presents. Later on, a volunteer project in these homes is envisaged as part of a community service.

In Mexico, three bicycles were built by Ingenico employees during a team-building exercise and then given to children so that they could go to school.

In Singapore, the local entity is working with a state agency to promote the employment of Singaporean residents who have been looking for jobs for a long time.

In Belgium, eight Group employees took part in the Brussels 20 km run to raise funds that were redistributed to the Service The City association, which helps the homeless, refugees and orphans.

### 2.4.10 Mobilization of stakeholders through ongoing dialogue

From partners, distributors, shareholders, the financial community, and customers to suppliers, payment industry players, NGOs and public authorities, Ingenico Group strives to maintain regular and transparent dialogue with its external stakeholders (see Chapter 2.1.4, entitled "Dialogue with stakeholders").

#### 2.4.10.1 Events

Operating as it does in a B2B environment, Ingenico Group participates in and organizes a number of key events to maintain or forge links with its various stakeholders: partners, customers or prospective customers. The Group makes sure it is represented at the major trade fairs for the payment and Fintech industries.

As part of its transformation and the move towards focusing on services aimed directly at merchants, Ingenico Group is committed to increasing its presence at events dedicated to retail and e-commerce. In 2018, for example, it took part in NRF, Retail's Big Show in New York, the Retail Expo trade show in London and Paris Retail Week. The Group also participates in events aimed at certain verticals in the SMB and Retail Enterprise segments, such as gaming (IG&L London) and transport (Transport Ticketing Global), Vend Italia and One to One Monaco, as well as events with standardization bodies such as Nexo.

Ingenico Group also took part in the Mobile World Congress in Barcelona, which enabled it to showcase its expertise in mobile payment and the mobile consumer experience.

#### 2.4.10.2 Customers

The INGAGE program is central to the transformation of the customer experience within the Group. Ingenico Group has opted to step up this transformation by focusing it on two pillars:

- **Manage INI**: rolling out the CRM (Customer Relationship Management) platform, with the aim of improving operational excellence, digitizing the customer experience and bringing teams in line around common practices and a customer-centered culture at a global level. By gradually migrating all the Group's customer-facing employees to the Salesforce.com CRM platform, the Manage INI aspect of the program makes it possible to build a 360-degree view of customers and at the same time consolidate information, enabling the Group to better serve its customers and respond to their needs.
  - **Client INI**: measuring customer satisfaction worldwide, with the aim of assessing the power of the brand, the level of innovation offered to customers, the performance of the sales and customer service teams, as well as how products and services meet the needs of the Group's customers. Client INI then assists with the preparation and implementation of action plans designed to have a direct bearing on customer satisfaction.

#### 2.4.10.2.1 Customer relationship management

In 2019, more than 2,200 people spread across the five geographical areas of EMEA, NAR, LAR, APAC and China, use the Customer Relationship Management (CRM) platform. The sales and management teams now manage their customer portfolios, the business opportunity pipeline and sales forecasts uniformly. This enables Ingenico Group to significantly improve sales forecasts and better identify growth opportunities in order to tailor the Group's investments.

Within the Retail BL, teams can also manage marketing campaigns on the CRM platform, in order to boost the acquisition of new customers. After-sales service teams can respond more effectively to customer requests and instantly measure customer satisfaction using CSAT (customer satisfaction transactional measurement tool).

In 2020, the CRM platform will be enhanced with new features, so as to continue to improve our customers' experience from "acquisition to onboarding", increase the effectiveness of marketing campaigns and enhance their impact with targeted communication, provide a self-service solution to all Ingenico Group partners, and implement shared solutions to improve customer service center performance across the Business Units.

Actions are also underway in certain entities such as Brazil, where an event called the "Ingenico Experience" took place, bringing together customers, industrial groups and other stakeholders.
2.4.10.2.2 Satisfaction surveys

In February 2019, for the seventh consecutive year, Ingenico Group launched a customer satisfaction survey, "Client INI". This year, the survey was sent to all countries and regions within the Group, with the exception of China, but including recent acquisitions such as Bambora. The survey was made available in 18 languages. The information collected from more than 6,800 questionnaires received made it possible to analyze customers' loyalty, their perception of the brand and their satisfaction level, looking at aspects such as innovation, performance, terminals, applications and services, sales and support.

The Net Promoter Score (NPS) shows that Ingenico Group is seen as a strong brand globally, with quality products that are easy to use. The survey also enabled the Group to put in place concrete initiatives to continue its work on customer relationship management, by identifying opportunities for development.

Changes in NPS by geography and Business Units are analyzed year on year. This score measures not only the impact of the Group’s initiatives but, first and foremost, the quality of the relationships established over the years with its customers, and their confidence in the Group.

The customer voice is essential to the development of Group strategy and customer focus is now its highest priority. In continuing the actions undertaken so far, from 2019 the sales teams will have a variable component of their salary linked to their entity’s NPS.

2.4.10.3 Business and technological partners

Ingenico Group has a large number of partners, including product distributors and technology partners. The Group believes that it is essential to share its expertise and know-how with them so that they can develop alongside Ingenico.

In order to share the latest innovations and inspirational initiatives of the INI Business Unit with its partners and customers, Ingenico Group distributes an e-newsletter called IN-Live NEWS.

In Canada, the Group’s partnerships have been widened in scope, to keep in step with developments in the payment ecosystem. In 2018, Ingenico Group therefore developed, in partnership with Prodigy Ventures, a demonstration of the “One Tap Proof of Age” concept. This solution has been developed on connected screens and makes it possible to check a customer’s age when they pay for certain products, such as alcohol or cannabis, which was recently legalized in the country. Discussions are being held with government bodies and merchants regarding the roll-out of this solution. On another note, the Group continued working in partnership with MARS, a specialist in digital transactions, virtual shopping and enhanced experience, and Communitech, a specialist in providing support to technology companies. It is also a partner of the Retail Council of Canada, which represents more than 45,000 retail stores in the country.

In the last few years, Ingenico Group has also developed strategic partnerships with key players in their respective fields to collaborate on mutually beneficial initiatives.

Ingenico Group is thus working with Intel to enable new connected devices to accept secure payments and is consolidating its expertise in the Internet of Things.

Lastly, Ingenico Group has been collaborating with Google since 2015 to facilitate international online sales. The Market Finder platform, based on the combined expertise of Google and Ingenico ePayments, enables merchants to explore and identify new opportunities for growth, establish their business internationally, and sell their products more easily outside of their home country.

2.4.10.4 Shareholders and investors

The support and loyalty of its private and institutional shareholders are crucial to Ingenico Group’s long-term development. The Group’s relationship with its shareholders is built around mutual confidence and trust, open dialogue, and regular contact.

2.4.10.4.1 Extensive meetings with the financial community

Ingenico Group holds regular conference calls and investor meetings when publishing its interim and full-year financial statements (after close of trading). In addition, the Group frequently takes part in technology and payment sector conferences and roadshows, particularly in Europe and North America. In 2019, Ingenico Group took part in 12 investor conferences, 21 roadshows, and two trade shows in the United States, Canada and Europe (Paris, London, Frankfurt, Milan, Nordic countries, etc.). More than 288 face-to-face meetings or conference calls were held in total, enabling the Group to meet more than 615 financial institutions and 730 investors.

2.4.10.4.2 Stronger financial communication tools

The Finance section of the website www.ingenico.com is regularly updated and is home to all financial documentation (publications, management reports, investor presentations) and regulated information (Universal Registration Document). Here, investors can also find the Group’s key figures in Excel format, as well as the consensus estimate, which is regularly updated. In addition, shareholders can also access a tool for calculating their average annual performance.

2.4.10.5 Ingenico Group’s industry collaborations

Since its creation, Ingenico Group has been an active member of the Card Stakeholders Group (CSG), an organization linked to the European Payment Council (EPC) and responsible for the definition and maintenance of the main operating and security principles for card payments in the Single Euro Payments Area (SEPA). In 2016, the CSG became independent of the EPC and was renamed the European Card Stakeholders Group (ECSG). Ingenico Group maintains a very active role in its work and is a member of its management committee.

In addition, Ingenico Group actively participates in the various tasks of the Nexio standardization body. As a result, the Group is a member of the Board of Directors and of the Nexio Fast, Nexio IS, Nexio Acquirer and Nexio Retailer technical working groups. In addition to managing the mobile acceptance working group, Ingenico co-chairs the strategy working group, the Nexio TMS technical working group, and, since 2018, the security working group. Lastly, one Group employee works on behalf of Nexio for a total of 155 working days per year on technical tasks.

(1) NPS: An indicator of customer loyalty that consists of asking customers: "How likely is it that you would recommend Ingenico?". The answer is given on a scale of 0 ("highly unlikely") to 10 ("highly likely"). The NPS is obtained by taking the percentage of customers who have answered 9 or 10 (promoters) and subtracting the customers who have answered 0 to 6 (detractors).
Ingenico Group has also strengthened its involvement in the European Payment Institutions Federation (EPIF). The EPIF represents and protects the interests and positions of payment institutions with various European organizations, including the European Retail Payments Board, in particular. Ingenico represented the EPIF within the ERPB SCT Inst at POI working group, created at the beginning of 2019, and published its report in November 2019.

For several years, Ingenico Group has served on the advisory board of the Payment Card Industry Security Standards Council, an open international forum on the development, improvement, storage, dissemination and ongoing implementation of security standards to protect bank card data.

The PCIs mission is to improve the security of these payment-related data by promoting education and awareness of PCI security standards and by conducting certification programs such as PCI PTS for payment terminals and PCI DSS for transactional platforms. The organization was founded by American Express, Discover Financial Services, JCB International, Mastercard and Visa Inc.

Since 2014, Ingenico Group has been part of Global Platform, a group that aims to improve the security and interoperability of multiple applications embedded in microprocessor technology. The Group aims to support the needs of smart device suppliers, such as smartphone and tablet application developers, and device manufacturers. The development of this technology is crucial for mobile wallets, NFC (near field communication) payments, premium content protection and "bring your own device" (BYOD) initiatives.

In connection with its business, the Group maintains regular dialogue with international payment schemes on regulatory and technical matters (Visa, Mastercard, American Express, CUP, etc.), both through its local entities and centrally.

In each country, the Group’s local entities are also in contact with various key players in the payment and new technology sectors.

In France, Ingenico Group has been a member of Mobile Marketing Association France since 2018. This is an organization that is dedicated to marketing, advertising, CRM and commerce on smartphones, tablets and connected devices.

Ingenico ePayments is also a member of the Fédération du e-commerce et de la vente à distance (FEVAD, the French e-commerce and distance selling federation), a non-profit-making organization that aims to support the ethical and sustainable development of e-commerce and distance selling in France.

Ingenico ePayments has also been a member of ACSEL, the French digital economy association, for more than 10 years. ACSEL is the French digital transformation hub.

In Australia, the Group is in contact with various industry organizations, including the Australian Payment Clearing Association (APCA).

In India, Ingenico Group is a member of the PCI (Payment Council of India) within the IAMAI, the Internet and Mobile Association of India. Through this organization, it meets with other industry operators to discuss shared business and commercial issues.

Lastly, in Brazil and Colombia, a partnership has been set up with ABP (Brazilian credit cards and services association), ABAC (Brazilian trade automation association) and the French Chamber of Commerce.

In the United Kingdom, the entity joined the North West Chamber of Commerce in 2019.
2.5 INGENICO GROUP’S ENVIRONMENTAL APPROACH

Key indicators 2019

- 18,005.1 MWh of electricity consumed, of which 8% from renewable sources
- 377.9 tons of end-of-life terminals collected and treated
- 27.1 kgCO₂e per installed terminal
- 80% of data centers in Europe use electricity from renewable sources
- 81% of countries where the Group is present have a recycling program for end-of-life terminals

As a global leader in payment services, Ingenico Group has a key role to play in controlling the environmental impact of the payment chain. Although dematerialized solutions have less of an impact than other means of payment, such as checks or cash, the Group recognizes that its environmental footprint exerts pressure on the natural resources and global warming that it strives to bring under control.

2.5.1 ISO 14001 certified environmental management system

Environmental protection is now an indisputable concern and controlling the environmental impact of a company’s activities requires a structured approach if it is to be sustainable.

This is why Ingenico Group uses an environmental management system that is ISO 14001:2015 certified. As the recognized international standard for environmental management, ISO 14001 provides the framework for determining the program of measures and procedures that can help companies gain better control over the environmental impact of their business, products, and services. The entities in China and Spain have their own ISO 14001 certified environmental management system.

It in fact lays down a number of environmental practices, such as compliance with the applicable regulations, the identification of environmental impacts, and the definition of continuous improvement objectives.

2.5.1.1 Environmental charter

As a global leader in the payment industry, Ingenico Group has a key role to play in reducing the environmental impact of the payment chain.

We fully accept our responsibility for protecting the planet, including pollution prevention in all our business activities by adopting best practices and developing low-impact solutions.

The environment is one of the four spheres of action of SHARE, our Corporate Social Responsibility (CSR) program.

To manage our environmental impacts in the most responsible way and to control our footprint, we undertake to:

- **promote the deployment of solutions with low environmental impact**
  
  We want to develop innovative solutions and features that minimize the environmental footprint of payment transactions. For example, the dematerialization of payment receipts is a real opportunity to enrich the customer experience with a smaller environmental footprint.

- **minimize the carbon footprint of our activities**
  
  We strive to reduce greenhouse gas emissions caused by the operation of our facilities and our activities by implementing initiatives that have less impact, such as the use of renewable energies in our offices and our data centers for processing payment transactions.

- **facilitate the recycling of electronic waste**
  
  As a global manufacturer of electronic products, we particularly support our customers regarding more responsible recycling of their end-of-life products. The recycling of electronic waste resulting from the products that we sell is a commitment to the circular economy that helps to reduce pollution and to safeguard natural resources.

2.5.1.2 Compliance with applicable environmental regulations

The regulations in terms of environmental protection are constantly changing, which is why Ingenico Group uses regulatory intelligence to monitor the environmental regulations applicable to the Group’s business and to ensure strict compliance with the statutory requirements in force.

For Ingenico Group, the main regulatory texts applicable to the design and marketing of electronic payment terminals are the following:

- the RoHS 2011/65/EU directive and its 2015/863 amendment (Restriction of the use of certain hazardous substances), which aims to reduce the use of certain substances that are hazardous to health and the environment and that can be found in electrical and electronic equipment (lead, mercury, cadmium, hexavalent chromium, brominated flame retardants and phthalates). In 2019, all Ingenico brand terminals complied with these requirements;
2.5.2 Environmental impacts

The environmental impacts of Ingenico Group are linked:

- first, to facilities the Group uses to carry out its business that have a direct impact in terms of their energy and natural resource consumption, and direct and indirect impacts in terms of greenhouse gas emissions;
- secondly, to marketing activities, distribution and use of the Group’s products and related services that have an impact on

the environment in terms of natural resource consumption, indirect greenhouse gas emissions, and waste production.

In 2019, the Group worked on reducing its environmental impact through a series of initiatives and measures. These are reported annually at the highest level of the Company in the scope of an environmental management review.

2.5.2.1 Impacts related to infrastructure

Energy consumption

A study of data relating to energy consumption was performed at Group level. In 2019, the quantity of electricity consumed was 18,005.1 MWh. The quantity of natural gas consumed amounted to 4,885.5 MWh-HHV over the same period.

<table>
<thead>
<tr>
<th>(in MWh)</th>
<th>2019 (like-for-like)</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity consumption</td>
<td>18,005.1</td>
<td>16,780.9</td>
<td>17,325.7</td>
</tr>
<tr>
<td>Percentage from renewable</td>
<td>8%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Natural gas consumption</td>
<td>4,885.5</td>
<td>4,885.5</td>
<td>4,786.0</td>
</tr>
</tbody>
</table>

(1) Data for 2018 has been revised upwards due to a change in the scope reported by one entity.

Where possible, Ingenico Group uses high energy efficiency buildings only. This is the case for the Paris building (France), which is HQE (High Quality Environmental standard) certified, and the Valence building (France), which is BEE certified (low-energy building) by an external certifying body, ensuring that energy performance levels are well above those of standard buildings. In the US (Alpharetta, GA), Ingenico Group also works out of a LEED certified (Leadership in Energy and Environmental Design) and Energy Star certified building, guaranteeing high energy efficiency. In the Netherlands, the building is BREEAM certified and has solar panels on the roof to produce around 20% of the building's consumption.
Several entities of the Ingenico Group have implemented “green energy” contracts with their electricity supplier to ensure that all the energy consumed has been generated from renewable resources, thereby reducing greenhouse gas emissions. In 2019, this was the case in Germany (Ratingen), Sweden (Stockholm), Norway (Oslo) and New Zealand (Auckland). This renewable energy represents 8% of the Group’s total consumption in 2019.

Other initiatives aimed at reducing energy consumption have been deployed at many Group sites, such as the use of high-efficiency electrical equipment, LED lighting, and movement detectors.

In the building located in Brussels, Belgium, the office lights switch off automatically from 9 pm and only emergency lighting is used in order to avoid any unnecessary consumption. The same principle is applied in Russia, where the electricity is cut from 10 pm on working days to reduce daily energy consumption.

Water consumption

Given the Group’s business activities, the consumption figures recorded are only related to food and sanitary use. However, the quantities of water consumed are monitored locally at the different sites. The Group’s total water consumption in 2019 was 100,770 thousand m³.

<table>
<thead>
<tr>
<th>(In thousands of m³)</th>
<th>2019</th>
<th>2019 (like-for-like)</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>100.7</td>
<td>93.9</td>
<td>97.1&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>-3%</td>
</tr>
</tbody>
</table>

<sup>(1) Data for 2018 has been revised upwards due to a change in the scope reported by one entity.</sup>

Group entities have undertaken various initiatives to reduce water consumption, such as automatic faucets, dual flush toilets and timers for showers.

Paper consumption

Paper consumption related to Ingenico Group’s activities represented 74.7 tons in 2019.

<table>
<thead>
<tr>
<th>(In tons)</th>
<th>2019</th>
<th>2019 (like-for-like)</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper consumption</td>
<td>74.7</td>
<td>67.2</td>
<td>76.4&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>-12%</td>
</tr>
</tbody>
</table>

<sup>(1) Data for 2018 has been revised upwards due to a change in the scope reported by one entity.</sup>

The Group’s efforts to reduce paper consumption are reflected by configuring printers to print on both sides by default, the use of documentation in electronic rather than paper format and the reuse of paper. Electronic invoicing solutions have been deployed in Belgium.

In Belgium, France, Sweden, Brazil and New Zealand, employees need to log in to be able to confirm their printouts, thereby avoiding unnecessary printing.

Employee transportation and business travel

To reduce business travel, Ingenico Group has installed video conferencing systems that enable work meetings to be held on several sites at the same time. Such systems are now installed at all of the Group’s facilities.

A “carbon offset” transaction was again made in 2019 at the Mobile World Congress in Barcelona (Spain). In this way, the Group fully offset 26 tons of CO₂, equivalent, corresponding to more than 124,000 km traveled. This initiative, financed by the Group, in partnership with the GoodPlanet Foundation, supported a project to recycle household waste as compost for agriculture in Togo. In total, Ingenico Group has offset approximately 1,120 tons of CO₂, equivalent for this type of event since 2015.

In Germany, Ingenico Group takes account of the level of CO₂ emissions in selecting its rental vehicles (maximum 118 gCO₂/km in 2019). A meaningful plan to reduce these emissions has been in place since 2015 and extends until 2020 (to reach 110 gCO₂/km).

In France, Management and Trade Unions signed an agreement containing eco-responsible and citizenship measures for employees. These measures, which aim to reduce the carbon footprint linked to car use, are as follows:

- 70% subsidy for public transportation passes;
- Introduction of a bicycle mileage allowance for employees who cycle between their home and their place of work;
- Introduction of a monthly carpooling allowance.

Telecommuting arrangements have also been put in place in France and Belgium, enabling any employees who wish to do so to work from home for one or two days a week.

Preventive measures, recycling and waste disposal

Most of Ingenico Group’s entities have set up sorting systems to collect and recycle internal waste such as electrical and electronic equipment, printer toners and cartridges, batteries and accumulators, plastic, glass, aluminum, paper, and cardboard.
In France, at the Paris site where the Group’s head office is located, as well as in Valencia, a comprehensive office waste sorting and recycling solution was put in place in partnership with a social enterprise that employs workers with disabilities. This end-to-end bespoke service enables traceability of the following forms of waste: paper, plastic cups, plastic bottles and drinks cans. In 2019, this service helped to collect 11.3 tons of waste, including 10.0 tons of paper to preserve 170 trees, 300.6 m³ of water, 6.7 tons of CO₂ and 44.5 MWh of electricity. This initiative makes it possible to transform sorting, something within the reach of all employees, into an action that supports the environment and shows solidarity.

A weekly waste report has been established at its repair center based in the United Kingdom. The results are displayed for personnel, which helps raise employees’ awareness and promote waste sorting and recycling. In order to promote reuse, a battery capacity test unit was installed in 2019. This system has helped to give a second life to more than 100,000 batteries and therefore avoid the production of more than 5 tons of waste.

In Mexico, no single-use cups are used by employees for hot and cold beverages. By using mugs, glasses and flasks, around 30,000 cups and 4,000 bottles are no longer thrown away each year. In the United Kingdom, initiatives have also been put in place to reduce disposable cups.

In France and the Netherlands, disposable cutlery has also been replaced by reusable cutlery for employee catering.

**Substance and noise pollution**

In order to evaluate the greenhouse gas emissions generated by the Group’s business, a Group-wide analysis of these emissions is carried out annually. This analysis is presented in detail in section 2.5.3.1, “Analysis of greenhouse gas emissions”.

**2.5.2.2 Impacts linked to the products and services offered**

**Eco-design**

Eco-design is a preventive approach aimed at incorporating environmental concerns right from the product design stage. It requires that consideration be paid to environmental requirements (regulations, customer expectations, Group policy, etc.) as well as to the products’ environmental impacts (energy and raw materials consumption and waste production).

Ingenico Group takes steps to reduce the environmental footprint of its products at each stage of their life cycle, from design to end-of-life. To this end, the Group has developed an eco-design process that aims in particular to reduce the consumption of resources and the production of waste (SDG 12)(1).

The process implemented by Ingenico Group is based on the “life cycle” approach to products, as shown in the following diagram:

---

Raw materials

The optimization of the design of new generations of terminals allows Ingenico Group to reduce its environmental footprint not only by limiting the use of natural resources but also indirectly by reducing the impacts due to transportation. This eco-design approach is all the more relevant since the use of raw materials required for manufacturing the Group's terminals is in third place in the analysis of GHG emissions (for more detailed information, please refer to section 2.5.3.1, "Analysis of greenhouse gas emissions").

Notable improvements have been made with the latest generation of the Telum Tetra range of terminals as, for example, in the case of the Desk3200 terminal, where significant progress has been made in terms of the quantities of raw materials used compared with the previous range (ICT220).

![Raw Materials Comparison](chart)

This partner is also ISO 14001 certified, as are the two subcontracted factories that assemble Landi terminals. This means that, in 2018, all Group terminals were assembled at industrial sites with ISO 14001 environmental certification.

Product transportation

The Group works with two transportation firms that are market leaders in logistics. Both firms are ISO 14001 certified, enabling Ingenico Group to help ensure an environmentally friendly supply chain. They provide the Group with expertise regarding the development of logistics networks, load consolidation and optimization, and the selection of means of transportation, thereby ultimately helping to reduce the Group’s carbon footprint.

Use of products and services

A significant part of the environmental impact of electronic products comes from their energy consumption during the use phase. Optimization of the energy efficiency of terminals has a dual benefit: firstly by reducing the Group’s eco-footprint in marketing less energy-hungry products and secondly by alleviating that of end users, who benefit both economically and ecologically.

With the range of Telum Tetra terminals and particularly Desk3200, the terminal’s energy consumption in idle mode has consequently been optimized compared to the previous range (ICT220).

![Energy Consumption Comparison](chart)

Other initiatives have been implemented on the Tetra ranges marketed in 2020, such as the digitalization of leaflets in order to remove the paper documents until now included in the packaging of each product. They will therefore be made available to users on the Group’s website. For the Move/5000 and Desk/5000 ranges, it was also decided to remove the paints and surface treatments applied to the plastic parts of the products, thereby ensuring fewer chemical products are used and improving recycling of plastics from end-of-life products.

Product manufacturing

With regard to the manufacturing of critical components supplied to it, the Group concludes agreements with its suppliers that clearly set out its requirements in terms of environmental protection. On-site audits are also conducted to verify the strict application of these requirements. Regarding the assembly of its terminals, Ingenico Group’s partner has signed the Responsible Business Alliance code of conduct (formerly EICC – Electronic Industry Citizenship Coalition), affirming their commitment to incorporate environmental concerns into the operation of their businesses (for more details, please refer to section 2.4.8, "Responsible purchasing").

Another area where Ingenico Group seeks to be a pioneer is in paperless payment receipts. Here again, the benefit is twofold as, through this solution, the Group is helping to minimize the environmental footprint of each transaction by replacing the paper receipt with a digital one, and is also helping to reduce operating costs for the merchant.

The environmental benefits of the dematerialized receipt are significant and positive, namely:

- a simple way to permanently remove controversial chemical substances that may be included in thermal paper;
• a trigger to reducing waste production, given that thermal paper is not recyclable;
• a reduced carbon footprint, insofar as a dematerialized receipt, whether by email or SMS, contributes significantly fewer GHG emissions;
• an excellent way of asserting or anticipating regulations aimed at banning payment receipts;
• a real opportunity for our customers to improve their own corporate social responsibility.

This solution is already deployed at many German and Italian banks, which enable to offer to their client a payment receipt digitalization solution.

<table>
<thead>
<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity from renewable sources used by 100% of European data centers (Retail business)</td>
<td>75%</td>
<td>75%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Product end-of-life

As a global manufacturer of electronic products, the collection and recycling of electronic waste is a priority for Ingenico Group. This is why the Group delivers solutions that enable its customers to recycle responsibly the electronic waste resulting from the products it sells.

In accordance with the WEEE (Waste Electrical and Electronic Equipment) directive, recycling solutions for end-of-life Ingenico terminals are in place in EU member states, as well as in Australia, Brazil, Canada, China, Colombia, India, Malaysia, Mexico, the Philippines, Singapore, Thailand, Turkey, Ukraine and the United States.

This commitment to the circular economy helps:

• firstly, to protect the environment, since electronic waste may contain toxic and hazardous materials likely to pollute the soil and water for decades. The recycling of obsolete electronic products thus helps to reduce pollution and the risks to health and the environment;
• secondly, to conserve natural resources, since electronic waste contains many precious and recoverable materials such as copper, gold, silver, plastics and ferrous metals. Recycling therefore helps to save resources by extracting fewer raw materials as well as helping to save energy and reduce greenhouse gas emissions.

In France, a partnership has been put in place with a local recycler, itself ISO 14001 certified. Furthermore, this partner is also an adapted social and environmental business that employs around 30 staff with disabilities.

The quantities of terminals collected and treated are monitored at Group level, and reached a total of 3779 tons in 2019.

<table>
<thead>
<tr>
<th>(in tons)</th>
<th>2019</th>
<th>2019 (like-for-like)</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>End-of-life products (WEEE) collected and treated</td>
<td>377.9</td>
<td>377.9</td>
<td>355.3</td>
<td>+7%</td>
</tr>
</tbody>
</table>

As part of its SHARE program put in place in 2019, Ingenico Group has set itself a goal for recycling end-of-life terminals.

<table>
<thead>
<tr>
<th>2023 objective</th>
<th>2018 reference</th>
<th>2019 objective</th>
<th>2019 status</th>
</tr>
</thead>
<tbody>
<tr>
<td>End-of-life terminal recycling solutions available in 75% of countries where the Group is present</td>
<td>50%</td>
<td>62%</td>
<td>81%</td>
</tr>
</tbody>
</table>
2.5.3 Group greenhouse gas emissions

2.5.3.1 Analysis of greenhouse gas emissions

In 2019, Ingenico Group updated its analysis of greenhouse gas (GHG) emissions. This approach covers greenhouse gas emissions across the entire Ingenico Group value chain, including Scopes 1, 2 and 3.

Scope 1 concerns direct greenhouse gas emissions generated by the Group’s business, while Scope 2 concerns emissions associated with the consumption of electricity. Scope 3 relates to indirect emissions linked to activities upstream and downstream of the organization. Unlike Scopes 1 and 2, which take into account energy issues only, Scope 3 concerns all business flows.

As shown in the following illustration, the evaluation of greenhouse gas emissions is based on a six-step study of Ingenico Group’s value chain:

- energy consumption of buildings and employee business travel;
- production of terminals, including the production and transportation of raw materials;
- transportation of terminals from assembly plants to customers;
- use of terminals and services provided by the Group;
- maintenance of terminals;
- processing of end-of-life terminals.

This analysis identified the elements with the highest GHG emissions so that preventive action could be taken in the areas of greatest impact for the elements which the Group has the means to control and influence. The results presented in the analysis below help Ingenico Group to refine and augment its action plans for reducing GHG emissions within its approach toward progress and the continuous improvement of environmental performance.
**Principal sources of CO₂ emissions in Ingenico Group’s value chain in 2019**

- 28.7% of emissions come from the production of components required for terminals
- The energy consumption of terminals represents 26.8% of the total carbon footprint
- The use of thermal paper (production and transportation) for receipts is responsible for 38.3% of total emissions

**Details of emissions in CO₂ equivalent per scope and per year**

<table>
<thead>
<tr>
<th>Scope Description</th>
<th>2019 (like-for-like)</th>
<th>2019 (like-for-like)*</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 (direct emissions from the combustion of fossil fuels)</td>
<td>9,789</td>
<td>9,267</td>
<td>7,502</td>
<td>+24%</td>
</tr>
<tr>
<td>Scope 2 (indirect emissions from electricity)</td>
<td>11,683</td>
<td>11,151</td>
<td>11,291</td>
<td>-1%</td>
</tr>
<tr>
<td>Scope 3 (other indirect emissions)</td>
<td>1,682,326</td>
<td>1,681,914</td>
<td>1,665,974</td>
<td>+1%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,703,798</strong></td>
<td><strong>1,702,332</strong></td>
<td><strong>1,684,767</strong></td>
<td>+1%</td>
</tr>
</tbody>
</table>

* The 2018 data have been revised slightly upwards due to a data correction and updated emission factors.

**Details of emissions in CO₂ equivalent per item and per year**

<table>
<thead>
<tr>
<th>Item Description</th>
<th>2019 (like-for-like)</th>
<th>2019 (like-for-like)*</th>
<th>2018 (like-for-like)</th>
<th>Like-for-like change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings energy and business travel</td>
<td>25,549</td>
<td>24,170</td>
<td>21,780</td>
<td>+11%</td>
</tr>
<tr>
<td>Terminal production</td>
<td>409,085</td>
<td>409,086</td>
<td>486,966</td>
<td>-16%</td>
</tr>
<tr>
<td>Terminal delivery</td>
<td>30,222</td>
<td>30,222</td>
<td>26,628</td>
<td>+13%</td>
</tr>
<tr>
<td>Use of products and services</td>
<td>1,220,948</td>
<td>1,220,860</td>
<td>1,134,477</td>
<td>+8%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>9,766</td>
<td>9,766</td>
<td>8,652</td>
<td>+13%</td>
</tr>
<tr>
<td>Processing of end-of-life terminals</td>
<td>8,228</td>
<td>8,228</td>
<td>6,264</td>
<td>+31%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,703,798</strong></td>
<td><strong>1,702,332</strong></td>
<td><strong>1,684,767</strong></td>
<td>+1%</td>
</tr>
</tbody>
</table>

* The 2018 data have been revised slightly upwards due to a data correction and updated emission factors.
GHG emissions related to buildings, energy consumption, and business travel were increased (+11%) mainly due to the increase in business travel recorded in 2019 in correlation with the growth in the Group's activity.

GHG emissions related to terminal production decreased (-16%) due to design improvements in new generation terminals that limit the use of natural resources. This demonstrates the effectiveness of the measures detailed in the section on the eco-design approach in paragraph 2.5.2.2 entitled «Impacts related to the supply of products and services».

GHG emissions induced by terminal deliveries recorded an increase (+13%) which is explained by an increase in terminal volumes produced in 2019 but also by the increased use of air freight to optimize inventories.

GHG emissions related to the use of the Group's products and services increased slightly (+8%). However, this increase is less significant than the growth in the installed terminal base (13%).

The graphs below, which display the data in absolute values but more importantly in relative values, highlight the Group's ability to minimize its GHG emissions in spite of the growth of its business. In fact, expressed in relative values, the emissions detailed in the preceding table follow an overall downward trend.

**Buildings energy and business travel**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>kgCO₂e/employee</td>
<td>2.7</td>
<td>3.0</td>
</tr>
<tr>
<td>kgCO₂e</td>
<td>20,923</td>
<td>25,549</td>
</tr>
</tbody>
</table>

**Terminal delivery**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>kgCO₂e/terminal manufactured</td>
<td>26,628</td>
<td>30,222</td>
</tr>
<tr>
<td>kgCO₂e</td>
<td>1.3</td>
<td>1.5</td>
</tr>
</tbody>
</table>

**Use of products and services**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>kgCO₂e/terminal installed</td>
<td>1,134,478</td>
<td>1,220,944</td>
</tr>
<tr>
<td>kgCO₂e</td>
<td>20.4</td>
<td>19.4</td>
</tr>
</tbody>
</table>

**Terminal production**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>kgCO₂e/terminal manufactured</td>
<td>486,966</td>
<td>409,085</td>
</tr>
<tr>
<td>kgCO₂e</td>
<td>29.2</td>
<td>27.6</td>
</tr>
</tbody>
</table>

**Total GHG emissions and measurement of intensity per terminal installed**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>kgCO₂e/terminal installed</td>
<td>1,683,910</td>
<td>1,703,798</td>
</tr>
<tr>
<td>kgCO₂e</td>
<td>30.3</td>
<td>27.1</td>
</tr>
</tbody>
</table>

* The number of terminals installed corresponds to the number of terminals sold over the last five years.
2.5.3.2 Greenhouse gas reduction targets for 2023

Aware of climate change and the associated consequences that the world is currently experiencing, Ingenico Group wants to take part in the collective dynamic aimed at keeping global warming below 2°C. For this reason, the Group decided in 2019 to set targets for reducing greenhouse gas emissions by 2023, thus contributing to SDG 13(1) (Take urgent actions to combat climate change and its impacts).

### Absolute emissions target

<table>
<thead>
<tr>
<th>Scope</th>
<th>% emissions in scope</th>
<th>% reduction from base year</th>
<th>Base year</th>
<th>Start year</th>
<th>Base year emissions (tCO₂eq)</th>
<th>Target year</th>
<th>% achieved (emissions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 2: Energy consumption of buildings</td>
<td>100%</td>
<td>10%</td>
<td>2018</td>
<td>2019</td>
<td>11,291</td>
<td>2023</td>
<td>12%</td>
</tr>
</tbody>
</table>

### Emissions intensity target

<table>
<thead>
<tr>
<th>Scope</th>
<th>% emissions in scope</th>
<th>% reduction from base year</th>
<th>Metric</th>
<th>Base year</th>
<th>Start year</th>
<th>Normalized base year emissions (tCO₂eq)</th>
<th>Target year</th>
<th>% achieved (emissions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 3: Use of products sold (energy efficiency)</td>
<td>28%</td>
<td>10%</td>
<td>tCO₂eq/installed terminal</td>
<td>2018</td>
<td>2019</td>
<td>0.00827</td>
<td>2023</td>
<td>38%</td>
</tr>
</tbody>
</table>

2.5.4 Other environmental commitments

**United Nations Global Compact**

By supporting the world’s leading corporate social responsibility initiative, Ingenico Group commits to disclose the ways in which the Group is aligning its strategy and operations with the UN’s universal principles relating to the environment:

- applying the precautionary approach to counter the problems affecting the environment;
- taking initiatives that tend to promote greater responsibility in terms of the environment;
- promoting the development and dissemination of technologies that respect the environment.

Ingenico Group’s 2019 report (Communication on Progress) is available on the website of the United Nations Global Compact.

**We Mean Business**

In 2015, Ingenico Group also committed to one of the initiatives proposed by the “We Mean Business” coalition to combat climate change. This voluntary commitment by Ingenico Group consists in providing public access to information on the impacts of the Group’s business on climate change. This commitment is reflected by the information contained in section 2.5.3, “Group greenhouse gas emissions”.

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Circular economy trajectories of the AFEP

Using the drivers of the circular economy defined by ADEME (the French Environment and Energy Management Agency), Ingenico Group was committed in 2017 through two actions: recycling and eco-design of products marketed by the Group. These two initiatives are part of the brochure published by the AFEP, which details the 120 commitments promoting the circular economy on the part of 36 French companies. In 2019, the Group communicated progress on its circular economy commitments to the AFEP.

Partnership with SPIE

Today, eco-responsible and sustainable mobility solutions are on the increase. With electric vehicles accounting for 10% of new car sales each year, it is therefore essential to provide the infrastructure to ensure that these vehicles can continue to run. In the scope of its partnership with SPIE Group, Ingenico Group has deployed an identification and payment solution across 1,200 electric vehicle charging stations throughout France. Ingenico Group is contributing to the success of SPIE Group through the self-service terminals range, helping to make the recharging of vehicle batteries as easy and accessible as going shopping.

Connected business night

Ingenico Group participated in the retail event of the year by offering an innovative solution aimed at digitizing loyalty cards as simply as possible. Thanks to the Ingenico payment terminal, consumers now have an easy-to-use, secure means of creating and using their digital loyalty cards. What is more, there are also savings in the form of paper registration forms and plastic cards, representing an environmental benefit (savings in raw materials and waste reduction).

French Business Climate Pledge

On August 29, 2019, at the meeting of French entrepreneurs (Rencontre des Entrepreneurs de France – REF) organized by the MEDEF, Ingenico Group undertook a climate commitment by signing the French Business Climate Pledge alongside 98 other French companies to reaffirm the need to change direction collectively by accelerating innovation and R&D through their investments in low-carbon solutions, in order to bring about a drastic drop in the planet’s greenhouse gas (GHG) emissions.
2.5.5 Employee awareness

The environmental actions of the SHARE program have been communicated in particular to all the Group's employees. The objectives set for 2023 were presented in person by Nicolas Huss, Chief Executive Officer, by means of a video available on Skyway.

The Group intends to improve environmental awareness among its employees. To this end, Ingenico Group encourages its employees to adopt and develop an eco-responsible approach in all their daily activities to reduce paper and water consumption, travel and energy consumption and to promote waste sorting.

In the United Kingdom and the Netherlands, working groups have been set up to educate employees on environmental issues in order to work in a sustainable environment.

Environmental protection begins with the implementation of environmentally friendly attitudes in the Company. That is why, in the United States, filter water bottles were distributed on Earth Day, accompanied by a message advocating the benefits of a reusable bottle.

Thanks to Ingenico's contribution in India, the Grow-Trees NGO planted thousands of trees in the country, thus creating local jobs for women and preserving many local tree species.

In France, on the Valence site, Ingenico Group took part in the "sustainable mobility" day to promote alternative solutions to the private car, particularly for commuting.
2.6 REPORT BY THE INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT IN THE MANAGEMENT REPORT

This is a free English translation of the statutory auditor’s report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2019
To the shareholders,

In our capacity as independent third party of your Company (hereinafter the "entity"), and accredited by the French Accreditation Committee (Comité Français d’Accréditation ou COFRAC) under number 3-104918 and, as a member firm of the KPMG International network, one of your statutory auditors, we hereby report to you on the consolidated non-financial statement for the year ended December 31, 2019 (hereinafter the "Statement"), included in the Group Management Report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity
The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity’s procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity’s head office.

Independence and quality control
Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the independent third party
On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225-105-1-3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity’s compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work
The work described below was performed in accordance with the provisions of Article A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes ou CNCC) applicable to such engagements and with ISAE 3000 (International standard on assurance engagements other than audits or reviews of historical financial information):

- We obtained an understanding of all the consolidated entities’ activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1-III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- We verified that the Statement provides the information required under Article R. 225-105-II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1-II, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities’ activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;

(1) Accreditation scope available at www.cofrac.fr
CORPORATE SOCIAL RESPONSIBILITY

2.6 Report by the independent third party on the consolidated non-financial performance statement in the management report

- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented, concerning certain risks; our work was carried out at the consolidating entity. For the other risks, our work was carried out on the consolidating entity and on a selection of entities.

- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement.

- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.

- For the key performance indicators and other quantitative outcomes that we considered to be the most important, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 16% and 100% of the consolidated data selected for these tests.

- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work mobilized the skills of five people and took place between November 2019 and February 2020 over a total intervention time of three weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted approximately ten interviews with the individuals responsible for preparing the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without modifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comments:

- as explained in the reporting scope and method section, the reporting boundaries do not include Ingenico Group’s activities in China for the following performance indicators: “Share of component suppliers with high and severe risks assessed on their CSR performance” and “Share of strategic component suppliers assessed on their CSR performance”;

- certain indicators have no historical comparability, as these have been newly implemented in 2019.

Paris-La Défense, on February 25, 2020

KPMG S.A.

Anne Garans
Partner
Sustainability Services

Frédéric Quelin
Partner

(1) Sustainable purchasing policies; Products compliance with applicable regulations; Actions implemented for employee development and talent retention; Measures taken in favor of employees’ well-being and engagement; Diversity and equality policy; Processes implemented to measure and reduce the environmental footprint; Processes implemented for personal data protection; Policies and processes implemented to promote ethical conduct and fight corruption; Measurement of customer satisfaction.

(2) Risks related to information technology protection; Risks related to IT security; Customer satisfaction; Risks related to data protection; Risks of unethical behavior; Risks related to the social and environmental practices of suppliers and subcontractors.

(3) Ingenico UK, Ingenico France.

(4) Share of strategic component suppliers who signed the CSR Agreement or provided proof of their RBA membership; Share of component suppliers with high and severe risks assessed on their CSR performance; Share of strategic component suppliers assessed on their CSR performance; Share of employees briefed with Group-level leadership model deployed; Training hours per employee, on average; Share of employees having access to “LinkedIn learning” tool; Participation rate in the People NPS Survey; Net Promoter Score for employees (eNPS), total headcount and breakdown by gender, work contract and age; Share of women in managerial positions; Number of voluntary departures / number of total departures; Absenteeism rate; Quantity of end-of-life terminals collected and treated; Share of countries where the Group is present and have a recycling program for end-of-life terminals; Greenhouse gas emissions per installed terminal; Share of new employees who signed the code of ethics.