COMMUNICATION ON PROGRESS 2019 INGENICO GROUP



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Contents

PROFILE	
2018 HIGHLIGHTS	
Stakeholder consultation	
Main key performance indicators	8
External recognition	8
CSR FOR INGENICO GROUP	9
Group CSR policy	
Strategy	10
Four spheres of action	11
Organisation	12
IMPLEMENTING THE TEN PRINCIPLES	13
Key improvements in 2018	13
Human Rights	14
Labour	16
Environment	18
Anti-corruption	19
TAKING ACTION IN SUPPORT OF BROADER UN GOALS AND ISSUES	20

Confirmation of Ingenico Group's continued support for the United Nations Global Compact



Dear Stakeholders,

As part of its commitment to sustainable development, Ingenico Group decided in 2015 to support the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption, and to implement these principles within our company.

I am pleased to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles. With this communication, I am expressing our intent to further implement these principles.

Practical actions taken by Ingenico Group in the last year are summarised in this Communication on Progress and presented in more detail in our 2018 Registration Document. We are committed to share this information with our stakeholders using our primary channels of communication.

Yours sincerely,

Nicolas Huss

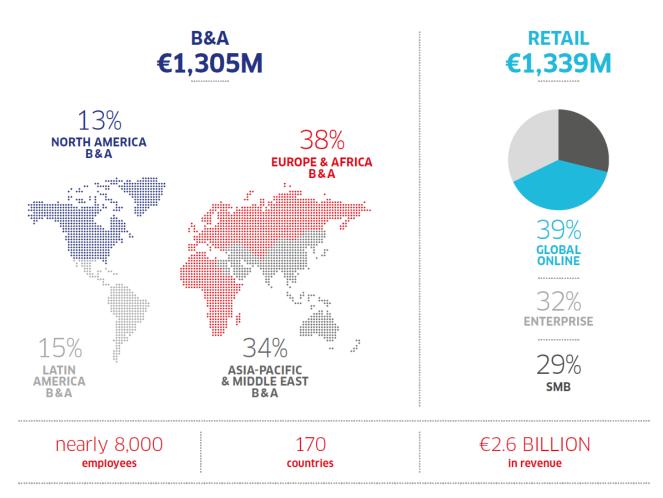
Chief Executive Officer

PROFILE

Ingenico Group, global leader in seamless payment

For almost 40 years, Ingenico Group has supported the evolution of commerce through a comprehensive offering of payment acceptance solutions and services. Our solutions cover the whole payment value chain and all sales channels, and are suited to our customers' local requirements and international ambitions. Ingenico is at the heart of commerce, and its goal is to help merchants to develop their business.

BREAKDOWN OF REVENUE BY REGION IN 2018



A complete offer that creates value for our customers

B & A

"Being the most trusted technology partner in the new world of payment

Industrial & commercial redesign

acceptance"

Worldwide leadership & scale

Global reach and local know-how

Market innovator with Android capacity

RETAIL



"Shaping the most customer focused payment experience in the new world of commerce"

Strategic accelerators

Dedicated growth model

Technology transformation

Business optimization & synergies

SUCCESS STORY AND TRANSFORMATION



Worldwide leader In the POS market



Ingenico provides a full set of instore payment services



Successful entry in the online payment market through domestic gateway



Enlarging online offer through X-border capability and collecting assets



Direct access to merchants expansion and full integration along the value chain through acquiring



Accelerating the direct access to merchant strategy with a DACH leading position

2018

2007 2014



POINT OF ACCEPTANCE
PAYMENT SERVICES
19%

65%
POINT OF ACCEPTANCE
PAYMENT SERVICES



58%
PAYMENT SERVICES
POINT OF
ACCEPTANCE

CAPITAL OUR

HUMAIN

- 7,840 employees
- 88 nationalities
- 29.8% women
- Classroom-based and e-learning training programs

NATURAL





- INTELLECTUAL

 8% of revenue devoted to R&D in 2018

 A dedicated innovation team

 Partnerships with players in the digital world

 Collaboration with start-ups and business incubators

SOCIETAL



- · Development of financial transparency
- **Development** of financial
- Technical expertise for fundraising

MANUFACTURING



- +180 sites worldwide Fabless model (outsourced production)

TECHNICAL



- Data centersAcquisition platforms and licenses

FINANCIAL



PROVIDING OUR CUSTOMERS AND PARTNERS WITH THE MOST INNOVATIVE AND RELIABLE PAYMENT SERVICES

ER OFFE

Terminals Services #1 player #1 player globally globally **Terminal Sale** Subscription

Terminals

CUSTOMERS

SMB

BANKS

& ACQUIRERS



ONLINE

















IN ORDER TO GENERATE ETHICAL, INCLUSIVE AND TRANSPARENT GROWTH

Payment Services

Transaction "Gateway"

 In-store (Europe) & online (global) Collecting

 In-store (Europe) & online (global) Acquiring

 Selected European countries

Value-adde services

 Presence in loyalty, fraud, FX and data analytics services

Subscription and/or fixed commission per transaction Fixed commission per transaction or % of transaction value

% of transaction in value

Subscription + commission per transaction

















*employee Net Promoter Score, excluding Landi and Bambora

IMPACTS FOR STAKEHOLDERS

HUMAIN



- €436.4 million in gross wages and salaries in 2018 eNPS of -11.6*
- 7 hours of classroom training per employee in 2018

NATURAL



- 72 tons of CO₂e offset and 98 tons of CO₂e avoided thanks to recycling in 2018
 342 tons of end-of-life products collected and processed in 2018
- Improved energy efficiency

INTELLECTUAL



- 1,332 patents issued
 New solutions developed thanks to partnerships
 2,500+ payment applications
 Software licenses

SOCIETAL



- · Creation of microenterprises, more accessible and affordable financial services
- More than €137 million collected for charitable organizations via our solutions in 2018

MANUFACTURING



- 15 million terminals produced in 2018, including 7 million
- 32 million installed terminals, excluding mobile terminals

TECHNICAL



- 542 million online transactions
- processed in 2018 6.3 billion in-store transactions processed in 2018

FINANCIAL



- distributed to Shareholders in 2018 2% organic growth in 2018 5% reported growth in 2018 18.4% per year of the Total Shareholder Return over the last ten years

2018 HIGHLIGHTS

Stakeholder consultation

In 2018, Ingenico Group conducted a global survey with its key stakeholders – employees, customers, suppliers, investors, and partners – to gain a better understanding of their expectations in terms of CSR. Based on more than 1,200 responses, the main learning points of this survey are as follows:

- 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 many 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.

Main key performance indicators

PEOPLE

7,840 employees of whom 96% are permanent employees

7 training hours on average per employee

73% of employees have access to the Ingenico University platform

2.11% Group absenteeism rate

71% rate of participation in the People IN! survey

CORPORATE CITIZENSHIP

Code of Ethics translated into 12 languages and accessible to 100% of employees on Skyway

€137 million collected for charity using our payment solutions

87% of strategic components suppliers have signed the CSR agreement or are members of the RBA

100% of Ingenico components suppliers have been assessed with regard to traceability of the origins of minerals

ENVIRONMENT

16,127.1 MWh of electricity used

342.1 tons of end-of-life terminals collected and processed

13% energy optimization for the Lane/5000 terminal

100% of terminals are RoHS2 and REACH compliant

GHG emissions: **30.3** kgCO2e/installed terminal

External recognition







In 2018, Ingenico featured in the following SRI indices that identify the companies with the best performance in the ESG (Environment, Social and Governance) fields:

- Euronext Vigeo Eurozone 120
- Euronext Vigeo Europe 120
- Dow Jones Sustainability Europe
- Ethibel Sustainability Excellence Europe

- FTSE4Good
- MSCI ESG Indexes
- Gaia Index
- STOXX Global ESG Leaders

CSR FOR INGENICO GROUP

Group CSR policy

Aware of the importance of sustainable development issues and the growing expectations of its stakeholders in terms of corporate social responsibility, Ingenico Group has developed a CSR policy adapted to its business model and its environment, the aim of which is to generate inclusive and transparent growth, built around increasingly innovative and reliable payment services.

This CSR policy, shared with all Ingenico Group employees, is based on five commitments, which they are invited to apply in their activities:

1. Maintain responsible and ethical business practices

Ingenico Group is committed to following the highest environmental, health, safety, labour conditions and social justice standards in its relationships with all its stakeholders and specifically through its supply chain management.

 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 information and respect for an individual's right to privacy are of utmost importance. It is dedicated to providing the most secure and safest payment solutions for its customers, their clients, its partners and other stakeholders.

3. Grow along with society

Ingenico Group wants to grow its business in harmony with its ecosystem. Therefore, the Group strives to develop regular and open dialogue with its stakeholders in order to foster collaborative innovation and meet the needs of the local markets, with a specific focus on solutions that can advance financial transparency and inclusion.

4. Control its environmental footprint

Ingenico Group is committed to the development of payment solutions that have a low impact on the environment. The Group also strives to minimise the environmental footprint resulting from the operation of its facilities and from its sales and distribution channels.

5. 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 improvements in the Company's performance and fostering innovation.



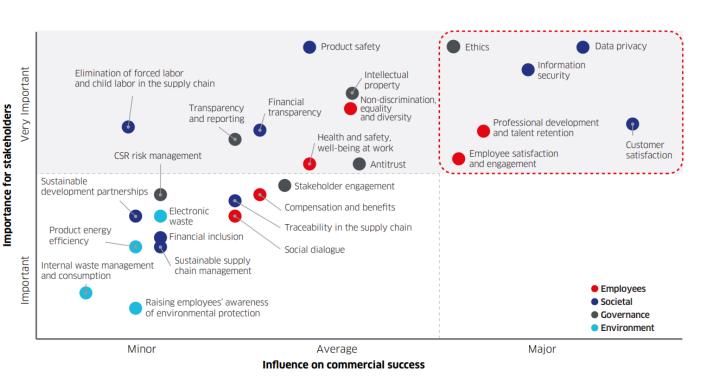
Strategy

Supported by BSR (Business for Social Responsibility), a global network of companies and expertise dedicated to sustainable development, Ingenico Group conducted an initial materiality analysis in 2015, enabling it to develop a first version of its CSR strategy.

This analysis was updated in 2018 using the 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. 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 new analysis, which are generally in line with the results from 2015, 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).

This analysis allowed the Group to redefine its CSR strategy and develop an action plan focused on its most material issues, which will be shared in 2019. Objectives for 2023 are currently developed.



Four spheres of action

Ingenico Group's CSR strategy, which is built around these key issues, is based on the following action fields:



PEOPLE

The cornerstones of the Group's success

A fair, respectful and inclusive work environment

- · Promotion of diversity and inclusiveness
- Fair compensation practices

Employee engagement and development

- · A positive corporate culture
- · Employee involvement through surveys and actions
- · Professional development
- · A global e-learning platform
- · Training programs tailored to the digital sector



ENVIRONMENT

Preserving natural resources

Eco-friendly products

- · Development of eco-design practices
- · Programs for end-of-life product collection and recycling

Management of greenhouse gas emissions

- Assessment of our value chain's impact on the environment
- A range of actions to minimize our carbon footprint



CORPORATE CITIZENSHIP

Setting the example

Secure, reliable payment solutions

Products that comply with the highest safety standards

- Leading-edge information security practices to ensure that sensitive data is protected
- A strict data privacy policy

Responsible supply chain management

- High environmental and social requirements on suppliers
- Better material content traceability for terminal manufacturing to safeguard human rights

Positive impact solutions

- Electronic payment as a means to combat informal economy
- Innovative technologies that facilitate the collection of donations and provide unbanked people with access to financial services



GOVERNANCE & MANAGEMENT

Leading through engagement and responsibility

A dedicated governance structure for CSR

- A CSR strategy supported by management, led by the CSR team and deployed via a network of ambassadors to provide a consistent approach at Group level
- Campaigns to raise employee awareness and promote corporate social responsibility

Responsible business practices

- Consolidation of procedures relating to ethics and compliance, including the fight against corruption
- Stakeholder engagement to foster collaboration and innovation

Organisation

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. In 2018, the department was moved to the Strategy and Transformation Division, which has direct representation on the Group's Executive Committee. It seeks ad hoc assistance from the CSR Core Team, a cross-disciplinary group of business experts which represents the main departments with a stake in environmental, social, and societal topics. Together, they are responsible for driving the implementation of Ingenico Group's CSR strategy.



IMPLEMENTING THE TEN PRINCIPLES

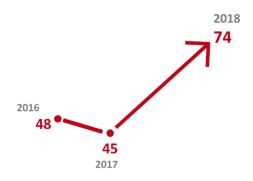
Ingenico Group's support for the United Nations Global Compact reflects its commitment to sustainable development. Launched in July 2000 by UN Secretary-General Kofi Annan, the Global Compact is the world's largest corporate social responsibility initiative. As a supporter of the Global Compact, Ingenico Group is committed to respecting and promoting its 10 core principles relating to human rights, labour standards, the environment, and the fight against corruption.



Key improvements in 2018

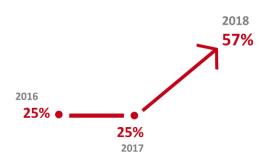
Human Rights

Number of suppliers assessed on their CSR performance



Labour

Percentage of women on the Executive Committee*



*as of 31 December of each year

Environment

Reduction of kgCO₂e per Ingenico terminal installed



Anti-corruption

In 2018, Ingenico Group conducted an anti-corruption risk mapping exercise which formed the basis for a range of measures to strengthen its anti-corruption efforts.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Ingenico Group is committed to ensuring that all its operations are conducted with honesty, integrity, and respect for human rights across the globe. It supports and respects the protection of internationally proclaimed human rights, such as the rights arising under ILO conventions. Ingenico Group has been a signatory of the Global Compact since 2015 and a member of its French network: Global Compact France.

The Group's scrupulous ethical commitments are laid out in its Code of Ethics and Business Conduct, 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, which is approved by the Chief Executive Officer of Ingenico Group, is accessible to all employees via the Group's intranet and to third parties via its corporate website.

The code of ethics and business conduct focuses on key principles that are based on texts and standards such as the Universal Declaration of Human Rights and the United Nations Global Compact.

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 works. 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 with regard to this code (reporting hotline). The Group is committed to handling any reported incidents confidentially and equitably, and in accordance with the relevant legislation.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses

Ingenico Group is aware of its responsibilities across all its activities and its production chain. It 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 labour.

In 2018, Ingenico Group formalised its responsible purchasing policy and carried out a supply chain risk mapping.

In keeping with its ambition of creating sustainable growth and value for all its stakeholders, the responsible purchasing policy is built on five commitments:

- maintain fair relations with our suppliers;
- promote high labour 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.

This policy is available online¹ for consultation by all stakeholders.

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, including human rights. In partnership with EcoVadis, a specialist in supply-chain CSR, Ingenico Group has produced a risk mapping covering all of its suppliers. 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 being able to prioritize the action 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 action to be taken in respect of production suppliers.

Various communication and assessment tools are used to manage CSR risk within the supply chain, depending on the level of monitoring required. The Group's terminal assembly process has now been fully outsourced, including in China, where the production plant ceased operations in 2018

Apart from Landi, Ingenico Group Chinese entity, Ingenico Group's two Tier 1 suppliers, known as EMS (Electronic Manufacturing Services), responsible for assembling its payment terminals, are the US firm Jabil and Singapore-based 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 the environment, labour rights and social justice in the electronics sector. Ingenico Group ensures rigorous control over Jabil and Flex and has dedicated teams of employees at the main sites in Brazil, Malaysia and Vietnam.

Upstream from this assembly chain, Ingenico Group works with a community of Tier 2 suppliers based primarily in Hong Kong, China, Taiwan, Vietnam, Thailand, Malaysia and Brazil to produce its various

¹ https://cdn.ingenico.com/binaries/content/assets/corporate-en/about-ingenico/responsible-purchasing-policy.pdf

components. Ingenico Group expects these component suppliers to comply with the same standards that the Group sets for itself. These have been documented in a CSR agreement that all active components suppliers must sign. It stipulates Ingenico Group's expectations vis-àvis its suppliers regarding labour and human rights, health and safety, environmental protection, ethics, etc. It lays out the minimum requirements that all suppliers must meet when working with Ingenico Group. This agreement also requires suppliers to cascade the Group's requirements down their own supply chains. 110 strategic components suppliers to Ingenico Group have been required to sign this agreement (or provide proof of membership of the RBA). At December 31, 2018, 82% of these suppliers had signed the agreement and 5% had provided evidence of RBA membership. This program will be extended to Landi's component suppliers from 2019.

To assess the CSR performance of all its Tier 2 suppliers (excluding Landi), Ingenico Group has developed an assessment questionnaire which includes social, environmental, ethical, health and safety criteria. In 2018, the Group launched an assessment campaign, asking its strategic suppliers to complete the questionnaire. As of December 31, 2018, 74 out of 110 suppliers had been assessed. Since 2019, the Group has been arranging for the CSR performance of some suppliers to be assessed by EcoVadis, in the light of lessons learned from the risk mapping exercise conducted in 2018. Action will be taken in respect of suppliers whose rating is considered inadequate.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Ingenico Group respects the principles, charters and laws relating to the freedom of association and staff representation, whether it involves direct representation or through trade unions. It promotes constructive dialogue 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 have been implemented 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, etc.

Together, these collective bargaining agreements are investments that help to improve employees' working conditions and the Company's performance.

Principles 4 and 5: Businesses should uphold the elimination of all forms of forced and compulsory labour and the effective abolition of child labour

Ingenico Group recognises that slavery in all forms, including servitude, child labour, forced or compulsory labour and human trafficking continues to be a serious issue and is fully supportive of efforts to eradicate these abhorrent crimes. Its Modern Slavery statement sets out the steps that were taken to reduce the risk of Modern Slavery taking place in the organisation and in the supply chain.

The Group's Code of Ethics and Business Conduct states that "everyone has a duty to ensure that the rights arising under International Labour Organization conventions, [including the prohibition on child labour and on forced or compulsory labour], are applied effectively" and that "Ingenico will not tolerate the use of forced or compulsory labour within its Group or by any of its service providers or suppliers, i.e. workers employed by coercion, force or blackmail."

A range of due diligence measures to assess and manage any risks of Modern Slavery within the supply chain are implemented:

- Suppliers are required to comply with the Code of Ethics and Business Conduct.
- Ingenico Group's two main assembly subcontractors have signed the Responsible Business Alliance (RBA) Code of Conduct. This commits participants to uphold the human rights

- of workers and to treat them with dignity and respect as understood by the international community.
- A Supplier Quality Agreement is routinely entered into by component suppliers. This agreement states: "Employment should be freely chosen. Under no circumstances will the supplier make use of forced or bonded labour [...] to design, manufacture or assemble components."
- Additionally, component suppliers are requested to sign the CSR
 Supplier Agreement to commit them to socially responsible practices including the prevention of involuntary labour and human trafficking, and cascade the Group's conditions down their own supply chains.
- Dedicated teams from Ingenico Group are based at the main assembly sites to continuously monitor production activity.
- The Quality Department continuously audits the various component suppliers around the world. Ten specific CSR points have been assessed as part of the audit process since 2018. The auditors check several points relating to forced and child labour, working conditions, health and safety, the environment and ethics. Where non-compliance is identified, the supplier is asked to take remedial action. In 2018, a total of 34 audits covering CSR topics were carried out.
- A detailed CSR assessment questionnaire is used in conjunction
 with audits to evaluate the supplier's policies and controls
 relating to CSR issues. A specific assessment point relates to
 whether the supplier has a written policy, endorsed by its senior
 management, covering freely chosen employment, avoidance
 of child labour, working hours, wages and benefits and humane
 treatment of all employees.
- Direct suppliers identified as high risk following the risk mapping, as well as our main indirect suppliers, are required to complete a CSR assessment through the EcoVadis platform.

Procurement not related to the core manufacturing products (indirect purchasing: logistics, courier services, waste management etc.) is also controlled at a local business level thanks to specific tools such as due diligence questionnaires, including an ethics section and a question on employment of child or forced labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation

Ingenico Group's Code of Ethics and Business Conduct states that discrimination on grounds of race, national or ethnic origin, colour, religion, age, gender, sexual orientation, marital status, disability or a conviction that has been pardoned will not be tolerated.

The Group's subsidiaries use these guidelines to implement local initiatives, such as the implementation of policies specific to the fight against all forms of discrimination and promoting equal opportunity. The fight against discrimination is also highlighted in guides distributed to employees (Employee

Handbooks) within several entities. Others have put training in place to prevent the risks of discrimination and harassment.

Discrimination and harassment against suppliers, consultants, customers and other persons with whom the Group has a business relationship are also prohibited.

At a governance level, the Board of Directors ensures that the directors and executive officers implement a policy of non-discrimination and diversity, particularly regarding the balanced representation of women and men in decision-making bodies.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

To address potential environmental risks, the Group has developed an environmental management system which is certified to ISO 14001. Within this framework, Ingenico Group has established an environmental risk prevention policy. This policy includes an environmental regulation monitoring mechanism to help it anticipate changes in regulations that affect the way it does business.

The Group intends to improve environmental awareness among its employees by encouraging them to adopt environmentally friendly practices in their daily activities to reduce paper consumption, travel and energy consumption, and to promote waste sorting.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

The environmental policy defined by Ingenico Group SA is documented and signed by the Group's management. It is based upon four guiding principles: exemplary compliance with environmental regulation, considering the environmental impact from the product design stage, implementing a responsible purchasing policy that incorporates environmental criteria, increasing environmental awareness among employees.

The supplier audits conducted by the Quality Department provide opportunities to ensure supplier compliance with the principles of the CSR agreement, including environmental standards. The Group works with two transport 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, the consolidation and optimisation of loads, and the selection of means of transport, thereby ultimately helping to reduce the Group's carbon footprint.

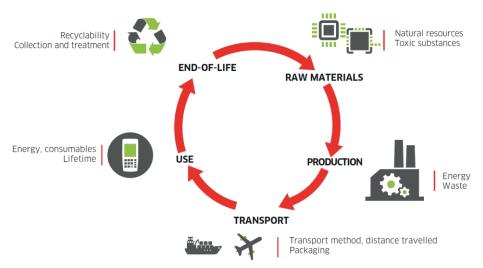
Ingenico Group is keenly aware of the progression and impact of climate change across the globe and wanted to participate in the collective drive to keep global warming below two degrees Celsius between now and 2050. As a result, it decided to set new targets for reducing its GHG emissions by 2020. However, given the internal reorganizations that occurred in 2018 and the definition of a new corporate strategy, it was decided to replace the objectives previously defined for the reduction of greenhouse gas emissions with new objectives for 2023 as part of the CSR action plan to be released in 2019.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies

Eco-design is a preventive approach that factors in environmental concerns right from the product design and development phase. 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 material consumption and waste production).

Ingenico Group takes steps to reduce the environmental footprint of its terminals 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.

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



Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Ingenico Group's Code of Ethics and Business Conducts states that Ingenico's interests must prevail in all circumstances. The Group must not be exposed to any kind of danger on the basis of a contract or commercial benefit.

Accordingly, employees are asked to be extremely vigilant when applying the eight following rules:

- Strict prohibition on public and private bribery;
- Relations with political parties;
- Prevention of money laundering;
- Prevention of fraud;
- Prohibition on anti-competitive practices;
- Employees must avoid any conflict between their interests as
 Employees and their obligations towards Ingenico;
- Employees must refrain from disclosing any information that the Group deems to be confidential without appropriate permission;
- Relations with shareholders and the financial markets.

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 works. In most 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 with regard to this code (reporting hotline). This reporting hotline arrangement complements any local whistle-

blowing procedures. The Group is committed to handling any reported incidents confidentially and equitably, and in accordance with the relevant legislation.

On top of the Code of Ethics and Business Conduct, the Supplier CSR Agreement and the Supplier Quality Agreement, Ingenico has set up an internal policy to check the integrity of its service providers, further strengthening the resources deployed to combat corruption fraud and any other illegal or unethical practices.

If a breach of anti-corruption rules is identified:

- a complaint will be systemically filed with the appropriate authorities;
 and
- the Group will take appropriate action against the Employees responsible.

The fight against corruption is one of the Group's top priorities. It conducted an anti-corruption risk mapping exercise which formed the basis for a range of measures to strengthen its anti-corruption efforts.

In 2018, the Compliance function delivered sessions to raise awareness and provide training in ethics and combating corruption for staff at particular risk, such as the Management Committees of the two Business Units, all the Sales teams of the Banks & Acquirers BU, the management of the Human Resources Department, and the management and key functions of countries such as Russia, India and Mexico. This training will be updated on an ongoing basis throughout 2019 so that it reflects the corruption risk mapping as closely as possible.

There were no public cases of corruption in 2018.

TAKING ACTION IN SUPPORT OF BROADER UN GOALS AND ISSUES

As part of its commitment to sustainable development, Ingenico Group decided to integrate the UN Sustainable Development Goals ("SDGs") into its CSR strategy in order to be part of this global movement. The 17 SDGs, adopted in 2015 by the 193 member countries of the United Nations, in fact 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.

SDGs are covered by a dedicated page on the Group's website: https://www.ingenico.com/about-ingenico-group/corporate-social-responsibility/sustainable-development-goals.

SUSTAINABLE GENERALS DEVELOPMENT



































In view of its activities and its CSR approach, Ingenico Group specifically contributes to the following four SDGs:









In fact, through its financial inclusion solutions and the integration of social standards in the management of its supply chain, it encourages economic growth and the promotion of decent work (SDG 8).

Thanks to the implementation of prevention measures, in recycling and waste disposal, as well as to the development of an eco-design approach 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).

Finally, by developing solutions that encourage financial transparency and traceability and by promoting ethical practices, it supports the implementation of effective and responsible institutions (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



(1) More information on the 17 SDGs and their 169 targets can be found at the following address: https://www.globalcompact-france.org/images/un_global_compact/page_odd/Liste_des_17_ODD_et_169_cibles_-_web.pdf

TO LEARN MORE ABOUT INGENICO GROUP'S CSR APPROACH, PLEASE REFER
TO OUR <u>REGISTRATION DOCUMENT 2018</u>

