



COMMUNICATION ON PROGRESS 2020

ingenico
GROUP



COMMUNICATION ON
PROGRESS

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.

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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 2019 Registration Document. To step up our efforts, we notably launched SHARE, our CSR programme based on tangible objectives in line with the Sustainable Development Goals. We are committed to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely,

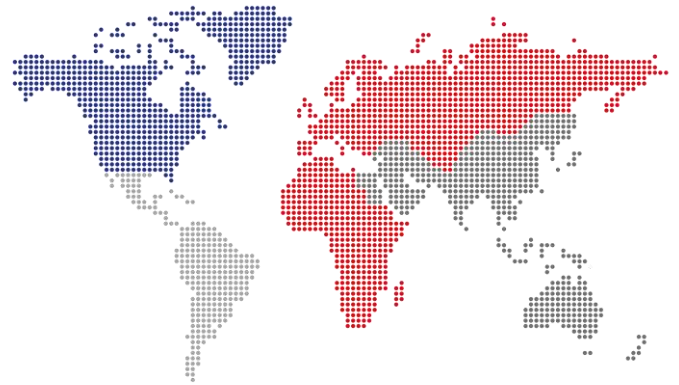
A handwritten signature in blue ink, appearing to read 'N. Huss', with a stylized flourish at the end.

Nicolas Huss
Chief Executive Officer

PROFILE

Ingenico Group, global leader in seamless payment

For 40 years now, Ingenico Group has been the trusted and proactive world-class partner for financial institutions and retailers, thanks to its comprehensive offering of payment acceptance services which cover the whole payment value chain and all sales channels. The Group offers secure solutions that adapt to both the local needs and international ambitions of its clients, to deliver a unique customer experience. Our international community of payment experts anticipates the evolutions of commerce and consumer lifestyles to offer our clients leading-edge complete solutions wherever they are needed.



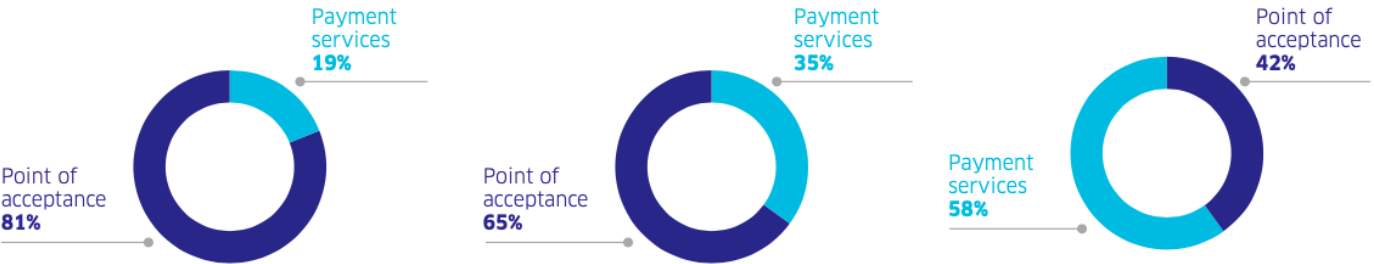
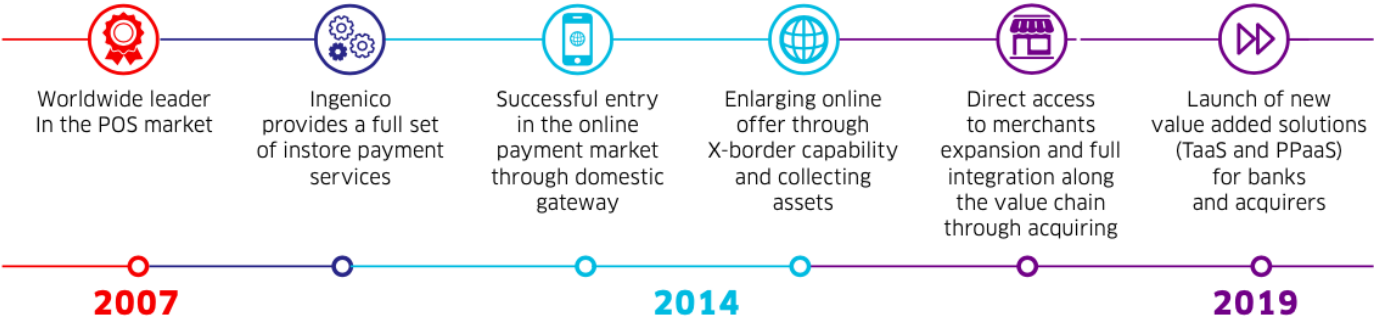
PRESENT IN 170 COUNTRIES



A successful transformation strategy

<p>B & A</p> <p>“Being the most trusted technology partner in the new world of payment acceptance”</p> <p>Industrial & commercial redesign</p> <p>Worldwide leadership & scale</p> <p>Global reach and local know-how</p> <p>Market innovator with Android capacity</p>	<p>RETAIL</p> <p>“Shaping the most customer focused payment experience in the new world of commerce”</p> <p>Strategic accelerators</p> <p>Dedicated growth initiatives</p> <p>Technology transformation</p> <p>Business optimization & synergies</p>
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An accelerated transformation



CAPITAL

HUMAN

- 8,869 employees
- 95 nationalities
- 31.6% women
- Classroom-based and e-learning training programs

NATURAL

- Electricity 18,005.1 MWh⁽¹⁾
- Natural gas (5,485.5 MWh⁽²⁾)
- Water (100.7 m³⁽¹⁾)
- Renewable energies (8%⁽¹⁾)
- Minerals

INTELLECTUAL

- 7.8% of revenue devoted to R&D in 2019
- A dedicated innovation team
- Partnerships with players in the digital world
- Collaboration with start-ups and business incubators

SOCIAL

- Development of financial transparency
- Development of financial inclusion
- Technical expertise for fundraising

MANUFACTURING

- 176 sites worldwide
- Fabless model (outsourced production)

TECHNICAL

- 36 data centers⁽¹⁾
- Acquisition platforms and licenses

FINANCIAL

- €3,370 million in revenue in 2019
- €606 million EBITDA in 2019
- €310 million free cash flow in 2019

OUR

AMBITION

TO PROVIDE OUR CUSTOMERS AND PARTNERS WITH THE MOST INNOVATIVE AND RELIABLE PAYMENT SERVICES

OFFER

Terminals



• #1 player globally

• #1 player globally

Terminal Sale

Subscription

CUSTOMERS

BANKS & ACQUIRERS



SMB



ENTERPRISE



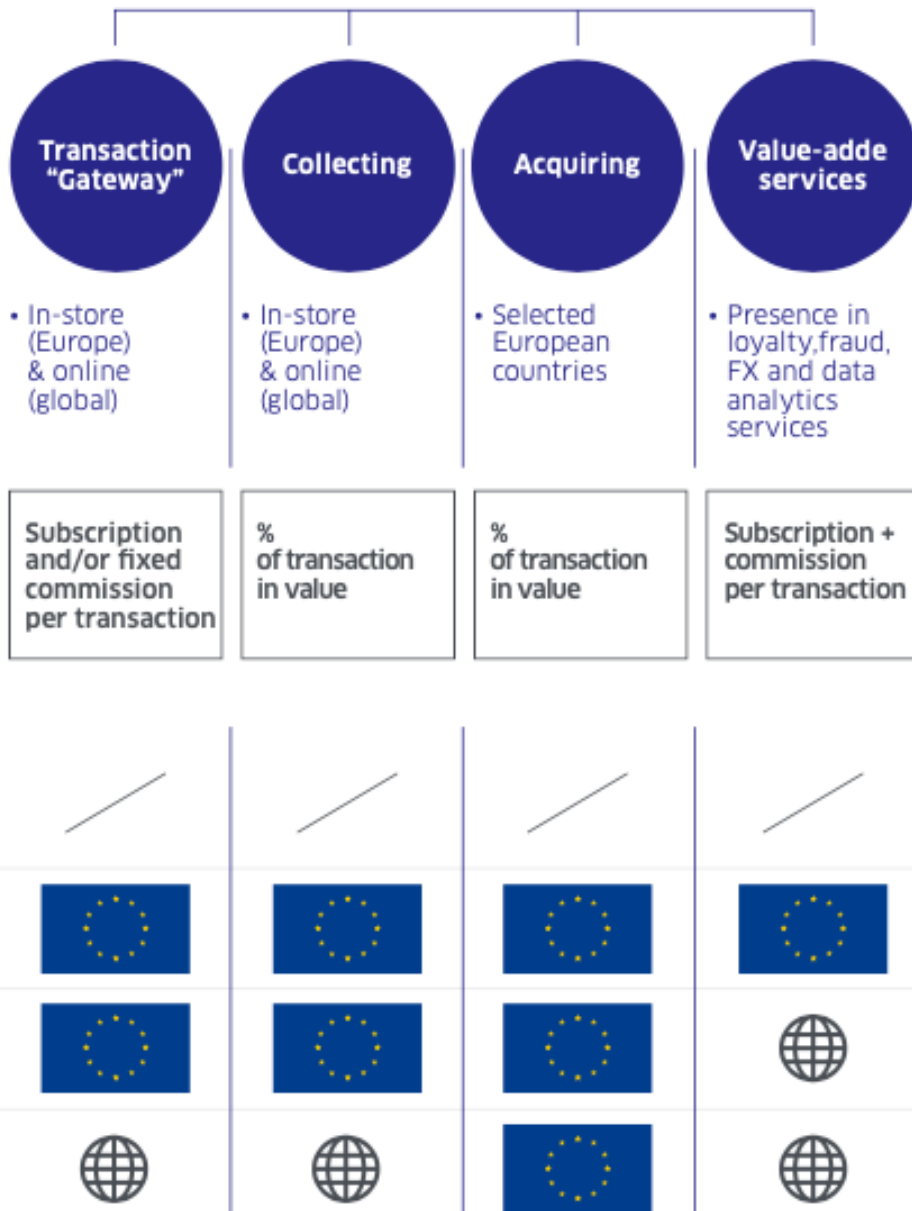
ONLINE





IN ORDER TO GENERATE ETHICAL, INCLUSIVE AND TRANSPARENT GROWTH

Payment Services



HUMAN

- €512.6 million in gross wages and salaries in 2019
- eNPS of -8.6⁽²⁾
- 16 hours of training per employee in 2019
- 56,232 hours on average of training via e-learning



NATURAL

- 26 tons of CO₂e offset and 91 tons of CO₂e avoided thanks to recycling in 2019
- 377.9 tons of end-of-life terminals collected and processed in 2019
- 27% improvement in terminal energy efficiency⁽³⁾



INTELLECTUAL

- 1,414 patents issued
- 2,500+ payment applications
- New solutions developed through partnerships
- Software licenses



SOCIAL

- Creation of microenterprises, more accessible and affordable financial services
- €173.4 million collected for charitable organizations via our solutions in 2019



MANUFACTURING

- 15.6 million terminals produced in 2019



TECHNICAL

- 1.5 billion online transactions processed in 2019
- 10.5 billion in-store transactions processed in 2019
- 2.1 billion transactions acquired in 2019

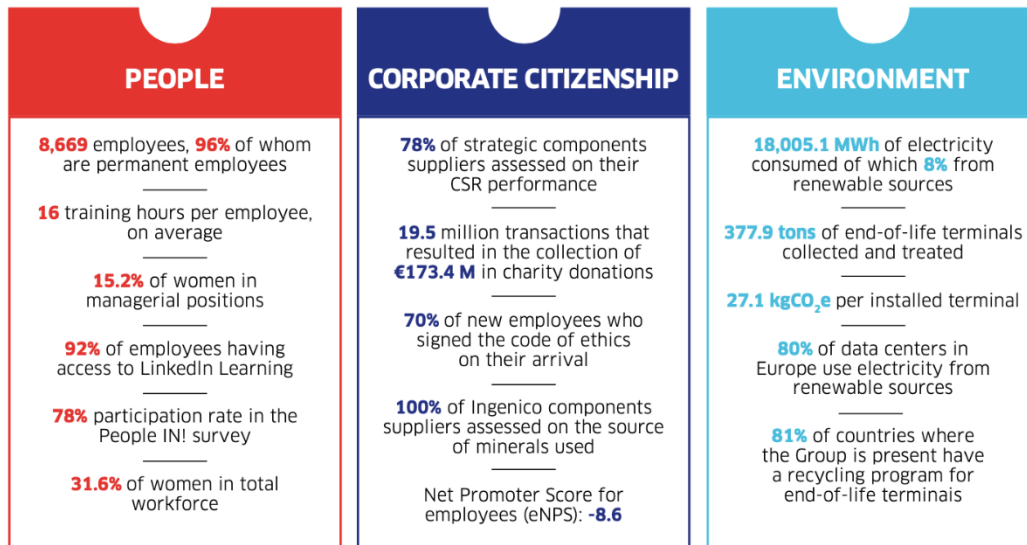


FINANCIAL

- €34.2 million⁽⁴⁾ in cash dividends distributed to shareholders in 2019
- 10% organic growth in 2019
- 11% reported growth in 2019
- 21.3% per year of the Total Shareholder Return over the last ten years

2019 HIGHLIGHTS

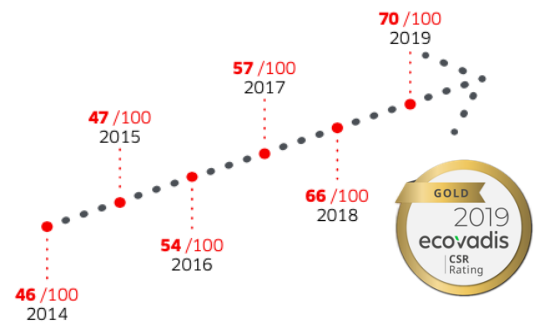
Main key performance indicators



External recognition

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 by 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.



In 2019, Ingenico featured in the following SRI indices that identify the companies with the best performance in the ESG (Environment, Social and Governance) fields:

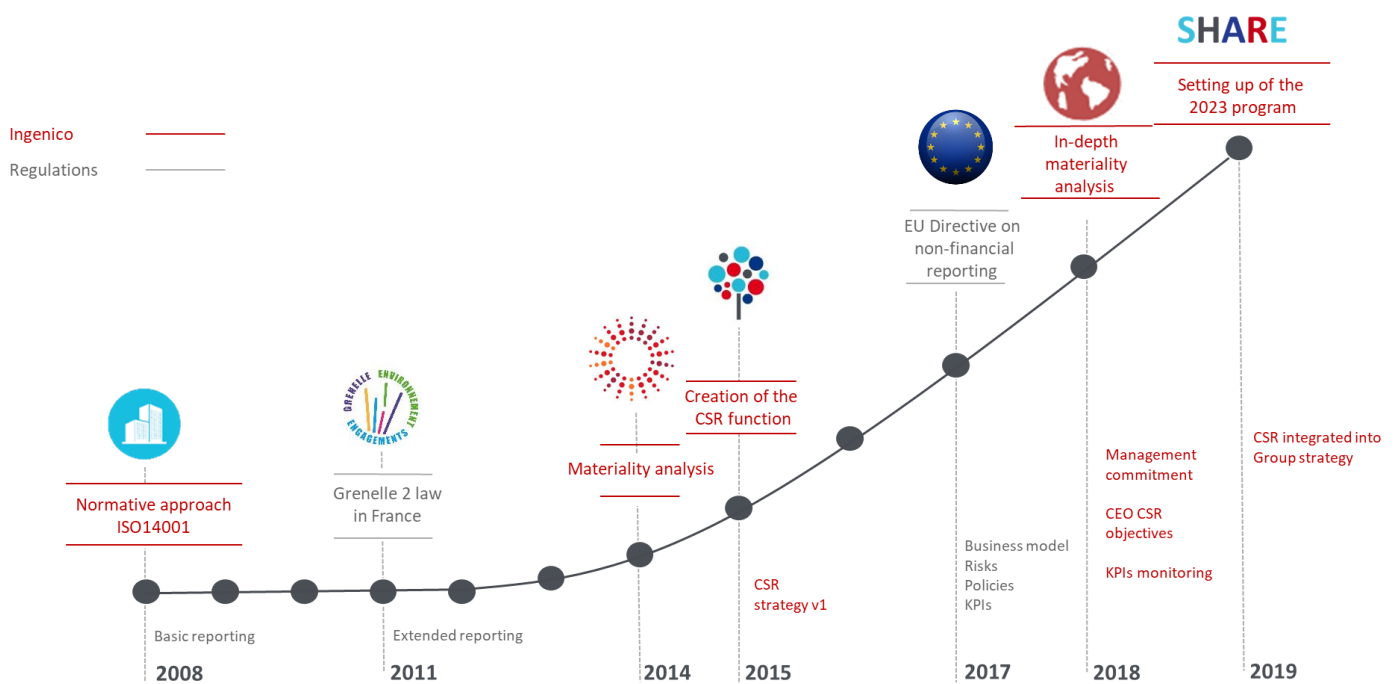
- Euronext Vigeo Eurozone 120
- Euronext Vigeo Europe 120
- Dow Jones Sustainability Europe
- Ethibel Sustainability Excellence Europe
- FTSE4Good
- MSCI ESG Indexes
- Gaia Index
- STOXX Global ESG Leaders

CSR FOR INGENICO GROUP

History

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

This programme 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.



Group CSR policy

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, the aim of which is to generate inclusive and transparent growth, built around increasingly innovative and reliable payment services.

This policy is summarized in its [CSR charter](#), which is shared with all Ingenico Group employees. It 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.

SHARE 2023

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** programme, 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 compensation criteria of the Group's executives, ensuring regular monitoring at the highest level.



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.

CSR Organisation 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.

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 programme.

A new network of CSR Ambassadors



With regards 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.

IMPLEMENTING THE TEN PRINCIPLES

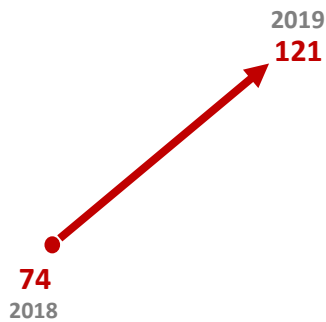
Ingenico Group's support for the United Nations Global Compact reflects its commitment to sustainable development. Launched in July 2000 by UN Secretary-General Kofi Annan, the Global Compact is the world's largest corporate social responsibility initiative. As a supporter of the Global Compact, Ingenico 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 2019

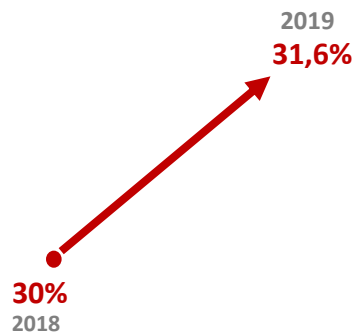
Human Rights

Number of suppliers assessed on their CSR performance



Labour

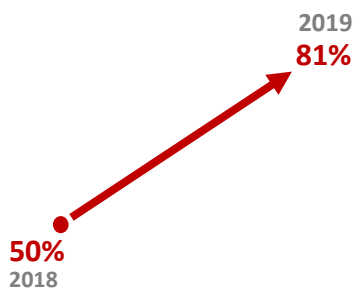
Percentage of women in the workforce



Environment

End-of-life terminal recycling solutions

(available in 75% of countries where the Group is present)



Anti-corruption

In 2019, the [Code of Ethics and Business Conduct](#) was updated. Its appendices include the Group policy on gifts and invitations, the whistle-blowing policy and a new anti-corruption policy.

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.

In 2019, Ingenico Group pushed ahead with its action plan, and in particular with the update of the Group's Code of Ethics and Business Conduct, intended for its employees and those with whom it has business relationships, particularly suppliers and subcontractors. The Code, which sets out the standards and behaviours that apply to the Group's businesses (such as employee rights, compliance with the legislation and regulations in force, etc.), has been revised to make its content more accessible.

In addition, Ingenico Group uses its payment services to collect donations to charitable organizations, many of them defending human rights. 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.

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.

Finally, Ingenico Group offers the "Salary rounding" system, which enables employees in France to support charities of their choice, and supports local associations through donations, events and fundraising campaigns.

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, Ingenico Group's [responsible purchasing charter](#) 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 charter 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 direct and indirect 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.

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.

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 with 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% had signed a CSR agreement or had 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** programme, 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: by 2023, 80% of high and severe risk suppliers assessed on their CSR performance and corrective action plans in place where needed

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.

In France, 7 collective agreements were signed in 2019 (9 in 2018 and 7 in 2017).

The Bambora entity in Sweden has seen positive impacts on salaries, working hours and leave as a result of collective agreements. There has been no negative impact on the business performance of the entity in comparison with the Bambora entities where no such agreements have been implemented. A collective agreement was signed in 2019 (one in 2018 and one in 2017).

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 (Modern Slavery) 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 towards eliminating the risk of Modern Slavery taking place in its organisation and in its supply chain.

The Group’s Code of Ethics and Business Conduct states that “Ingenico will not tolerate any form of modern slavery, including servitude, forced or compulsory labour or human trafficking, including for example 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:

- Pre-evaluation questionnaires sent prior to selecting new components suppliers now include a CSR criterion, accounting for 5% of the supplier’s global score. Respondents are also required to describe measures in their premises to prevent involuntary and child labour as well as human trafficking.
- All production suppliers are required to comply with the Code of Ethics and Business Conduct.
- Ingenico Group’s two main EMS (electronic manufacturing services) in charge of assembling Ingenico terminals are members of the Responsible Business Alliance (RBA). Hence, they commit to uphold the human rights of workers and to treat them with dignity and respect as understood by the international community. These standards apply to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.
- Additionally, EMS and component suppliers are requested to sign a CSR Agreement committing 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. As of December 31st, 2019, among Ingenico’s 112 severe and high-risk component suppliers, 61% had either agreed to comply with the CSR Agreement or demonstrated RBA membership. Among Landi’s strategic suppliers, this percentage was 55%. Specific actions are taken with suppliers who are not RBA members and have not signed a CSR Agreement to understand the blocking points, analyse and address the associated risks. Any failure to comply with the forced labour and anti-slavery prohibitions mentioned in the CSR Agreement will allow Ingenico to terminate its relationship with that supplier.
- Dedicated teams from Ingenico Group are based at the main assembly sites to continuously monitor production activity.
- In 2019, Ingenico group directed EcoVadis to perform a CSR-performance assessment of all severe and high-risk suppliers involved in the production of Ingenico terminals (excluding Landi). The CSR assessment covers environment, ethics, sustainable procurement and labour and human rights including child labour, forced servitude and human trafficking. Among 112 severe and high-risk suppliers, 55% were assessed by 31 December 2019. Any non-conforming suppliers are required to implement corrective actions plans
- For electronic component suppliers, Ingenico Group ensures close supervision and performs regular quality audits. CSR topics verified during these audits include the respect of Ingenico’s requirements regarding the maximum number of working hours, the minimum age of the employees and minimum wage rules. In case of any non-conformity, suppliers are required to implement corrective actions plans. In 2019, 47 audits covering CSR topics were conducted by Ingenico Group.

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 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 the Netherlands with the existence of an external adviser acting in total confidentiality. 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 the 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.

In general, the Group endeavors to create all the conditions of an environment encouraging integration and preventing any discriminatory practices.

At 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.

In a highly technological business sector, where there are traditionally more men than women, our management teams reflect this diversity – 40% of our Executive Committee is female – but we still have room for improvement in order to replicate this in managerial positions. We have set ourselves the goal of increasing the proportion of women in these posts to 30% by 2023. To achieve this, we have drawn up a plan that relies, in particular, on a more proactive recruitment policy.

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 in the event "Assises de la Parité" (Parity Summit), organized in 2019 by International Women's Forum. Its ambition for gender equality was notably realized in October 2019 with the creation of WIN – We at Ingenico – the Group's 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.

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 notably includes an environmental regulation monitoring mechanism to help it anticipate changes in regulations that affect the way it does business.

Ingenico Group does not use raw materials from the living world for its activities but the Group is committed to undertaking voluntary initiatives to protect biodiversity, such as planting of trees or carbon offsetting with partners such as Reforest'Action and GoodPlanet Foundation. In total, Ingenico Group has offset approximately 1,120 tons of CO₂e since 2015.

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

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. Its [environmental charter](#) is based on four commitments: develop the eco-design of its products and services, promote the deployment of solutions with low environmental impact, minimize the carbon footprint of its activities and facilitate the recycling of electronic waste. It is signed by the CEO and made available to all its employees. In addition, Ingenico Group encourages them to adopt and develop an eco-responsible approach in all their daily activities by reducing paper and water consumption, travel and energy consumption and promoting waste sorting.

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. As part of its **SHARE** programme, Ingenico Group has set itself a goal for recycling end-of-life terminals in 75% of the countries where it is present.

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.

We also strive to reduce greenhouse gas emissions caused by the operation of our activities by implementing initiatives that have less impact, such as the use of renewable energies in our data centers for processing payment transactions. By 2023, 100% of European data centers for the Retail business will be supplying electricity from renewable sources. Today, electricity from renewable sources used by 100% of European data centers is 80% compared to 75% in 2018.

Finally, the supplier audits conducted by the Quality Department provide opportunities to ensure supplier compliance with the environmental standards set in the CSR agreement, and the Group works with two transportation firms that are ISO 14001-certified, enabling Ingenico Group to help ensure an environmentally friendly supply chain.

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 new public targets for reducing greenhouse gas emissions by 2023.

Absolute emissions target

Scope	% emissions in scope	% reduction from base year	Base year	Start year	Base year emissions (tCO ₂ e)	Target year	% achieved (emissions)
Scope 2: Energy consumption of buildings	100%	10%	2018	2019	11,291	2023	12%

Emissions intensity target

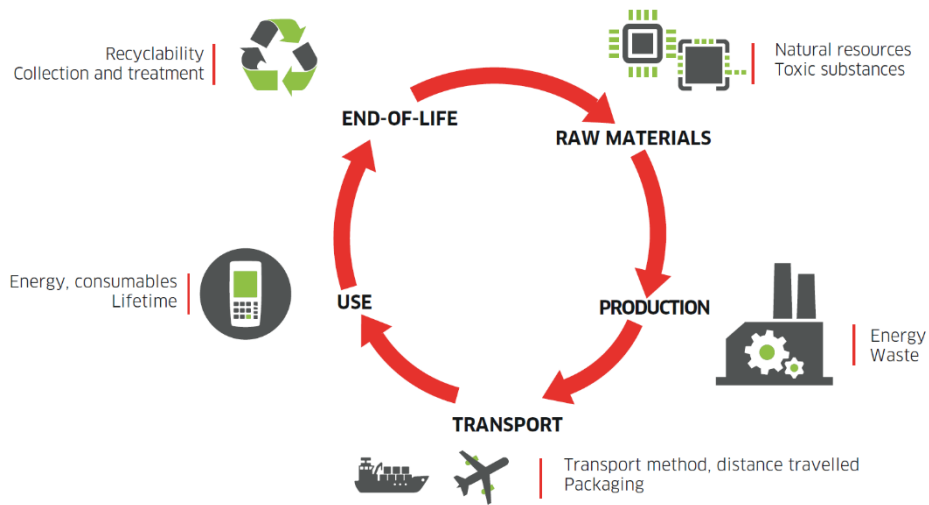
Scope	% emissions in scope	% reduction from base year	Metric	Base year	Start year	Normalized base year emissions (tCO ₂ e)	Target year	% achieved (emissions)
Scope 3: Use of products sold (energy efficiency)	28%	10%	tCO ₂ e/installed terminal	2018	2019	0.00827	2023	38%

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

Eco-design is a preventive approach aimed at incorporating environmental concerns right from the product design stage. It requires that consideration is paid to environmental requirements (regulations, customer expectations, internal guidelines, 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 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 (dedicated e-mail address: ethics@ingenico.com). 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.

The code was updated in 2019 and includes as an appendix the Group policy on gifts and invitations, the whistle-blowing policy and a new anti-corruption policy. 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 programme also included a Learning Week dedicated to risks and compliance.

On top of the Code of Ethics and Business Conduct and the Supplier CSR 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.

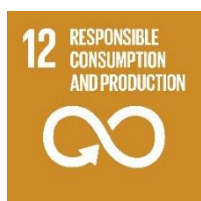
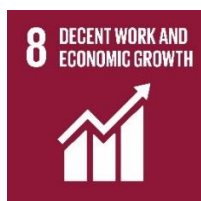
TAKING ACTION IN SUPPORT OF BROADER UN GOALS AND ISSUES

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, 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. Ingenico’s contribution to the SDGs is the subject of a dedicated page on the Group’s website: <https://www.ingenico.com/about-ingenico-group/corporate-social-responsibility/sustainable-development-goals>.

SUSTAINABLE DEVELOPMENT GOALS



Given its business activities, Ingenico Group specifically contributes 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 following diagram.

Contribution of Ingenico Group to SDGs and their targets across the value chain



To strengthen its impact, Ingenico has developed **SHARE**, its CSR programme, drawing upon the United Nations Sustainable Development Goals to ensure that it has the appropriate effects and addresses the challenges facing the world.

GOVERNANCE & MANAGEMENT

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

⊕
INGENICO 2023 OBJECTIVE:
 Code of ethics acknowledged by 95% of our employees and Tier 1 production suppliers

CORPORATE CITIZENSHIP

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

⊕
INGENICO 2023 OBJECTIVE:
 80% of high-risk and severe-risk suppliers assessed on their CSR performance

ENVIRONMENT

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

⊕
INGENICO 2023 OBJECTIVE:
 100% of **RETAIL** European data centers powered by renewable energy

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

⊕
INGENICO 2023 OBJECTIVE:
 End-of-life terminal recycling solutions in 75% of the countries where we are present

PEOPLE

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

⊕
INGENICO 2023 OBJECTIVE:
 Increase the percentage of women in our workforce to 35% and reflect the diversity of the workforce in managerial positions

#SHARE2023

TO LEARN MORE ABOUT INGENICO GROUP'S CSR APPROACH, PLEASE
REFER TO OUR [REGISTRATION DOCUMENT 2019](#)

