

UN Global Compact

PROGRESS REPORT 2014



Giesecke & Devrient
Creating Confidence.

CONTENTS

03	Statement of continued Support
04	About Giesecke & Devrient
05	Responsibility and the Environment
07	Employees
09	CSR program

STATEMENT OF CONTINUED SUPPORT

Doing business in a responsible and sustainable way is central to our corporate philosophy. Since 2010, we have demonstrated our corporate responsibility by participating in the UN Global Compact and ensuring that we operate in accordance with its principles on human rights, labor standards, environmental protection, and fighting corruption.


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We have incorporated our fourth progress report into the 2014 Annual Report, marking a new approach. This reflects our belief that day-to-day business operations and responsible governance are inextricably linked. Even in a challenging business environment, we remain committed to reconciling the pursuit of commercial success with the ecological and social impact of our activities.

This report provides a compact overview of the measures taken and progress made with regard to upholding the ten principles of the UN Global Compact during the period July 2013 to December 2014. Our activities included surveying selected stakeholders to confirm the issues around responsible corporate governance that are relevant for G&D and (re-)prioritize them accordingly. We also continued to expand our diversity management program and have put a number of measures in place to conserve resources in production and in the operation of our locations. Finally, we further reinforced our compliance management and, following an independent audit, are now a full member of the Banknote Ethics Initiative, which promotes ethical business practices in the banknote sector.

In publishing our fourth progress report, we are also renewing our commitment to the UN Global Compact for another year.



Dr. Walter Schlebusch
Chairman of the Management Board



ABOUT GIESECKE & DEVRIENT

Giesecke & Devrient (G&D) is a leading global technology provider with its headquarters in Munich, Germany, and 58 subsidiaries, joint ventures, and associated companies in 31 countries across every continent. At the end of 2014, G&D had approximately 11,450 employees and in fiscal year 2014 generated total sales of 1.83 billion euros. G&D was founded in 1852 by Hermann Giesecke and Alphonse Devrient as the “Officin für Geld- und Werth-papiere” in Leipzig, a city with a rich printing and publishing heritage. It is a family-owned company with roots in Germany and operations all over the world.

Its ethos is based on trust, security, and professional expertise. Innovative, customer-centric products, system solutions, and services make G&D a reliable partner for governments, central banks, security printers, commercial cash center operators, public authorities, and companies.

G&D is a global technology leader in banknote and security solutions for an efficient and secure cash cycle (Banknote business unit). It supplies banks, mobile network operators, public transportation providers, companies, and original equipment manufacturers (OEMs) with end-to-end solutions comprising hardware, software, and services for mobile security applications, especially in telecommunications and electronic payments (Mobile Security business unit). G&D also provides governments and public authorities with turnkey end-to-end solutions for highly secure travel documents, ID systems, and healthcare cards, which can be used for conventional identification purposes as well as for authenticating and safeguarding online business transactions (Government Solutions business unit).

Research and development have always been a top priority for G&D. The Group currently has 1,200 developers working on new products and processes, and R&D spending totaled around 120 million euros in fiscal 2014. G&D holds some 7,250 patents and patent applications worldwide.

G&D is a global market leader and cutting-edge innovator of products and solutions for the banknote and mobile security segments. Over the course of its history, the technology group has successfully penetrated numerous new business fields.

RESPONSIBILITY AND THE ENVIRONMENT

Doing business in a responsible and sustainable way is central to our corporate philosophy. Our customers also increasingly expect this. We therefore seek to reconcile the commercial, social, and environmental impact of our activities. Since 2010, we have demonstrated our commitment to corporate responsibility by participating in the UN Global Compact and ensuring that we operate in accordance with its principles on human rights, labor standards, environmental protection, and fighting corruption.

The principles of the UN Global Compact and our commitment to responsible corporate governance define the framework for our corporate social responsibility (CSR) strategy. This strategy was established in 2009 and further systematized and weighted in 2011/12 with the aid of input from selected internal and external stakeholders. In mid-2014, we carried out an online survey of our stakeholders to confirm the relevant issues for G&D and (re)prioritize them accordingly. Three key action areas emerged from this materiality analysis: Ressource efficient and safe site, future oriented employment policy and fair and safe business practices.


unglobalcompact.org

Responsible and sustainable corporate governance is also becoming increasingly important among our customers, which impacts us as a supplier. When taking part in tenders, for example, we are asked whether we meet specific sustainability standards and this information is then taken into account in awarding contracts and during supplier evaluation. As an EcoVadis participant, G&D received a Gold Standard rating in its annual CSR assessment in September 2014. EcoVadis is a global initiative set up by the information and telecommunications industry, which allows companies to monitor the sustainability performance of their suppliers (with regard to the environment, working conditions, human rights, fair operating practices, and the supply chain) and to verify it against supporting documents. In the banknote segment, we were successfully audited by an independent auditor as part of the Banknote Ethics Initiative (BnEI) and have thus been an accredited full member since the fall of 2014. The BnEI, which G&D co-founded in 2013, focuses on the prevention of corruption and on compliance with antitrust law within the banknote industry. Members must adhere to a strict code of ethical behavior in their day-to-day business practices.


ecovadis.com


bnei.com

PROMOTING COMPLIANCE

The external BnEI audit confirmed that G&D has an effective, well-functioning compliance management system in place for combating antitrust violations, bribery, and corruption. In 2014, we also adopted a declaration of compliance principles, which brings together our existing, long-established guidelines and regulations – including the anti-bribery and corruption (ABC) policy. This declaration gives all our employees – and, for the first time, also our business partners – an overview of the relevant internal regulations and specific measures taken at G&D to ensure compliance with legal requirements. Core topics include the evaluation of G&D business partners, practical advice relating to gifts and invitations, guidelines on donations and sponsorship, and antitrust law.

At G&D, we use prevention and awareness strategies to avoid compliance breaches occurring in the first place. Employees take part in extensive e-learning programs on compliance-related topics such as our Code of Conduct and antitrust law, with the participation rate now almost 100 percent across the Group. In 2014, we saw a very positive response to our Lunch & Learn events, where employees are given the opportunity to discuss real-world compliance cases, such as data protection issues and invitations from business partners. These events support us

in our efforts to make employees aware of compliance with regulations as something that affects us all on a daily basis. International standards and legal requirements also oblige G&D to check the integrity of its business partners, both before commencing a new business relationship and at regular intervals during an existing partnership. Accordingly, our partners are required to undergo an evaluation process, which includes completing a comprehensive questionnaire and committing themselves to following proper business and information practices.

ACCEPTING SOCIAL RESPONSIBILITY

As a family-owned company with over 160 years of tradition, we take our responsibility to wider society very seriously. The not-for-profit Giesecke & Devrient Foundation has been the vehicle for our corporate citizenship activities since 2010. The Foundation supports projects involving education, culture, and international exchange. There are currently three areas of focus: First, an exchange program for young people from all over the world, organized in conjunction with the Goethe Institute, which aims to promote intercultural skills and peaceful coexistence for the next generation. We also support the Museum of the Printing Arts in Leipzig, which celebrated its 20th anniversary in 2014. And finally, we encourage our employees to take part in a corporate volunteering program, which can include providing financial coaching for young people, assisting at facilities for socially disadvantaged children, or working with refugees.



gi-de-stiftung.org



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PROTECTING THE ENVIRONMENT

A responsible attitude towards the environment is a key factor for the long-term success of our company. One of our primary objectives is therefore to help conserve natural resources for future generations. Customers and consumers in all our markets are also increasingly aware of environmental aspects. Our climate protection strategy addresses a corresponding range of environmental issues – from research and the use of raw materials through production (product range, manufacturing processes, and product lifecycles) to distribution and recycling. We plan and implement our sustainability activities with the aid of a sustainability management system that combines Group-wide standards with local responsibility. This builds on the ISO 14001, OHSAS 18001, and ISO 50001 certified management systems. In addition, our worldwide purchasing guidelines state that environmental impact should be a factor in every procurement decision.

Across the Group, G&D has set itself the goal of reducing direct emissions of CO₂ from its own facilities (scope 1) and indirect emissions from purchased energy (scope 2) by 10 percent between 2010 and 2016. We also publish these reduction targets and our carbon footprint as part of the Carbon Disclosure Project (CDP), the world's largest collection of climate protection information. Our emissions remained static until 2013, due to increased production activity and growth in headcount up to that point. However, we continue to work towards our target by systematically implementing our defined emission reduction measures. Recent examples include cutting total energy consumption at the Munich location by around 8 percent in 2014. Meanwhile, the Louisenenthal paper mill uses hydroelectric power plus a combined heat and power system in the production of banknote paper, saving 5,000 metric tons of CO₂ per year. Our London and Barcelona sites switched to green electricity in 2013, while at our Ontario production facility, optimizing lighting efficiency alone is set to save over 500,000 kilowatt hours of electricity per year.



cdp.net



louisenthal.com

In addition to these activities at the company level, the environmental consciousness and active participation of our employees are crucial to reducing G&D's ecological footprint. We support this via regular training and a range of activities aimed at raising awareness, including participating in Germany's Sustainability Action Days initiative and awarding prizes for outstanding sustainability measures initiated by employees. The internal G&D Award scheme, which previously focused solely on technological developments, was expanded in 2014 to include additional prizes for "Best Idea" and "Best Disclosed Invention", as well as a new "Sustainability" category. Our Chinese subsidiary in Nanchang received this award for its use of groundwater cooling in the site's air conditioning system, which has significantly reduced energy costs.



aktionstage-nachhaltigkeit.de

In addition to operating a production process designed to minimize resource consumption, we offer environmentally friendly products in our various markets. Examples include banknotes manufactured from cotton comber noil – a by-product of the textile industry that can also be derived from organically grown cotton if desired. For cashless payment, G&D can supply card bodies made of renewable materials. We can also provide SIM cards in various form factors that use less material, as well as offering more environmentally friendly alternatives to the standard materials used. After production, the lifecycle of a SIM card can be extended by means of over-the-air updates to prolong its technical service life.

EMPLOYEES

Customers all over the world use solutions developed by Giesecke & Devrient. Countries, companies, and consumers alike rely on us to safeguard transactions and values. These trusted business relationships, in some cases forged over many decades, depend in turn on our 11,000 employees. Every day, they deliver on our customer promise. Our aim is therefore to create an environment that motivates them to achieve their best, facilitates their development, leverages their diversity, and promotes their health.

Against a backdrop of rapidly changing markets and intense competition, G&D is currently implementing cost reduction measures that make tough demands on our employees and also include job losses. As a responsible employer, we are working with the relevant co-determination bodies to minimize the impact on the individuals concerned. In the medium to long term, however, our fundamental requirement remains unchanged: as an innovative, customer-focused technology company, we need qualified and motivated employees worldwide in order to be successful now and in the future. We respond to this challenge by taking action today to secure the skilled workforce of tomorrow. This includes engaging with high school students via initiatives such as Germany's nationwide Girls' Day, which gives girls an insight into our range of technology-based career options. We also support students who are studying technical subjects, as well as addressing the emerging shortfall of skilled workers by training apprentices in eight different vocations and assisting large numbers of students in dual study programs.


girls-day.de

The core of our professional development activity is our global talent management program, which was launched almost ten years ago. We use this to systematically identify and develop employees who demonstrate the potential to take on more extensive projects and greater management responsibility. This allows us not only to fill more managerial vacancies and other key positions with staff from within our own organization, but also to cultivate a leadership style that is appropriate for G&D and its markets. In addition to the centrally managed Top Talent program, there are also regional talent pools in EMEA (Europe, the Middle East, and Africa), Asia-Pacific, and North/South America. The benefits of this system include the ability to train our own talented young employees and take account of cultural factors in career planning, especially in the international markets that are becoming increasingly important for G&D. Our talent management program has proved its worth: half of all participants to date swiftly made significant advances in their careers within the company, and a quarter have even made it into our global management team. The fluctuation rate for our top performers is also well below the level of turnover for the workforce as a whole, which itself is very low. Recent external recognition includes G&D's ranking among the leaders in the 2014 German Education Award (DBP) competition after achieving around 90 percent of targets.


deutscher-bildungspreis.de

ADVANCING AND LEVERAGING DIVERSITY

In addition to excellent development and promotion opportunities, we seek to offer a working environment that acknowledges our employees' different personal circumstances. Indeed, our three-pronged diversity management approach goes even further, aiming to create conditions in which our employees can perform to the very best of their ability regardless of gender, age, or cultural origin. As a global company, we firmly believe that leveraging the diversity of our people and actively countering discrimination are essential to our long-term success in extremely fast-moving markets. G&D therefore regards a diverse workforce as a significant competitive advantage. In 2014, we signed the German government's Diversity Charter, which is designed to promote respect and combat prejudice in the corporate world. We were also one of the three finalists for the 2014 Diversity Award organized by the German CSR Forum. In February 2014, we invited a number of leading figures to a stakeholder dialog, in which representatives of our internal and external stakeholders communicated their expectations with regard to diversity management at G&D. This valuable input is helping us to continuously improve and expand our programs and activities in this area.


charta-der-vielfalt.de


csrforum.eu

ENSURING EQUAL OPPORTUNITIES

Equal opportunities for women and a healthy work-life balance are particular priorities at G&D. We provide a range of options here, from mobile working and telecommuting to in-house childcare facilities and assistance for employees with dependent relatives. We also offer flexible working time models and job sharing. The proportion of part-time positions at our German locations is now almost 10 percent. In 2014, we successfully completed the “berufundfamilie” work-life balance audit for the fourth time, confirming the flexibility of our HR policy. A family-friendly corporate culture and management style is essential to the satisfaction and health of our employees. It is also key to achieving another of G&D’s objectives to boost diversity within the company: in the medium term, we aim to increase the proportion of women at executive and global management level to 15 percent from 11 percent to date. Some 35 percent of the participants in our talent management programs and 80 percent of our trainees are female. G&D also successfully took part in the “Mit ElternKOMPETENZ gewinnen” project organized by the Bavarian Ministry of Labor, which aims to make workplaces more female- and family-friendly. And 2014 marked the start of our drive to take all aspects of management skills into consideration when assessing potential across our global workforce. As a result of this gender-sensitive approach, we were able to significantly increase the number of women nominated for our 2015 talent programs, which should lead to a higher proportion of women in management positions in the future. A G&D women’s network has been active since 2012, advising the Management Board and running a mentoring program for junior female staff. In late 2014, this was supplemented by the Career Counseling network, formed especially for women under thirty. The Women in Business pilot project, meanwhile, is particularly intended to encourage international networking and the peer-to-peer exchange of advice between women in the G&D Group. G&D also benefits from sharing best practice information with other companies on the genderdax platform, an initiative supported by the German government.



beruf-und-familie.de



kompetenzgewinn.bayern.de



genderdax.de

Another challenge is demographic change in the industrialized countries. As the average age of our workforce continues to rise, we have a responsibility to support our people throughout their entire working lives, ensuring they are able to maintain their health, motivation, and performance levels. G&D’s response here takes the form of a demographic strategy that includes staff development tailored to different life stages, preventive healthcare measures, the intergenerational transfer of expertise, management awareness training, a labor management agreement to facilitate reintegration after extended periods of sick leave, and an employer-funded retirement plan. In 2015, for example, a pilot project will be launched to train employees in knowledge exchange. The aim is to professionalize the transfer of expertise that becomes necessary as a new generation of employees takes over – particularly in strategically important areas such as research and development.

Cultural diversity is also very important to G&D. We operate in 31 countries, with around 60 percent of our employees working outside Germany and 85 percent of our sales generated internationally. G&D’s cultural diversity measures include selecting promising new talent on an international basis, intercultural training, and sharing knowledge and best practices between locations.

LEADERSHIP INITIATIVE LAUNCHED

For a global company with a broad portfolio, uniform standards are as important as diversity – particularly in times of change. One example is our global performance management system, introduced in 2013, which includes conducting employee reviews and evaluations based on the same transparent standards worldwide. Equally, the leadership initiative launched in 2014 aims to establish a management philosophy across the Group that promotes a sense of identity and builds on our specific strengths, as well as embedding a value-based leadership culture. The majority of our managers have already taken part in this initiative. At G&D, the key attributes of effective and professional leadership are setting an example, providing motivation, and promoting professional development. Line managers should also offer guidance and orientation, especially in times of change, and we will be undertaking further activities in this regard in 2015. As an international company, we have also made a commitment to uphold fundamental labor standards based on the principles of the International Labor Organization (ILO). These are: freedom of association, non-use of forced or child labor, equal opportunities for all employees, and a safe working environment. Additionally, all relevant production locations will be certified according to the international OHSAS 18001 health and safety standard by mid-2015.

G&D'S CSR PROGRAM

10 principles of the UN Global Compact

- Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2** Businesses should make sure that they are not complicit in human rights abuses.
- Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4** Businesses should uphold the elimination of all forms of forced and compulsory labor.
- Principle 5** Businesses should uphold the effective abolition of child labor.
- Principle 6** Businesses should uphold the elimination of discrimination in respect of employment and occupation.
- Principle 7** Businesses should support a precautionary approach to environmental challenges.
- Principle 8** Businesses should undertake initiatives to promote greater environmental responsibility.
- Principle 9** Businesses should encourage the development and diffusion of environmentally friendly technologies.
- Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

Focus/Activity	Progress/Outlook	Status/Goal	Principle
CSR strategy			
Materiality analysis	Online survey of selected internal and external stakeholders regarding key CSR issues for G&D. Review of existing priorities; focus on following action areas: safe and environmentally friendly site operation, forward-looking HR policy, fair and safe business practices	Completed; focus on three key CSR action areas	
Employee awareness			
G&D Award with "Sustainability" category	Expansion of internal G&D Award to include submission of planned or implemented sustainability measures that will allow G&D to have a positive impact on the environment, employees, business partners, or society	Adjustment and continuation in 2015	7, 8, 9
Participation in Germany's Sustainability Action Days	Three-day program with in-house event and action days focusing on healthy eating, waste avoidance, climate protection, and electric vehicles	June 2014 2015 participation planned	8
Reporting			
UN Global Compact progress report	Fourth progress report as per the requirements of the UN Global Compact, covering 2013/2014. Combined with annual report for the first time	Ongoing	
Participation in EcoVadis CSR assessment platform	Gold Standard rating in the annual evaluation (09/2014) of G&D's activities / supporting documentation relating to the environment, working conditions, human rights, fair business practices, and sustainable supply chain (improvement from 60 to 65 out of 100 possible points)	Ongoing; annual rating	

Focus/Activity	Progress/Outlook	Status/Goal	Principle
Action area: Employees (Future oriented employment policy)			
Diversity Management	Phased expansion involving concepts and selected activities around age (step 1), gender (step 2), and cultural diversity (step 3)	Ongoing	1, 2, 6
Measures relating to cultural diversity	Stakeholder dialog on cultural diversity: exchange of ideas with experts from business and academia on a diverse corporate culture and possible strategies and measures	February 2014	1, 2, 6
	Signing of German Diversity Charter (national business initiative to promote diversity in companies and institutions) as a commitment to a diverse corporate culture	February 2014	1, 2, 6
	Internal workshop on cultural diversity: internationally focused workshop for managers on identifying key success factors for effective global collaboration; follow-up project "G&D – the better connected company" – optimization of virtual, global cooperation in diverse teams	September 2014; "Virtual Soft Skills/Virtual Leadership" training planned for 2015	1, 2, 6
Measures relating to gender/equal opportunities for women	Internal women's network (Munich) continued. Goal for 2015: increase membership to boost knowledge sharing and achieve greater economic effectiveness	Ongoing; medium-term objective: increase proportion of women in global/executive management to 15%	1, 2, 6
	Initiatives/projects for career development and improved national and international networking between women: mentoring program for female staff, career counseling for women under 30, Women in Business project, Bavarian Ministry of Labor initiative ("Mit ElternKOMPETENZ gewinnen"), establishment of a gender-sensitive approach to assessing potential for talent management		
Measures relating to age/demographic change	Pilot project to train employees in transferring expertise in order to improve knowledge management – "Managing Knowledge Strategically: From Knowledge Holder to Knowledge Provider"	Starting April 2015	1, 2, 6
	Target-group-specific training programs, e.g. "50 Plus: Prospects for Your Professional Future" and "Age Diversity – Success Through Diverse Teams" (Q4/2015)	Ongoing	1, 2, 6
Global talent management	Internal development program for systematic identification and development of high-potential employees in three regions (EMEA, APAC, Americas), plus a centrally managed global Top Talent program	Ongoing	1, 2, 6
Leadership initiative (Kompass training)	Series of training sessions for all managers in Germany to establish a Group-wide management philosophy and value-based leadership culture	Since 2014; addition of customized training and workshops planned for 2015	1, 2, 6
German Education Award (TÜV audit)	Participation in German Education Award (DBP) competition with audit of entire education and talent management system with regard to quality, efficiency, and innovation of all offerings for staff and managers in Germany; audit also included global strategic programs. G&D assessed as an "excellent company"	Audited May 2014	1, 2, 6
Encouraging a healthy work/life/caregiving balance	Continuation of flexible working time models/job sharing, working from flexible locations and telecommuting introduced in Munich, provision of childcare (own facility at Louisenthal paper mill; cooperation with local daycare centers in Munich and Königstein), vacation program for employees' children, advice and seminars for employees with dependent relatives plus Munich-based "Care Day" in May 2014, berufundfamilie re-audit	Re-audit to conclude August 2016	6
Health management and promotion	Shift in strategy from centralized to decentralized approach, enabling a more rapid, specific and local response to the needs of subsidiaries. Subsidiaries are responsible for tracking objectives, action planning, and implementation of KPI systems where applicable. Measures in Germany: comprehensive support included in training program; "Stay Healthy at Work" campaign as part of Sustainability Action Days in June 2014; focus areas including healthy eating, colon cancer screening, and preventive healthcare within the company	Certification of all major sites to OHSAS 18001 by mid-2015	6

Focus/Activity	Progress/Outlook	Status/Goal	Principle
Action area: Environment (Ressource efficien and safe site)			
Sustainability management system for planning and implementing sustainability measures	Shift in strategy from centralized to decentralized approach, enabling a more rapid, specific and local response to the needs of subsidiaries. Subsidiaries are responsible for tracking objectives, action planning, and implementation of sustainability KPI systems where applicable	Ongoing	7, 9
Group-wide certification to ISO 14001 and OHSAS 18001	Certification of all of the Group's 22 relevant production locations by mid-2015	Ongoing process	7, 8, 9
Corporate carbon footprint (CCF)	Generation of CCF 2013 for the relevant production locations and completion of external verification audit: scope 1 and 2 emissions almost static. Recalculation of emissions from base year onwards due to improved data quality and external verification. CCF 2014 survey of the Group's 22 production locations by Q2/2015. Publication in Carbon Disclosure Project (CDP). Product carbon footprint: product-specific CO ₂ for cards manufactured or personalized at four different locations	Ongoing process	7, 8
Conserving resources in production and site operation (selected examples)	<ul style="list-style-type: none"> Louisenthal paper mill/banknote paper production: installation of a combined heat and power system in the production area (use of machine exhaust air to heat building), phased development of a heat recycling network; waste water regeneration through state-of-the-art biomembrane reactors in Louisenthal and Königstein à 40% reduction in fresh water use with beneficial environmental effects (drinking water protection area); 25% reduction in organic waste load through mechanical pre-treatment on site Munich site: introduction of an innovative, energy-efficient cooling distribution system to reduce cooling energy, electricity consumption, and CO₂ emissions Card production, China: groundwater cooling for air conditioning system Card production, Brazil: reduction of water consumption by switching to automated operation of water treatment system Card production, Slovakia: implementation of a waste reduction plan 	Ongoing	7, 9
Environmentally friendly products	<ul style="list-style-type: none"> Development/supply of environmentally friendly products, e.g. card bodies made of renewable materials; SIM cards in various form factors that use less material Banknote paper using cotton comber noil as a raw material, occurring as a by-product of the textile industry (from organically grown cotton on customer request) 	Ongoing	9
Dialog with stakeholders on environmental and climate protection/initiatives	<ul style="list-style-type: none"> Customer workshop with French commercial bank on Green Product Strategy (06/2014) Climate reporting partner of Deutsche Telekom in collaboration with the Carbon Disclosure Project (CDP) and WWF Participation in CDP 	Ongoing	8
Informing employees and raising awareness	Implementation of e-learning program: "Step by Step Towards Sustainability – Reducing G&D's Environmental Footprint"; participation in Sustainability Action Days (see above)	Ongoing	10
EHS legal management software	Introduction of legal management software at the Munich site with the aims of increasing transparency, ensuring compliance with legal and statutory requirements, and systematically applying legislative changes within the EHS management system	Adjustment and continuation in 2015	7, 8, 9

Focus/Activity	Progress/Outlook	Status/Goal	Principle
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Action area: Compliance/anti-corruption (Fair and safe business practices)

Group-wide Code of Conduct	Code of Conduct for all employees and business partners; incorporates the UN Global Compact, ILO core employment standards, the UN Declaration of Human Rights, OHSAS 18001; compliance is monitored by Corporate Auditing	Ongoing	1–10
Declaration of compliance principles	Consolidation of all existing guidelines and internal regulations for employees and, for the first time, also for business partners	Completed 2014	1–10
Employee awareness/prevention	National online training concept that focuses on: Code of Conduct, anti-corruption, and antitrust law; Lunch & Learn events: communication of compliance-related topics using real-world examples	Training: international roll-out planned for 2015	4, 5, 10
Audit of compliance management system	Second external audit to check the effectiveness of established compliance measures in accordance with Assurance Standard 980 of the German Institute of Public Auditors (IDW PS 980)	Completed 2014	1–10, insb. 10
Business partner evaluation	Results of the IDW PS 980 audit of G&D's compliance management system show widespread performance of integrity checks for business partners (business partner evaluation) throughout the Group as per G&D guidelines	Ongoing	1–10
Banknote Ethics Initiative (BnEI)	G&D a founding member; accredited full member since November 2014 following audit by independent auditor	Ongoing	1, 2, 10

Sustainable supply chain

Supplier evaluation via business partner evaluation	Results of the IDW PS 980 audit of G&D's compliance management system show that business partner evaluations are used extensively in the context of supplier evaluation throughout the Group	Ongoing	1–10
BOMcheck database for G&D suppliers (bill of material)	Use of BOMcheck online database to capture and check the contents of materials supplied, including conflict minerals in accordance with the Dodd-Frank Act	Ongoing	7, 8

Corporate citizenship

Giesecke & Devrient Foundation	Support for various projects, e.g. the Museum of the Printing Arts in Leipzig, an international development program for young people from Africa in partnership with the Goethe Institute in summer 2015, sponsorship of the Technical University of Munich's Germany Scholarship program	Ongoing	
Corporate volunteering program	Continuation of the program (launched in 2012) of social projects such as excursions with refugees, assisting with maintenance of a children's farm, helping with work on nursery and school buildings; support for "My Finance Coach" project to teach schoolchildren how to manage money	Ongoing	



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