

IDEMIA impact Corporate Social Responsibility Report

January - December 2020



Ensuring that IDEMIA is growing sustainably, with a clear and visible positive impact on today and tomorrow's social and environmental challenges



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CEO'S WELCOME

At IDEMIA, our purpose is to make the world a safer place with frictionless, secure & responsible technologies and have a positive impact on society.

This is why I have placed sustainability as one of the six company priorities. As a member of the United Nations Global Compact, we have pledged to transform our relationship with society and the environment, not only by identifying and addressing our impacts but also by being a catalyst for positive change. I am convinced that this enduring commitment to Corporate Social Responsibility (CSR) will generate lasting benefits for our stakeholders and our company alike.

In the latest CSR performance assessment by EcoVadis, IDEMIA was granted a significant 4-point rating increase, placing us in the top 3% of companies in our industry for the progress we are making in CSR.

This report focusses on our efforts, challenges and accomplishments in 2020, marking an opportunity to reflect on our progress and to set out our ambitions for the years ahead. I fully endorse the 2020 launch of our IDEMIA IMPACT program, with its 5 CSR pillars and 17 priorities, through which we are re-grouping our efforts and harnessing the passion of IDEMIA's people on this critical topic. Many achievements have already been realized, and even greater ones are ahead of us.

Pierre BARRIAL
President & CEO



1. ABOUT IDEMIA

1.1. Our business

IDEMIA Group S.A.S., is a French Société par Actions Simplifiée (Simplified Joint Stock Company). IDEMIA was formed from the coming together of Oberthur Technologies and Safran Morpho in 2017. The company's registered office is: 2 Place Samuel de Champlain, 92400 Courbevoie, France. The majority shareholder of IDEMIA Group S.A.S. is the private equity firm, Advent International.

The Group develops, manufactures and markets specialized security technology products and services worldwide, mainly for the telecommunications, payments, and public security and identity markets. The Group's main customers are financial institutions, telecom operators and governments.

As we provide Enterprise and Government solutions, we are organized in 6 Business Units (BUs), addressing our different markets:

Enterprise Solutions gathered within the Secure Enterprise Transactions Division (SET)

- › Financial Institutions
- › Mobile Operators
- › Biometric Devices & Automotive
- › Digital

Government Solutions

- › Public Security & Identity
- › Identity & Security North America

1.2. Key figures

Leading Augmented Identity for an increasingly digital world

Well positioned in our markets

- Serving clients in **180 countries**
- #1** in police biometric systems
- Trusted by 1,900** financial institutions and FinTechs
- #1** in civil identity solutions
- Trusted by 500** mobile operators
- #1** in U.S. driver's license issuance



€2.2 Billion
in revenues
in 2020



3B+ identity
documents
issued WW



Close to 15,000
employees
including 3,000+
engineers



900M SIM cards
shipped in 2020



More than
80 nationalities



800M payment products
delivered in 2020



**An innovative
& end-to-end set
of solutions**



5M biometric terminals
deployed worldwide



**Large scale card
production**

1,500+
active patent
families



110+ major wins in
eSIM subscription
management platforms

1.3. Core values



CURIOS

We find inspiration from clients, colleagues, markets and friends



TRUSTED

We don't ask for trust, we earn it



CARING

We care for our clients, our people and our stakeholders



DARING

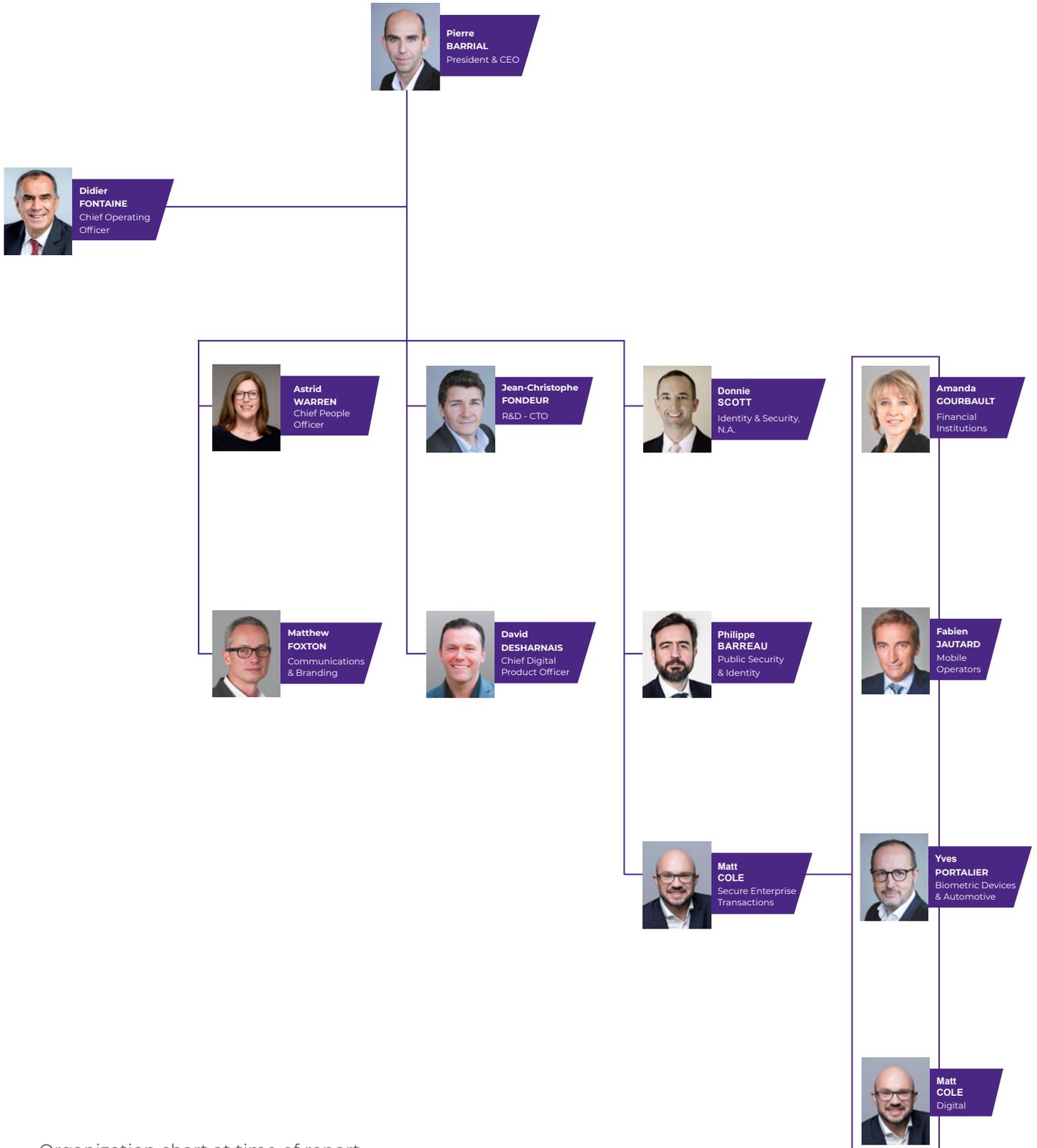
We challenge the status quo



TOGETHER

We can be #1 in all our efforts

2. ORGANIZATION



Organization chart at time of report publication, September 2021

3. AWARDS AND HIGHLIGHTS

- › **IDEMIA announced as a winner in HR Asia Best Companies to Work for in Asia Awards 2020.**

The award recognises world-class corporations with high employee engagement and exceptional workplace cultures in countries throughout Asia.

- › **IDEMIA wins the Security Industry Association (SIA) Award for the best new biometric product for its VisionPass Advanced Facial Recognition Device.**

IDEMIA was granted the SIA New Product Showcase Award in the Biometric category, at a virtual ceremony held on July 9th.

- › **Global Sourcing and Supply Chain “Best Account Management Performance” Winner.**

- › **IDEMIA was nominated for five awards by Global Sourcing and Supply Chain's Annual Supplier Awards 2020-2021.**

The nominations, conducted under the theme of Innovation, Collaboration and Excellence, are a remarkable achievement for IDEMIA.



- › **IDEMIA awarded 2nd place in the Alliance for Financial Inclusion (AFI) Inclusive Fintech Showcase 2020.**



4. CHANGES IN THE REPORTING PERIOD

2020:

January

- David Desharnais appointed as Chief Digital Product Officer.

February

- Matthew Cole appointed as CEO of the Secure Enterprise Transactions (SET) Division.

March

- Stéphane Delivré appointed Chief Information Officer.
- Arnaud Despontin appointed Head of Sustainability Programs.

July

- Pierre Barrial became IDEMIA's CEO.
- Yann Delabriere became Chair of IDEMIA's Supervisory Board.

October

- Didier Fontaine appointed Chief Operating Officer.

5. REPORT PREPARATION

This CSR Report, covering the period January to December 2020, is prepared in accordance with the Global Reporting Initiative (GRI) Standards for Sustainability Reporting and meets the GRI's Core Requirements. There have been no changes in the



way we report or the reporting period. This report has externally assured for GRI core compliance, by a third party specializing in sustainability reporting checking, validation and assurance. Details of the assurance can be found in this report at [page 45](#).

5.1. Stakeholder engagement

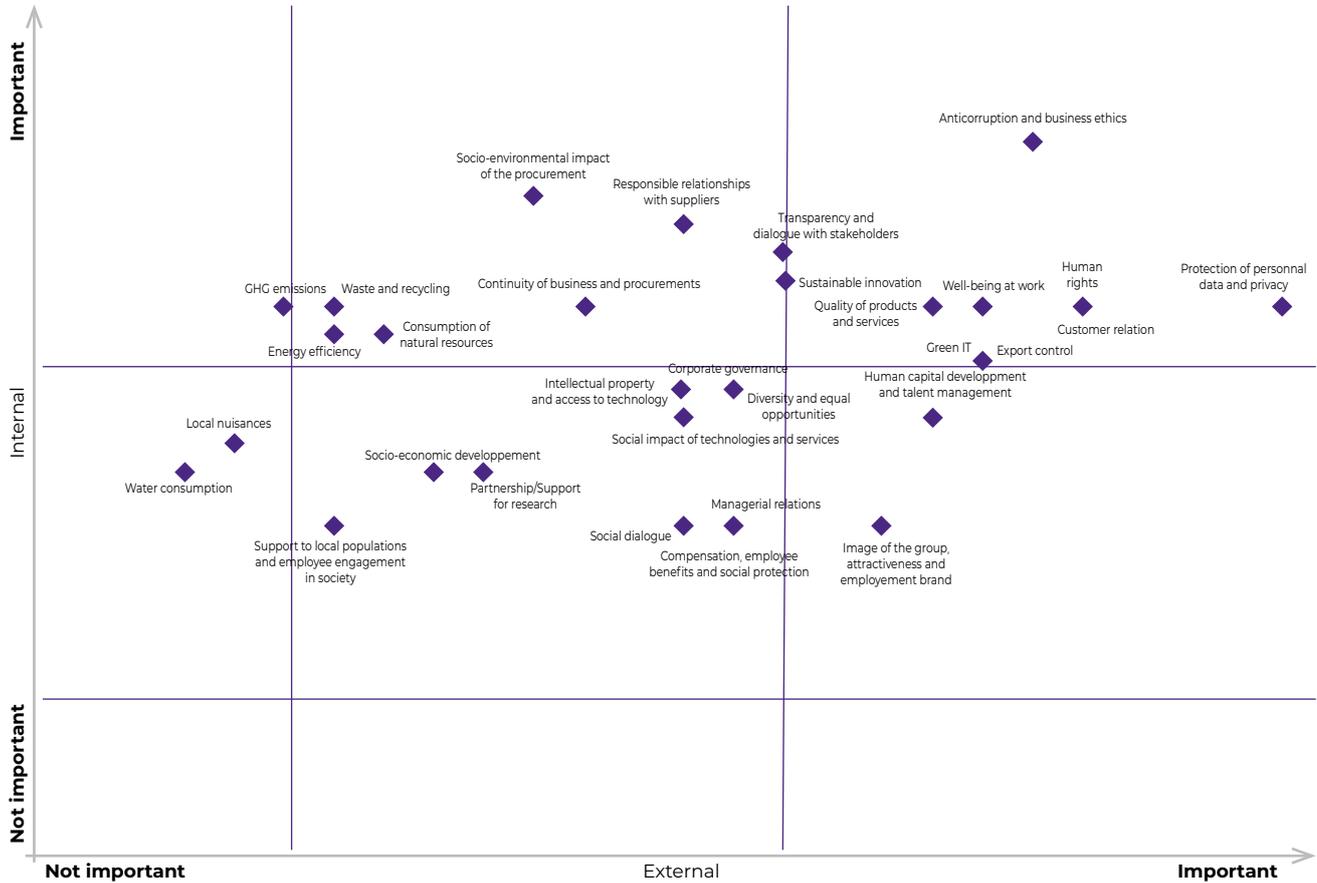
We have identified the stakeholder groups to which we are accountable by the likelihood of them being significantly affected by our activities, products, services or business conduct, or the potential for them to affect our ability to conduct our business. These are the main stakeholder groups IDEMIA engages with:

IDEMIA STAKEHOLDER	ENGAGEMENT METHODS	FOCUS AREAS
Employees	<ul style="list-style-type: none"> › Internal communications › Training › Employee surveys › Worker committees › Whistleblower hotline 	<ul style="list-style-type: none"> › Conditions of employment › Health & Safety › Diversity, Inclusion & Equal opportunity › Training and development programs
Customers	<ul style="list-style-type: none"> › Customer survey › Contracts › Service reviews › Tenders › Meetings 	<ul style="list-style-type: none"> › Quality products & services › Innovation, R&D › Code of Conduct alignment › Feedback on IDEMIA CSR performance
Suppliers	<ul style="list-style-type: none"> › Contracts › Bidding and tendering › Supplier Code of Conduct › CSR performance and quality audits › Product and service enhancement › Service reviews 	<ul style="list-style-type: none"> › Code of Conduct adherence › No restricted substances › Legal compliance › Modern slavery avoidance › CSR performance › Human rights respect
Investors	<ul style="list-style-type: none"> › Annual general meeting › Company financial report and other public reports › IDEMIA website 	<ul style="list-style-type: none"> › Sustainable business › Financial performance › Risk management › Trade compliance › Conflict of interest avoidance
Competitors	<ul style="list-style-type: none"> › Industry working groups 	<ul style="list-style-type: none"> › Common solutions to industry-wide issues › Fair competition
Communities	<ul style="list-style-type: none"> › Employment opportunities › Outreach activities › Environmental protection › Consultation on business change › Local procurement › Social media and IDEMIA website 	<ul style="list-style-type: none"> › Providing employment in the community › Local environmental and social initiatives › Support to communities in hardship
Applicants	<ul style="list-style-type: none"> › Recruitment fairs › Applicant website 	<ul style="list-style-type: none"> › Sharing IDEMIA's CSR policies, objectives and principles of conduct
Citizens	<ul style="list-style-type: none"> › IDEMIA products and services 	<ul style="list-style-type: none"> › Environmentally conscious products › Products and services that benefit society
Education establishments	<ul style="list-style-type: none"> › Recruitment fairs › Providing IDEMIA experts at educational events › Links with local schools, further and higher education establishments 	<ul style="list-style-type: none"> › Graduate traineeships › Work placements › Local initiatives with schools

5.2. Materiality

In order to focus efforts on CSR priorities, IDEMIA constructed a materiality matrix in liaison with its key stakeholder groups: customers, employees, suppliers, partners, consultants.

The stakeholders answered the question “What CSR elements are a priority in your discussions with IDEMIA?”



The topics most often cited by external and internal stakeholders have formed the basis of IDEMIA's material topics in recent years. In 2020, in reviewing and ensuring that IDEMIA's CSR strategy remains connected to its stakeholders in a present day context, we have identified the following priority material topics that we can measure, manage and improve over the next three years:

1. Anti-corruption, business ethics and trade compliance
2. Data protection and privacy

3. Respect for human rights
4. Quality of life at work, and talent management
5. Customer Relations
6. Sustainable innovation
7. Respect for the environment and Green IT
8. Dialogue with stakeholders and responsible purchasing
9. Inclusion, diversity and equal opportunity
10. Education and skills development

6. IMPACT: IDEMIA CSR

6.1. Reinforcing our commitment to CSR

In 2020, we launched IDEMIA IMPACT, bringing together all the efforts across our business to secure a sustainable business with positive impacts on the environment and society.

Together with the priority material issues, the 5 pillars of IDEMIA IMPACT have enabled us to build a roadmap for the coming years.





- | | | | | |
|---|---|--|---|---|
| <ul style="list-style-type: none"> 1. Encourage community actions 2. Have a group initiative by 2021 based on education | <ul style="list-style-type: none"> 3. Value Creation Plan (VCP): Integrate green initiatives 4. Develop green offers 5. Reduce our environmental impact: cut water and carbon emissions by 25% in 2025 6. Develop & maintain environmental awareness in R&D | <ul style="list-style-type: none"> 7. Access to training for everyone 8. Incorporate and get feedback on CSR in our employee survey from 2021 9. Go a step further and communicate on talent management 10. Develop diversity: increase both the number of women in IDEMIA and the internal promotion of women | <ul style="list-style-type: none"> 11. Integrate CSR questions into our customer survey 12. Push internal & external communication on CSR 13. Increase the number of audited suppliers | <ul style="list-style-type: none"> 14. Re-define the IDEMIA Ethics Committee, including CSR representation 15. Conflicts of Interest campaign rollout 16. Develop an anti-trust Trade program 17. Compliance focus in line with 8 pillars |
|---|---|--|---|---|

6.2. Global initiatives

Since 2006, IDEMIA has pledged its support to the Ten Principles of the United Nations Global Compact and this report serves as IDEMIA's annual Communication on Progress to the UNGC. IDEMIA's participant page can be found here: [IDEMIA and the UNGC](#).

We have analysed and identified the Sustainable Development Goals (SDGs) and their targets that are most applicable to our activities and upon which we can have the greatest positive impact. Through our CSR priorities and ambitions, we are most aligned with 7 SDGs.



IDEMIA CSR PILLAR



COMMUNITIES



ENVIRONMENT



PEOPLE

CUSTOMERS, PARTNERS & SUPPLIERS



ETHICS

<p>IDEMIA CSR PRIORITY & PROGRESS</p>	<p>Group Initiative based on education, young people, skills development and those less fortunate</p>	<p>Green offers, large sites environmental initiatives</p>	<p>Reduce CO2 footprint by 25% from 2019-2025</p>	<p>Increase the number of women at IDEMIA and provide equal opportunity to promotion for men and women</p>	<p>Talent management Number of suppliers audited</p>	<p>100% of R&D employees trained</p>	<p>IDEMIA Ethics Committee Rollout Conflict of Interest campaign Develop Anti-Trust program Focus on Trade compliance</p>
<p>SDG GOAL ALIGNMENT</p>	<p>Support an increase in technical and vocational skills for employment</p>	<p>Reduce environmental impact and make efficient use of natural resources, promote recycling and reuse, and innovate sustainably</p>	<p>Take action on climate change through objectives and improvements</p>	<p>Promote diversity and ensure fair and equal recruitment and opportunities for leadership</p>	<p>Provide safe, fair and open working environments Contribute to international efforts to eradicate forced labour and child labour</p>	<p>Constantly Increase R&D technical capability and skills</p>	<p>Promote human rights, oppose bribery and corruption in all their forms, support the principles of transparency and accountability</p>

6.3. Performance Assessment

Each year, IDEMIA undertakes numerous assessments of its CSR performance. Most notably, IDEMIA engages in a voluntary assessment by EcoVadis. In 2020, IDEMIA was once again awarded a Gold Certification for its CSR practices across four topics: Environment, Labour & Human Rights, Ethics and Responsible Supply Chain.



7. UNDERSTANDING RISK

IDEMIA identifies the risks arising from its activities and it outlines how the company anticipates these risks, how it assesses them, and what steps are being taken to protect the company from them. Risk mapping is under the management of IDEMIA Legal Team.

In addition to the risks associated with the identified CSR materiality matrix topics, the company may face other risks that could threaten its business. These risks, that could impact our ability to serve our clients, are subject to rigorous identification and mitigation plans: cyber-security, supply chain, business continuity plan, compliance and fraud.

7.1. Material topics risks

Anti-corruption, business ethics and trade compliance

IDEMIA has identified potential risks in terms of business ethics and anti-corruption and namely: being involved in anti-competitive behavior or active or passive bribery activities, directly or indirectly abusing entrusted power for personal gain, or being involved in laundering money related to the proceeds of illegal activity.

Policies and actions

The IDEMIA Code of Conduct: The IDEMIA Business Ethics Procedure is the cornerstone of ethical conduct expectations of everyone at IDEMIA. Employees undertake mandatory training and the Code of Conduct is incorporated into the induction program for new starters. The company is increasing awareness of business ethics topics and strengthening the compliance culture through training, specifically targeting the sales organization, and improving understanding.

See Section 12 (ETHICS)

Data protection and privacy

IDEMIA faces different privacy regulations, varying across the jurisdictions the company operates in. Due to the complexity of these regulations, IDEMIA has to anticipate potential risks of non-compliance. Equally, being a European-based company, IDEMIA has designed a GDPR-based compliance program but also has to anticipate and prevent non-compliance with other (local) privacy regulations.

Policies and actions

IDEMIA's Legal Department has set up a full organization to control data usage in all activities including human resources, customer intelligence, and activities related to biometrics.

See Section 12 (ETHICS)

Respect for Human Rights

Operating in a large number of markets and countries, directly or through partners, IDEMIA pays special attention to human rights violations: forced labor, child labor or other slavery-like practices, unsafe or unhealthy working conditions, discrimination, underpayment for labor or services provided.

Policies and actions

IDEMIA promotes and complies with all legal provisions related to upholding the freedom of association and the right to collective-bargaining, as well as the provisions contained in EU law, international treaties and agreements (ILO Convention). IDEMIA avoids the risks of doing business with countries where its technologies might be diverted from their original and legitimate use.

See Section 10 (PEOPLE), 12 (ETHICS)

Quality of life at work and talent management

IDEMIA has more than 14,400 employees in 62 countries and has activities in more than 180. We have to comply with all local laws and regulations while delivering a consistent model for all employees. Beyond legal aspects, IDEMIA needs to mitigate risks resulting from business pressure and insufficient awareness amongst managers that can generate stress and constitute another type of risk. Operating many production centers on all continents, IDEMIA needs to optimize working conditions everywhere so that all employees and sub-contractors feel highly protected.

The skills and commitment of our workforce ensure that customers trust us with their business. IDEMIA recognizes that this invaluable asset must be nurtured and protected. This means attracting and retaining the best people. Inadequate management of people could present a risk of high turnover, loss of expertise, interruptions in client relationships, and an inability to attract new talents.

Policies and actions

IDEMIA has formalized health and safety precautions in a Health & Safety Manual on how to protect employees and sub-contractors. Talent management is addressed through a suite of HR policies and procedures, including the HR Purple Rules, covering recruitment, terms of employment, training and development. Our Human Resources policies address topics relating to labor practices such as recruitment, remuneration, promotion, discrimination, bullying and harassment.

See Sections 10 (PEOPLE)

Customer relations

IDEMIA's customer base is made of various customer groups that impose different requirements, not just in product quality and security, but also in corporate social responsibility aspects. With a large customer base in the US as well as in the public domain, working with local and national government agencies, IDEMIA has to anticipate any type of risk. Customer expectations are increasing and vary between IDEMIA entities and third parties.

Policies and actions

The growing importance of strong and transparent relations with customer needs good awareness amongst employees in order to meet current and future requirements of customers.

See Section 11 (CUSTOMERS, PARTNERS & SUPPLIERS)

Sustainable innovation

The decision to focus on sustainable innovation meets a large consensus at IDEMIA. Our raison d'être is to make the world a safer place through cutting-edge technologies to market, for the benefit of society and the planet. The greatest risk of failing to address this is the unsustainability of the organization through an inability to consider our responsibilities for future generations, whilst meeting the needs of today. The potential outcomes of this could be an impact to IDEMIA's competitiveness, reputation and a loss of business in the face of more sustainable products.

Policies and actions

We offer products and solutions which can offset carbon emissions, and provide clients with environmentally sensitive product and solution options, such as IDEMIA GREENPAY for financial institutions and GREENCONNECT for mobile operators.

See Section 9 (ENVIRONMENT)

Respect for the environment and Green IT

Avoidance of environmental responsibility could result in a risk to the health and safety of employees or consumers, damage to the locality of our operations, financial penalties, non-compliance with legal obligations, reputational risk, lack of availability of critical resources, environmental risk, as well as damage to our attractiveness as an employer.

Policies and actions

IDEMIA's Global Environmental Policy lays down fundamental actions that must be taken by each site, the responsibilities of each employee to play their part in environmental protection and the key performance indicators that sites must support.

See Section 9 (ENVIRONMENT)

Dialogue with stakeholders and responsible purchasing

IDEMIA's success and the leadership position it holds today is thanks, for the large part, to trust: the trust of shareholders to invest, the trust of customers to enter into a business relationship, the trust of our workforce to enter into and remain in employment at IDEMIA, the trust of suppliers to partner with us, and the trust of competitors to be sure that IDEMIA operates fairly in the marketplace. The key risk of a lack of transparency and poor stakeholder dialogue is an erosion of trust in IDEMIA's brand, reputation and thereby may affect

the company's ability to perform its core business activities. IDEMIA has a wide and diverse supply chain spanning the globe. A lack of proper management of supplier relationships and the CSR performance within the supply chain, could pose a risk of non-compliance with both regulatory obligations and customer requirements. Furthermore, there is the potential for brand damage through risk by association, should a supplier be involved in a scandal because of its ethical, environmental or social actions.

Policies and actions

In the spirit of transparency, IDEMIA maintains open communications with all those concerned by its business activities. The Communications Policy, Supplier Code of Conduct, human resources policies and other policies outline the ethical behavioral expectations of everyone at IDEMIA. The IDEMIA Supplier Code of Conduct lays out clear expectations of suppliers in terms of ethical conduct and forms part of the contract. This is supported by specific CSR clauses within the general purchasing conditions.

See Section 11 (CUSTOMERS, PARTNERS & SUPPLIERS)

Inclusion, diversity and equal opportunity

Maintaining an excellent reputation as an employer is crucial to IDEMIA. Without this it would not be possible to attract the high calibre of talent that is pivotal to business success. In order to maintain a highly skilled and motivated workforce, IDEMIA must ensure it is an employer of choice in all locations in which it operates. Building a diverse and inclusive workforce, providing a platform for different opinions and perspectives, helps to create vibrant, dynamic and creative environments in which people have the opportunity to flourish.

Policies and actions

IDEMIA's HR policies target, for example, equal opportunities in recruitment, promotion, terms of employment and anti-discrimination. A focus on diversity is one of the objectives of IDEMIA's IMPACT program.

See Section 10 (PEOPLE)

Education and skills development

Failure to use the considerable skills and resources at its disposal to positively impact society and those less fortunate would be not only a missed opportunity to build strong, enduring relationships with local communities but also a potential risk to IDEMIA's image as a corporate citizen. IDEMIA also recognizes that supporting education and skills development amongst the young generation helps to ensure the workforce of tomorrow is well prepared for employment.

Policies and actions

Across the IDEMIA group, teams are involved in a broad range of initiatives that support their local communities. Through IDEMIA's IMPACT program, the company will continue and extend these relationships wherever IDEMIA is located and also promote a wider corporate societal initiative, with a focus on access to education, STEM subject engagement and the development of skills for employment.

See Section 8 (COMMUNITIES)

8. COMMUNITIES

Whether through the products and services that are making the world more secure and better connected, its close relationship with local communities as an employer and corporate citizen, or the encouragement of innovation, IDEMIA is intrinsically linked to society. IDEMIA welcomes and encourages local community initiatives and focuses in particular on supporting education, young people and the uptake of science, technology, engineering and maths subjects.

COMMUNITIES

Continue and reinforce our support to local population

Our 2020-2023 Objectives

Encourage community Actions

Have a group initiative by 2021 based on Education, with a focus on young people and digital technology



8.1. Making a difference in society

IDEMIA works on encouraging community actions within its offices and factories to positively impact the neighbourhood, help those in need, and contribute to environmentally friendly initiatives. Wherever possible, we seek to give back to society where we live and work.

Here are just some of the community actions that IDEMIA's team members have recently participated in:

- › **Brazil:** 556 food baskets donated to the Cotia City Hall, and another 100 food parcels donated directly by employee contributions.
- › **France:** Donation of clothes from Paris headquarter employees for La Cravate Solidaire, an association that provides professional clothing to students as well as people in entering and advancing careers.
- › **India:** Supporting WWF-India to protect Olive Ridley turtles by setting up monitoring with local communities on nesting beaches.
- › **Singapore:** collaboration to provide a series of STEM training and education workshops, hosting 21 teachers and curriculum and resource development officers from the Ministry of Education and Stem Inc of Science Center Singapore.
- › **South Africa:** COVID19 care packs for employees who tested positive for the virus.
- › **UAE:** Collection effort for Beirut blasts victims in 3 offices (Dubai, Abu Dhabi and Jebel Ali Service Center) in coordination with UAE Red Crescent.
- › **UK:** Supporting the local community through donations to the Tewkesbury foodbank, to help those in need.
- › **USA:** Holiday Food Drive resulted in 300lbs of food (479 items), as well as the raising of financial support, for the benefit of the Capital Area Food Bank in Washington, DC.



IDEMIA colleagues and members of La Cravate Solidaire at our headquarters in Paris with employee contributions for the charity



Ministry of Education and Stem Inc. visit to IDEMIA Singapore office



In the Odisha State of India, IDEMIA supports WWF-India to ensure the conservation of Olive Ridley turtles

In 2021, we will launch a community action software tool, accessible to employees through the intranet. This live map of global community engagement activities will provide a dynamic overview of all actions across the IDEMIA network. We hope this will encourage and empower employees to get involved in their communities and bring visibility to the many excellent initiatives of IDEMIA people.

Engaging everyone with our communities pillar

8.2. Encouraging innovation

IDEMIA thrives upon the innovative spirit of its people and recognizes that diversity is key to building new technologies that can make the world safer and better for everyone. In order to encourage entrepreneurship and digital projects within society, IDEMIA endorses the JFD Margaret and Margaret Junior Awards. These awards reward women and girls in Europe and Africa for their incredible creativity, innovation and audacity in the digital space. We are proud to participate in this project and will continue to support and develop the winning projects of the Margaret and Margaret Junior Awards.

8.3. Education and skills development

At a global level, IDEMIA is focusing on having a group initiative by 2021 based on education with a focus on the young population and digital. Across IDEMIA, we are engaging with local education establishments by supporting or adopting a local school, providing mentoring opportunities to young people, offering coaching to job seekers, student internships and more.

9. ENVIRONMENT

From life cycle analysis and eco-design to waste minimization, recycling and offsetting carbon, IDEMIA is working on a wide range of initiatives to address its environmental responsibilities.

ENVIRONMENT

Advocate the long-term protection of the planet

Our 2020-2023 Objectives

Value Creation Plan (VCP): Integrate Green Initiatives

Develop Green offers

Develop & Maintain Environmental awareness in R&D

Reduce our environmental impact



9.1. Respect for the environment

IDEMIA has a global footprint, with more than 200 sites including manufacturing plants, service centres, headquarters, sales offices, R&D centres and data centres. Although these sites have different purposes, they all follow common environmental objectives:

- › Minimize the environmental impacts of processes and services by reducing or eliminating dangerous substances, reducing energy consumption, limiting emissions, managing waste recycling and disposal.
- › Achieve our environmental goals through eco-friendly products and solutions.
- › Help our customers achieve their environmental goals with our products offering and provide suitable advice.
- › Encourage environmental responsibility within the supply chain.
- › Ensure continuous improvement of the Environmental Management System.
- › Deploy and maintain ISO 14001 certifications at our production sites.

- › Communicate to stakeholders and regularly publish actions and results on environmental matters.
- › Educate and train employees on the environmental stakes.

We measure progress regarding our main environmental objectives: reduce energy consumption per person or unit produced, and reduce carbon footprint, improve energy mix, reduce water consumption per person, manage waste (paying specific attention to landfill), and reduce VOCs (volatile organic compounds). Together, the CSR Team and local sites control environmental progress through a number of indicators. In 2020, we gathered environmental data through our company-wide CSR reporting tool.

The Group Environmental Policy is applicable to the whole company and, through it, everyone at IDEMIA is expected to act upon their individual and collective environmental obligations.

16 sites are certified ISO 14001

9.2. Action on environmental impacts

At IDEMIA, we believe that environmental protection is everyone's concern and that we all, from individuals, teams, sites, regions, business units and the whole company can, and must, acknowledge their impacts and play their part. We communicate with our people on environmental topics, sharing news and updates via internal newsletters, infographics, interviews with key players, policies, reports, training modules and our intranet site. We are keen that everyone gets involved in the environmental conversation, so we encourage insights, opinions and the sharing of best practice through our We are IDEMIA community page.

We encourage all our people to be green attitude ambassadors

Across IDEMIA sites, our employees continue to work on environmental initiatives.

9.3. CO2

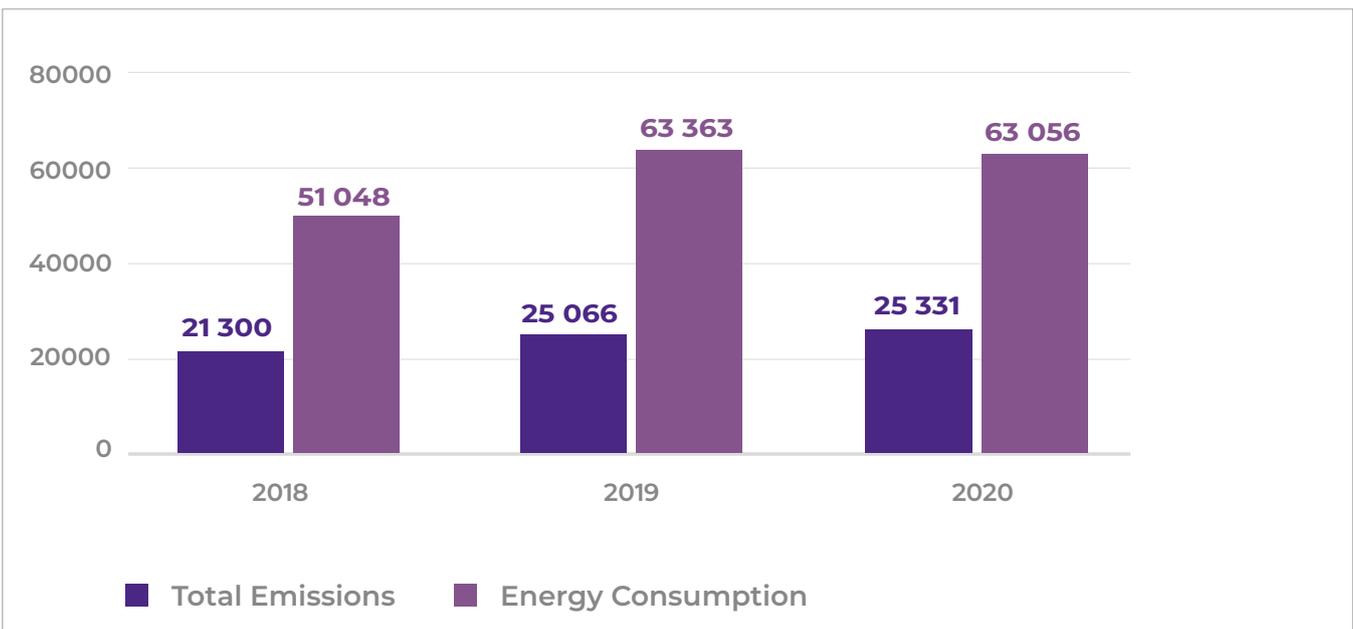
For many years, IDEMIA has declared its carbon footprint to Carbon Disclosure Project (CDP). The declaration is done in two categories, investors and supply chain, the latter meeting the request of an ever increasing number of large customers (mobile operators and banks in the USA, Brazil, Germany and UK) asking for the energy spent through the manufacturing of their products in our plants. In 2020, we were granted a C grading for Climate Change and a B grading for Supplier Engagement.



In 2020, we conducted a review of progress of our carbon emission program and, through the launch of IDEMIA IMPACT, we communicated our CO2 reduction target. Having calculated our emissions inventory for Scopes 1, 2 and part of 3 (transport and employee travel), we have pledged to reduce our CO2 footprint by 25% by 2025. In 2021, carbon management will be integrated into the company value creation plan.

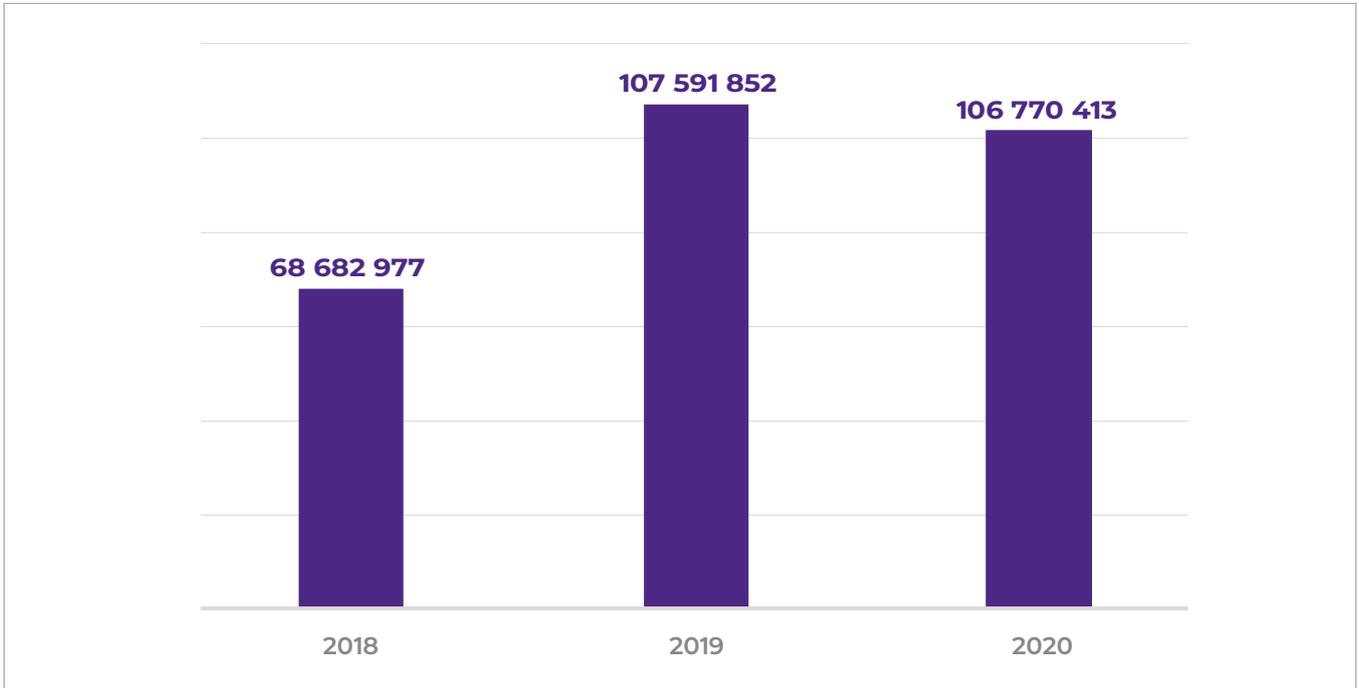
Reduce scope 1, 2 and part of scope 3 GHG emissions by 25% by 2025

Manufacturing sites – Emissions (Scopes 1 & 2 and energy consumptions) in MWh

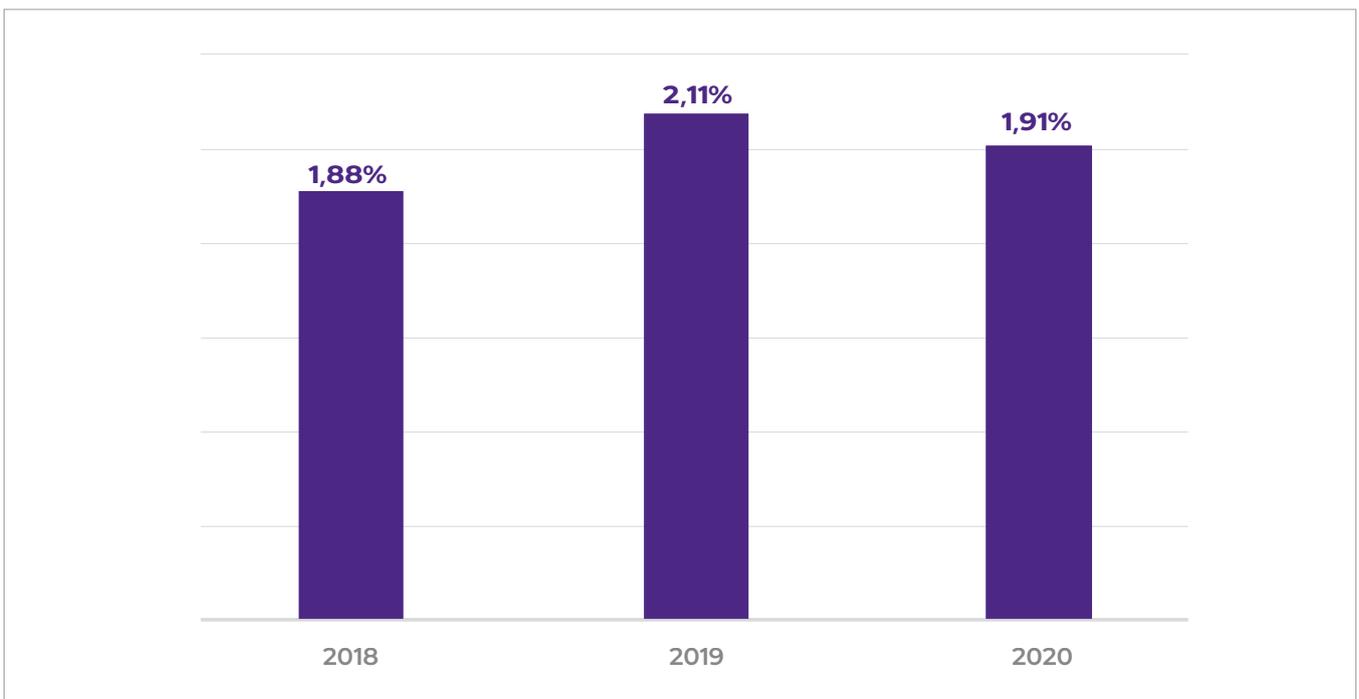


9.4. Energy

Energy consumption for IDEMIA Group (kWh)

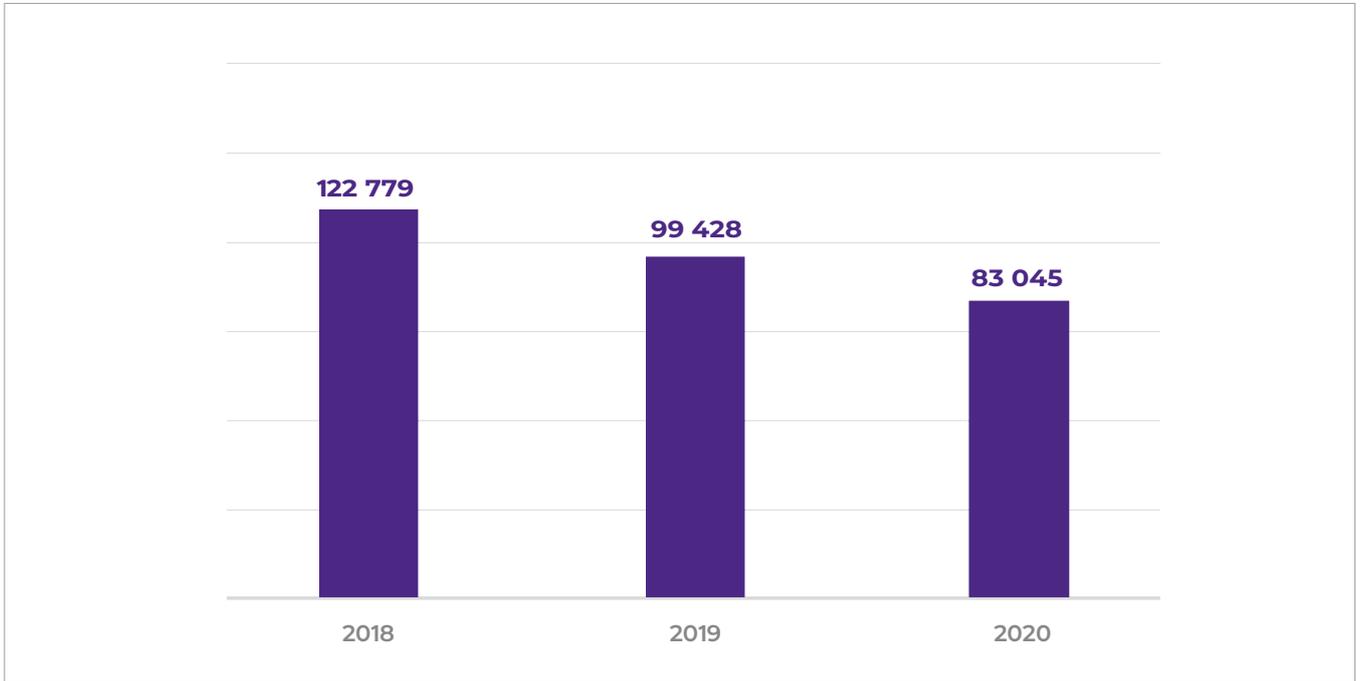


% of reported renewable energy for IDEMIA Group

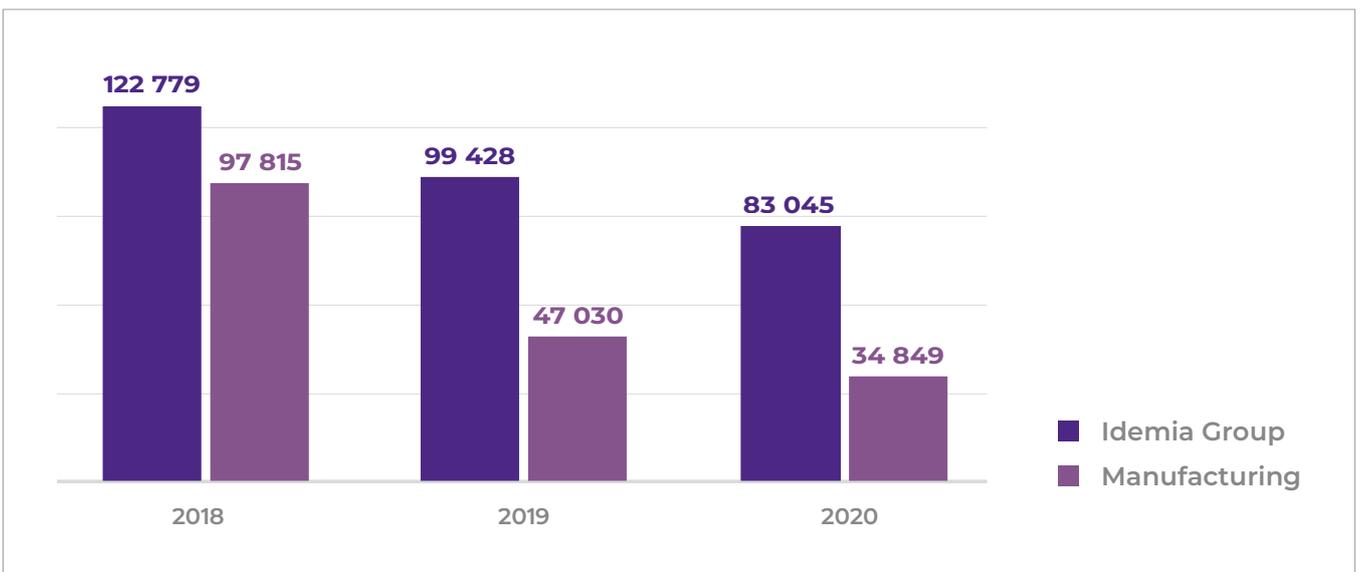


9.5. Water

Total water consumption (m³)



Water consumption for IDEMIA manufacturing sites vs IDEMIA Group (m³)



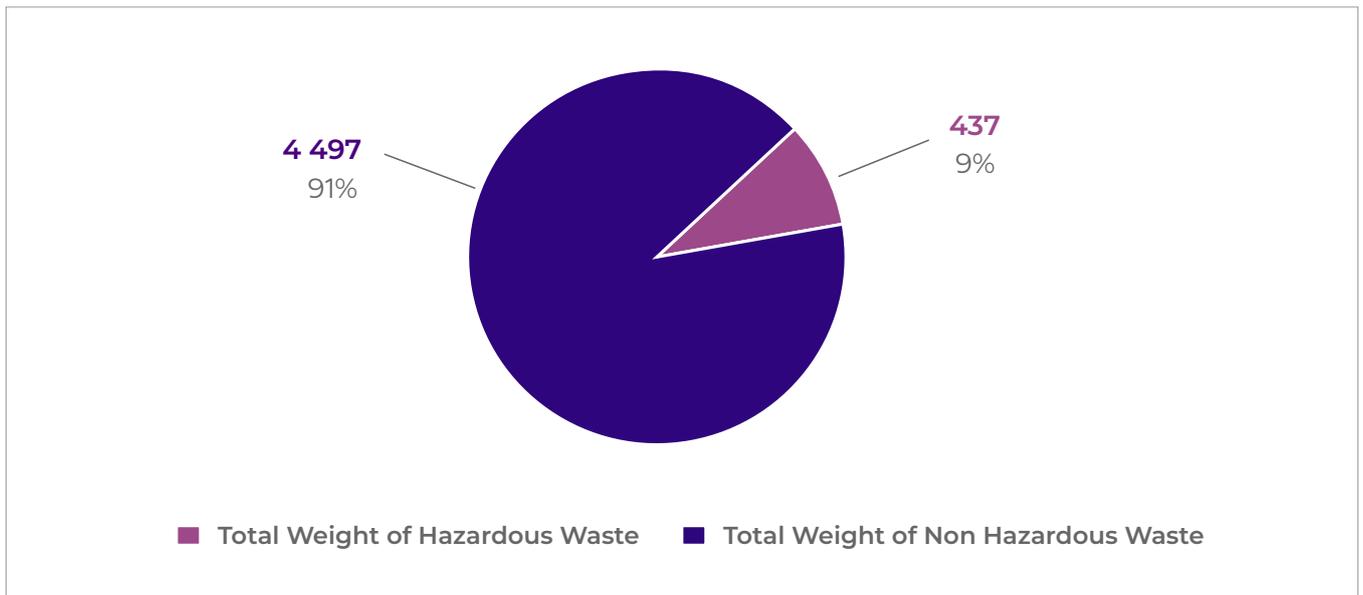
9.6. Waste

In 2020, IDEMIA's sites generated 4,934 tons of waste: 91% non-hazardous, and 9% hazardous. Nearly half came from manufacturing sites (12 sites). These sites generated 4,408 tons of waste: 76% was recycled, 13% incinerated and 11% landfilled. The remainder of the waste generated came from service centers, offices and tertiary sites.

Solid waste is treated in line with all government directives and regulations. IDEMIA's aim is to reduce the amount of waste that is sent to landfill.

Increase and maintain the recycled waste to 85% by 2023

Total waste for IDEMIA Group



Waste disposal methods for IDEMIA manufacturing sites



9.7. Sustainable innovation

IDEMIA IMPACT strategy has set sustainable innovation as a top priority, to develop and extend green offers.

With GREENPAY, IDEMIA has made the shift from take-make-waste to reduce-recycle-offset. This eco-friendly payment card family uses a variety of environmentally friendly materials. Innovative cards made out of recycled PVC are fully available, limiting the extraction of natural resources from the earth, whilst next generations cards with bio-sourced materials are set to enhance our product offering in the near future. As part of the offer, customers are invited to choose paperless options, such as electronic PIN codes, inserts and other card-related documents, all sent to cardholders' connected devices. At end of life, IDEMIA is working on a global card recycling solution.

A solution to offset any residual carbon is also available through GREENPAY and IDEMIA has selected ClimateSeed as a partner to deliver this. ClimateSeed certifies local projects around the world and the first project that we are supporting, called "Khasi Hills community", conserves existing and regenerates degraded forests in north eastern India. The young regenerating forests are sequestering carbon at an annual rate of 1.75 tC/ha. We have made a commitment to support one project per quarter, to compensate for the carbon footprint from the previous quarter.



**With the GREENPAY program,
IDEMIA helps to achieve UN's sustainable
goals in partnership with ClimateSeed**



ClimateSeed



**Fight against
poverty**



**Quality
of education**



**Climate
action**



**Access to
clean water**



IDEMIA
augmented identity

By adopting IDEMIA GREENCONNECT Recycled PVC cards (R-PVC), customers can deploy a circular economy production model to limit the generation of new raw plastic materials. When customers opt for HalfSIM R-PVC cards, it contributes to a reduction of the plastic material carrying SIM plugs. Eco-friendly packaging and carbon-saving transportation, along with digital services to reduce physical documentation, are integral to the GREENCONNECT offering.

IDEMIA R&D teams are continuously working on creative sustainable products and solutions, by defining new materials and designing new formats to help our customers in the evolution of their sustainability needs. Other IDEMIA business units are assessing where environmental improvements can be leveraged in their product ranges.

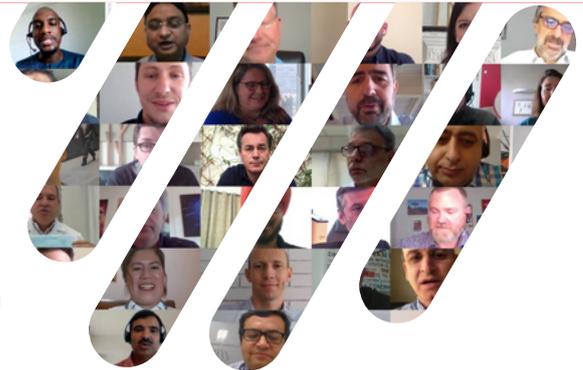


10. PEOPLE

IDEMIA values the skills and dedication of its people and recognizes the critical part they play in the company's success. IDEMIA is driven by a spirit of openness, equality, fairness and safety for all, and a desire to create vibrant and rewarding working environments to make IDEMIA the workplace of choice.

PEOPLE

Provide workplaces that are inclusive, fair and safe, to give employees the freedom to flourish



Our 2020-2023 Objectives

Access to training for everyone

Go a step further and communicate on talent management

Incorporate and get feedback on CSR in our employee survey from 2021

Develop Diversity

10.1. Quality of life at work, and talent management

Respect for human rights at work

UN Sustainable Development Goal 8: Decent Work & Economic Growth, calls for the promotion of inclusive and sustainable economic growth, employment and decent work for all. IDEMIA's recruitment policies, conditions of work and adherence to the laws in all its countries of operation uphold the ethos of UN SDG 8 and are respectful of the ILO Core Conventions. We support the elimination of forced and compulsory labor and the abolition of child labor. We recognize the rights of employees to choose representatives and participate in trade unions. Our commitment is to provide work environments that respect the dignity, safety and security of all employees, that is favourable to good job performance and is free from all types of workplace violence, bullying and harassment. Through mandatory

Code of Conduct training IDEMIA's employees gain an understanding of the company's entrustment of its people not to commit, tolerate, or ignore any form of unacceptable behaviour that negatively affects the right of us all to conduct our work in a safe, fair and non-discriminatory environment. Reporting mechanisms are in place, in the main languages of IDEMIA's workforce, providing employees with a secure channel to confidentially address experienced or witnessed incidents without fear of reprisal.

There are 8 key rights laid out in The Universal Declaration of Human Rights that have particular relevance to business and which are being addressed at IDEMIA. These rights are:



We will launch a dedicated human rights training in 2021 which will be mandatory for all employees. Complementary training modules, including those focused on avoiding trafficked labour and conflict minerals will be promoted amongst the relevant employee groups.

Recruitment

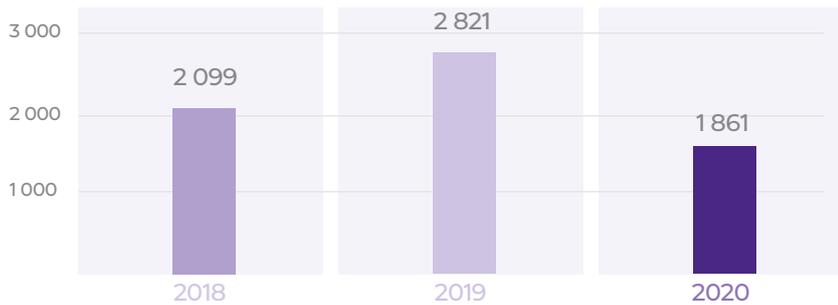
Our HR Purple Rules ensure consistent procedures for recruitment. We appreciate diversity of perspectives and thought, and we strive to ensure that all applicants and employees feel they can bring their true selves to an interview or to their daily work, as a valued member of the IDEMIA team. We welcome applicants from all backgrounds and we hire without regard to age, religion, race, national origin, ethnicity, marital

status, sexual orientation or any other recognized characteristic. Following these rules helps us to attract the most talented and capable employees in the job market.

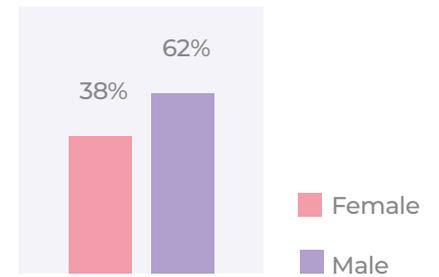
Target to increase the number of women in IDEMIA's headcount between 2020 and 2023.

New hires

Recruitment on a permanent, fixed term basis during the year. In 2020, these new hires comprised 13% of the total workforce.

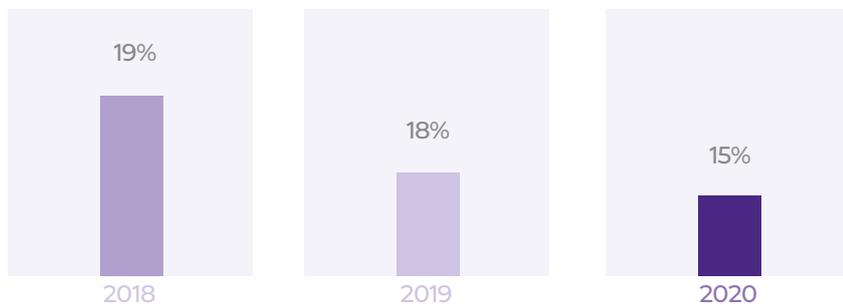


Diversity of new hires



Turnover rate

Total of the departures based on average headcount for the year.



IDEMIA tracks its turnover rate and has set a target to maintain, or not exceed, its 2019 figure over time.

On-boarding

Our highly skilled international workforce is our greatest asset and because we know this, we are dedicated to providing the right tools and knowledge our people need to be the best they can be, both in the jobs they are hired to do, during their ongoing development and when applying for promotions or mobility opportunities. We aim to make our new colleagues feel welcome and ensure rapid understanding of role requirements, the company, its business and culture.

A mentor is assigned to support the new joiner's integration, and make sure that training is achieved within the first month of arrival. There are checkpoints with each new joiner at regular intervals during the first year and one around the time of the first anniversary.

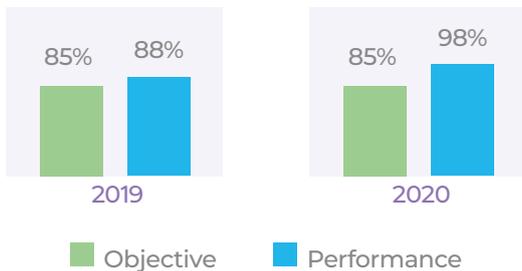
Employee survey

In February 2020, we launched our annual PULSE check employee survey, inviting IDEMIA people to share their thoughts and suggestions about the Group. This insight is essential to enhance our way of working together and focus on areas of improvement.

76% employee engagement rate (+2 from previous survey), with a strong sense of belonging in IDEMIA.

Skills development and progression

Every year, IDEMIA launches its "Performance Campaign", focussed on employee performance and objectives setting.



10.2. Protecting our people

Occupational health and safety

Seeking to achieve zero injuries at its sites, IDEMIA is committed to safeguarding the health and safety of its employees at their place of work and in the course of business travel, and strives to create a strong culture of prevention, with clear definition and communication of health and safety responsibilities through the company Health & Safety Manual. Health and safety behavioural expectations are applicable to the whole company, whatever the activity, wherever the facility, whoever the employee, those on permanent and fixed term contracts, agency workers, temporary staff and contractors. IDEMIA's Integrity Line exists as a reporting mechanism for concerns, including those related to health and safety, and employees are encouraged to use this process in good faith, without fear of reprisal.

The greatest health and safety risk comes from production activities.

IDEMIA has to deal with situations that have the risk of resulting in accident or injury: handling hazardous substances, emergency situations, working at height, manual handling, repetitive actions, etc. Health and safety managers are responsible for regularly assessing the risks associated with production and office environments and at other times, such as the integration of new equipment and new industrial procedures. The results of these risk assessments are shared with management and ensure that the appropriate controls are introduced.

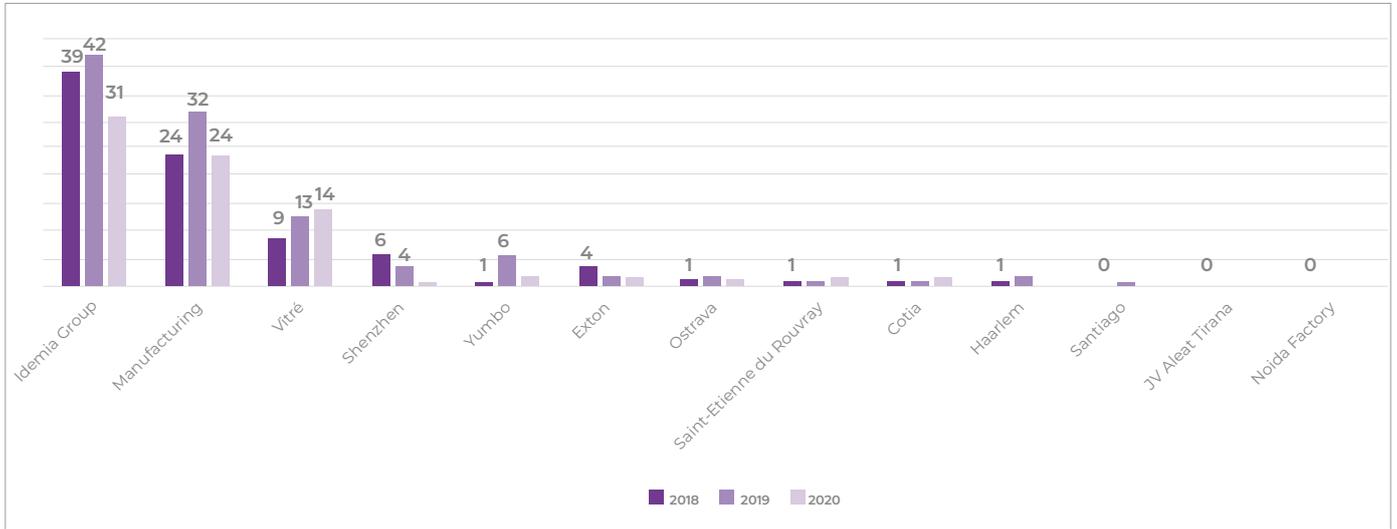
The IDEMIA Health and Safety Plan is based on:

- › ISO45001 management system certifications of the most important sites,
- › Training of the people involved on the sites,
- › Documentary repository (Health and Safety Manual, risk assessment templates and follow-up actions),
- › Reducing the risks of occupational diseases and accidents,
- › Compliance with all local health and safety regulations,
- › Establishing local and central organisations.

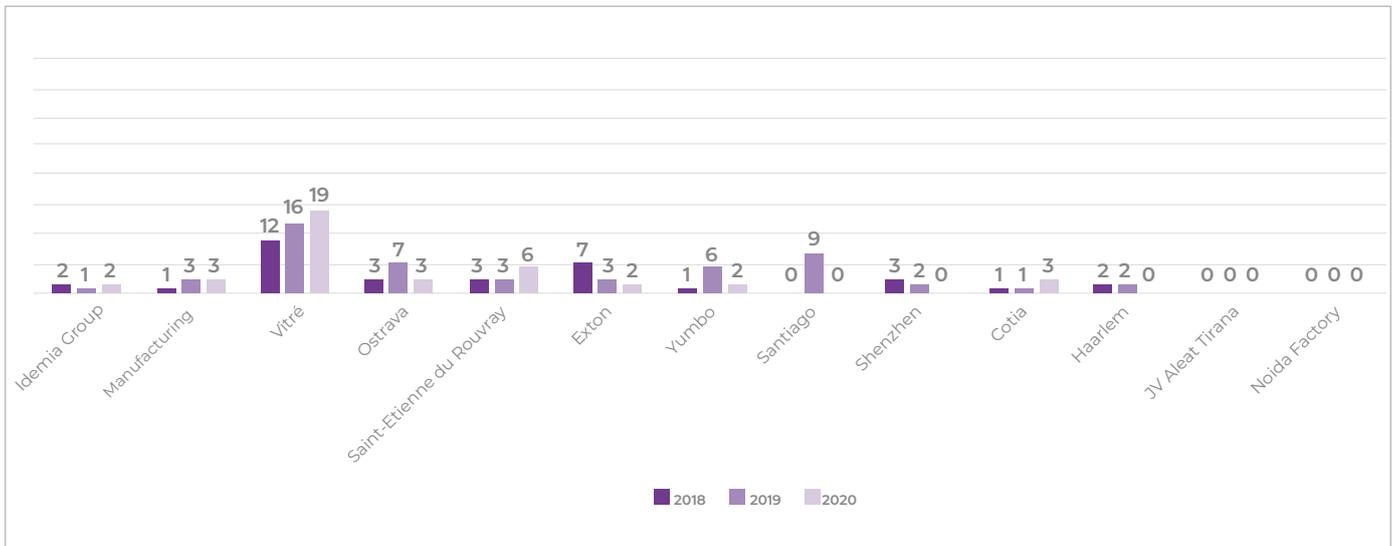
9 IDEMIA sites are certified ISO45001, with another due for certification in 2021.

In 2020, there were 31 reported injuries across IDEMIA's sites, for a Lost Time Injury (LTI) Frequency Rate of 0.38. We have calculated this rate based on the number of LTIs (31) x 1,000,000 / total hours worked (81,237,843.58)

Number of injuries



Occupational Injury Frequency Rate



Employee care during a pandemic

IDEMIA is committed to the promotion of employees' physical and mental wellbeing and this focus was particularly important in 2020. Priority was given to making employees be safe and feel safe, in respect of all national and local regulations and instructions. The Group took the necessary decisions to organize a safe workplace with the appropriate on-site hygiene measures and the reduction of health risks through a travel ban, a site visit ban and homeworking when

possible. We managed this on a site by site basis, everywhere across the IDEMIA network. We launched an internal hotline for enquiries or concerns, daily Covid-19 calls and email updates summarising the global situation.

In 2020, we published a dedicated Health & Safety Policy (Covid-19)

Health & Safety Policy

related to Covid-19 pandemic

Politique Santé & Sécurité

En lien avec la pandémie de Covid-19

During 2020, in order to bolster the sense of IDEMIA family and keep everyone connected and motivated during challenging times, we launched Good Morning IDEMIA videos every day, with a dedicated social media channel, including challenges and games feel closer together. Key messages related to Covid-19 were shared through internal channels, such as homeworking guidelines and best practices, how to maintain strong mental health whilst working remotely and Health & Safety. Through webinars, infographics, country updates and other communications, we strove to ensure that our employees stayed informed and connected in this unprecedented period.

10.3. Training and education

Training and skills development are managed by IDEMIA's HR function, both at corporate and local levels. Policies outline how we work as an HR community across the group, including company procedures for well-being at work, recruitment and on-boarding, performance, talent management, reward and off-boarding.

IDEMIA Development Team has the mission to organize and plan people evolutions. This HR team helps employees and managers develop the right skills to grow from one mission to the next one, according to requirements and personal wishes.

The IDEMIA Institute was created to enable employees to learn, develop and share their skills. A suite of online training modules can be accessed at any time by the employee, whilst job-specific or individual development training can be agreed during the annual review meetings between employees and managers.

In 2020, a refresh on all mandatory courses available on IDEMIA>Talents, our corporate HR information system, was conducted. Through IDEMIA IMPACT, we have made training accessibility for all employees, with or without access to a business computer, a priority.

Ensure 100% of employees have access to training

10.4. Diversity, Inclusion and Equal opportunity

Inclusion, diversity and equality are amongst the priorities of IDEMIA's IMPACT program. The CSR Team works closely with the Human Resources function and global HR ambassadors on the IMPACT roadmap for inclusion, diversity and equality. In 2021, IDEMIA will publish its Diversity and Inclusion Statement and develop a Diversity Charter.

Commitment to increase the number of female promotions at IDEMIA between 2020 and 2023.

Human Resources policies on recruitment, conditions of employment and development address inclusion and equal opportunities for all, regardless of gender, age or any other characteristic.

Across the IDEMIA network, there are many initiatives to encourage inclusion, diversity and equality. For example, in 2020 the Women in IDEMIA North America

(WIN) network was launched, a voluntary employee resource group, running a series of networking and skills building events throughout the year. In 2021, a WIN mentoring program will be launched and diversity initiatives in other regions are planned, including the establishment of a global network of Women in IDEMIA champions.

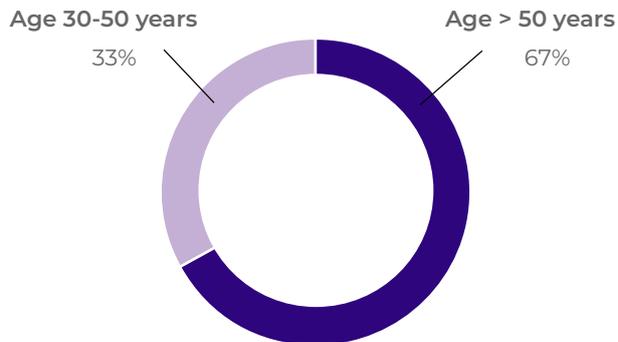
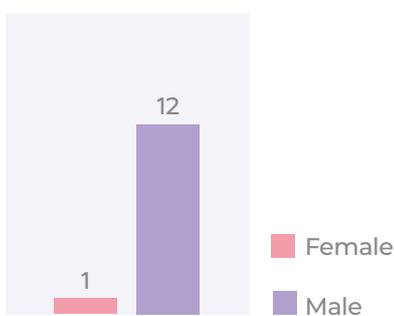


WOMEN
IN IDEMIA NETWORK

- Diversity** We value different perspectives and recognize that they help us grow
- Inclusiveness** We welcome, respect, and support all individuals
- Mentorship** We develop and empower women leaders
- Community** We support each other through networking and community

Senior female employees are engaged in initiatives to promote female leadership within our industry, such as Women in Identity, and represent the company in professional organizations.

Comex composition



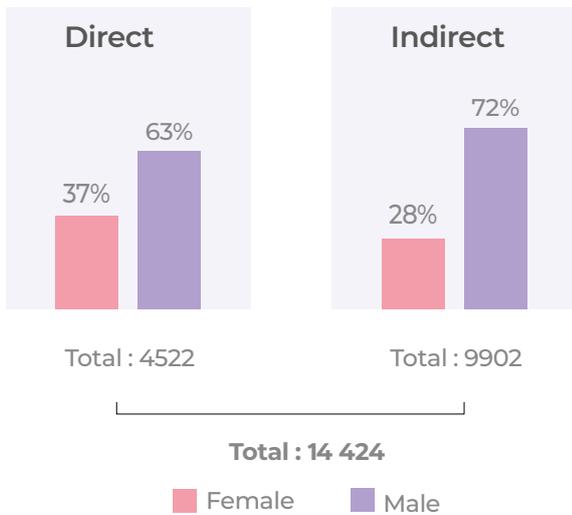
Workforce diversity by gender and age

Employee category definitions:

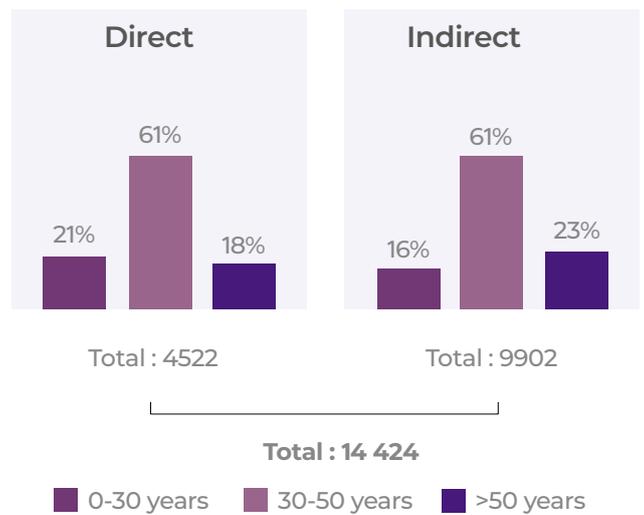
- **Direct:** Employees processing directly machines and/or production equipment in order to create the products, except supervisors & managers who are indirect
- **Indirect:** Every employee who isn't direct is indirect.

The data presented is for all IDEMIA employees globally.

Employees by gender



Employees by age group

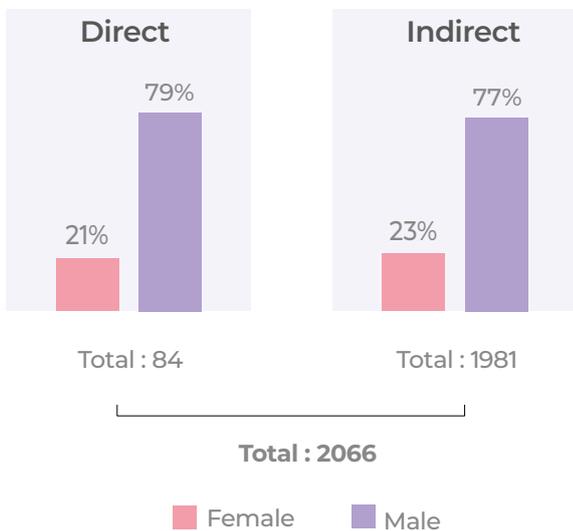


Manager diversity by gender and age

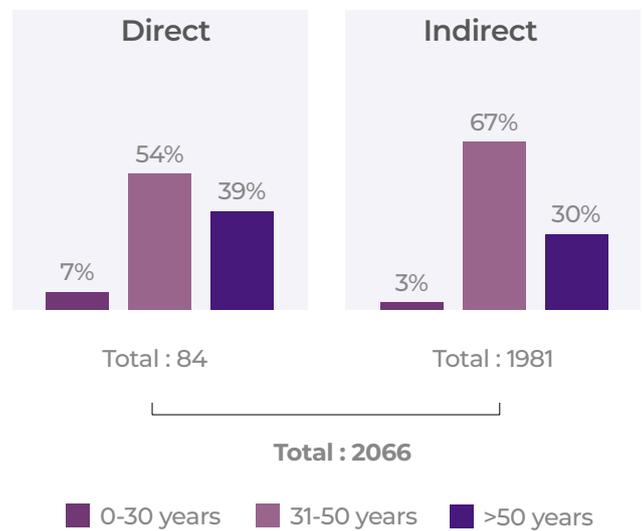
Manager definition:

All Permanent or Fixed Term employees who have at least one employee in his/her team.

Managers by gender



Managers by age group



11. Customers, Partners and Suppliers

IDEMIA recognizes that the partnerships it enters into can both positively and negatively impact its achievements and its reputation. IDEMIA focuses on its customers and partners' needs and concerns. IDEMIA carefully chooses its suppliers and monitors their performance. And we work as closely as possible with our stakeholders on CSR topics.

CUSTOMERS, PARTNERS & SUPPLIERS

Engage positively with stakeholders
and carefully choose suppliers

Our 2020-2023 Objectives

Integrate CSR questions into our Customer Survey

Push internal & external communication on CSR

Increase the number of audited suppliers



11.1. Responsible partnerships

To serve its customers and meet its internal needs, IDEMIA relies on several thousand suppliers and subcontractors based around the world.

In order to build a chain of confidence, we prefer to engage with third parties that share our ethical, social and environmental values. We welcome opportunities to share best practice and learning with our more mature CSR partners, whilst encouraging a focus on responsible business in those who are less advanced. All third parties with whom we engage must demonstrate that they are prepared to meet our fundamental expectations for responsible corporate behaviour. We have defined the framework for a trustworthy supply chain in our Supplier Code of Conduct and key CSR principles are also set out in our general purchasing conditions. We work to positively influence CSR practices in our supply chain, including the responsible sourcing of minerals, and demanding zero tolerance of child and forced labor.

We ensure that our commitments are met throughout the supply chain:

- › Supplier Code of Conduct,
- › ISO Certifications,
- › Quality audits,
- › EcoVadis rating of suppliers, especially for ethical, social and environmental risks.

The IDEMIA iWAY Partner Program is directing the way we engage the supply chain on CSR topics. We distinguish between direct suppliers (key manufacturing subcontractors, suppliers of raw materials, equipment and spare parts) and indirect suppliers (local suppliers, catering, cleaning, security, temporary work agencies or facility management, etc.). The iWAY program was first deployed to direct suppliers on operational performance topics and has been gradually expanded.

11.2. Supplier Code of Conduct

In 2018, we reviewed our behavioural expectations of suppliers and re-built our Supplier Code of Conduct to be complementary to the IDEMIA Code of Conduct, the ethical framework within which IDEMIA conducts its business. Working with suppliers that share our ethical values means mirroring our expectations of them with our expectations of ourselves. The Supplier Code of Conduct was developed with reference to prevailing international standards such as the ILO Codes of Practice, the Universal Declaration of Human Rights, Social Accountability International and the Responsible Business Alliance Code of Conduct. The IDEMIA purchasing department ensures that suppliers sign their acceptance of the Code. The Supply Chain Quality Team assessed whether our basic CSR principles are applied through on-site audits.

11.3. Supply chain risk

Since 2019, the scope of our mapping activities has been improving to include CSR risks (human rights and freedoms, health and safety, environment) and indirect suppliers.

This mapping is reviewed once a year with purchasing managers to:

- › Incorporate potential new risks, the probability of occurrence, the impact and level, the action plan and the risk reduction objective,
- › Reassess the risks already identified and the relevance and effectiveness of the action plan.

CSR risk is identified from operational CSR assessment data, taking into account the prioritization of suppliers, internal or third-party audits (or customers), supplier audits and supplier performance reviews, responsible customer and investor requests, legal and media monitoring, and expectations of other stakeholders.

Each year, the supplier database is screened through sanction lists to identify CSR-risk suppliers and decide what actions to take (CSR assessment by EcoVadis, audit, etc.). 100% of existing and new suppliers are screened for CSR risk, including environmental risks.

11.4. Buyer training

In 2019 and 2020, 60 buyers and purchasing contributors received additional training on how to ensure supply chain responsibility (legal compliance, respect for human rights and social and environmental responsibility).

The training, entitled "From hard to soft law" was deployed to purchasing teams in 5 sessions (India, China, Europe, USA and South America).

11.5. Assessing CSR performance of suppliers

IDEMIA considers the social, environmental and ethical behaviour of its supply chain in its business activities. To monitor the CSR performance of its suppliers and manage supply chain risk, IDEMIA has extended its partnership with EcoVadis, which offers a simple, easy to use service for suppliers to report and improve their CSR performance through an online platform. The assessment addresses 21 CSR Criteria across four categories:

- › Environment (ENV)
- › Fair Business Practices/Ethics (FBP)
- › Supply Chain/Sustainable Procurement (SUP)
- › Social/Labor and Human Rights (LAB)

We invite top spend suppliers and strategic partners to be assessed via the EcoVadis platform. Monitoring the CSR performance of the supply chain helps us to identify, address and avoid supply chain risks, such as those associated with particular geographic locations or types of industry, achieve compliance with legislation affecting our business and find opportunities to collaborate with suppliers on CSR. IDEMIA's CSR and Purchasing Teams support suppliers throughout the EcoVadis assessment process, from first contact to post-assessment follow-up. Supplier scores are categorized from High Opportunity to High Risk. The CSR Performance Score is integrated into the scorecard utilized during the annual Supplier Performance Evaluation.

Corrective action plans are launched for low scoring suppliers, enabling IDEMIA to monitor and address supply chain CSR risks. Next steps are initiated where reassessments following corrective actions still do not meet IDEMIA's expectations. Today, 74% of suppliers assessed meet IDEMIA's threshold score. Those that do not are working on the agreed set of corrective actions and must be re-evaluated to ensure progress targets are met.

The CSR performance of IDEMIA's suppliers has improved by an average of 4 points, with suppliers making the greatest progress in their Environmental and Ethics practices.

3 suppliers have EcoVadis scorecards in the environment category which fall below IDEMIA's threshold. 100% of these low scoring suppliers are actively engaged in corrective actions to improve their score at next assessment.

No supply chain relationships have been terminated due to negative assessment of environmental, or other CSR criteria, as a result of successfully following the IDEMIA procedure for CSR assessment via EcoVadis.

In 2020, actions with our direct suppliers resulted in the following results:

- › 100% of new global suppliers with an annual spend >50 k€ have committed to the provisions of our Supplier Code of Conduct or have provided equivalent guarantees,

- › 44% of our purchase volume with strategic direct suppliers is covered by an EcoVadis evaluation (compared to 34% in 2019).

IDEMIA scored suppliers

IDEMIA REQUIREMENT	% OF ECOVADIS SCORED SUPPLIERS
At least one certified ISO14001 site	79%
Action on energy consumption and GHGs	79%
Policy on corruption	88%
Indirect	29%*

*In 2021, we will identify suppliers to participate in the Carbon Disclosure Project.

Increasing the number of suppliers audited for CSR practices

11.6. Customer relations

Even with the best products, services, pricing, quality and cutting-edge technologies, a sustainable business must ensure the ongoing confidence of customers to place their trust in it as an honest, IDEMIA Internal transparent, reliable, ethical partner. At IDEMIA we want to be THE supplier of choice for our customers, naturally on the basis of the innovations and services we offer, but also influenced by the reassurance that our moral compass is fixed on doing the right thing. For us, corporate social responsibility guides how we behave, constantly pushes us to be better and because we have put in place the necessary resource and expertise, and continue to strengthen cross-departmental collaboration on CSR-related topics we are seeing progress in our performance year on year. Where customers are further along their CSR journeys than us, we are keen to learn from them to support our continuous improvement efforts.

Fundamentally, we are committed, at all times, to conducting our business with honesty and integrity in compliance with the laws of all the countries in which

we are active. Technology is progressing faster now than ever before and with this come new actors in the market and positional shifts that we must prepare for and respond to. Our competitors are amongst our key stakeholders and on certain subjects we work together in collaborative groups to improve our industry conditions, including those relating to CSR, such as environmental legislation and product compliance. We demonstrate, through our policies, procedures and training our intention to always do business within the law, including when seeking to win business. We are against price fixing, creating market restrictions, imposing geographic quotas or any other kind of anti-competitive behaviour with the effect of limiting the effects of market competition. Our Conflicts of Interest Policy ensures that potential risks are anticipated and managed.

Through the IDEMIA IMPACT program, we have committed to adding CSR questions to our customer survey in 2021 and we will use the findings to improve how we engage with customers on sustainability.

We are talking to our customers about CSR

11.7. Quality products and services

IDEMIA knows the importance of trust to its stakeholders, in every interaction, product and service and we recognize that our CSR and quality work is crucial to building and sustaining this trust. IDEMIA's Quality Manual supports everyone's commitment to customer satisfaction, continuous improvement and compliance. The latest, along with related quality processes, are shared through the IDEMIA intranet site.

In 2021, we will re-launch the Quality Fundamentals training module, to remind all employees of their responsibilities towards quality.

62 IDEMIA sites are certified ISO 9001

12. ETHICS

Trust is at the heart of IDEMIA's business, so retaining the trust of all stakeholders is of the utmost importance. IDEMIA has built a robust ethical foundation of policies, processes, training, management systems and compliance with the law.

ETHICS

Promote our values and protect our businesses

Our 2020-2023 Objectives

- IDEMIA Ethics Committee
- Conflicts of Interest and Anti-Trust
- Trade compliance focus



12.1. Code of Conduct

The IDEMIA Code of Conduct: Business Ethics Procedure, published in the 5 main languages of IDEMIA, is applicable to everyone within the Group and is the cornerstone of ethical conduct expectations at IDEMIA. We must all follow the fundamental principles outlined in this procedure every day of our working

lives. The Code of Conduct is shared via the company intranet site. Code of Conduct training is amongst the key elements of newcomer training, along with modules pertaining to CSR Fundamentals, Quality, GDPR and Anti-Corruption.

Code of Conduct training

COUNT OF COMPLETION STATUS	2019	2020
APAC	198	154
EUROPE	348	282
FRANCE	352	440
INDIA	87	809
LATAM	90	112
MEA	91	112
NORAM	712	339
GRAND TOTAL	1878	2248

12.2. Anti-corruption, business ethics and trade compliance

Ethical breaches, including corruption, pose very damaging risks to the company and society as a whole: the reputation of the company, the motivation of employees and stakeholders, financial losses, loss of confidence and more.

IDEMIA fights these risks through a highly developed organisation and action plans, including audits, financial controls and anti-corruption procedures. These activities are the responsibility of IDEMIA's Legal and Finance directorates.

The IDEMIA Ethics Committee, established in 2019, will be re-defined in 2021 with a wide representation, to include CSR, and will follow a regular pattern of quarterly meetings, plus those required for ad hoc incident that must be addressed.

Commercial compliance protects IDEMIA from the risk of corruption (involving its employees or its many business partners). IDEMIA has a strong and proven compliance program, justified by our international business model.

Competition, for IDEMIA, must be on the basis of its products, solutions and services and must not involve entering into any agreements with its competitors to illegally limit business and competition. Employees are expected to adhere to IDEMIA's policies and requirements in respect of fair competition, gifts and hospitality and conflict of interest. We have processes to monitor gifts and invitations offered, as well as donations and sponsorships.

Through IDEMIA IMPACT's 2020-2023 priorities, we will review and address the 8 pillars of anti-corruption:

- › Code of Conduct
- › Whistleblowing
- › Risk mapping
- › Screening
- › Accounting control
- › Training
- › Sanctions
- › Internal control framework

In line with the IDEMIA Conflict of Interests Policy, situations of conflict of interest need to be clearly identified through a proper and formal disclosure.

An IDEMIA Anti-Trust program for 2021

- › 120 due diligence performed in 2020. 100% of these assessed for risks associated with corruption.
- › 6 due diligences identified a significant risk of corruption.
- › IDEMIA's anti-corruption policies and procedures have been communicated to 100% of governance body members.
- › All employees have been notified of IDEMIA's anti-corruption policies and procedures through a global communication.
- › Anti-corruption policies shared with all third parties with which due diligence was undertaken in 2020.
- › 100% of Excom members have received training on anti-corruption.

Employees trained on anti-corruption

COUNT OF COMPLETION STATUS	2020
APAC	226
EUROPE	423
FRANCE	596
INDIA	170
LATAM	210
MEA	52
NORAM	56
GRAND TOTAL	1725

Data protection and privacy

As a major player in the civil and digital identity management, online security and data privacy markets, personal data protection is at the heart of our business. Therefore, the security, confidentiality and protection of personal data, which may be sensitive, is a constant concern for IDEMIA; it is also a sign of trust for our customers, suppliers, partners, employees and all stakeholders. IDEMIA is committed to ensuring the protection and security of personal data and to respecting the privacy of the individuals concerned in accordance with applicable legislation. The personal data that we are required to collect and process in the course of our activities must be used for a precise and legitimate purpose, in a fair manner and cannot be kept beyond the time necessary for their purpose.

As a trusted partner of business and government, we provide a secure identity for consumers and citizens in an increasingly digital world.

IDEMIA has set up an organisation dedicated to the protection of personal data based on a network of coordinators by business and business unit. This network ensures that the various data protection obligations are effectively implemented and respected for all of the Group's activities. IDEMIA ensures that the personal data processing it performs on its own behalf and on behalf of its clients incorporates data protection requirements. To ensure compliance with data handling, Data Protection Impact Assessments are carried out for risky situations.

Our customer and supplier contracts routinely contain data protection clauses.

A mandatory online awareness module for all IDEMIA employees has been deployed: 91% of employees based in the European Union and 86% of employees outside the European Union have taken this training for the 2019-2020 campaign.

14 IDEMIA sites are certified ISO 27001

12.3. Protection of human rights

IDEMIA is present in 62 countries, governed by different laws and regulations that must be respected. Where possible, we try to standardize our practices by adopting the most "virtuous" ones.

The protection of human rights and fundamental freedoms encompasses various subjects including export control, trade compliance, freedom of expression, freedom of association, the prohibition of child labour and forced labour, anti-discrimination, privacy, etc. In addition, under our Supplier Code of Conduct, we are committed to working only with suppliers whose professional practices are ethical and respectful of human rights.

We comply, without exception, with all applicable laws and, in particular, regulations concerning export and re-export controls to third countries, depending on the classification of goods, their final use, end-users and recipient states, in accordance with the principles set out by the United Nations on human rights in particular.

Drawing on a network of more than 50 correspondents around the world, Export Control experts from the Legal and Compliance Department carry out various missions:

- › Ensure the application of the compliance standard across the Group.
- › Facilitate awareness sessions for newcomers and deliver specific training (regulatory changes, targeted activities, countries under sanctions and embargoes, etc.).

	2016	2017	2018	2019	2020
Specific training sessions	51	25	32	29	26

- › Verify the compliance of all activities carried out by all the companies of the group with particular attention to the risks inherent in the misuse of goods that could lead to human rights violations or restrictions on freedoms.

12.4. Child labor

We are strictly against the use of child labor, both within our own organization and in our supply chain. We have policies in place to ensure that any work carried out for IDEMIA by persons under the age of 18 and still in compulsory education, such as trainees and work placements students, is specifically designed not to interfere with or impede the employee's studies, should not include overtime, night time working, hazardous tasks or any other work that is likely to jeopardize their health or safety. We ensure proper management of student workers through adequate support and training, pay that is equal to workers at the same entry level performing similar tasks, proper maintenance of student records, due diligence of educational partners and protection of students' rights in accordance with applicable law. We expect our suppliers to mirror our conduct in this regard. We are guided by the recommendations of the UN Global Compact to:

- › Be aware of countries, regions, sectors, economic activities where there is a greater likelihood of child labor and respond accordingly with policies and procedures;

- › Adhere to minimum age provisions of national labor laws and regulations and, where national law is insufficient, take account of international standards;
- › Use adequate and verifiable mechanisms for age verification in recruitment procedures;
- › Avoid having a blanket policy against hiring children under 18, as it will exclude those above the legal age for employment from decent work opportunities;
- › Exercise influence on subcontractors, suppliers and other business affiliates to combat child labor.

12.5. Modern slavery

We are committed to addressing the issue of modern slavery and human trafficking. Our responsibilities towards modern slavery avoidance require a collaborative effort between the Human Resources, Purchasing, Legal and CSR Teams. A significant focus is placed on identifying risks of modern slavery in our supply chain, including an annual assessment of their labor practices. Our Modern Slavery Statement is in compliance with legal obligations. We have identified that, where we work with small-scale, local recruitment agencies, not co-ordinated at a corporate level, we must ensure that we consistently share our Supplier Code of Conduct, educate those with responsibility for managing the relationships with local recruitment agencies on modern slavery risks and work with suppliers to be reassured that all recruitment is managed according to our expectations. We have also incorporated screening questions related to corporate responsibility practices in our request for information template.

12.6. Conflict minerals

IDEMIA supports the efforts of human rights organizations to end violence and atrocities in conflict affected and high-risk areas. Whilst IDEMIA is not currently subject to legal obligations such as those of the US Dodd-Frank Act, we work with our supply chain to positively influence ethical behaviour through the application of a conflict-free sourcing process. We control a list of mineral sourcing partners, to ensure that our products and components originate from conflict-free smelters for gold, tungsten, tantalum, and tin (3TG). We have also begun focussing on emerging minerals of concerns, such as cobalt. Each year, we support numerous customers with their conflict minerals reporting requirements, through sharing our conflict

minerals reporting. Our actions follow the recommendations of the Responsible Minerals Initiative, including checking for and requesting transitioning away from any identified smelters not compliant with the Responsible Minerals Assurance Process (RMAP). The conflict minerals due diligence process at IDEMIA relies on inputs from the CSR Team, Purchasing and Product Management.

12.7. Internal audit and control

Internal audit and control teams, attached to the Financial Directorate, verify the compliance of our subsidiaries around the world.

The Internal Audit Team is responsible for analysing the self-assessment questionnaires completed annually by the subsidiaries, and our team of auditors make on-site visits according to a plan over several years. These controls cover various processes: inventory, supplier purchases, customer sales, cash, human resources, recruitment requests, newcomers, departures, payroll management and compliance.

In recent years, the internal audit has added to the “compliance” questionnaire and on-site checklist a list of CSR-related questions (health, security, environment, human resources, ethics, supply chain, etc.).

In 2020, 51 IDEMIA entities representing 68% of the group's workforce completed and returned this questionnaire. Due to the pandemic health risk, audit teams carried out only four audits (two in Poland, Hungary, France) including two on video conferencing, and two on site.

12.8. Alert process

Our alert collection system is accessible to any employee or partner who wishes to report a breach of ethics and is available in 17 languages. To widen the perimeter, the mechanism is now accessible from our website for all stakeholders:

<https://idemia.integrityline.org/>

Any incident that violates local applicable laws, or constitutes misconduct against the IDEMIA Code of Conduct, can be reported. In 2020, 5 reports were made and resolved.

13. GLOBAL REPORTING INITIATIVE (GRI) CONTENTS INDEX

In accordance with the Global Reporting Initiative Standards for sustainability reporting, this table points readers to **contextual information about IDEMIA - GRI General Disclosures** - within the report. Links are provided to each disclosure topic.

GRI GENERAL DISCLOSURES (CORE LEVEL)		REPORT REFERENCE PAGE
1. ORGANIZATIONAL PROFILE		
102-1	Name of the organization	5
102-2	Activities, brands, products and services	5
102-3	Location of headquarters	5
102-4	Location of operations	5
102-5	Ownership and legal form	5
102-6	Markets served	5
102-7	Scale of the organization	5
102-8	Information on employees and other workers	5
102-9	Supply chain	34
102-10	Significant changes to the organization and its supply chain	7
102-11	Precautionary Principle or approach. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
102-12	External initiatives. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
102-13	Membership of associations. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
2. STRATEGY		
102-14	Statement from senior decision maker	4
3. ETHICS AND INTEGRITY		
102-16	Values, principles, standards and norms of behaviour	38
4. GOVERNANCE		
102-18	Governance structure	6

5. STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	8
102-41	Collective bargaining agreements. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
102-42	Identifying and selecting stakeholders	8
102-43	Approach to stakeholder engagement	9
102-44	Key topics and concerns raised	9
6. REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
102-46	Defining report content and topic Boundaries	8
102-47	List of material topics	9
102-48	Restatements of information. See IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	click here
102-49	Changes in reporting	8
102-50	Reporting period	8
102-51	Date of most recent report	8
102-52	Reporting cycle	8
102-53	Contact point for questions regarding the report	45
102-54	Claims of reporting in accordance with the GRI Standards	8
102-55	GRI Content Index	42
102-56	External assurance	45
7. MANAGEMENT APPROACH		
GRI 103	To report the management approach for each material topic. Further information in IDEMIA GRI Disclosures for CSR Report 2020 here: https://www.idemia.com/corporate-responsibility-idemia	16, 19, 26, 34, 38

This table points readers to **Topic Specific Disclosures**, identified by IDEMIA through stakeholder engagement, as being material topics for IDEMIA to address. Links are provided to each topic specific disclosure.

GRI MATERIAL TOPIC SPECIFIC DISCLOSURE	IDEMIA MATERIAL TOPIC	UN GLOBAL COMPACT PRINCIPLE	IDEMIA IMPACT PILLAR	REPORT REFERENCE PAGE
GRI 205: Anticorruption	1. Anti-corruption, business ethics & trade compliance	10: Anti-Corruption	Ethics	38
GRI 418: Personal data protection & privacy	2. Data protection & privacy		Ethics	38
GRI 412: Human rights	3. Respect for human rights	1, 2: Human Rights	Ethics	38
GRI 403: Occupational H&S GRI 404: Training & education	4. Quality of life at work & talent management	3, 4, 5, 6: Labour	People	26
	5. Customer relations		Customers, Partners & Suppliers	35
	6. Sustainable innovation		Environment	24
GRI 302: Energy, GRI GRI 306: Effluents & waste	7. Respect for the environment & Green IT	7, 8, 9: Environment	Environment	21, 22, 23
GRI308: Supplier environmental assessment	8. Dialogue with stakeholders & responsible supplier relationships		Customers, Partners & Suppliers	35
GRI 405: Diversity & equal opportunity	9. Diversity, inclusion & equal opportunity		People	31
	10. Education & skills development		Communities	18

Contact: CSRTeam@idemia.com

Web: [Corporate Responsibility at IDEMIA | IDEMIA](#)

Assurance Statement

Independent Assurance Statement to IDEMIA Group S.A.S

FBRH Consultants Ltd (FBRH Consultants) was engaged by IDEMIA Group S.A.S to provide assurance in relation to the information set out below and presented in IDEMIA Group S.A.S' GRI Sustainability Report 2020 (the Report) covering the period from 1st January 2020 until 31st December 2020.

Engagement summary

Scope of our assurance engagement: Whether the 2020 information and data presented in Appendix I, are fairly presented, in accordance with the reporting criteria.

Reporting criteria: The GRI Sustainability Reporting Standards (GRI Standards).

Assurance standard: FBRH Sustainability Report Assurance (for GRI Reports)

Assurance level: Limited assurance.

Respective responsibilities: IDEMIA Group S.A.S is responsible for preparing the Report and for the collection and presentation of the information within it. FBRH Consultants' responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Our conclusions

Based on our activities, nothing has come to our attention to indicate that the 2020 information and data are not, fairly presented in accordance with the reporting criteria. This GRI in Accordance Core Report does meet all requirements of the GRI Standards.

Our assurance activities

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions. A multi-disciplinary team of sustainability and assurance specialists performed assurance procedures as follows:

A review of the presentation of information in the Report relevant to the scope of our work to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.



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