That’s how millions of people in Bangladesh are gaining access to banking services for the first time.

OUR SMARTCARD-BASED SOLUTION BRINGS SECURE MICROFINANCE FACILITIES TO PEOPLE WHO CONVENTIONAL BANKS CAN’T REACH.

IT’S PART OF THE PRIME CASH PROGRAM WHICH IS CONTRIBUTING TO THE DIGITAL BANGLADESH CAMPAIGN.
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Our approach to sustainability

“Sustainability is second nature to Gemalto. With our leadership in digital security, the very essence of our work, providing trust to the digital world, means we fulfill a noble social role.”

Strategic direction
Sustainability is an integral part of the way we run our company – one that we recognize is central to the prosperity and resilience of our own and our clients’ businesses.

The Gemalto Board has overall responsibility for the Company’s sustainability vision. This responsibility is incorporated into the Board charter, and our sustainability management is organized accordingly.

In 2013 we established the Sustainability Board as a forum for reviewing our strategy in this area. It is chaired by the CEO and comprises those Executive Vice-Presidents (EVPs) who report directly to him. Three of these EVPs supervise a Steering committee, comprising representatives of each main department of the Company, which coordinates our sustainability policy and activities.

What we stand for
Sustainability is second nature to Gemalto. With our leadership in digital security, our solutions touch billions of people’s lives. From supporting remote healthcare services to enabling financial inclusion, the very essence of our work means we fulfill a ‘noble social role’.

In addition, as a long-term signatory to the United Nations Global Compact, we benchmark our policies and performance against world-class companies and review them annually against the Compact’s ten principles on human and labor rights, anti-corruption and the environment.

Our approach to sustainability also reflects our values. These are combined in a robust ethical framework which underpins our sustainability activities and focuses them on our strategic priorities (see next page).

How we comply
Our sites – and management systems – are compliant with a range of ISO standards and they are subject to numerous assessments and external certifications. These standards include: Quality (ISO 9001), Environment (ISO 14001), Health and Safety (OHSAS 18001) and Security (ISO 27001). In addition we comply with ISO 14040-44, as well as RoHS, Reach and WEEE regulations. We are also committed to the UN’s Universal Declaration of Human Rights, and to the International Labor Organization’s standards.

In addition, our systems comprise robust processes for the management and control of risk; and they are subject to rigorous internal audit and reporting procedures. To reinforce our compliance, protection and security with respect to data, we appointed a Director of Global Data Privacy in 2013. His role is to establish and maintain Gemalto’s institutional knowledge of laws and requirements, provide training to ensure compliance, advise and implement policies and practices, strengthen our control of privacy risks and promote privacy protection in all our activities.

Highlights

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<th>Investment in R&amp;D in 2013</th>
<th>€143m</th>
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<td>Number of employees’ nationalities</td>
<td>113 in 44 countries</td>
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<tr>
<td>Signed supplier’s charter</td>
<td>87% of Tier 1 corporate suppliers</td>
</tr>
<tr>
<td>Diversity</td>
<td>Men 60%</td>
</tr>
<tr>
<td>ISO 14001 certifications</td>
<td>22 sites</td>
</tr>
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Further information about our sustainability policies and performance can be found at www.gemalto.com/companyinfo/sustainability and in our Sustainability Report (published May 2014).
Our sustainability priorities

1. Supporting our customers

We put customers’ evolving needs at the heart of our activities, in the products and platforms we create and the services we offer. By consistently innovating, we retain the loyalty of existing customers, attract new ones, broaden our commercial opportunities, and have a positive impact on the end-users’ digital lives.

2. Reducing our environmental impact

By managing our energy and water consumption, monitoring our waste and transport, and reducing our environmental footprint, we are able to minimize our costs, support our business strategy and enhance our reputation.

3. Valuing our people

As a world-leading digital security business we need a committed, motivated and innovative workforce that reflects the diversity of our business and our customers. We have clear human resources priorities and systems to attract, nurture and retain the best talent – because fundamentally, Gemalto is built on the ingenuity and dedication of its people.

4. Managing our business responsibly

Good governance and business ethics are essential to enhancing investor and customer confidence, and build trust. We actively manage our risks; have robust, certified anti-fraud systems; and apply our ethical standards throughout our value chain.

“By building a highly reputable organization with a strong ethical foundation and a respected culture of innovation, we attract and retain talented people who recognize that Gemalto fits their own personal values and aspirations.”

Olivier Piou
Chief Executive Officer
Supporting our customers
Gemalto’s purpose is to enable our clients to offer trusted and convenient digital services to billions of individuals. We do this in many ways, including:

Innovating for the long term
Innovation is one of our three core values, and continuous innovation is essential if we are going to sustainably serve our customers with technologies that both enhance digital security and have a positive impact on society and the environment.

We have 2,000 engineers based in 25 research and software development centers worldwide. This represents an exceptional pool of talent to develop the products and services that help our customers to deliver safe, positive, sustainable solutions to their end-users. This includes offering more environmentally-friendly products using our eco-design techniques, and services that aid global social inclusion.

Delivering responsible solutions
Amongst the responsible solutions we provide, one focus is on financial inclusion. Around the world there are 2.5 billion people over the age of 15 who do not have bank accounts\(^1\). By offering secure alternatives that can even be used on basic mobile phones, we are providing access to financial services to nearly one billion people, often in remote and deprived communities.

In Kenya, for example, we are contributing to the M-Pesa solution which is used by over 80% of the population. By facilitating secure, convenient financial flows between urban and rural areas, it can increase household incomes and have a positive effect on the entire economy.

Offering eco-design products and services
Historically, we’ve developed eco-friendly products for clients in three of our main markets: Financial Services, Mobile Communication and Government. They are based on our quest for ways of balancing both the marketability and the sustainability of our solutions.

Our designs are underpinned by two main principles: reducing the volume of material that we use; and developing and using alternative materials that are more environmentally friendly.

Significant achievements have included introducing plug-only SIM cards, bank card bodies based on bio-sourced material (polylactic acid) and work with customers to recycle cards when they expire.

Additionally, we have pioneered tools such as our carbon footprint modeling, which not only enable us to quantify the environmental impact of our manufacturing, but also help customers to calculate the CO₂ emissions associated with specific products.

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\(^1\) The Global Findex Database, Measuring Financial Inclusion, April 2012
Valuing our people

Our Human Resources strategy is founded on eight key pillars, two of which relate to recruitment and diversity. We believe that the makeup of our workforce should reflect the global spread of our clients, so we have continued to recruit from around the world and our geographical headcount broadly matches our geographical revenue distribution. Our employees now comprise some 113 nationalities.

Promoting diversity

By promoting diversity, we aim to create cross-functional and cross-national networks of people. This year, for example, we formed a professional women’s network – Gemalto Connected Women – as a forum for the exchange of best practice, learning opportunities and contacts for female managers in our company.

We are also putting an increasing emphasis on developing women in managerial positions. In 2013, our R&D Software Director won the French Women of Industry award. She oversees the work of 500 engineers from 30 nationalities in 11 countries. And as of 1 January 2014, two women were promoted to the Senior Management team, reporting to our CEO.

In May 2013 we also appointed our third female Board member, Dr Homaira Akbari. We now have three women on the Board.

Increasing confidence

Overall, the strength of our Human Resources strategy was reflected in the results of our latest employee survey. Trust in Gemalto’s future continued at a remarkably high level – 81% up 3 points vs. 2012, with 80% response rate.

Feedback on a wide range of subjects is used to create action plans for the year ahead, especially in areas where scores are lower. High participation levels in the survey suggest that employees understand the link with their role within Gemalto.

Managing our business responsibly

One of the fundamental ways in which we create and maintain trust in Gemalto is by managing it responsibly, in three broad areas: Sound management and planning founded on ethical values, strong corporate governance, vigilant risk management, prudent continuity planning and responsible financial practices.

Assiduous approach to suppliers and products with responsible regulation of what we buy and who we buy from; and determination that what we sell is of excellent quality and reliability.

Strict attention to laws, guidelines and security by ensuring we comply with or exceed applicable rules and guidelines; confirming our standards through external certifications; and implementing rigorous data protection and security practices.