SUSTAINABILITY HIGHLIGHTS 2015

Trust in a connected world
A sustainable business for responsible, long-term growth

Being a leader in digital security, our solutions touch billions of people’s lives every day. Ensuring these solutions are sustainable in the way they are made and used, and that they create maximum value for all our stakeholders, is central to our approach.

Our solutions are at the heart of modern life, from payment to enterprise security and the Internet of Things. We authenticate people, transactions and objects, encrypt data and create value for software – enabling our clients to deliver secure digital services for billions of individuals and things.

Our approach to sustainability builds on our core Company values, which underpin all our activities:

- Customers
- People
- Innovation

**Reviewing our priorities**

In 2015, we carried out an extensive analysis to identify and prioritize the topics that are most important to Gemalto and our stakeholders. The results are shaping how we now organize, report and communicate about sustainability.

We have identified 34 topics which are now classified in 5 main areas:

**Business and customers**

**People**

**Governance and compliance**

**Society and community**

**Environment**

To find out more download our full sustainability report at [www.gemalto.com/sustainability](http://www.gemalto.com/sustainability)
We’re constantly developing our business in line with our customers’ evolving needs – working with them over the long-term to develop secure and innovative solutions for their end-users.

Data security
Our approach to security encompasses both our own data and that of our customers. We focus on the physical security of our premises and the logical security of data. We constantly review our management systems and technologies to maintain their effectiveness against an increasing range of threats facing the digital world.

Our customers
Every year, we commission a customer listening program, the ‘Tell Me’ survey. This includes interviews with customers who rate their satisfaction with various aspects of our business and provide feedback on their vision and challenges.

Innovation
We have over 3,000 engineers based in 27 research and software development centers. With their expertise and dedication we submit a large number of patent applications for new innovations every year. We also encourage all employees to submit their ideas and suggestions through the Business Innovation Garage.

Our central market research team examines consumer topics of compelling interest to our customers. In 2015, Gemalto’s Ideas Hub – an online community gathering of UK and US consumers – engaged in some 180 conversations and generated 20,000 consumer comments relating to new concepts and insights.

Managing our business
Risk management is one of our core responsibilities. We have robust crisis management and business continuity response plans in place, supported by over 130 crisis management leaders worldwide.

Our supply chain
We work closely with our suppliers to create a high-quality, reliable supply chain that meets our high ethical standards. In 2015, we carried out 23 audits around the world to improve supplier performance. In November 2015, we organized CSR training in Shanghai for our Asia suppliers.

CSR = Corporate Social Responsibility
Our approach to human resources
Our approach to managing Human Resources is based on ‘8 Pillars’ that place people at the heart of our business: management by objectives; ethics and community; mobility; training; recruitment; compensation and benefits; promotion from within; and diversity.

Attracting the best people
Global competition in our industry is fierce. We must attract the best people who are capable of developing new ideas for our customers. We have an ambitious talent acquisition strategy and, in 2015, we recruited over 2,000 people, some 36% of whom were women.

Developing our people
We depend on our employees to respond quickly to new technological challenges and developments. Our cutting-edge training opportunities range from the ‘Gemalto University’ – our global leadership development program – to a new eLearning platform, through which some 800 people completed 3,320 certifications in 2015.

Looking after our people
The safety and wellbeing of our employees plays a vital role in the performance of our business. In 2015, our annual ‘HR & Me’ day included a key focus on wellbeing. We prioritize four key areas to reduce safety risks: commuting and business travel; production equipment; ergonomics and musculoskeletal disorders (MSD); and hazardous substances, compounds and chemicals used in production.

Respecting our people
We encourage the recruitment of women and their development into senior management positions. As of January 2015, two of our eight Senior Management team members and three of our 11 Board members were women. 600 women are registered in our internal professional network, ‘Connected Women’.

People
Being the leader in Digital Security – and a business inspired by innovation – the way we manage and develop our people is critical to our future growth. Our strong ethical foundation helps us to attract and retain the most talented recruits.

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<th>82%</th>
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<td>EMPLOYEE SATISFACTION</td>
<td>TOP MANAGERS PROMOTED FROM WITHIN</td>
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<th>38%</th>
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<td>WOMEN IN OUR WORKFORCE</td>
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Our business is built on trust, so it’s critical that we conduct our activities with honesty and integrity, comply with best practice and meet the highest standards of corporate governance.

Corporate governance

The Gemalto Board is committed to meeting the highest standards of corporate governance. We aim for a rich blend of experience around the table to provide broad insights into the global technological environment in which we operate. For more information on Gemalto’s governance structure see our 2015 Annual Report.

Ethical conduct

Our Code of Ethics, anti-fraud framework and policy of responsible financial management are essential parts of the Gemalto’s culture. In October 2015, we ran an internal communication campaign on Ethics to illustrate key themes such as fair competition and fighting fraud. We also trained some 880 people in anti-fraud, anti-bribery, anti-trust and ethics, and some 2,050 employees in CFIUS* and trade compliance topics.

Control and compliance

We are committed to full compliance with international, regional and local customs and trade control laws, regulations and directives wherever we do business. Our focus areas include: trade compliance; compliance with relevant industry directives and regulations; quality and reliability; human rights; and data privacy and security regulations.

Our annual ‘Operations Excellence Award’ scheme identifies the best contributions to customer satisfaction, quality, service and cost improvements. In 2015, 43 projects were submitted by teams from over 30 sites. The Gold winner was for Color Laser Marking.

CFIUS = Committee on Foreign Investment in the United States
Our solutions touch billions of people’s lives every day, giving them confidence in the solutions offered by their service providers. This involves processing large amounts of personal data so we have developed highly sophisticated controls to ensure its privacy. Many of our solutions have wider social benefits in areas such as financial inclusion, health, welfare and safety.

In 2015, Gemalto participated in a solution improving the efficiency of emergency services teams in the US. With our partner, Intrado, we delivered a cloud-based platform that transforms data into easy-to-use information and sends alerts to safety teams to improve their response times and outcomes.

Data privacy and confidentiality

In using our solutions, our clients often ask us to process large amounts of data relating to their end-users. We believe it is vital we secure our services and adhere to the most stringent and recognized data privacy regulations around the world. With our deep, accumulated experience we are launching a revised Internal Data Protection Policy to provide an even stronger foundation for the way we process personal data across the Gemalto Group.

Solutions with a special purpose

Many of our solutions have wider social benefits beyond their immediate use – such as allowing financial inclusion, providing remote health monitoring capabilities, and supporting the deployment of renewable energy in developing countries.

Working with communities

In 2015, Gemalto supported a diverse range of 73 ‘Your World’ community projects involving more than 1,300 employees.

1.07bn
PEOPLE REACHED THROUGH OUR MOBILE FINANCIAL SERVICES WORLDWIDE

73
EMPLOYEE PROJECTS FUNDED THROUGH THE ‘YOUR WORLD’ PROGRAM

JustAskGemalto.com
OUR CONSUMER ADVICE WEBSITE FOR END-USERS
Environment

We aim to reduce our environmental impacts and perform in a way that meets our customers’ expectations.

To do that, we focus on three main elements:

- Applying eco-design principles to our products
- Supporting resource efficiency and environmental protection with our solutions
- Reducing the environmental impacts of our activities

Eco-products and solutions
We use life-cycle assessment and carbon footprint tools to analyze the environmental impact of our activities and products and define eco-design principles. As well as offering bio-sourced cards and lower-weight, eco-friendly products, we are reducing the environmental impact of our paper and cardboard consumption.

Preserving natural resources
We’re always working to minimize our use of resources. In 2014, we introduced Green IT metrics which we now measure annually – including electricity consumption, carbon footprint and printed paper. Our objective is to reduce overall waste by 5% in ratio per year and to achieve a 75% valorization rate.

Our response to climate change
We’ve developed an ambitious voluntary program to measure our carbon footprint and implement reduction actions worldwide. Having this clear overview is helping us tackle our most significant emissions through actions including: requesting updated information from suppliers of microprocessor chips on the amount of CO2 per product; targeting reductions in professional travel; training R&D and marketing teams to develop lower impact products; and developing local action plans and our corporate energy audit program to identify further energy efficiency opportunities.

We enable our customers to offset CO2 emissions associated with a product through our partnerships with CO2 Solidaire and the Carbon Neutral Company. Since its launch in 2009, our customers have offset more than 25,000 tons of CO2 eq – equivalent to the emissions from powering 12,000 UK homes for a year.
Our sustainability ratings and recognitions

Our customers and investors increasingly wish to assess our CSR maturity through questionnaires and audits. We are proud to share some of the ratings and recognitions achieved in 2015.

RATINGS

Gold rating for CSR performance
In 2015, and for the third successive year, we received the Ecovadis Gold CSR rating, scoring 70/100. This placed us within the top 5% best-performing companies assessed by Ecovadis in all categories.

Climate change transparency
Since 2008 we have participated in the annual CDP climate change questionnaire and, in 2015, we continued to improve our transparency evaluation from 80/100 to 82/100.

RECOGNITIONS

Bronze award for CSR information
A Bronze award for our 2014 Sustainability Report from FIRA Platform, an independent third party. FIRA verifies CSR information of companies and institutions and enables CSR dialogue based on reliable information.

Strong ESG practice
Inclusion in the FTSE4Good Index Series which identifies companies demonstrating strong Environmental, Social and Governance (ESG) practices as measured against globally recognized standards.

High ranking CEO
Gemalto’s CEO, Olivier Piou, was placed 58th out of 907 of the World’s Best-Performing CEOs. The ranking is managed by the Harvard Business Review and takes account both of Environmental, Social and Governance metrics (20%) and Financial metrics (80%).

Inspired to know more?
If you'd like to know more, we'd be pleased to hear from you. And with employees of 117 nationalities in 49 countries around the world, we're probably close by and speak your language.

You can find full details at www.gemalto.com or on these social networks: