

Gemalto Modern Slavery Act Statement

Gemalto is committed to combating slavery and human trafficking.

We support and comply with The United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) standards. As a signatory of the United Nations Global Compact, we benchmark our policies and results against world-class performers and review them annually against the Global Compact's Ten Principles.

Our own HR rules usually exceed local rules and regulations, helping to ensure we avoid potential risks wherever we operate. We work closely with our suppliers to develop a high-quality, reliable supply chain that supports our business objectives and meets our high ethical standards.

Everyone at Gemalto who is involved in purchasing follows a well-established social responsibility evaluation process that supports the delivery of Purchasing Corporate Social Responsibility (CSR) objectives.

Our organisation's structure

Gemalto N.V. (Euronext NL0000400653 GTO) is the global leader in digital security, with 2016 annual revenues of €3.1 billion and customers in over 180 countries. We bring trust to an increasingly connected world. Our technologies and services enable businesses and governments to authenticate identities and protect data so they stay safe and enable services in personal devices, connected objects, the cloud and in between. Gemalto's 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 15,000+ employees operate out of 112 offices, 43 personalization and data centers, and 30 research and software development centers located in 48 countries.

Gemalto N.V. is a public company incorporated in the Netherlands. It is headquartered in Amsterdam. It is the parent company of the Gemalto Group, which consists of a number of direct and indirect subsidiaries (Gemalto).

Our business and supply chains

Gemalto brings trust to 5 global markets, addressed with similar core technologies creating internal synergies:

- > Mobile Communication
- > Machine-to-Machine
- > Electronic Payment
- > E Government
- > Enterprise security

Gemalto's supply chain covers all the needs of these different businesses, from components and materials used to manufacture our products, to miscellaneous services supporting our operations worldwide through a mix of global, regional and local suppliers depending on the specificity of such needs.

Our approach to preventing slavery and human trafficking in our business and supply chain

Gemalto is committed to ensuring that there is no slavery or human trafficking in our supply chain or in any part of our business.

Our Code of Ethics reflects our commitment to acting ethically and with integrity in all our business relationships. Our responsible purchasing policies set out the environmental, social, ethical and supply chain management criteria on which we base our purchasing decisions. These criteria are derived from United Nation Global Compact best practices for the electronics industry.

We follow a four-step process:

1. Suppliers' adherence to our values

99% of our main suppliers (representing more than 80% of Gemalto's spending worldwide) have agreed and signed up to the Gemalto Purchasing CSR Charter. This ensures they endorse these values as a basis for themselves and within their own supply chain.

The first of the 10 items of our Purchasing CSR charter is concerning the "Abolition of forced labour" (C029, C105). "Gemalto expects its suppliers to enforce as a minimum requirement the ILO conventions, even in countries that have not signed them, and additionally any specific national or international regulations related to their activities, in fields such as labour, under written contracts and disciplinary code which shall exclude any abuse or harassment and prohibiting irregular work, anti-corruption, environment, health and safety."

In 2016, we implemented a new IT tool which makes it mandatory for all suppliers to sign the Purchasing CSR Charter for any Request for Quotation (RFQ). We also updated our CSR charter, committing to source only conflict-free minerals for all products delivered to Gemalto and to ensure suppliers provide basic living needs through fair and reasonable wages without excessive working hours. We include a CSR clause which sets out our expectations and required standards (including ILO convention, Human Rights and UN Global Compact Principles) in all new supplier contracts.

2. Evaluating our main suppliers' maturity

Our risk analysis, delivered by an independent third party, involves supplier self-declaration of social, ethical, environmental and supply chain policies. In 2016, the process covered around 81% of Gemalto's worldwide spending. More than three quarters of suppliers re-evaluated by desktop audit in 2016 improved their score.

3. Developing our suppliers' performance

The CSR performance of our suppliers varies depending on their location, size and organization. Site audits are undertaken by an international third party to help ensure we retain the best suppliers and support them to meet our high ethical standards.

In 2016, we instructed an expert third party to carry out 18 working condition assessment on-site audits around the world with a particular focus on subcontractors and sensitive activities. We aim to work collaboratively with our suppliers, helping them to improve performance through detailed corrective action plans. These are followed up with progress checks and additional site visits whenever required.

4. Training in continuous improvement

We require our suppliers to undertake eLearning sessions to improve their CSR maturity.

In 2016, to help our own employees minimize procurement risks, in particular those associated with CSR issues, we ran a purchasing process awareness campaign and we trained our purchasing corporate team on conflict-free mineral sourcing.

We also identified procurement risks and defined best practices that will be shared with target employees in 2017. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015, and constitutes our slavery and human trafficking statement for the financial year ending December 2016. This statement covers Gemalto N.V. and its group companies.

This statement has been approved and signed on 18 May 2017 by Philippe Vallée, CEO of Gemalto N.V.

It has also been approved and signed by the boards of Gemalto UK Limited, SafeNet UK Limited, SafeNet Technologies B.V.

