

criteo.

Corporate Social Responsibility



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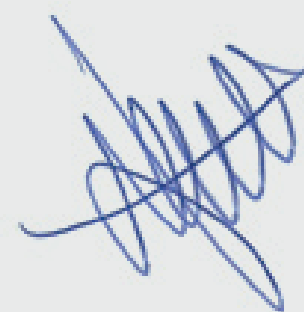
Message from the CEO

When introducing our 2017 Corporate Social Responsibility report, I said that there is always room to do more.

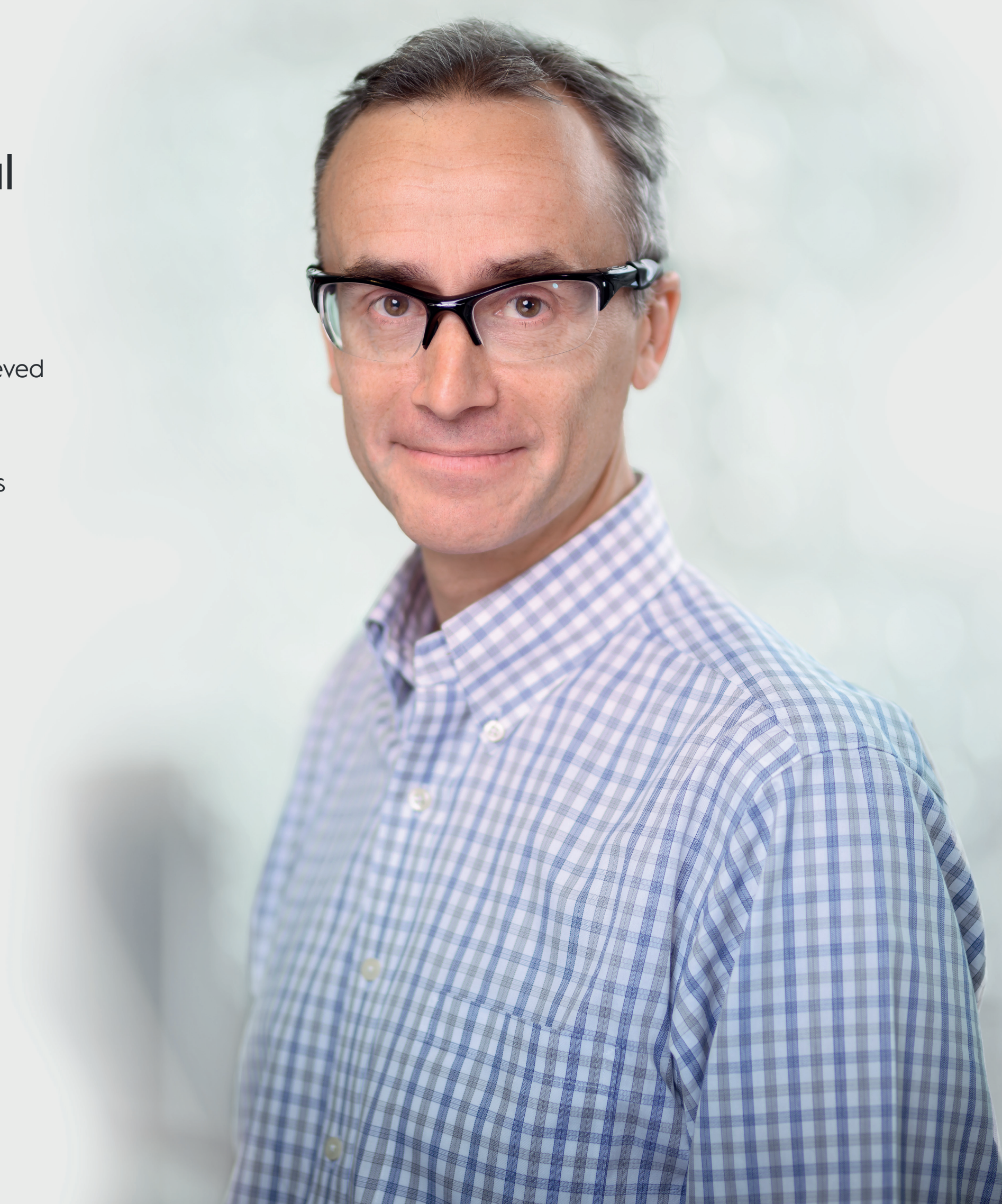
This is now our third report and I have never been so proud of what our people achieved during this year. We have definitely done more.

Our teams' motivation to do good and the energy spent on new and ongoing projects is proof that Corporate Social Responsibility is not a side activity. It is who we are. It is intrinsic to our culture.

I am proud to be involved in our sustainable environment activities, our diversity and belonging strategy and our community giving projects.



Jean-Baptiste Rudelle
CEO, Criteo



Business model

We are a global technology company building the leading advertising platform for the open Internet.

We strive to deliver impactful business results at scale to commerce companies and consumer brands by meeting their multiple marketing goals at their targeted return on investment. Using shopping data, predictive technology and large consumer reach, we help our clients drive Awareness, Consideration and Conversion for their products and services, and help retailers generate advertising revenues from brands. Our data is pooled among our clients and offers deep insights into consumer intent and purchasing habits. To drive measurable results for clients, we activate our data assets through proprietary artificial intelligence (AI) technology to engage consumers in real time through the pricing and delivery of highly relevant digital advertisements (ads), across devices and environments. By pricing our offering on a range of pricing models and measuring our value based on clear, well-defined performance metrics, we make the return on investment transparent and easy to measure for advertisers.

KEY NUMBERS



Finance

1,597 M\$ of total assets,
966 M\$ of Revenue ex-TAC



Data Collection

analysis of over **\$840**
billion online transactions
of clients



Sales

over **10 BN** clicks and **\$36**
BN post-click sales



Human Capital

2,744 employees based in
32 offices



Data Treatment

36,000 servers, over **420,000 TBs**
of storage capacity and **1,130 TBs**
of random access memory



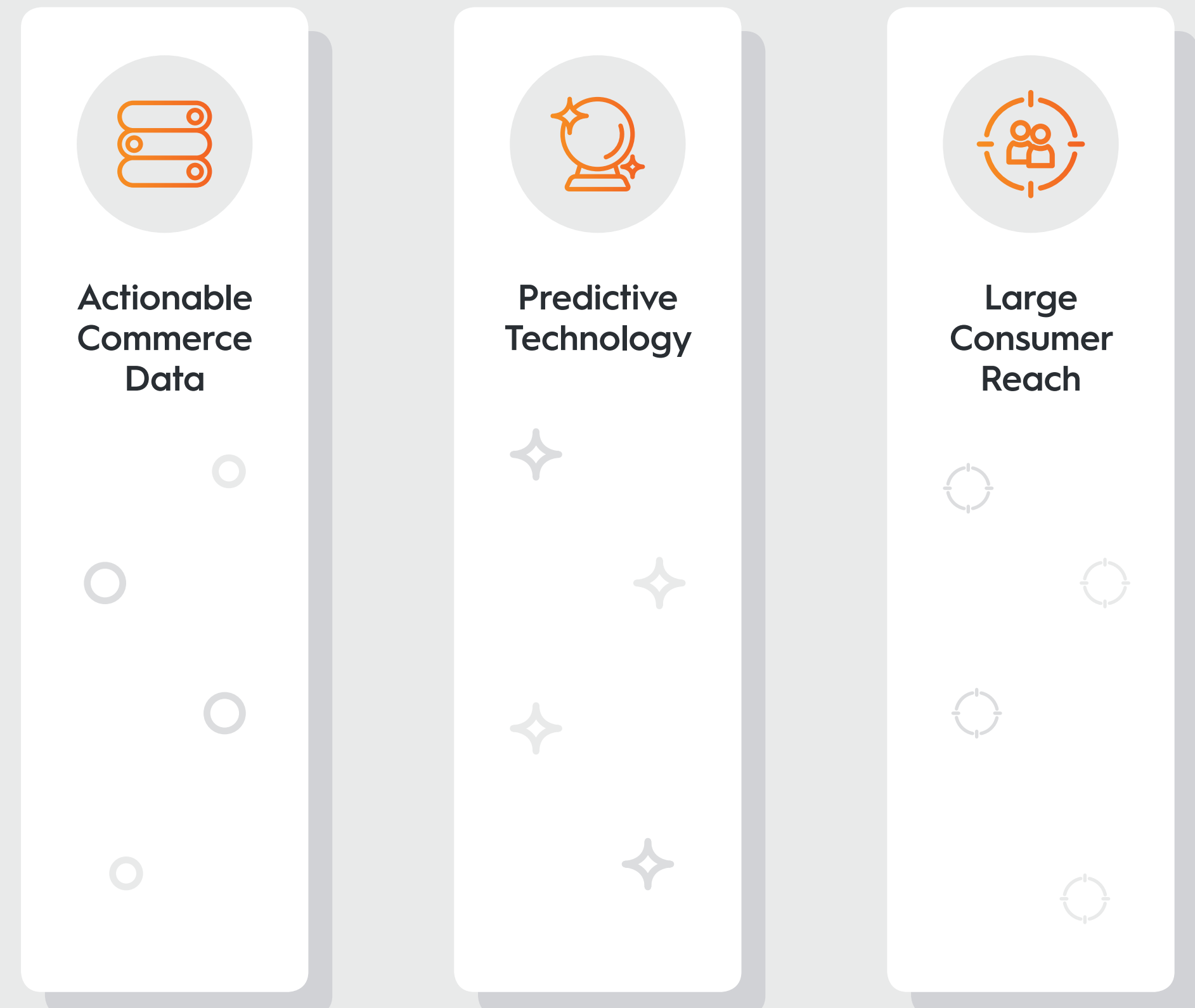
Customers

over **19,000** including world-
class brand manufacturers and
commerce companies

Our vision

Our vision is to build the leading advertising platform for the open Internet by enabling commerce companies and consumer brands, using our modular and flexible technology platform, to address multiple marketing goals across the open Internet. We define the open Internet as the environment that allows advertisers and publishers to choose the partner they want to work with, decide when and how they share data, and control how to measure success.

Over the past 13 years, we have established our market position by focusing on three pillars: **actionable commerce data**, **predictive technology** to activate data and drive multiple marketing goals, and **large consumer reach**. While continuously improving our technology and broadening our reach, we leverage and strengthen Criteo Shopper Graph, a highly differentiated group of data collectives built through collaboration and data pooling within our open ecosystem of commerce and consumer brand clients. With Criteo Shopper Graph, we are building one of the world's biggest and open data sets focused on shoppers, retailers and brands.



Key focus areas

- Investing in substantial **Research & Development (R&D) resources** in order to conduct fundamental research on machine-learning models, enhancing the algorithms in our Engine, developing new features and products, conducting quality assurance testing, improving our core technology and enhancing our technology infrastructure.
- Attracting, retaining and motivating **highly skilled employees**, particularly AI experts, software engineers and other employees with the technical skills that enable us to deliver effective advertising solutions, client sales and publisher partnership representatives with experience in digital advertising, in particular in Display Advertising. More broadly, hiring employees that are highly qualified in their areas of expertise to support and grow our operations.



Risk assessment

Criteo cares about sustainability and executed a related risk assessment.

A list of sustainability-related risks based on benchmarks from our business sector were identified and surveys were conducted with internal stakeholders, who work in Corporate Social Responsibility (CSR) leading departments. These stakeholders classified the risks according to their relevance with Criteo's activity in order to achieve a priority list of areas of potential impact.

Based on this analysis, Criteo selected five categories with eight focus areas: talent acquisition and development, data privacy, environmental impact, responsible sourcing and diversity. The risks around talent acquisition and customer data privacy are the most critical for Criteo.

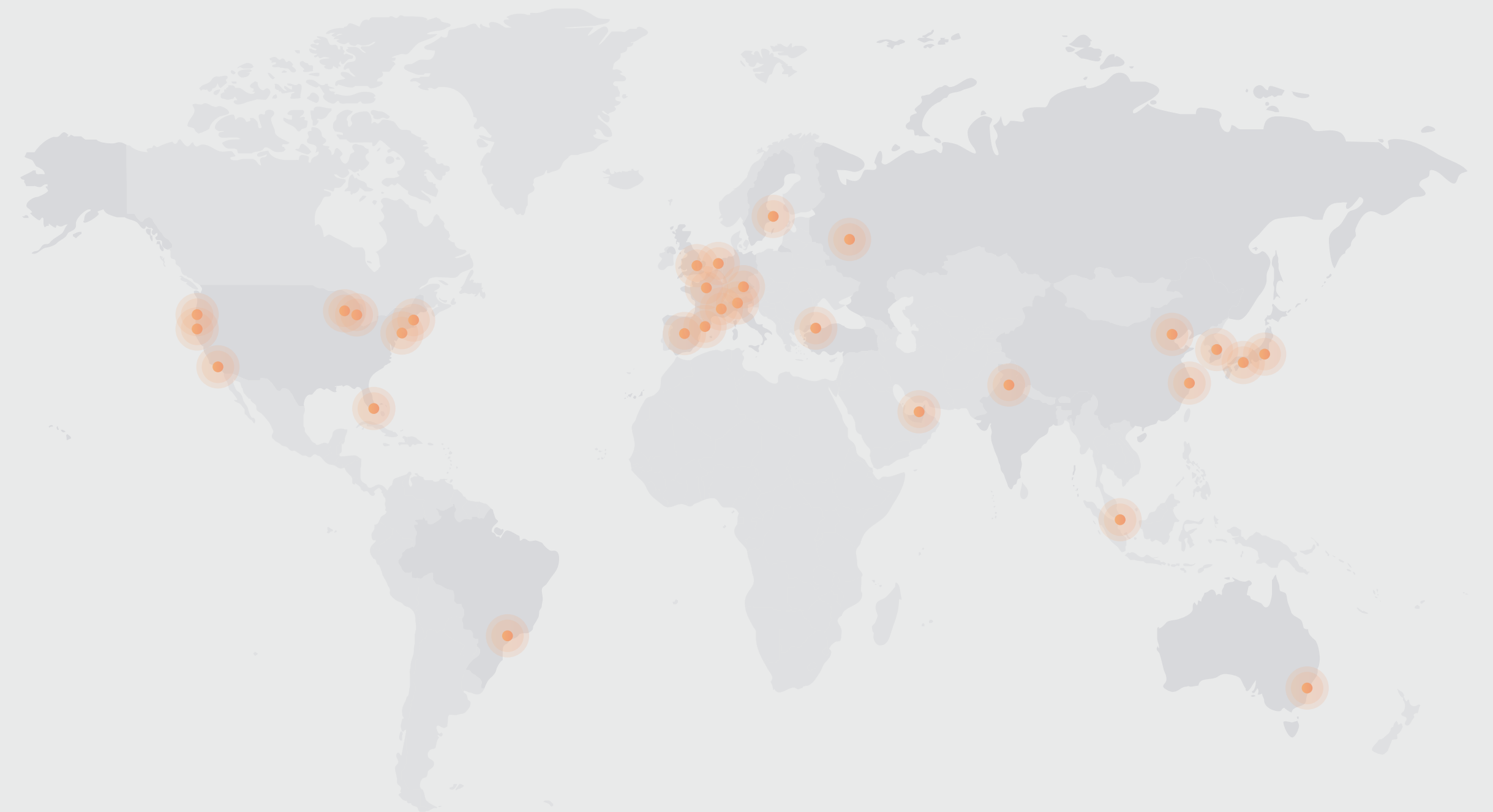
CATEGORY	RISKS	SECTION
TALENT ACQUISITION AND DEVELOPMENT	Talent acquisition and retention	A) 1-2
	Training and human capital development	A) 3-5
DATA PRIVACY	User data privacy and protection	E) 1
ENVIRONMENTAL IMPACT	Energy consumption	C) 2-3 a
	Carbon footprint	C) 3 b
RESPONSIBLE SOURCING	Supply chain	D) 3
DIVERSITY	Gender equality	B) 5 b
	Diversity and equity	B) 5 a

Investing in headcount and talent initiatives

Criteo operates in all corners of the globe and has offices across the Americas, Europe, Middle East and Africa (EMEA) as well as Asia Pacific (APAC). The company's rapid growth over the last 10 years is spurring Criteo to invest in smart and talented people. Consequently, Criteo has implemented an ambitious talent acquisition policy. To support the rapidly developing team, Criteo has created a strong corporate culture favoring the personal and intellectual development of its diverse workforce of over 2,700 employees, 65% of whom are under 34 years old.

2,700
employees

65%
under 34 years old

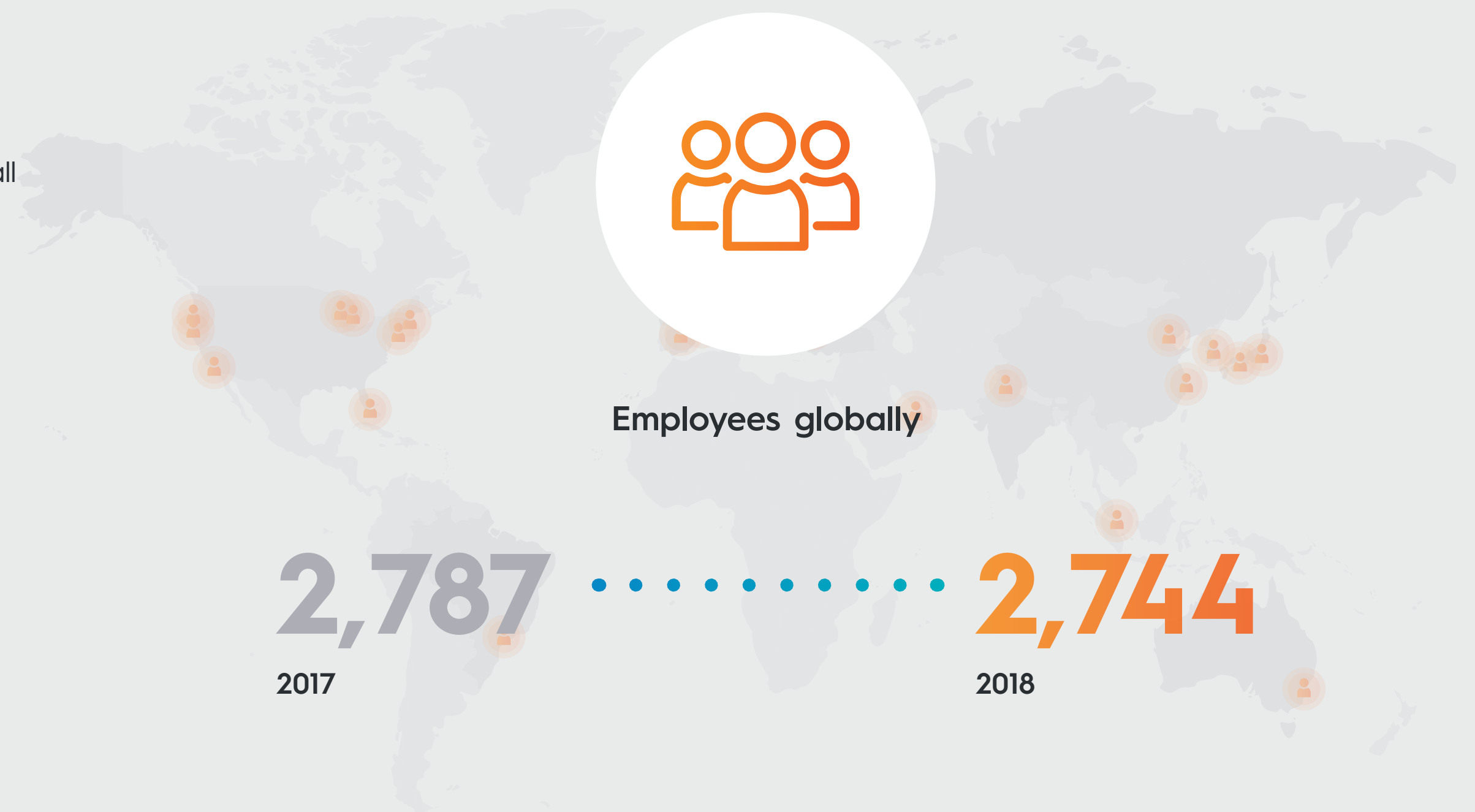


Headcount

As of December 31, 2018, Criteo has 2,744 employees globally.

Compared with 2,787 at the end of December 2017, Criteo's workforce remained stable despite significant movement during the year 2018 (decrease of 0.7%). This figure includes all of Criteo's active employees on the last day of the year (permanent and non-permanent employees).

The workforce-related figures presented in this report only refer to Criteo's largest global legal entities, i.e. those with more than 50 employees. Legal entities that joined Criteo's financial scope during year N are included in the CSR scope in year N+1. As at December 31, 2018, **the entities included in the CSR scope accounted for 92% of Criteo's total headcount, i.e. 2,521 employees (compared to 2,548 end of 2017).**



¹ List of the topics considered: Talent acquisition and retention; Gender equality; Diversity and equity; Training and human capital development; Employee well-being; Occupational Health & Safety; Energy consumption; Carbon footprint; Climate change adaptation; Circular economy; Cooling water consumption; E-waste management; Food waste; User data privacy and protection; Supply chain; Local impact and philanthropy; Corruption; Food security; Animal welfare; Tax evasion; Respect of Human Rights

Headcount

The large variations are due to sales reorganization between the different entities.

As at December 31, 2018, the 973 women in our headcount represent more than 38% of the total workforce of 2,521. Young people account for the majority of Criteo's employees, which is to be expected in a high-tech company relying on a workforce with skills in the latest trending technologies.

WORKFORCE	2017	2018
Under 25	123	120
Between 25 and 29	818	751
Between 30 and 34	751	763
Between 35 and 39	467	473
Between 40 and 44	240	248
Between 45 and 49	93	102
50 and above	56	64
TOTAL	2,548	2,521

ENTITY	2017			2018			VAR.
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL	
Criteo S.A (France)	229	663	892	247	672	919	3%
Criteo Corp (United States)	294	488	782	288	426	714	-9%
Criteo Europa S.I. (Spain)	129	160	289	162	164	326	13%
Criteo Ltd (UK)	58	55	113	53	54	107	-5%
Criteo KK (Japan)	55	48	103	56	63	119	16%
Criteo GmbH (Germany)	39	54	93	44	45	89	-4%
Criteo Singapore Pte. Ltd. (Singapore)	49	36	85	42	30	72	-15%
Criteo France SAS (France)	35	40	75	54	47	101	35%
Criteo do Brazil LTDA (Brazil)	31	42	73	27	47	74	1%
TOTAL	935	1,613	2,548²	973	1,548	2,521	-1%

² For 2017, totals are not equal to the sum of the figures by entities, this is because in 2017 CSR report Criteo Advertising Beijing, was part of the entities reported. This is no longer the case due to its small number of employees, but for consistency reasons we used the global figures published last year.

Recruitment and terminations

Attracting top talent is key at Criteo. Therefore, in order to continuously improve the quality of our hiring process, we implemented a global candidate experience survey. All candidates who enter our hiring process are given the opportunity to provide feedback.

In 2018, 743 employees exited the company and 731 were hired across the globe.

The spike in New Hires in 2017 was driven by the acquisition of HookLogic (~200 employees).

Due to transformation of the business, such as the new General Data Protection Regulation (GDPR) legislation and the arrival of the Intelligent Tracking Prevention feature, Criteo had a small increase in voluntarily departures this year.

NEW HIRES AND TERMINATIONS	2017	2018
New hires	1,029	739
Terminations	596	743
Employee's initiative	341	464
Employer's initiative	174	195
Other	81	84

Training

In 2018, Criteo increased investment in its people-development programs, both in terms of resources and organization as well as processes and experiences.

A Talent Development team was put in place to focus on the Sales and Operations (S&O) department, **which makes up more than 1,700 Criteo employees**. They are supported by the People team and two existing training teams, to deliver on new training objectives.

Those teams include:

- **The Criteo go-to-market Operations team:** in charge of giving our sales and operations people knowledge about our products and their evolutions or new launches.
- **The Global Learning & Management Development team:** in charge of the digital learning strategy and implementation of resources as well as the development of the Global Management & Leadership Development Curriculum.

For the third year in a row, a common training tracker is used by training managers, the Global Learning team and the People Experience team for the instructor led training sessions. This gives managers valuable insights and is expected be adopted companywide in 2019.

Training

Key initiatives can be translated into quantitative data.

- **Global Management and Leadership Development Curriculum:** this curriculum is made up of three programs, which are designed to help our employees' transition and grow throughout their career path. **After being launched in 2017, it reached approximately 60% of the eligible audience in 2018. It also represented 20% of the reported instructor-led training hours.** This impact can positively be correlated to the Manager Effectiveness survey insight.
- **Discover:** This behavioral tool is used within our Mid-Market EMEA to encourage a culture of self-awareness and self-development as well as to improve communication in and out of Criteo. It is currently being used by S&O and is becoming a part of our company culture. This is enabled due to the growing amount of certified trainers (training managers, people experience managers, global learning etc.)
- **Coaching Culture:** The Mid-Market EMEA team helped its leaders develop advanced coaching skills and set up a coaching platform where leaders can volunteer to coach individual contributors based on their respective profiles. These contributors can sign up for an on demand coaching conversation process. The emphasis is also placed on behavioral development, which has been implemented in the performance review.

Although this report focuses on formal training activities (instructor-led or online), much more is happening in the field and in the office on a day to day basis, ranging from Criteo's cross-functional teams and organizations, through peer-to-peer learning to social learning activities. These more informal and ad-hoc learning activities which are promoted and facilitated locally represent a large part of the learning experience and are a key part of Criteo's learning culture.

Training

In-class training highlights:

For more information on the methodology applied please refer to the methodological note in chapter 6 - CSR indicators.

In comparison with 2017, there has been a massive increase of instructor-led training hours (+50%, 25,426 hours). This is driven by a greater spread of employees while keeping the same level of investment for each employee.

- Average number of instructor-led training hours per employee is **10.1 hours**, an increase of **47%** compared to last year (6.9 hours in 2017).
- **55.5%** of employees benefited from instructor-led training (compared to 39.7% in 2017, +16pts) and those trained had an average of **18.2 hours** of training (comparable to 2017, 18.5 hours).
- Due to the efforts of the training managers and the People Experience team from APAC, Brazil and Spain, **90% to 100%** of employees are benefiting from training programs.

IN-CLASS TRAINING	TRAINING HOURS	INCLUDING HOURS BACKED BY EVIDENCE	AVERAGE TRAINING HOURS PER EMPLOYEE	AVERAGE TRAINING HOURS PER TRAINED EMPLOYEE	% OF TRAINED EMPLOYEES
APAC	3,298	2,210	17.3	15.6	111%³
Criteo Singapore Pte. Ltd.	1,225	1,050	17.0	15.5	110%
Criteo KK	2,073	1,160	17.4	15.6	112%
Americas	6,392	3,237	8.1	17.7	46%
Criteo Corp	4,827	2,027	6.8	16.4	41%
Criteo do Brazil LTDA	1,565	1,211	21.1	23.0	92%
EMEA	16,107	7,034	10.2	19.1	54%
Criteo Europa S.L.	5,842	981	17.9	18.4	98%
Criteo Ltd	731	475	6.8	16.2	42%
Criteo S.A	7,765	4,759	8.4	21.4	41%
Criteo GmbH	843	536	9.5	19.1	49%
Criteo France SAS	556	284	5.5	14.6	38%
TOTAL	25,426	12,481	10.1	18.2	55.5%

³ > 100% reach in APAC is due to attrition: more employees trained throughout the year than actual end of year headcounts.

Training

- Employees in APAC, the United States and Spain are receiving a tangible benefit from the training managers' investment into training plan optimization and in-house delivery (**approx. 40% of hours**).
- **Criteo's Global Management and Leadership Curriculum** was implemented in 2018. This represents an **average of 21% of the total training hours** across all entities and more than **330 managers** were trained.
- New resources such as "live" **Virtual Classes** offered to managers and extended to all employees also contributed to this increase (approx. 5% of instructor-led training hours in this scope).

Out of the reported 25,426 hours of instructor led training, **12,481 hours** are backed by attendance sheets or training certificates, which represent about half of these hours (49%). This is also a huge increase in comparison to 2017 (**two times higher on average**), mainly driven by the continuous commitment and discipline of People Experience and training managers in France, APAC and Brazil, as well as the Global Management and Leadership Curriculum roll-out which systematically collects evidence of attendance.



49% Backed by attendance sheets/training certificates

2x Higher, on average, in comparison to 2017

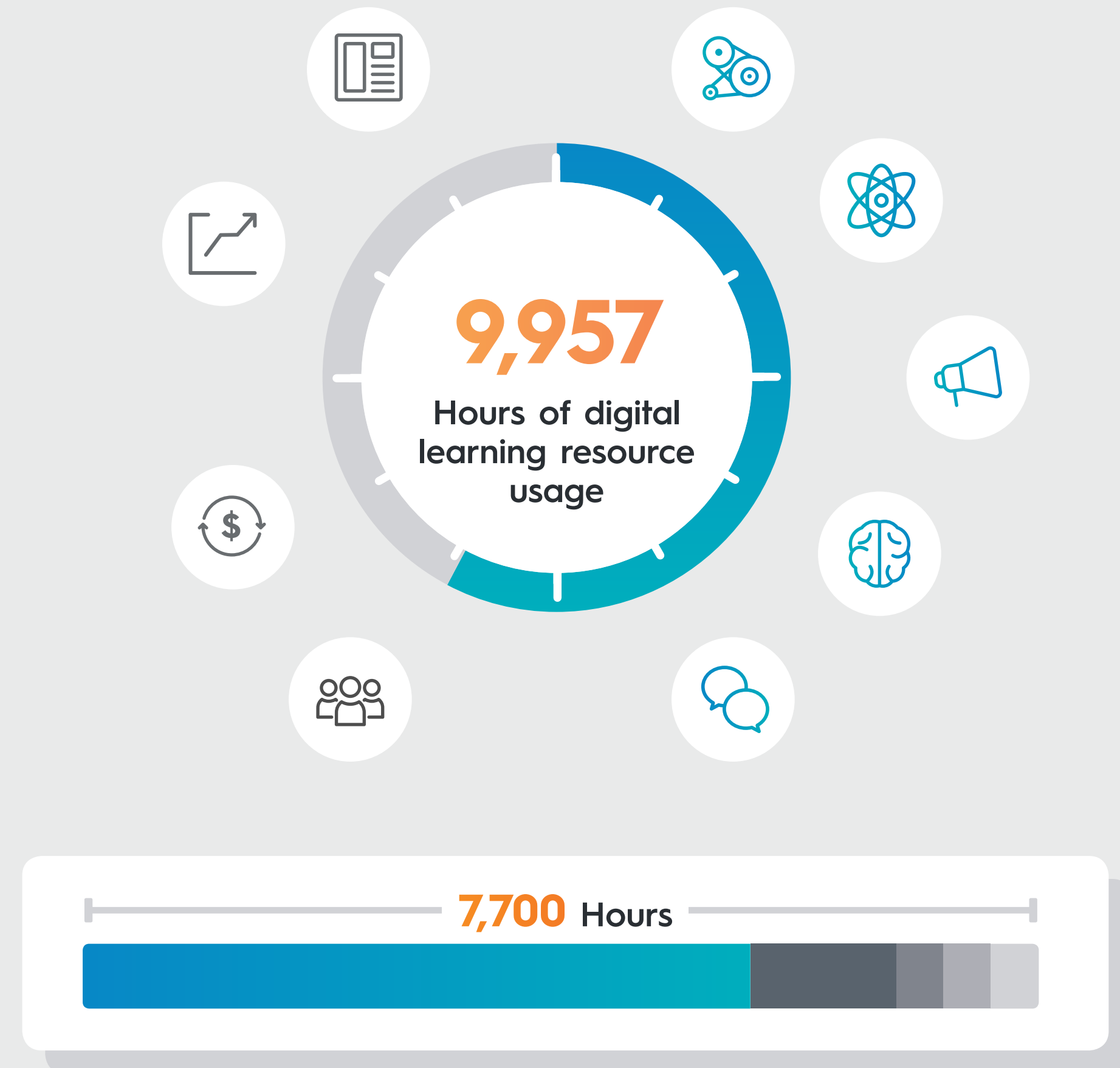
Training

Core online training highlights:

Since the introduction of digital learning resources three years ago, its usage continues to grow globally with 9,957 hours in 2018 representing an increase of 34% compared to 2017, and about 28% of the total training hours.

- 58% of these online training hours were performed on specific platforms for **engineering & technologies, data science, digital marketing, soft or business skills as well as language skills**
- The other 40% were completed through our **“Learning Zone” platform**, on **Criteo Products, Industry & Market trends, Sales transformation, Management & Leadership**

On top of the core online training hours reported above (skills development driven), employees have completed further online training. This represents **7,700 hours** and covers Compliance modules (**70% of these hours**), FlyCriteo Onboarding modules (**15%**), Customer Relationship Management and Supplier Relationship Management tutorials (**5%**) and digital literacy or security with Criteo applications (**5%**).



Peer-to-peer and social learning practices

As stated previously, peer-to-peer and social learning is part of Criteo's learning culture and DNA.

They represent a large part of the employee learning experience and whilst they are not being translated in formal training hours, they have a positive impact on the employee base. This can be illustrated by a few examples:

Practices at a local level:



"9:30" or "learn and lunch" initiatives with an informal knowledge-sharing session from subject matter expert volunteers.



Criteo "Confident Communicator Club", an internally led initiative to help improve presentation skills

Practices at a department level:



"Train the trainer" in-house program or Certification for Casual Facilitators from Mid-Market, led by local training managers, for Customer Success and Innovation EMEA Teams or for "Feedback" champions within the Global Services Team.



"Machine learning boot camp": an in-house facilitated, intensive, program, open to developers. Offered twice a year, in Paris and Palo Alto, it is made up of two to three weeks instructor-led sessions from a panel of internal experts and several weeks learning transfer practice through capstone projects or "Voyager" programs, rallying another R&D team for stretch assignments.

“myidea” flagship initiative

At Criteo, people believe that innovation is part of everyone’s job and is critical for Criteo to stay ahead of the competition.

Introduced in 2017, the myidea program continued in 2018. It ties together existing initiatives such as “10%” or our annual “Hackathon”, to provide support and flexibility needed to turn employees’ ideas into reality. Employees are invited to submit their ideas related to product innovation, revenue generation, profit optimization, or business efficiency.

The myidea program is facilitated throughout the year and across all entities. It includes the Global Hackathon across multiple hubs, myidea quarterly fairs, the **myidea Angel Committee** and the **myidea Venture Committee**.

This program is a great opportunity to acquire or leverage skills and knowledge “on the job” on topics that people are passionate about.



RISK ASSESSMENT

Wellbeing and diversity at work

Employee health and safety is a priority
for Criteo.

The company devotes time and effort across all its locations to provide positive working conditions, work-life balance and the healthiest office environment for its employees.



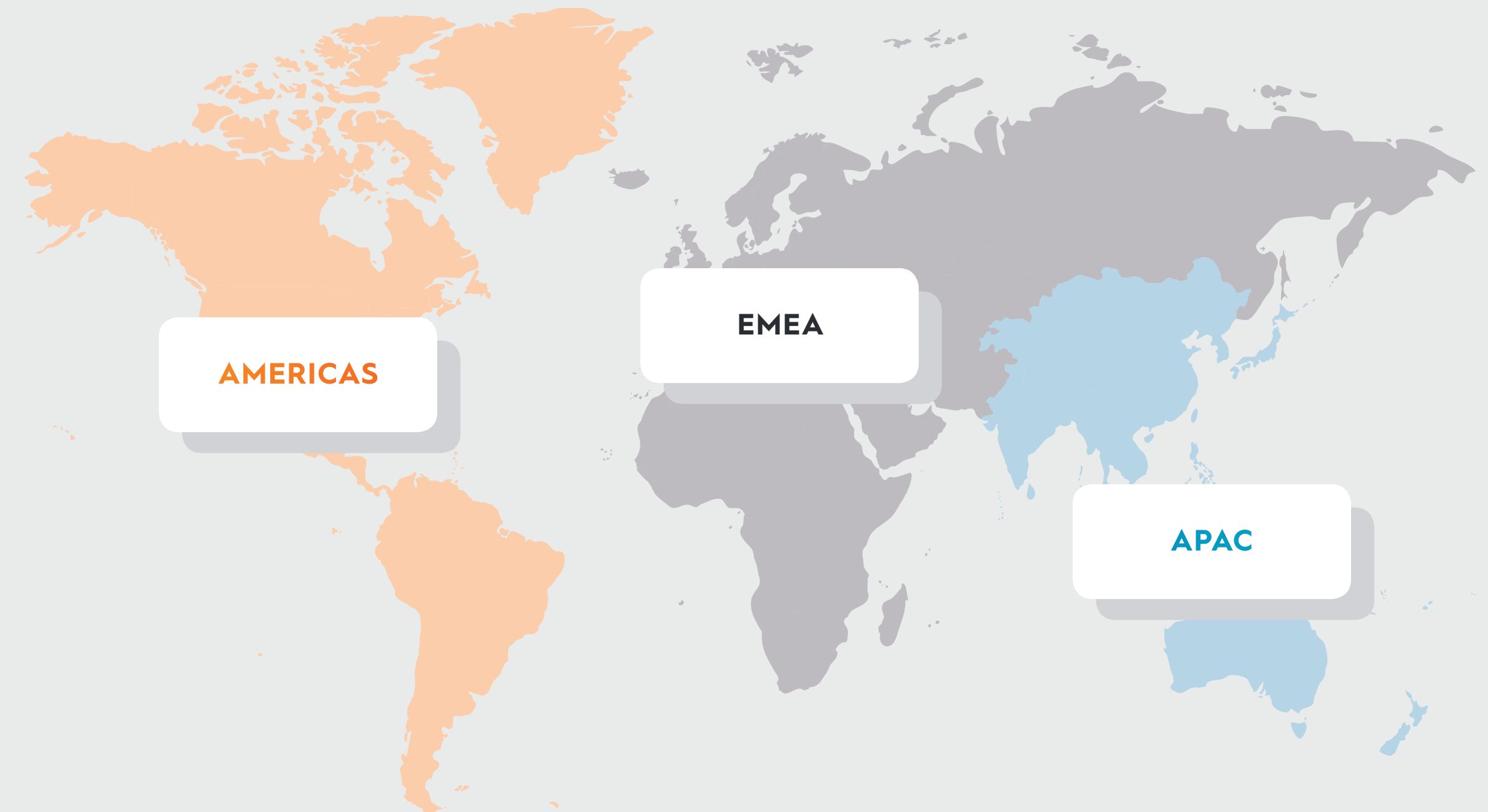
Working hours

While there is no explicit global policy for working remotely at Criteo, regional or country leadership teams are free to authorize it. In France, a home office agreement has been signed in February 2019.

In the **Americas**, working remotely and on flextime are common practices, employees who have long commutes or good reasons to work from home regularly use this option.

In **EMEA**, Criteo generally expects employees to be in the office during normal work hours. There is no formal remote working policy in place. However, employees are allowed to work outside the office occasionally after consulting their team/manager. Criteo also has a practice of allowing people to work from Criteo offices in other countries.

In **APAC**, Criteo offers flexible work hours to enable a healthier work-life balance. This is especially the case in Singapore, Japan and India where employees have long commutes so they can arrange their work time to best avoid peak hours. In most countries, this has been implemented on an informal basis, except for Japan where it is included in our policies.



Safety

Although Criteo has not deployed a global safety policy, the company aims to ensure a safe workplace environment and provides its offices with all necessary safety measures, and generally surpasses local applicable regulations

The **safety of employees traveling** for business is also important to Criteo. In 2016, Criteo launched a new International SOS Assistance tool to complement the existing employee emergency assistance with AXA healthcare. This tool acts as a 24/7 hotline for support on security issues, especially when travelling, and also tracks all Criteo travelers so that they can be identified and Criteo can reach out to them in an emergency.



Wellbeing

Criteo is committed to promoting employees' physical and mental wellbeing

To this end, regions are allocated a budget, distributed between the offices, to encourage employees to exercise. Sport and physical activities are part of Criteo DNA and each region provides the opportunity to exercise with social and low-cost services by offering on-site wellness activities such as **yoga** or **massages** or sport subsidies to attend external **sport clubs** and **gyms**.

Moreover, most offices around the world provide **standing desks** to their employees without requiring a medical prescription or specific ergonomic seating, which requires a medical prescription. Based on individual needs, these special appliances enhance overall comfort in the workspace.

In addition, Criteo is sensitive to the **mental wellbeing** of its employees. It can be difficult for people to open up about mental health concerns, but Criteo is taking steps to encourage discussions on the topic. To ensure a no-stress environment at the office and to be proactive on the subject, Criteo's workforce can benefit from an employee assistance service. This free and confidential external helpline service can be reached **24/7** for advice and support on a variety of issues. If necessary, employees can benefit from five free counseling sessions. Also, when a specific incident occurs, such as a terrorist attack, occurs Criteo's Human Resources and Workplace Experience Teams create tailor-made solutions as soon as necessary in order to support employees.



Employee relations

Communication and transparency are areas of focus at Criteo.

Internal communications

Criteo hosts a company-wide “**global All Hands**” event twice per quarter, led by the CEO and members of the Leadership Group to provide key business updates and allow employees ask questions. Each department has regular functional All Hands to disseminate further information on key business priorities and performance metrics. Changes involving systems, processes or other issues impacting employees are communicated in face-to-face sessions to supplement emails on the topic, allowing employees to ask questions or raise concerns. In addition, many groups have **Slack channels to communicate** real-time updates and feedback to employees. Social Media channels are also used to inform both external and internal populations.



Employee relations

A culture of feedback

Criteo strives to create an environment that promotes and celebrates feedback. In September 2018, for the second year in a row, the company partnered with Glint, an employee engagement specialist, to run the “Voices” employee survey across all our offices to gain a global understanding of the organization’s situation. This employee engagement survey, which reviews the scores from 30 questions and the qualitative comments left by employees, is a key opportunity to determine areas of improvement.

The participation rate in 2018 reached 66% and 2,541 comments were made by employees. The global engagement score was 72 on a scale from 0 to 100 compared to an external industry benchmark of 74. 75% of respondents recommended Criteo as a great place to work. 69% of respondents said that they were happy working at Criteo.



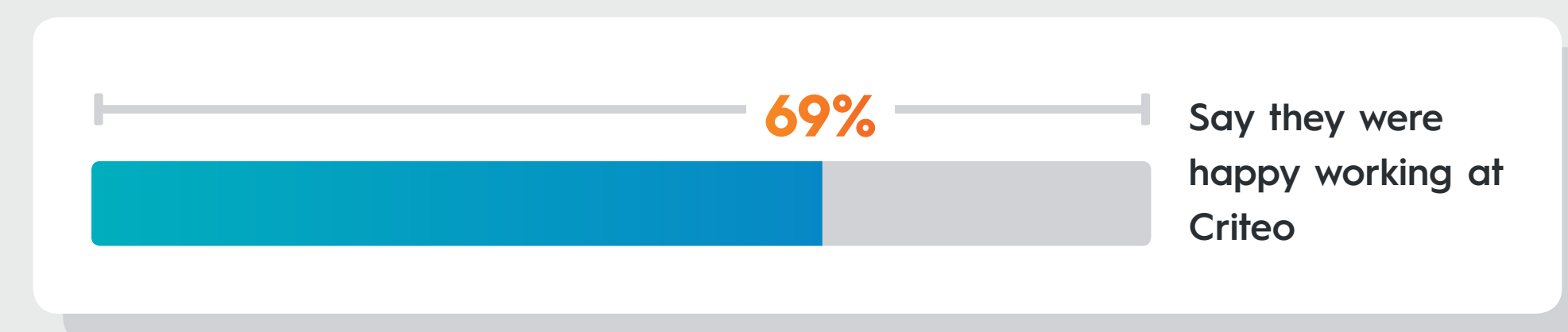
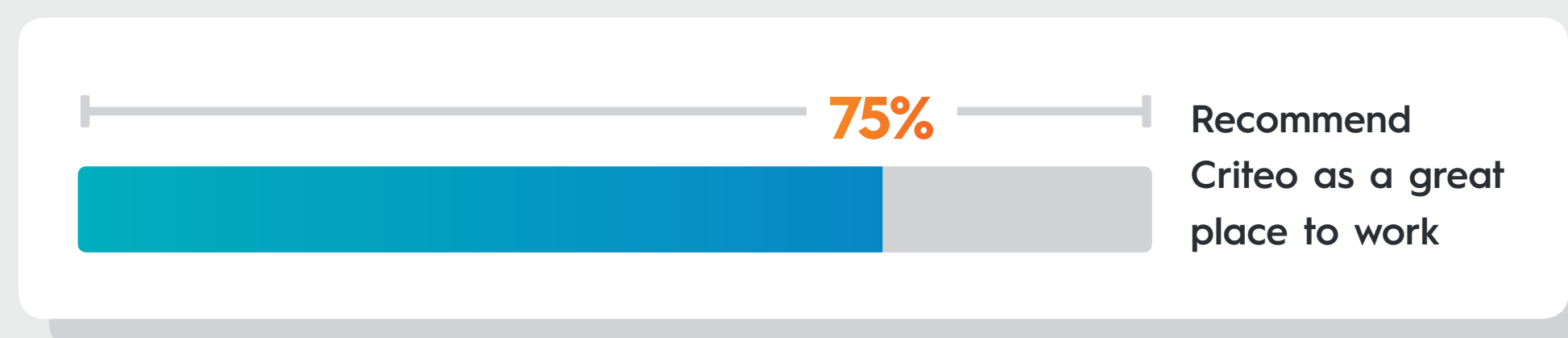
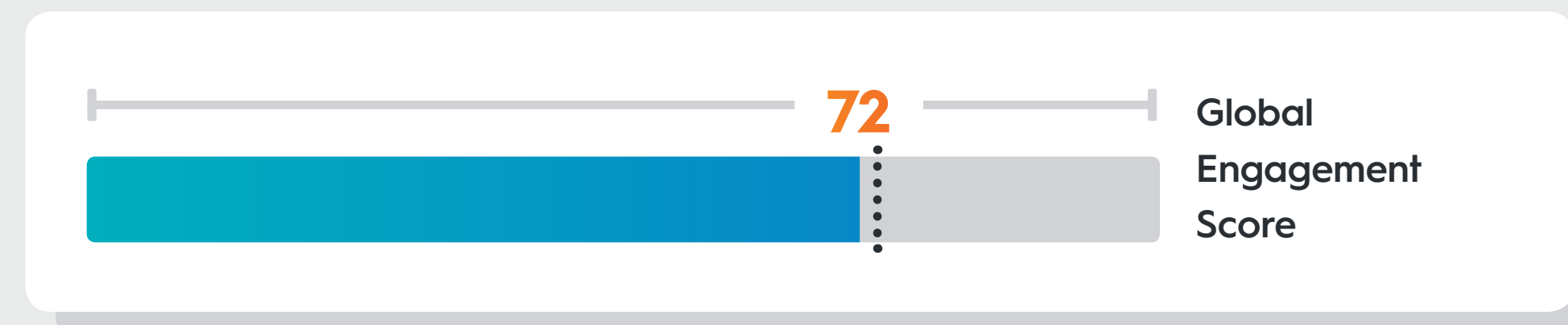
66%

Participation rate



2,541

Comments



Employee relations

The main strengths identified through the engagement survey were the following:

Team 84

The survey respondents declared that they have good working relationships with the people they interact with on a regular basis.

Contribution 79

The survey respondents confirmed that they understood how the work they do contributes to achieving Criteo's goals.

Ethics 78

The survey respondents think that Criteo is committed to doing business in an ethical way.

Diversity 76

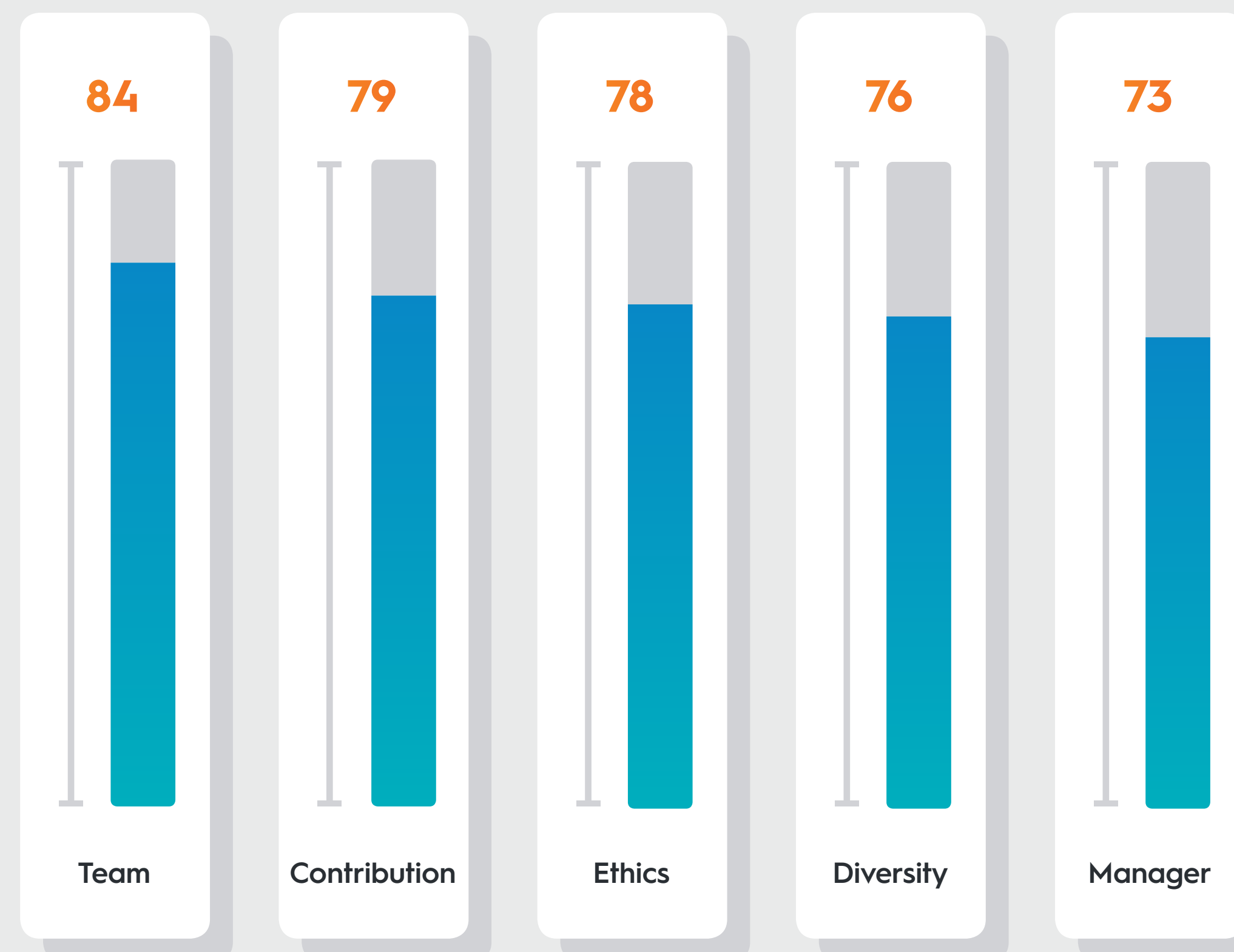
The survey respondents think that Criteo is committed to being a diverse and inclusive workplace.

Manager 73

The survey respondents declared that they would recommend their direct manager to others.

This survey is also an opportunity to identify areas to improve the employee experience at Criteo. The main topics for global action plans were identified and will be tracked by Human Resources and the Management Team throughout the year.

ON A SCALE OF 0-100

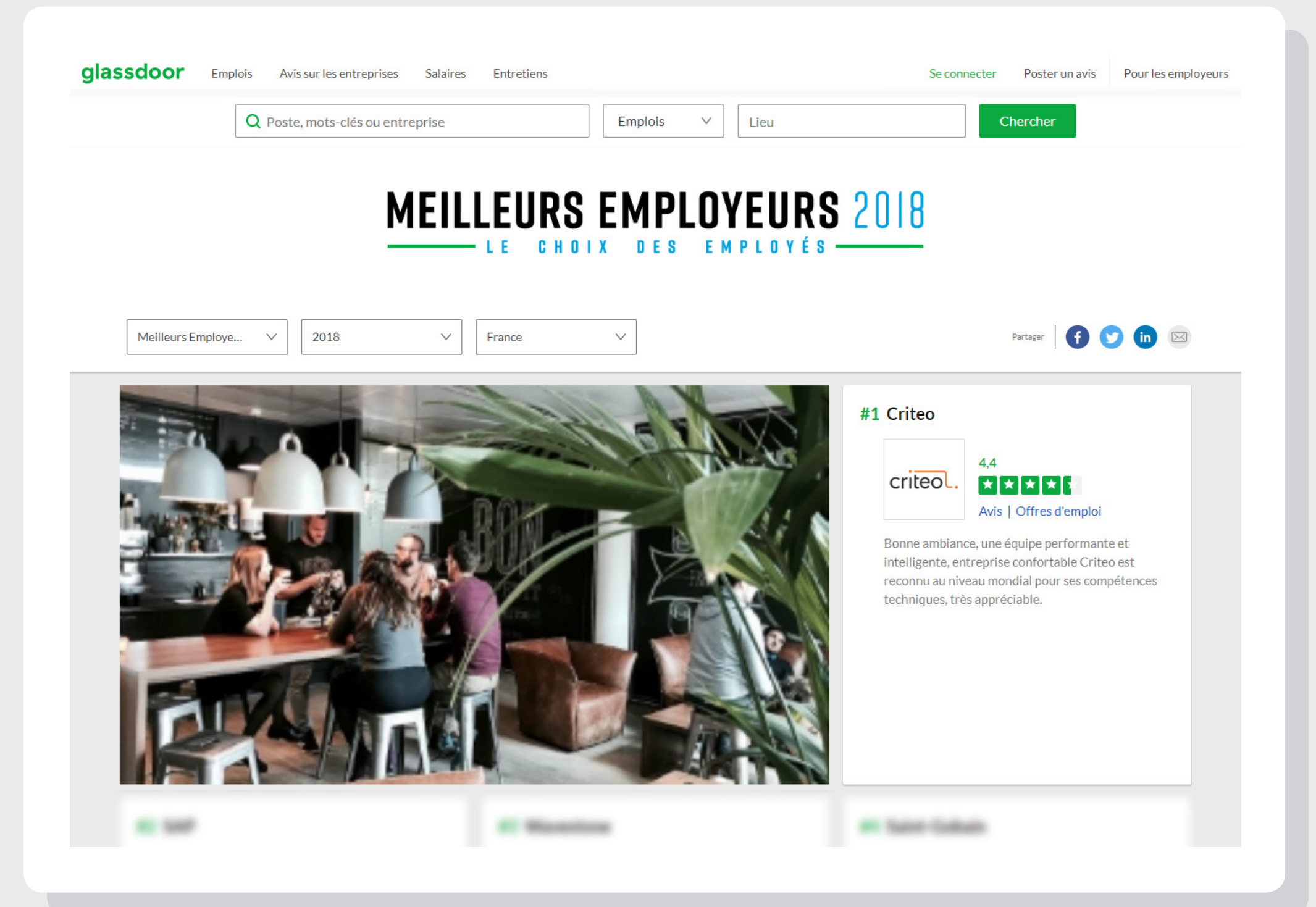


Employee relations

Another major feedback tool is **Criteo's manager survey** that occurs twice a year, where employees provide feedback about their managers. Based on the results, managers can identify areas for professional development.

The employee engagement program is managed centrally by a program manager as part of the Human Resources Team and is completed by onboarding and exit feedback surveys, to provide the full picture of the 'employee lifecycle' at Criteo. Exit interviews with voluntary leavers are also used to pinpoint the main causes of turnover and better understand and address potential issues.

Moreover, in 2018, Criteo maintained its high position on **Glassdoor's Best Place to work in France**. As the market becomes increasingly competitive, we continue to seek opportunities to improve the way we attract, engage and retain the best global talent.



Diversity and equal opportunities

At Criteo, employees are strong believers in promoting diversity and equal opportunities.

Discrimination and harassment

Criteo's Code of Business Conduct and Ethics is applied across all locations and includes the principle of non-discrimination.

Consequently, Criteo applies its **equal opportunity policy** (also called non-discrimination policy) which strictly forbids all forms of discrimination, whether at the recruitment stage or afterwards, with regard to promotions, salary increases and benefits, and specifies that no employee may be discriminated against on the basis of gender, race, ethnicity, religious belief, disability, national origin, veteran status, marital status, or sexual orientation.

Our global workforce is therefore very diverse, with a strong mix of local talent and people from different cultures and backgrounds.

Criteo also recognizes the importance of freedom of speech for employees. Consequently, no opposition or discrimination is directed at employee representatives.

The company's internal regulations also provide a policy and measures to prevent moral and sexual harassments in all its locations, in compliance with local legal requirements. The principle of harassment ban is also included in the company's Code of Business Conduct and Ethics.

More globally, to address harassment and discrimination issues at the recruitment stage and afterwards, Criteo:

- Provides **training and education** to make sure everyone knows their rights and responsibilities - every newcomer is required to complete an e-learning module devoted to this topic.
- Ensures an **effective and fair** hiring process.
- Promotes appropriate standards of conduct **at all times**.

Diversity and equal opportunities

Over the course of 2018, Criteo delivered improved training for all our managers and interviewers -

offering online training to ensure all locations could participate. Training on the awareness of unconscious bias is included as part of the curriculum. Always seeking to provide an open, equal and fair assessment, Criteo will continue to refine this training in 2019.

In addition, every Criteo employee has a right and responsibility to report potential violations or questions regarding **Criteo's Code of Business Conduct and Ethics** ("the Code") and obtain guidance when they are uncertain about what action they should take. When appropriate, Criteo encourages employees to talk with their direct managers first, as they will often be able to resolve issues quickly. Alternatively, they can also raise these issues to their Human Resources representative, a member of senior management, the General Counsel or the Senior Compliance officer. If, for any reason, an employee does not want to raise his/her concerns through one of these channels, he/she may utilize the **Criteo Whistleblowing Hotline**, a confidential, 24/7 service managed by a third-party service provider, or send a confidential email to a defined email address or choose to submit a secure Whistleblowing form.

The report will be sent directly to the Chairman of the Board's Audit Committee, an independent director of the Company who is neither an employee nor a manager.

All reports are kept confidential as permitted under applicable law. Although Criteo employees may elect to remain anonymous when using any of these channels, Criteo strongly discourages anonymous reporting and prefers for employees to identify themselves in order to be able to assure proper follow-up and feedback to them. Criteo strictly prohibits any kind of retaliation against any employee who raises a good faith concern about a potential violation of the Code or participates, in good faith, in an investigation of a potential violation of the Code.

Diversity and equal opportunities

Measures implemented to promote gender equality

Criteo is taking steps towards gender balance and equality with an increase in female employees in both the general population of employees, as well as senior leadership positions.

Criteo aims to hire talent without gender discrimination and promote fair opportunity regardless of gender. To promote gender equality and support women in the Digital/Tech/Science field, Criteo regularly organizes initiatives to raise awareness both internally and externally.

GENDER EQUALITY	TOTAL EMPLOYEES		MANAGERS		DIRECTORS	
	2017	2018	2017	2018	2017	2018
Male	1,613 (63%)	1,548 (61%)	360 (71%)	361 (68%)	146 (74%)	167 (71%)
Female	935 (37%)	973 (39%)	147 (29%)	170 (32%)	52 (26%)	68 (29%)
TOTAL	2,548	2,521	507	513	198	235

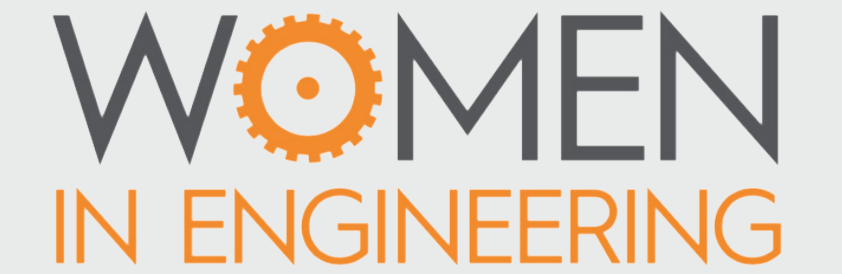
Diversity and equal opportunities

In 2017, Criteo launched Women in Engineering (WIE), a group which is open to everyone at Criteo (male or female) that aims to achieve more gender diversity in the company, to improve and increase retention, to develop and hire women in computing jobs such as Technical Solutions, Analytics, R&D, Internal IT and Product.

In 2018, several events promoted this group and its mission:

“Aujourd’hui je code”: In June and November 2018, we welcome 70 High School students, mainly girls, to share the Computer Science culture and to show them that a career in this field is accessible. The day is organized around workshops led by our R&D teams.

“Grace Hopper Celebration Conference”: This event gathered more than 22,000 people. Criteo had a booth in the Career Fair hall, as well as an interview booth. It enabled us to be part of a major movement dedicated to women in the Technology industry, to share knowledge, expand our network and recruit new talents, as well as, giving more visibility to our group WIE.



AUJOURD'HUI JE
CODE



GRACE HOPPER
CELEBRATION
CONFERENCE

Diversity and equal opportunities



Moreover, three members of the R&D and Human Resources teams have partnered with a world-class machine learning researcher to create the **Women in Machine Learning & Data Science (WIMLDS)** community in Paris. The community now has **over 2,000 active members** dedicated to the support and promotion of women practicing, studying or interested in the fields of machine learning and data science. Seven successful meet-ups were organized in Paris in 2018, with an average of 60 attendees per event.

In September 2014, Criteo signed a gender equality agreement for a three-year term to affirm its commitments on the matter in France. This agreement, which was renewed in February 2018 for another three years, aims to build awareness around gender equality matters and is a warranty of compliance with the principle of non-discrimination. It promotes equal pay, equal access to training and equal opportunities for career development and promotions. It also encourages diversity in recruitment processes. Certain measures have been put in place by Criteo in order to achieve these goals, such as prohibiting unjustified pay differentials, increasing the number of promotions granted to women to 30% of the total amount of promotions awarded by the company and increasing the proportion of women in all the different types of positions and pay ranges to at least 29% the first year, 31% the second year and 33% the third year.



7 Successful meet-ups in Paris

60 Average number of attendees per event

RISK ASSESSMENT

Reduce Criteo's environmental impact

GENERAL ENVIRONMENTAL POLICY

At Criteo, people care about the environment. Although there is currently no formal global environmental policy in place, the company is conscious of its ecological footprint, and aims to minimize it.

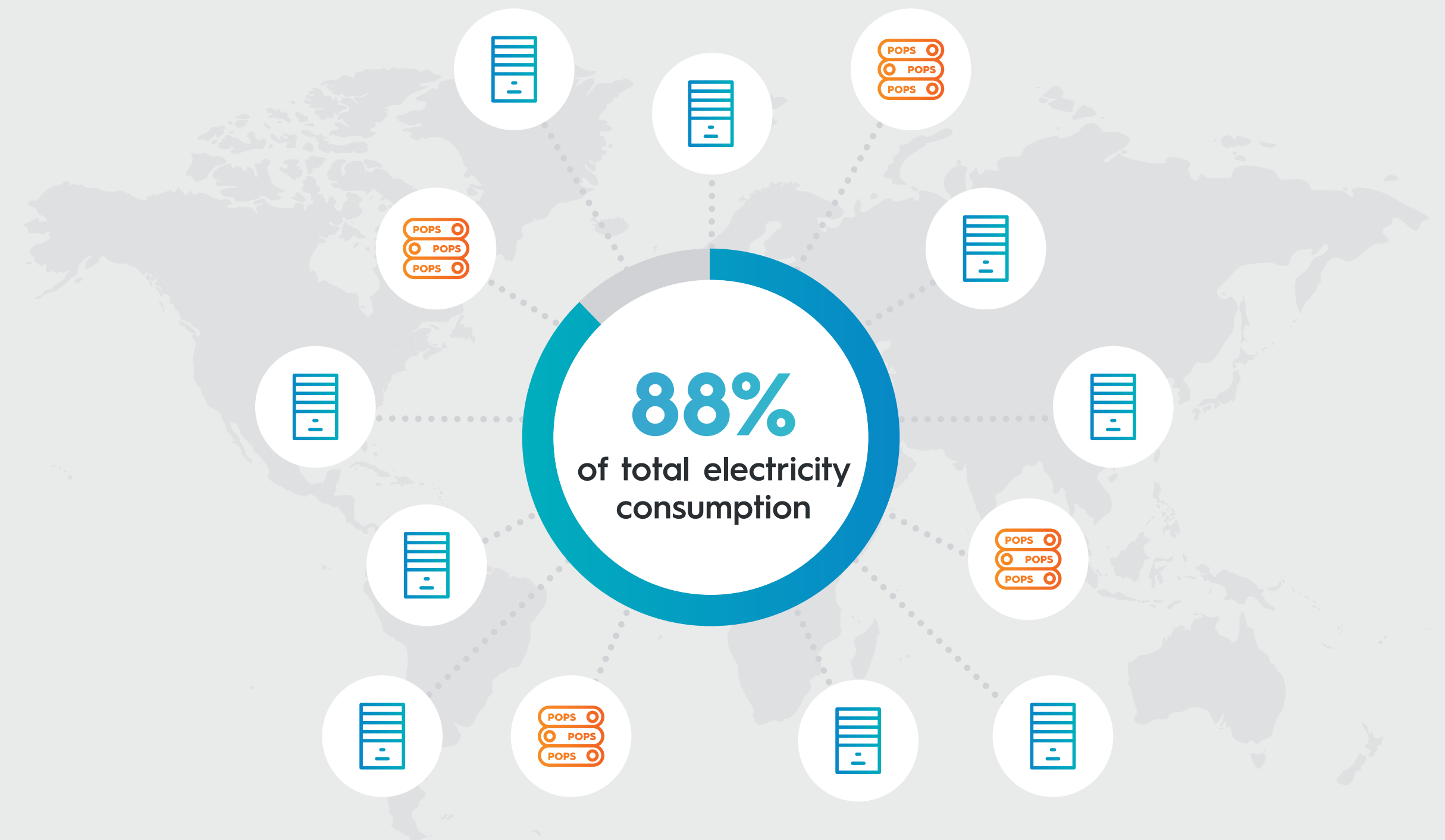
The nature of Criteo's activities leads the company to implement tangible actions for several aspects such as management of the data centers and its data resources, promotion of green offices, and raising awareness among workers on sustainable practices that will prevent harmful consequences for the environment or society.

Data centers and resource management

Criteo's operation rely on large data center units and several smaller networking rooms, also know as "Points of Presence" (POPS).

POPS are similar to small-sized data centers. In 2018, Criteo installed its servers in **13 data centers worldwide**, all of which belong to external service suppliers. Among those 13 locations, **nine are data processing centers** and the remaining **four host POPS networks**. Criteo's server infrastructure accounts for one of its largest environmental impacts (88% of total electricity consumption).

In 2017, a team dedicated to capacity planning was created to ensure optimal allocation of infrastructure resources according to business objectives: this means that Human Resources are now dedicated full time to optimizing Criteo's infrastructure usage regarding costs and power usage. As a result, robust growth forecasts have been implemented, establishing reliable budget and actions to reduce costs and energy consumption.



Data centers and resource management

Criteo is working to enhance sustainable practices among vendors for both services (hosting and hardware recycling) and hardware procurement. For each new Criteo project, the company releases a Request for Proposal (RFP) to several potential partners, and one of the main criteria of the decision matrix is labeled as **"Eco Responsibility"**. This criterion encompasses various questions about the energy saving processes, the source of energy of the data center, its Power Usage Effectiveness (PUE), which shouldn't exceed a rate of 2 and other eco-related topics..

The evolution in data center electricity consumption is due to the activity growth, leading to the implementation of new servers in our data centers.

The important evolution of the part of renewable energy in data centers is due to the efforts previously described for the selection of data centers and a change in the methodology. In past years, the local country factor given by the ADEME was used, from now on, as more precise data is available on the percentage of renewable energy, the rate considered is the one claimed by the subcontractor.

The major decrease in carbon emissions is due to a change in the calculation method of CO₂ emissions, for data centers totally powered with renewable energy, the emission factor is assimilated to zero, for the other data centers the local factor is used (for more details, see methodological note in chapter 6 CSR indicators).

Criteo strive for improving its environmental impact and is currently working on opportunities to switch two of its data center to renewable energy powered ones, and looking forward to compensate the emissions of data centers which cannot be powered by such energies.

ELECTRICITY CONSUMED IN DATA CENTERS	2017	2018	VAR.
TOTAL	30,363 MWh	40,808 MWh	+34%
% from renewable energy sources	15%	75%	-9%
Share of total for data centers consumption	84%	88%	13%
CO ₂ emissions generated	17,259 tCO ₂	7,363 tCO ₂	-57%

⁴ PUE is the ratio between the total electricity consumed by the data center and the electricity consumed specifically by the servers, meaning that if a data center has a PUE rate of 2, it consumes the same amount in auxiliary utilities (cooling, lighting, etc.) as the core consumption of computing devices.

Environmental impact of Criteo's offices

At Criteo, people are concerned about climate change. Reducing greenhouse gases and, first and foremost, being able to understand its emission level is an objective for Criteo.

REDUCE ENERGY CONSUMPTION

At Criteo, people care about the environment. Although there is currently no formal global environmental policy in place, the company is conscious of its ecological footprint, and aims to minimize it.

The nature of Criteo's activities leads the company to implement tangible actions for several aspects such as management of the data centers and its data resources, promotion of green offices, and raising awareness among workers on sustainable practices that will prevent harmful consequences for the environment or society.

While Criteo does not own the buildings that it occupies, there is a company-wide commitment to limiting energy consumption. As a result, energy saving initiatives are crafted and implemented independently in each office. Criteo has undertaken numerous actions aimed at reducing energy consumption at both its offices and data centers.

In the French, Singapore and Tokyo offices, **lighting is automatically switched off at night**. Similarly, in a few European offices, including the London office, **lighting is motion sensor activated**. Numerous projects are underway both in APAC and EMEA to install **LED lighting** where feasible. In the Americas, Los Angeles is 100% LED lit while New York has a **57%** LED lighting component.

Air conditioning is also a source of energy consumption that Criteo aims to monitor and control. For example, the air-conditioning system is automatically shut off during the evening directly after normal working hours in the London, Singapore and Japan offices, and is significantly reduced in the Paris office. In the Americas, New York's heating, ventilation and air conditioning is set to run from 6:00 am to 6:00 pm in the warmer months and 8:00 am to 6:00 pm in the cooler months with a threshold set-point of 68 degrees Fahrenheit (20 degrees Celsius).

In the Milan office, electricity is 100% provided by Lifegate, a **green energy supplier**, which also plants trees to compensate for energy transportation pollution.

Environmental impact of Criteo's offices

Monitor energy consumption

Due to the complexity of obtaining data for small offices, electricity consumption has been collected only for offices with more than 50 employees.

The slight increase in consumption is mainly due an improvement in the data collection, the electricity consumption is more precise compared to last year.

ELECTRICITY CONSUMED IN OFFICES	2017	2018	VAR.
TOTAL	5,675 MWh	5,701 MWh	+0.5%
Total per employee	2.23 MWh	2.25 MWh	+1.1%
% from renewable energy sources	21%	20.4%	-0.6%

Environmental impact of Criteo's offices

CARBON FOOTPRINT

The most significant greenhouse gas emissions come from the electricity consumed in its offices and data centers (figure published above) and during business trips.

In order to implement reasonable company-wide actions, Criteo is now aware of which emission sources the company can directly control, such as electricity use, and which sources the company can still influence through good practice and policies such as business trips. Criteo tries to limit emissions by avoiding flights whenever possible, attending video conferences instead of physical meetings, and not offering company cars in employees' compensation packages.

The major increase in business trips emissions is due to a change in the travel agency's methodology where all the emission factors have been updated. With the use of 2017's emission factors, the increase in travel emissions would be 13% rather than 37%, the 24% difference is due to the change in emission factor.

In addition to the concern about carbon emissions produced by electricity consumption and air travel, Criteo is also working on a way to monitor or estimate the emissions generated by leakages from refrigerant systems in data centers for upcoming years.

CO ₂ EMISSIONS	2017	2018	VAR.
From electricity consumption (offices)	1,571 tCO ₂	1,376 tCO ₂	-12%
From business trips	6,517 tCO ₂	8,921 tCO ₂	+37%
Carbon footprint per employee (offices consumption + business travel)	3.2 tCO ₂	4.0 tCO ₂	+26%

Environmental impact of Criteo's offices

Commuting

To further reduce its carbon footprint, Criteo is also looking at ways to minimize the use of individually owned private cars. Many of Criteo's offices are located in areas easily accessible by public transportation, and do not have a parking lot, therefore discouraging employees from commuting with their private cars. In many of Criteo's offices, public transportation is subsidized to promote public transportation usage.

SUSTAINABLE OFFICES

Although Criteo does not have a procurement policy regarding sustainable buildings, the company always selects environmentally-friendly offices. As an example, the building housing Criteo's headquarters in Paris is NF HQE certified (Norme Française "Haute Qualité Environnementale", certification attesting to high environmental quality for buildings). Similarly, the Singapore office is located in a building that has been awarded the prestigious Green Mark Platinum Award. Moreover, the Miami and Boston offices are respectively situated in a LEED Gold building and a LEED Silver property.

GREEN INITIATIVES

Historically, Criteo has relied mostly on local, internal or external initiatives to promote environmental responsibility, led by individual offices or employees. For example, new employee training covers topics on printing best practices such as print on both sides in black & white, and various local initiatives such as clothes recycling and tree planting. To raise and maintain employees' awareness Criteo has launched internal communication campaigns mostly on a local or regional basis.

In 2018, "Criteo Eco" was launched to prioritize a positive environmental impact in Criteo's operations and culture. The goal was to encourage environmentally friendly behavior in operations and decision making as well as in communication campaigns. The first global campaign was launched in the fourth quarter of 2018 in the Americas on the theme of Zero-Waste (see more on following page).

Environmental impact of Criteo's offices

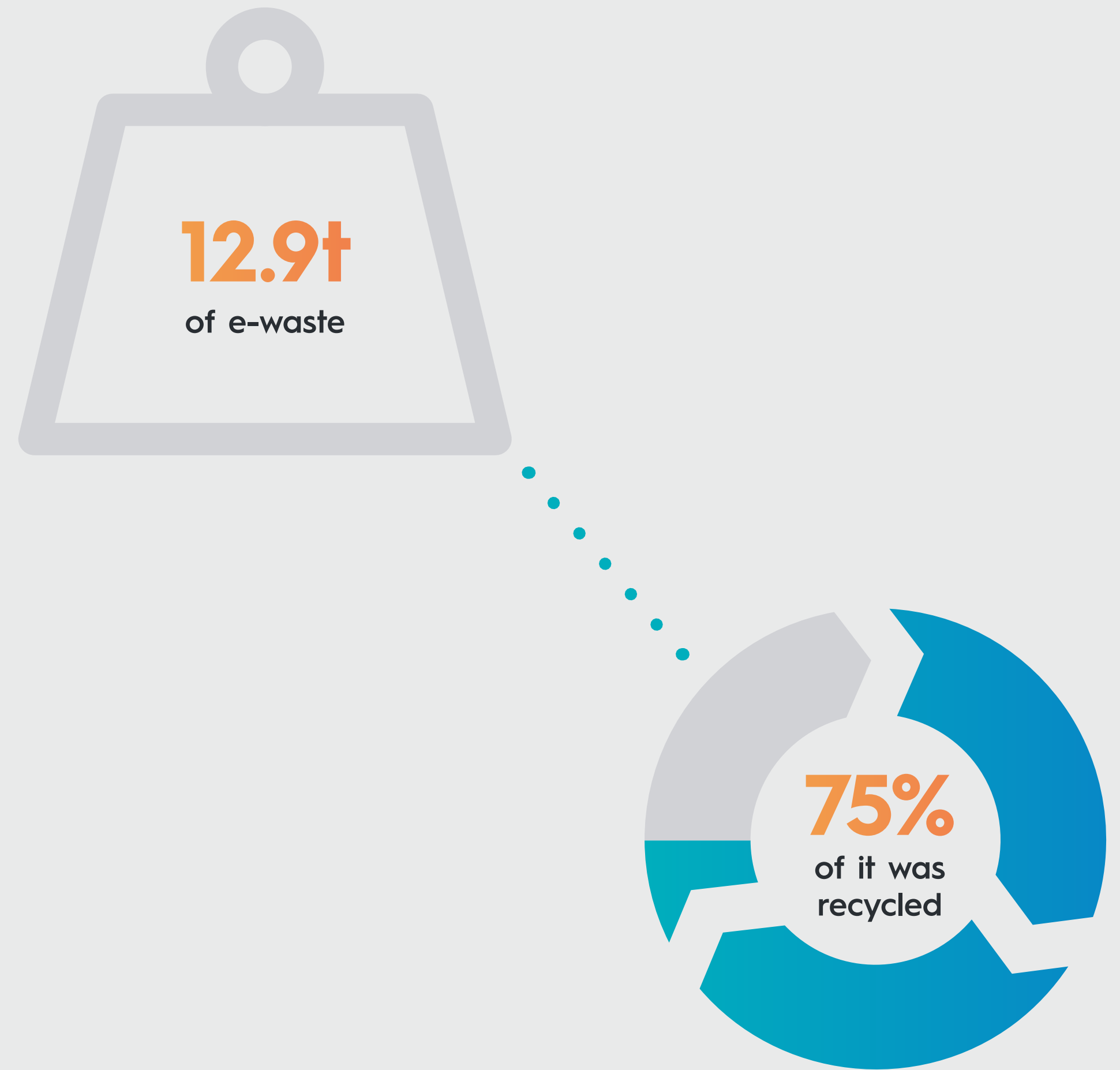
CIRCULAR ECONOMY

Waste Production

One of the main CSR ambitions at Criteo is the ability to measure its recycling effort, control the waste production of its activities, use alternative methods for waste collection and sorting, such as keeping waste out of landfills, and move towards a zero-waste business. The company intends to track its recycling rate in the coming years, for both e-waste and office waste.

E-waste

Since 2016, in order to reduce the amount of e-waste generated in the data centers, Criteo asked for a guarantee extension for the servers from three to five years. The company works with a subcontractor to handle decommissioned equipment. The majority can be reused and is resold on a second-hand market (67% of the 38.6 tons decommissioned in 2018), while the remainder is considered as waste, which can be partly reused. In 2018, **of the 12.9 tons of e-waste, 75% was recycled.**



Environmental impact of Criteo's offices

Office waste

All of Criteo's offices sort and recycle waste whenever possible. Criteo has equipped most offices with waste recycling bins, and some even have battery recycling containers, as in the London offices. In addition, clear signs on waste classification procedures are on display in most of Criteo's offices to ensure employee compliance. To limit waste, employees are encouraged to use mugs instead of disposable cups in several offices.

The first campaign of the Criteo Eco global initiative on the theme of **"Zero Waste"** was launched in 2018 in the Americas. This campaign will also take place in EMEA and APAC in 2019. It was widely regarded as an employee-engagement vehicle involving key operational changes, as well as awareness communications campaigns in all Americas offices for Phase 1. Audits of waste streams, hauling and recycling partners as well as in-office receptacle configurations were performed in order to make key infrastructural changes prior to the launch of the communications campaign. Individual, non-sorted waste bins were largely eliminated from all of the Americas offices and new signage was introduced in many locations to ensure that employees were supported in making the correct decision when disposing of waste and recyclables. Compost streams are present in the West Coast sites and were newly introduced in Ann Arbor through coordination with the City. They are in the process of being integrated into the New York office in collaboration with the building ownership.

The Criteo Zero Waste Campaign took the Zero Waste International Alliance (zwia.org) framework as a reference point for incentivizing landfill diversion in an effort to create a campaign that is broadly relevant across regions. The in-house team adapted a pyramidal hierarchy (similar to the zwia pyramid) whose stages include: **"Refuse"**; **"Reduce"**; **"Reuse"**; **"Recycle"** and **"Rot"**. During the campaign, disposable drinking containers, straws, cutlery and other food utensils were successfully eliminated across the region. In addition, Criteo continues to work with external caterers and providers to minimize disposables and excess packaging as well as food waste in their offerings. Signage introduced in restrooms encourages employees to use a single paper towel at most to dry hands when air dryers are not available.

In addition to day-to-day operational modifications, the campaign emphasizes ongoing best practices to discourage employees from accepting disposable cups, plastic bags and excess food packaging as a part of their habitual behavior in the office. The objective is to create an office ecosystem entirely free from some of these "main offender" materials by raising awareness amongst employees and supporting their daily preference for reusable and washable items above single-use plastic cups, containers, packaging and bags.

Environmental impact of Criteo's offices

Resource consumption

Due to its office activity Criteo's main resources are paper, water and office equipment.

The nature of Criteo's business allows employees to promote a paperless work environment and if printing is necessary, employees are advised to reuse one-sided printed paper or print double sided when possible.

Regarding water, Criteo has deployed sustainable development practices in most offices by using sensor-equipped faucets and two-level flushing toilets.



Sustainable relations with stakeholders

Criteo's main stakeholders are as follows:

-  Clients and prospective clients
-  Publishers
-  Investors and Shareholders
-  Subcontractors and suppliers, including technology partners (in particular data center operators)
-  Public authorities and administrative bodies
-  Banking partners
-  Equity partners
-  Financial analysts and influencers
-  Industrial associations and professional networks

-  Journalists and media influencers (including YouTubers and bloggers)
-  Employees
-  Employee representatives and unions
-  Schools
-  Partner non-profit organizations
-  Start-up networks and digital advocates

Dedicated departments maintain relationships with internal and external stakeholders, through a variety of channels.

Clients and publishers

The Global Marketing team at Criteo is made up of regional field marketing, brand strategy, marketing analytics & insights, content, marketing operations, digital marketing and strategic planning. Together, these functions drive brand awareness, new customer acquisition, growth of existing client and partner business, and customer loyalty through a series of integrated programs that combine digital marketing, sales enablement, events, social media, and thought leadership activities.

Criteo's S&O organization collaborates closely with Criteo's clients and supply partners to deliver expert consulting, fast and smooth integration, and ongoing campaign management to ensure the optimal use of Criteo's technologies and the attainment of the client's business objectives. With over **1,300 global professionals** in **Sales and Account Strategy**, **Creative Services**, **Analytics**, and **Technical Services** teams, Criteo's clients receive seamless, high-quality support and actionable insight, key factors in Criteo's ability to maintain approximately **90% client retention every quarter since 2011**. Additionally, Criteo provides unique inventory, best visibility, and unparalleled reach to its clients through the Global Publisher and Platform Partnership Teams, who work with premium supply partners to directly integrate their systems with Criteo via header bidding or real-time bidding technologies. These direct connections allow partners to tap Criteo's constant demand while Criteo's clients receive access to the highest quality inventory across channels and formats to deliver the best possible campaign performance.

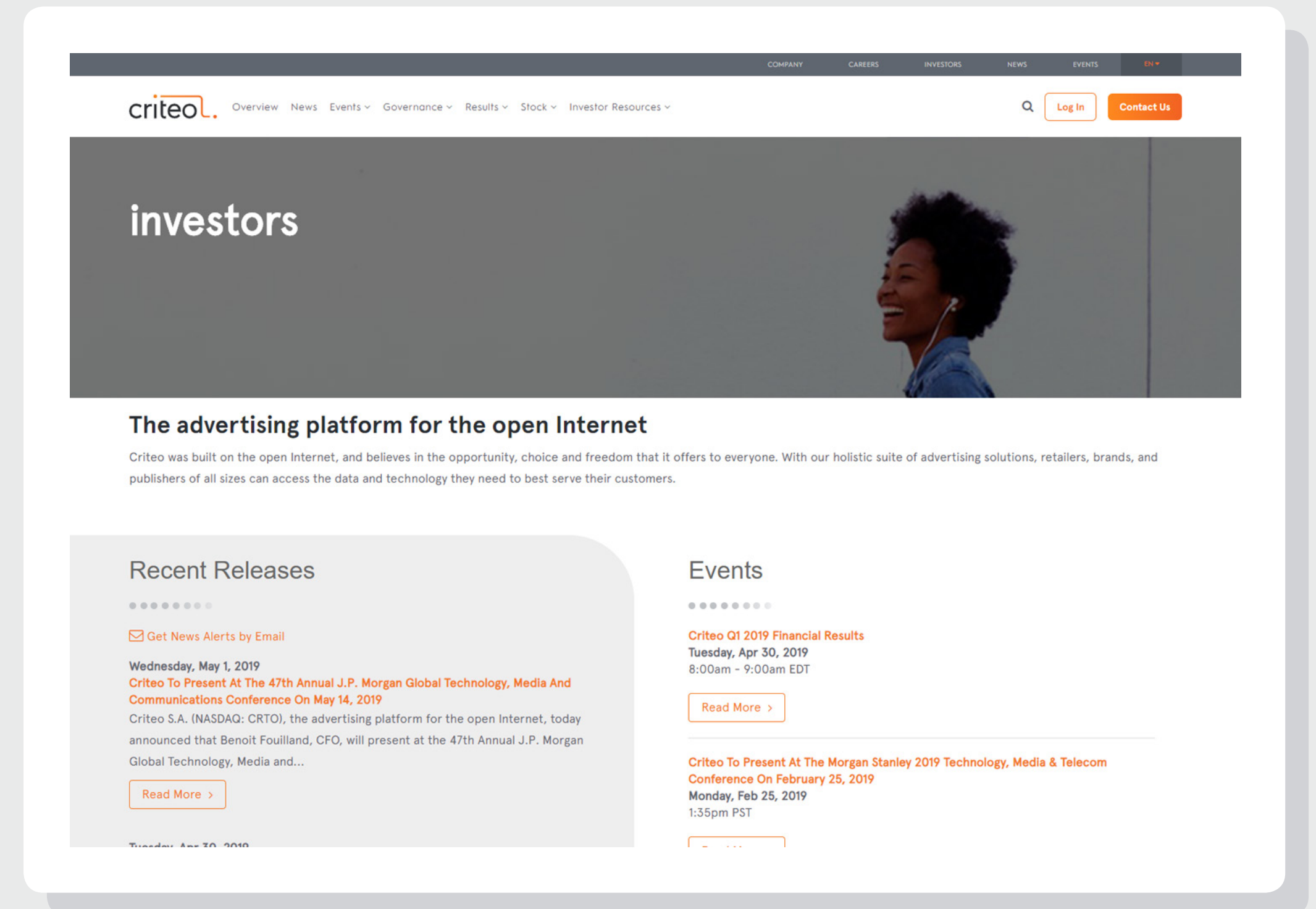


Investors and Shareholders

Criteo's Investor Relations (IR) team communicates information and insights to the investment community.

The **Annual General meeting of shareholders** is held every year and provides all yearly financial results to shareholders.

Criteo provides a wide range of information online to investors about Criteo and Criteo stock. Shareholders can reach the IR Team directly at investorrelations@criteo.com. Most key investor events at which Criteo's CEO or CFO speak are broadcast live on the Internet and the company posts the presentation materials on the Criteo Investor Relations website. Criteo also held phone conferences when releasing its quarterly results.



Subcontractors and suppliers

Criteo aims to work with a network of reliable and responsible suppliers.

To do so, the Procurement team has established several tools and processes over the years which aim to improve supplier selection and better monitor their performance through definition of purchasing strategies, management of supplier quality, measurement of supplier performance, and supplier risk analysis. All of these new processes include CSR criteria.

In April 2017, Criteo rolled out its global procurement policy including a statement related to CSR and the environmental policy of the bidders as a criterion that can be assessed in the scoring process whenever relevant. This statement is as follows:

Although Criteo's activities do not have a significant effect on the environment, the company will seek, through the selection of its partners, to:

- **Comply with relevant regulatory and legislative requirements, standards and codes of practice,**
- **Take environmental effects into consideration when purchasing goods or services.**

When evaluating bidders' responses to tenders or RFP, Criteo applies its own confidential criteria and weightings. The policy evaluation criteria comprise, but may not be limited to, the following which are not listed in any order of priority:

- **Compliance with specifications**
- **Competitive pricing**
- **Service delivery, capability and responsiveness**
- **Quality product/service offering**
- **Overall supplier quality**
- **Range of services offered**
- **Proposed method of operation (ordering, delivery, invoicing)**
- **Availability and relevance of reports**
- **Availability and quality of references and relevant experience**
- **Financial stability**
- **Pricing structure and controls offered**
- **Ability to interface with existing infrastructure**
- **Options/Costing in respect of charges and delivery**

As already mentioned in the report, Criteo's commitment to Health, Safety and the Environment is also made clear in the specific questions asked during the tender process for data center space rentals. In particular, the company expects potential suppliers to provide clear responses on their use of renewable energies, green procurement and certification.


Partnerships and sponsorships

Partnerships and Sponsorships are part of the **Criteo Cares** program, whose mission is to leverage the company's unique assets for social good and a sustainable environment while fostering a workplace culture where all employees feel they belong and are cared for. The program rests on four pillars: **Community Giving, Diversity, Inclusion and Belonging,** and **Environment**. Global and regional committees have been created to help develop the program strategy and drive initiatives aligned with the program pillars.


Criteo launched **"Go! Days"** in the United States, an initiative that has now spread to all Criteo's locations and entities. In 2018, Criteo introduced the **Volunteer Paid Time Off program (VPTO)** to encourage all employees, through its Criteo Cares program, to volunteer their time and give back to their community.

VPTO are company sponsored hours during which an employee volunteers their time to support CSR initiatives with non-government or non-profit organizations of their choice. The purpose of the VPTO program is to:


- Offer employees an opportunity to serve their local communities
- Advocate for and support those in the community that need help the most
- Build a stronger Criteo culture by encouraging employees to do good - together



Community Giving



Diversity, Inclusion & Belonging (DIB)



Environment

In 2018, Criteo also launched a new external platform - **Criteo Cares Connect** to manage Criteo's charity program and to track volunteering hours. The platform can also be used by employees to learn more about the registered charities, to participate in events and to make donations.

Compliance

Criteo takes privacy protection and compliance very serious.

DATA PRIVACY

Processes and policies are put in place to protect and process data in compliance with applicable Privacy and Data Protection Laws. This includes the European GDPR that came into effect in May of 2018.



Privacy by design

Our Product teams develop every feature with privacy in mind; it's the cornerstone of Privacy by Design, a sophisticated approach that ensures an industry-leading level of safety for marketers and consumers alike. Privacy by Design is Criteo's long-standing practice and commitment to ensuring industry-leading privacy, security and safety for consumers and marketers.

Key elements include:

- As required by the GDPR, since 2013, we have had a designated Data Privacy Officer along with a team of privacy experts.
- These experts sit within the Product and R&D department. They perform ongoing Privacy Impact Assessments to monitor potential risks during the product lifecycle and proactively mitigate those risks.
- The Data Privacy team delivers company-wide privacy training, enforces codes of conduct, and is integral to ensuring that we build best-in-class products and services.
- We regularly review and document our internal policies, amend existing privacy policies as necessary, and enforce these policies with our partners and vendors.

Compliance

Strict security measures

As required by GDPR, Criteo already maintains strict security measures when collecting consumer data from our clients. We utilize modern pseudonymous methods, including MD5 and SHA-256 double-hashing processes, which can be considered best practices under GDPR, and never willingly store any directly identifying personal information about individual consumers. For compliance and optimal performance, we store European consumer data within the European data center that is physically closest to them.

Transparency and control

Criteo has long recognized the need to balance relevant advertising experiences with privacy expectations while empowering consumers to control their experiences. Consumers understand this trade off. This is why Criteo committed to the **Ad Choices** program as early as from 2008 to allow consumers, with a single click, to see exactly where Criteo is using data, and how we protect their privacy. When a consumer chooses to opt-out, we immediately stop tracking and retargeting. We then remove all identifiers from their browsers, making it impossible to target them in the future. Per European data protection regulations, **collected consumer-level data is only kept for 13 months.**

We believe that this transparent, consumer-centric, and controllable approach to privacy empowers consumers to make better-informed decisions about our use of their data. We also actively encourage our clients and publishers to provide information to consumers about our collection and use of data relating to the ads we deliver and monitor. We believe our industry-leading privacy, security and safety standards for consumers and our commerce and brand clients are key competitive advantages on the market.

Industry leadership

Regarding investment in Standards and Certifications Criteo has an extensive number of certifications already in place that are reviewed annually by governing and standards bodies, including:

- Network Advertising Initiative Standards
- IAB Europe
- Digital Advertising Alliance Self-Regulatory Principles for Online Behavioral Advertising
- European Digital Advertising Alliance's Self-Regulatory Principles
- Digital Advertising Alliance of Canada's Self-Regulatory Principles
- TrustArc



Tax evasion

Criteo adopts a proactive approach to identifying, evaluating and monitoring tax risks and managing all identified risks.

Criteo's management is committed to ensuring that all of their entities meet their tax obligations and comply with the relevant tax laws in each jurisdiction in line with their [Code of Business Conduct and Ethics and OECD guidelines](#).

As a multinational organization operating in multiple jurisdictions we are subject to taxation in several jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain.

Criteo does not undertake artificial transactions for the sole purpose of minimizing tax expenses or incorporating entities in tax heavens where there are no commercial activities. Criteo recognizes that all risks cannot be avoided as an overly cautious approach would negatively impact on shareholder value.

For more details regarding tax management, please refer to the **10k report** published annually.

Corruption

Criteo prohibits corruption of government officials and the payments of bribes or kickbacks of any kind, whether in dealings with public officials or individuals in the private sector. Criteo is committed to observing the standards of conduct set forth in the U.S. Foreign Corrupt Practices Act, Loi Sapin II, French Anti-Fraud Act, as well as the applicable anti-corruption laws of all of the countries in which we operate.

To control the corruption risk, Criteo employees have to follow two main policies:

- **Criteo's Code of Business Conduct & Ethics (updated Jan. 2017):** Our Code of Business Conduct & Ethics, which includes a summary of our Global Anti-Corruption policy, strictly prohibits our employees (or any third party acting on our behalf) from offering or accepting anything of value (including but not limited to gifts, meals/entertainment, money or services), directly or indirectly to a foreign government official, political official or private/commercial third party, for the purpose of influencing official acts, obtaining or retaining business or to secure an improper advantage.
- **Criteo's Code of Business Conduct & Ethics (updated Jan. 2017):** Provides further details on our anti-corruption policies and procedures, including definitions and examples of situations that present corruption risk, and the responsibilities of employees and managers to comply with the policy and ensure their subordinates do so as well. It also details our anti-corruption due diligence policies and procedures with respect to agents, consultants and other third parties, and summarizes the anti-corruption laws and regulations in the various countries where Criteo conducts business.

All Criteo employees are required to complete an online anti-corruption course and sign an annual online acknowledgement that they have read the Code and related policies and agree to follow it during the course of their Criteo employment.

Moreover, higher risk employees (e.g., Sales team members in higher-risk countries for corruption) periodically receive mandatory in-person training on our anti-corruption policy and procedures.

Criteo regularly assesses our anti-corruption risks and our controls in order to ensure ethical conduct by all Criteo employees and to raise overall awareness. These efforts include an annual compliance risk assessment during which we review our corruption risks, and identify controls to address any gaps that are noted during the assessment. In 2019, Criteo will also complete a separate and more comprehensive anti-corruption risk assessment pursuant to Loi Sapin II.

Methodological note

Criteo's CSR report follows dispositions of article R. 225-102-1 of the French Commercial Code.

REPORTING PERIOD

All information collected and highlighted in the CSR report covers the period from January 1, 2018 to December 31, 2018.

Reporting scope

We aim to match the CSR reporting scope with our financial reporting scope.

Due to the large number of offices and the problem likely to arise regarding exhaustive and reliable data collection of electricity consumption in some of the smaller offices, Criteo has made the decision to include only the largest offices during the collection of quantitative data.

Therefore, to ensure reliable quantitative data and boost continuous improvement, the Criteo’s CSR reporting scope for 2018 considers the major global legal entities with more than 50 employees at the end of 2018.

For electricity consumption, only offices with more than 50 employees are taken into account, due to the information being complex to obtain for smaller offices.

Vigilance point: Legal entities that joined Criteo’s financial scope in year N should be included in the CSR reporting scope in year N+1.

Thus, for FY2018, the reporting scope on quantitative data covers the following legal entities and offices (it covers **92% of the overall Criteo’s workforce for social information, and 88% of the workforce for the electricity consumption of offices**):

EMEA		AMERICAS		APAC	
LEGAL ENTITY	OFFICE	LEGAL ENTITY	OFFICE	LEGAL ENTITY	OFFICE
Criteo S.A	Paris Grenoble	Criteo do Brazil LTDA	São Paulo	Criteo KK	Tokyo Osaka
Criteo Europa SL	Barcelona	Criteo Corp	Ann Arbor	Criteo Singapore Pte. Ltd	Singapore
Criteo Ltd	London		Boston		
Criteo GmbH	Munich		Chicago		
Criteo France SAS	Paris		Los Angeles		
			Miami		
		New York			
		Palo Alto			
		San Francisco			

In blue, offices with more than 50 employees

Relevance of CSR indicators

Criteo's choice of a panel of CSR KPIs has been made from:

- A benchmark on CSR best practice among IT sector leaders
- Workforce-related, environmental and social impacts and risks analysis of Criteo's activity
- Specific indicators to [Criteo's Human Resources policy](#)



Consolidation & internal controls

Data collected during the CSR reporting process is controlled by “validation managers”.

For each KPI, a dedicated person is in charge of data control and performs consistency tests listed within Criteo’s reporting procedure.

To avoid discrepancies during the KPI reporting process, each validation manager performs the following controls:

- **Lack of data:** Verification of the presence for the overall data. Lack of data must be justified by the person in charge of the KPI.
- **Data consistency:** Verification of data consistency compared to last year’s data. Significant annual variations must be justified and documented.

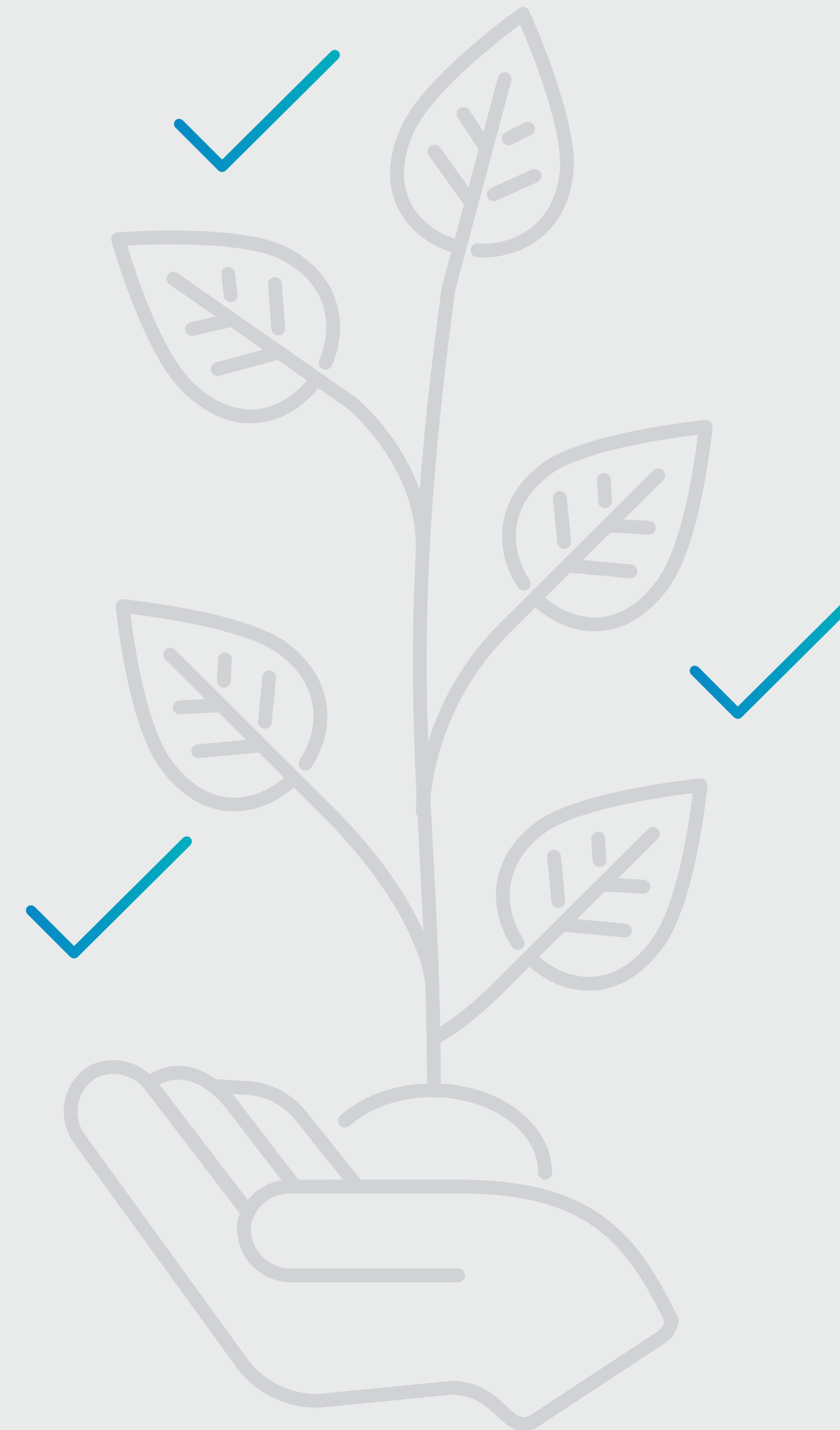
Moreover, regarding the annual validation of Criteo’s headcount, the Human Resources team performs a looping control as follows (also taking into account the potential acquisition of a company):

$$\begin{array}{ccccc} \text{Headcount} & & \text{Recruitments} & & \text{Leaves} \\ \text{[YEAR Y-1]} & + & \text{[YEAR Y]} & - & \text{[YEAR Y]} \\ & & = & & \\ & & \text{Headcount} & & \\ & & \text{[YEAR Y]} & & \end{array}$$

External controls

A thorough control process is important.

Since 2016, to ensure accurate and reliable information, Criteo has mandated an independent third-party body to verify and validate the reliability of Criteo CSR information. Data, together with methods of calculation and consolidation, must be externally verifiable. The nature of verification work conducted and external conclusions are available on demand.



CSR indicators - Calculation & estimation methods

HEADCOUNT

The headcount figures include all Criteo employees on the last day of the year:

- **Permanent employees:** whose work for Criteo is not limited to a fixed term)
- **Non-permanent employees:** fixed-term contracts, work-study contracts
- **Employees who are momentarily on leave of absence and are therefore inactive:** parental leave, sabbatical leave, long illness, etc.
- **Employees of a legal entity seconded to another legal entity and expatriates**
- **Employees leaving the company on the last day of the year**



CSR indicators - Calculation & estimation methods

TRAINING

Where face-to-face training hours are related to sessions running over two consecutive years, if the session represents more than 50 hours, the hours are accounted pro-rata temporis, otherwise hours are included within year N figures.

If employees attended more than one training session during the reporting period, all training hours of these training sessions must be reported.

Training hours of employees who left the company during the reporting period are included in the calculation of training hours.

Training hours of school interns, sub-contractors or consultants who have been trained by Criteo are not included in the calculation of training hours.

Face-to-face training hours

Are **considered**:

- The number of training hours that employees attended (not the number of training hours that employees registered for) and which have been reported by Human Resources business partners to the Global Learning & Management Development team
- Individual coaching or state of the art co-development sessions
- Management and leadership development modalities

Are **excluded**:

- Seminars, conferences, working groups, open days
- On-boarding training sessions and resources (FlyCriteo program)

CSR indicators - Calculation & estimation methods

E-learning training hours

Are **considered**:

- Only theoretical hours, not the actual “online connection time”
- Training content completed at 51%, except for the Coursera platform, where trainings are accounted if completion exceeds 25%

Are **excluded**:

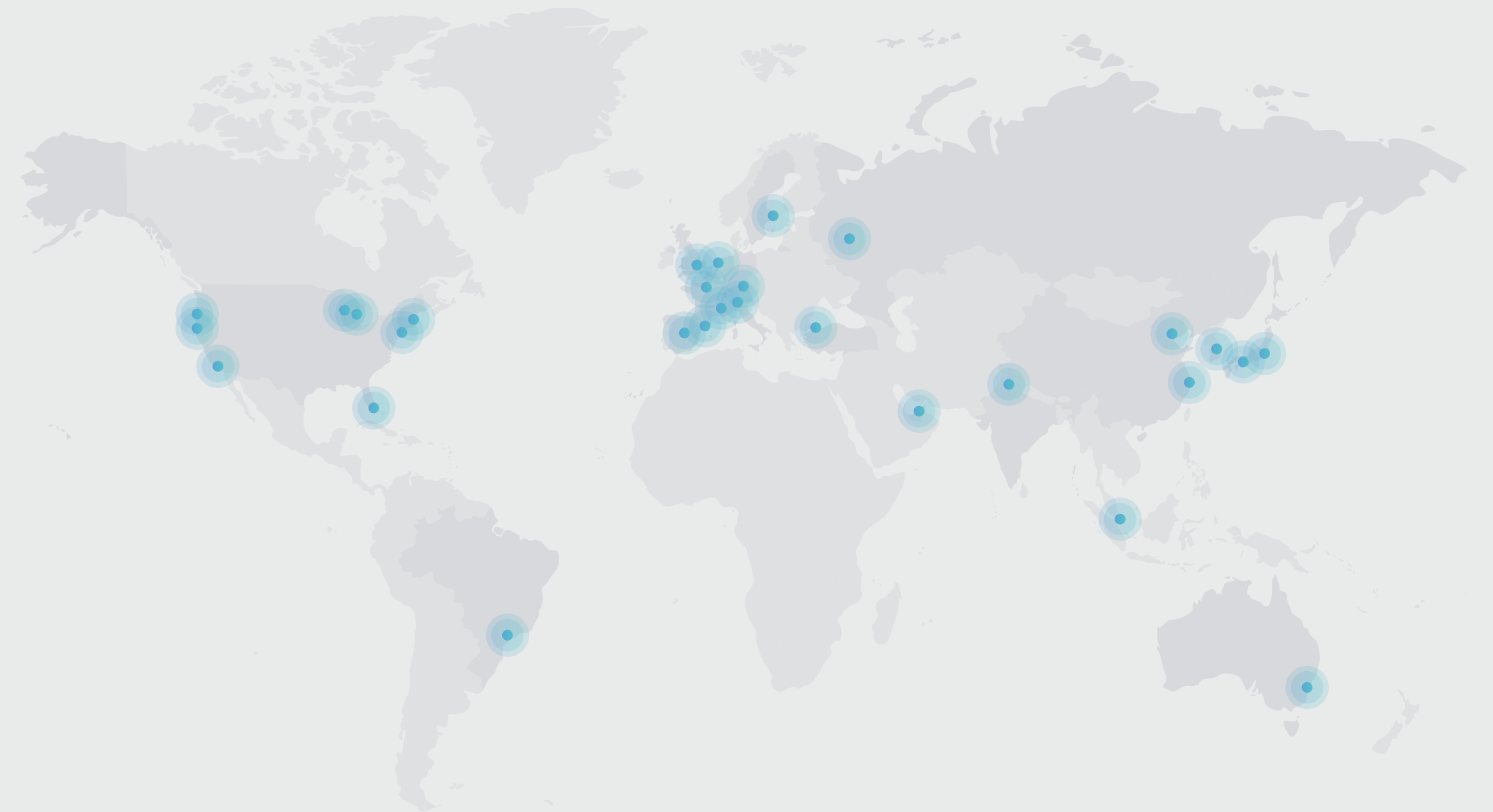
- Time logged in The Learning Zone
- Training content completed at less than 50% and less than 25% for the Coursera platform
- Training content started in 2017
- Training content only related to an assessment or quiz
- Training content only based on “document reading” or “link to document”
- Training content related to basic IT application tutorials for all employees such as expenses reports, Human Resources Information System
- Programs and content pushed/prescribed to all employees for compliance purposes or for IT application up skill

METHODOLOGICAL NOTE

CSR indicators - Calculation & estimation methods

BUSINESS TRIPS

Data from business travel agency, EGENCIA, includes all Air Travel Scope except Korea, Japan, Brazil and Russia. Train trips are not included. Hence, the business trips considered in the CO₂ emission calculation represent 93% of the travel spend.



CSR indicators - Calculation & estimation methods

ELECTRICITY CONSUMPTION OF OFFICES

Where the value for a month is missing, an extrapolation has been made based on the months available (two sites concerned for which the December value wasn't available).

ELECTRICITY CONSUMPTION OF DATA CENTERS

- In 2018, actual data was supplied by Criteo's data room providers.
- Electricity consumption includes all data centers except POPS for which power need is negligible.

Amount of renewable energy consumed for data centers:

- The rate used is the Renewable Energy rate claimed by the owner of the data center.

Amount of renewable energy consumed for data offices:

- The national renewable energy rates used are (source: IEA):

France 0.18

Brazil 0.80

Germany 0.29

Spain 0.39

United Kingdom 0.25

United States 0.15

Japan 0.15

Singapore 0.02

CSR indicators - Calculation & estimation methods

CO₂ EMISSIONS FROM ELECTRICITY CONSUMPTION OF OFFICES

Emission coefficients per country from ADEME 2018 database have been used for the calculation.

CO₂ EMISSIONS FROM ELECTRICITY CONSUMPTION OF DATA CENTERS

For data center with a 100% rate of renewable energy, the emission coefficient is considered equal to 0. For the other data centers, emission coefficients per country from ADEME 2018 database have been used for the calculation, except for Hong Kong where a rate of $0.51 \times 10^{-3} \text{ t}_{\text{eq}} \text{ CO}_2$ has been used from CLP database (local electricity supplier).



Other information - Information not disclosed

Given the nature of its activity and business, Criteo does not produce any matter that may severely and directly affect the environment or violate the Human Rights. Consequently, this report does not contain disclosures on the following information mentioned under article R. 225-102-1 of the French Commercial Code:

- “Human rights”
- “Adaptation to climate change”
- “Food waste”
- “Food insecurity”
- “Animal wellbeing”
- “Responsible food choices”

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