I. Message from the CEO

“We are delighted to publish our second annual Corporate Social Responsibility report. There is always room to do more, but the concept of ‘giving back more than we take’ has been ingrained in our culture from our company’s formation and we are proud of what our people continue to achieve in this area.

We are driving forward with initiatives on diversity, environmental impact and knowledge sharing, alongside local activities to support the communities in which we work. As we continue to grow as a business, our responsibility and desire to understand and take action on Criteo’s effects on environmental and social wellbeing grows too.”

Eric Eichmann, CEO, Criteo

II. Introduction

Employees who work at Criteo believe that their company’s activities and decisions have an impact on society, the environment and the employees themselves. Criteo aims to foster economic growth while at the same time reducing negative social and environmental impacts by identifying potential risks and taking action.

This report provides an overview of Criteo’s Corporate Social Responsibility (CSR) practices and initiatives, including those specified in article R. 225-102-1 of the French Commercial Code. The following chapter presents Criteo’s workforce-related, social and environmental impacts as well as measures taken to strengthen its sustainable development commitment.

The reporting period covers January 1, 2017 through December 31, 2017. As the company comprises a large number of offices and legal entities, collecting exhaustive and reliable information (such as waste volumes, electricity and water consumption) may be difficult for smaller offices. Therefore Criteo has opted to slightly reduce the scope of the quantitative information enclosed in this CSR report to its largest legal entities, i.e. those who are financially linked to a data center infrastructure or those with more than 50 employees. The related CSR reporting scope is provided within the report.

Criteo’s goal is to use the experience gained in preparing this report to gradually extend the reporting scope until it matches Criteo’s consolidated financial scope. The reporting scope has extended for 2017 compared to 2016 and a continuous effort will be made for subsequent financial years.

The information presented hereafter was collected from various departments or external third parties. A methodological note is provided in chapter V.
III. Criteo’s business model

Criteo is a global leader in commerce marketing, building the highest performing and open commerce marketing ecosystem to drive profits and sales for retailers and brands. Criteo partners with more than 18,000 customers and thousands of publishers across the globe to deliver performance at scale by connecting shoppers to the things they need and love.
IV. Corporate social responsibility @ Criteo

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) and Asia Pacific (APAC). The company’s rapid growth 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 almost 2,800 employees, 67% of whom are under 34 years old.

1. Headcount

As at December 31, 2017, Criteo boasted 2,787 employees globally. Compared with 2,321 at the end of December 2016, Criteo’s workforce has increased by 20%. This figures include all Criteo employees on the last day of the year, permanent and non-permanent, active and inactive (see methodological note in chapter V for more details).

The workforce-related figures presented in this report only refer to Criteo’s largest global legal entities, i.e. those financially linked to a data center infrastructure or those with more than 50 employees. As at December 31, 2017, the entities included in the CSR scope accounted for more than 91% of Criteo’s total headcount, i.e. 2,548 employees (compared to 2,043 end of 2016, which represents a 25% increase).

<table>
<thead>
<tr>
<th>Entity</th>
<th>2016</th>
<th></th>
<th>2017</th>
<th></th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Women</td>
<td>Men</td>
<td>Total</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td>Criteo Advertising (China)</td>
<td>25</td>
<td>20</td>
<td>45</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>Criteo Corp. (United States)</td>
<td>204</td>
<td>312</td>
<td>516</td>
<td>294</td>
<td>488</td>
</tr>
<tr>
<td>Criteo do Brazil (Brazil)</td>
<td>32</td>
<td>43</td>
<td>75</td>
<td>31</td>
<td>42</td>
</tr>
<tr>
<td>Criteo Europa MM SL (Spain)</td>
<td>94</td>
<td>122</td>
<td>216</td>
<td>129</td>
<td>160</td>
</tr>
<tr>
<td>Criteo France SAS (France)</td>
<td>33</td>
<td>50</td>
<td>83</td>
<td>35</td>
<td>40</td>
</tr>
<tr>
<td>Criteo GmbH (Germany)</td>
<td>36</td>
<td>48</td>
<td>84</td>
<td>39</td>
<td>54</td>
</tr>
<tr>
<td>CRITEO K.K. (Japan)</td>
<td>49</td>
<td>68</td>
<td>117</td>
<td>59</td>
<td>71</td>
</tr>
<tr>
<td>Criteo LTD (UK)</td>
<td>51</td>
<td>79</td>
<td>130</td>
<td>58</td>
<td>55</td>
</tr>
<tr>
<td>Criteo SA (France)</td>
<td>200</td>
<td>573</td>
<td>773</td>
<td>229</td>
<td>663</td>
</tr>
<tr>
<td>Criteo Singapore PTE LTD (Singapore)</td>
<td>49</td>
<td>30</td>
<td>79</td>
<td>49</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>741</td>
<td>1,302</td>
<td>2,043</td>
<td>935</td>
<td>1,613</td>
</tr>
</tbody>
</table>

The increase in the workforce between 2016 and 2017 includes 206 former HookLogic employees that joined as part of an acquisition made by Criteo in November 2016 with employees officially joining in January 2017 (therefore not included in last year’s report). The vast majority of the former HookLogic employees are now part of Criteo Corp. in the United States. The rest of the increase in the workforce is explained by organic growth.

The 65% decrease in the workforce in China (Criteo Advertising) is explained by Criteo’s Board strategic decision to close down the domestic business in China in May 2017. As a result, almost 30 positions were made redundant.

As at December 31, 2017, 935 women have been employed, more than 37% of the total workforce of 2,548.
Young people account for the majority of Criteo’s employees, which is to be expected in a high-tech company relying on people skilled in the latest trending technologies.

<table>
<thead>
<tr>
<th>Workforce breakdown by age</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 25</td>
<td>135</td>
<td>123</td>
</tr>
<tr>
<td>Between 25 and 29</td>
<td>711</td>
<td>818</td>
</tr>
<tr>
<td>Between 30 and 34</td>
<td>611</td>
<td>751</td>
</tr>
<tr>
<td>Between 35 and 39</td>
<td>334</td>
<td>467</td>
</tr>
<tr>
<td>Between 40 and 44</td>
<td>153</td>
<td>240</td>
</tr>
<tr>
<td>Between 45 and 49</td>
<td>62</td>
<td>93</td>
</tr>
<tr>
<td>50 or more</td>
<td>37</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>2,043</td>
<td>2,548</td>
</tr>
</tbody>
</table>

2. Recruitment and terminations

In 2017, although 596 employees left the company, there were 1,029 new joiners that were hired across the globe.

<table>
<thead>
<tr>
<th>Recruitments &amp; Terminations</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitments</td>
<td>833</td>
<td>1,029</td>
</tr>
<tr>
<td>Terminations</td>
<td>416</td>
<td>596</td>
</tr>
<tr>
<td>Employee’s initiative</td>
<td>225</td>
<td>341</td>
</tr>
<tr>
<td>Employer’s initiative</td>
<td>95</td>
<td>174</td>
</tr>
<tr>
<td>Other</td>
<td>96</td>
<td>81</td>
</tr>
</tbody>
</table>

3. Compensation and related changes

At the heart of Criteo’s compensation policy are three pillars: 1. to ensure external competitiveness to attract and retain top talent, 2. to maintain internal equity to promote fairness and 3. to motivate and recognize the great contribution of its employees. In order to do this, the Compensation Team annually drives a market analysis using survey data sources that reflect the varied industries represented at Criteo, namely, tech and software.

As part of this policy, all employees are eligible to participate in a variable pay plan which aims to reward performance. Criteo also provides company ownership opportunity to all employees through granting of equities (Restricted Stock Units) to all new hires. In addition, on an annual basis, retention grants are determined to reward top performers and key employees.

In France, a profit sharing system (called “participation” in French) is designed to associate employees with Criteo’s performance. A company savings plan (called “Plan d’Eparne Entreprise” in French) allows employees to invest the money they receive from profit sharing in order to build up savings with a favorable tax status.

In 2016 and 2017, annual base and variable salary compensation payouts for the legal entities included in this report were €178,377,200 and €230,876,612, respectively (for information, $196,785,727 and $276,890,321\(^1\), respectively).

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\(^1\) Exchange rates are mentioned in the methodological note.
B) Talent development and retention

1. Training

At Criteo, significant investment is made in people development. Employee and manager development is pivotal in ensuring sustainable performance and success as a high-growth global tech company.

To do so, Criteo relies on key players working closely with business leaders and the Human Resources team:

- Criteo’s product training team: they enable ramp-up in sales roles as well as continuous product knowledge upskilling for the sales organization across the globe. They notably facilitate a community of product subject matter experts and casual trainers that propose a wide range of services: knowledge assessments, quarterly training plan, trainings design and delivery. Trainings are delivered at global and local levels in multiple modalities: live through formal classes, team updates, Q&A sessions, practice and role playing sessions, etc.

- Criteo’s training managers: they support specific fast growing sales organizations (Midmarket) or regions (APAC) and are seated with the business teams. They enable local tailored needs analysis and training plan design and delivery, facilitate trainings and build an upskill crew of local casual trainers and facilitators.

- Criteo’s global learning & management development team: they shape the overall learning and development strategy and lead global endeavors and flagship programs.

In 2017 Criteo pursued its vision of creating high-impact learning and development capabilities for its people:

- On-boarding every new joiner with “FlyCriteo”, an extensive 2-week onboarding training program using a combination of both online and in-person learning.

- Tackling core and critical skill development needs in a comprehensive manner:

As a Criteo employee or manager, I benefit of learning resources, content, experiences embracing a broad range of skills to supercharge me!

<table>
<thead>
<tr>
<th>Market and Industries</th>
<th>Criteo Products</th>
<th>Criteo Boosters</th>
<th>Mgt &amp; Leadership</th>
<th>Functional/Technical (job group related) skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Knowledge</td>
<td>Knowledge/skills</td>
<td>Knowledge/skills</td>
<td>Knowledge/skills</td>
</tr>
<tr>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
<td>Purpose</td>
</tr>
<tr>
<td>Enhance your knowledge of our marketplace and wider industry, and power up your ability to develop our expertise, drive revenue, and deliver results.</td>
<td>Amplify your understanding of our products, and intensify our ability to successfully pitch them to clients, and put them into action.</td>
<td>Boost the core skills, expertise and competencies you share with everyone at Criteo, and make an even bigger impact in our truly global company.</td>
<td>Accelerate your path to management or leadership role by developing the key skills that will help define your own success, your team’s success, and our company’s success</td>
<td>Setup your capabilities when it comes to generating and growing our top line revenue in profitable manner throughout customer journey.</td>
</tr>
</tbody>
</table>

- Tapping into the full spectrum of learning and development methods to create a culture of pervasive and continuous learning.
Although this report focuses on the formal training activities (instructor-led or on-line) there is much more that is happening in the field, every day, in each office, within Criteo’s cross-teams and organizations, through peer-to-peer learning and social learning activities. These more informal learning activities are more ad-hoc but are promoted and facilitated locally, represent a large part of the people learning experience and are a key part of Criteo’s learning culture. They haven’t been included as part of the formal training hours reported in this document, but some examples are included for reference.

Methodological approach and disclaimer:

The training figures presented in this report encompass face-to-face training sessions and on-line training for the entities represented in the reporting scope.

Face to face training sessions are organized in-house or through attendance to public courses and, for the vast majority, are with third-party facilitators/training firms.

Only the training sessions that focus on improving employees’ skills and capabilities are considered: it covers adaptation to the job (functional or technical skills, digital literacy, technologies or tools, languages) professional development (professional efficiency, communication, management, leadership) and formal individual coaching.

A significant number of sessions are delivered by internal subject matter experts or casual trainers. Most of these Criteo product enablement sessions, on-boarding sessions, or ramp-up sessions are not taken into account in terms of training figures because attendance is not formally tracked so far.

The systematic practice of collecting proof of training delivery has not yet been adopted in all countries (outside of France, due to legal requirements). Thus, the training figures displayed in this report include training activities backed by attendance forms and additional activities claimed by Criteo internal stakeholders (e.g. reported by HR business partners or training managers to the global learning & management development team).

On-line training figures are gathered through logs and records from the digital learning resources in place:

- Criteo Learning Management System introduced in 2016 and internally called the “Learning Zone” from which data related to all eligible trainings have been exported, as described in the methodological note (see chapter V).
- Stand-alone on-line training platforms, not technically integrated into the Learning Zone, with comparable administration and logs and records extraction possibilities filtering on full year 2017:
  - Data science (theory and coding) training platform launched mid-2016.
  - On-line language training platform launched in October 2016.
  - Engineering and technology (mainly MOOCs, massive open on-line courses) training platform launched in February 2017.
As stated in last year’s CSR report, 2016 was a year of set-up and bolstering of learning and development efforts to support both the company continuous growth and transformation and people capabilities development. 2017 has been a year of ramp-up and acceleration in the adoption and usage of digital learning, branded through the Learning Zone:

- Increase in the consumption by employees of content and resources available in the system.
- Multiplication of modules authored in-house by subject matter experts related to Criteo’s Products, business applications tutorials and on-boarding modules for new joiners (FlyCriteo).
- Broadening of partnerships with best-in-class providers in specific domains to offer cutting-edge and learner-centered content and experiences: on-line language training, data science, engineering and technologies, digital marketing, etc.

From almost nothing less than 2 years ago, digital learning now represents 20% to 25% of Criteo global training activities, contributing to more inclusive reach and more personalized learning paths.

Criteo also accelerated the creation of global curriculums aiming at a consistent development of core targeted audience:

- Global Management and Leadership Development curriculum, structured into three distinctive journeys, to help transition and grow from individual contributors to first-line managers, to seasoned first-line managers, to middle-managers. More than 150 managers benefited of one or more of these journeys across the globe in the ramp-up stage in 2017.
- Core skills and advanced skills training catalog for sales and operations roles within the Midmarket organization.

In-class training highlights – claimed hours:
(hours claimed by HR business partners or training managers)

<table>
<thead>
<tr>
<th>In-class training (claimed)</th>
<th># training hours</th>
<th># Employees (average headcount 2017)</th>
<th>Average # training hours per employee</th>
<th># Trained employees</th>
<th>Average training hours per trained employee</th>
<th>% of trained employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>2,232</td>
<td>237</td>
<td>9.4</td>
<td>129</td>
<td>17.3</td>
<td>54 %</td>
</tr>
<tr>
<td>Criteo Ad. (Beijing) Co.</td>
<td>169</td>
<td>29</td>
<td>5.8</td>
<td>11</td>
<td>15.3</td>
<td>38 %</td>
</tr>
<tr>
<td>Criteo Singapore PTE LTD</td>
<td>1,221</td>
<td>83</td>
<td>14.7</td>
<td>68</td>
<td>18.0</td>
<td>82 %</td>
</tr>
<tr>
<td>CRITEO K.K.</td>
<td>842</td>
<td>124</td>
<td>6.8</td>
<td>50</td>
<td>16.8</td>
<td>40 %</td>
</tr>
<tr>
<td>Americas</td>
<td>3,160</td>
<td>833</td>
<td>3.8</td>
<td>259</td>
<td>12.2</td>
<td>31 %</td>
</tr>
<tr>
<td>Criteo Corp.</td>
<td>2,623</td>
<td>753</td>
<td>3.5</td>
<td>224</td>
<td>11.7</td>
<td>30 %</td>
</tr>
<tr>
<td>Criteo do Brazil</td>
<td>537</td>
<td>80</td>
<td>6.7</td>
<td>35</td>
<td>15.3</td>
<td>44 %</td>
</tr>
<tr>
<td>EMEA</td>
<td>11,520</td>
<td>1,386</td>
<td>8.3</td>
<td>586</td>
<td>19.7</td>
<td>42 %</td>
</tr>
<tr>
<td>Criteo Europa MM</td>
<td>4,952</td>
<td>265</td>
<td>18.7</td>
<td>275</td>
<td>18.0</td>
<td>100 %</td>
</tr>
<tr>
<td>Criteo LTD</td>
<td>425</td>
<td>125</td>
<td>3.4</td>
<td>17</td>
<td>25.0</td>
<td>14 %</td>
</tr>
<tr>
<td>Criteo SA</td>
<td>5,473</td>
<td>827</td>
<td>6.6</td>
<td>254</td>
<td>21.5</td>
<td>31 %</td>
</tr>
<tr>
<td>Criteo GmbH</td>
<td>214</td>
<td>89</td>
<td>2.4</td>
<td>10</td>
<td>21.4</td>
<td>11 %</td>
</tr>
<tr>
<td>Criteo France SAS</td>
<td>456</td>
<td>80</td>
<td>5.7</td>
<td>30</td>
<td>15.2</td>
<td>37 %</td>
</tr>
<tr>
<td>Total</td>
<td>16,912</td>
<td>2,456</td>
<td>6.9</td>
<td>974</td>
<td>17.4</td>
<td>40 %</td>
</tr>
</tbody>
</table>

- Average number of in-class training hours per employee is 6.9 hours.
- 40% of employees benefited of in-class training and those trained had an average of 17.4 hours of training.

Criteo Europa MM and Criteo Singapore PTE LTD have significantly improved thanks to the support of a dedicated team of training managers in 2017.
### In-class training highlights – backed by evidence:

(signed-off attendance list or equivalent)

<table>
<thead>
<tr>
<th>In-class training (backed by evidence)</th>
<th># training hours</th>
<th># Employees (average headcount 2017)</th>
<th>Average # training hours per employee</th>
<th># Trained employees</th>
<th>Average # training hours per trained employee</th>
<th>% of trained employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>867</td>
<td>237</td>
<td>3.7</td>
<td>52</td>
<td>16.7</td>
<td>22 %</td>
</tr>
<tr>
<td>Criteo Ad. (Beijing) Co.</td>
<td>84</td>
<td>29</td>
<td>2.9</td>
<td>10</td>
<td>8.4</td>
<td>34 %</td>
</tr>
<tr>
<td>Criteo Singapore PTE LTD</td>
<td>253</td>
<td>83</td>
<td>3.0</td>
<td>20</td>
<td>12.7</td>
<td>24 %</td>
</tr>
<tr>
<td>CRITEO K.K.</td>
<td>530</td>
<td>124</td>
<td>4.3</td>
<td>22</td>
<td>24.1</td>
<td>18 %</td>
</tr>
<tr>
<td>Americas</td>
<td>992</td>
<td>833</td>
<td>1.2</td>
<td>60</td>
<td>16.5</td>
<td>7 %</td>
</tr>
<tr>
<td>Criteo Corp.</td>
<td>686</td>
<td>753</td>
<td>0.9</td>
<td>36</td>
<td>19.1</td>
<td>5 %</td>
</tr>
<tr>
<td>Criteo do Brazil</td>
<td>306</td>
<td>80</td>
<td>3.8</td>
<td>24</td>
<td>12.8</td>
<td>30 %</td>
</tr>
<tr>
<td>EMEA</td>
<td>3,994</td>
<td>1,386</td>
<td>2.9</td>
<td>162</td>
<td>24.7</td>
<td>12 %</td>
</tr>
<tr>
<td>Criteo Europa MM</td>
<td>760</td>
<td>265</td>
<td>2.9</td>
<td>27</td>
<td>28.1</td>
<td>10 %</td>
</tr>
<tr>
<td>Criteo LTD</td>
<td>285</td>
<td>125</td>
<td>2.3</td>
<td>10</td>
<td>28.5</td>
<td>8 %</td>
</tr>
<tr>
<td>Criteo SA</td>
<td>2,483</td>
<td>827</td>
<td>3.0</td>
<td>99</td>
<td>25.1</td>
<td>12 %</td>
</tr>
<tr>
<td>Criteo GmbH</td>
<td>134</td>
<td>89</td>
<td>1.5</td>
<td>5</td>
<td>26.8</td>
<td>6 %</td>
</tr>
<tr>
<td>Criteo France SAS</td>
<td>332</td>
<td>80</td>
<td>4.1</td>
<td>21</td>
<td>15.8</td>
<td>26 %</td>
</tr>
<tr>
<td>Total</td>
<td>5,853</td>
<td>2,456</td>
<td>2.4</td>
<td>274</td>
<td>21.4</td>
<td>11 %</td>
</tr>
</tbody>
</table>

- 35% of the total training hours claimed are backed by evidence.
- Several entities reached 50% and more claimed hours backed by evidence, a significant improvement compared to 2016.
## Core on-line training highlights:

<table>
<thead>
<tr>
<th>Core on-line training</th>
<th># training hours</th>
<th># Employees (average headcount 2017)</th>
<th>Average # training hours per employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criteo Ad. (Beijing) Co.</td>
<td>1,024</td>
<td>237</td>
<td>4.3</td>
</tr>
<tr>
<td>Criteo Singapore PTE LTD</td>
<td>456</td>
<td>83</td>
<td>5.5</td>
</tr>
<tr>
<td>CRTEO K.K.</td>
<td>519</td>
<td>124</td>
<td>4.2</td>
</tr>
<tr>
<td>Americas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criteo Corp.</td>
<td>1,632</td>
<td>833</td>
<td>2.0</td>
</tr>
<tr>
<td>Criteo do Brazil</td>
<td>1,437</td>
<td>753</td>
<td>1.9</td>
</tr>
<tr>
<td>EMEA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criteo Europa MM</td>
<td>4,765</td>
<td>1,386</td>
<td>3.4</td>
</tr>
<tr>
<td>Criteo LTD</td>
<td>810</td>
<td>265</td>
<td>3.1</td>
</tr>
<tr>
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Compared to the 2016 figures outlined in last year’s report (average 1.1 hour on-line training), 3.0 hours per employee is a significant improvement of almost 300%, focusing only on “core on-line training”.

These core on-line training figures include significant progress in:

- Engineering, technologies, data science (Coursera and Datacamp platforms).
- Criteo Products training (in-house authored).
- Language training and general professional development.

On top of the core on-line training hours reported above, employees have completed other on-line training. It represents 4,094 hours (taking into account modules that have been 100% completed) and covers Compliance modules (59% of the time), FlyCriteo modules (31%), CRM and SRM tutorials (5.8%) and digital literacy with Criteo applications (4%). They represent an average of 1.8 hour of additional on-line training per employee.
2. 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 here in formal training hours and they sometimes blur the boundaries between informal learning and in-house instructor lead training.

This can be illustrated by few examples here:

• Practices at a local level:
  - “9:30” or “learn and lunch” initiatives with informal knowledge sharing session from volunteering subject matter experts.
  - Criteo “Confident Communicator Club”, an internally-led initiative to help improve people’s presentation skills.

• Practices at department level:
  - Train the trainer in-house certification for casual facilitators from Midmarket EMEA (mainly at the Barcelona office), led by local training manager.

• Practices at global level:
  - “Key Account Management” summit (1.5 day workshop in-house facilitated) and monthly KAM community calls and meet-ups piloted in EMEA.
  - “Machine learning boot camp”: an in-house facilitated, intensive, program, open to developers. Offered twice a year, in two locations (Paris or 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.
  - During Criteo’s Global Summit attended by all employees, Criteo University sessions were held during a half day activity with more than 40 subject matter experts volunteering from the business to deliver three 45 minute sessions to their peers on a wide range of topics ranging from technology, products, business to personal development.
3. “myidea” flagship initiative

At Criteo, people believe that innovation is part of everyone’s job and is critical for the whole Criteo’s sphere to stay ahead of its competition. In July 2017, Criteo has introduced a new program called “myidea” to help implement employee’s ideas at Criteo “like in a start-up”.

The myidea program ties together existing initiatives (“10%, annual “Hackathon”) to provide all the 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. At the end of 2017, four projects have been launched thanks to the myidea program out of the six that had been submitted.

Through this new myidea program, initiatives are gaining traction thanks to a higher frequency of events (quarterly), scale (worldwide facilitation across the Americas, EMEA and APAC) and visibility (fairs to incept new ideas, team up sessions, “angel committees” for early stage projects to mature them, “venture committee” for the most mature ideas to be implemented at scale).

a. 10% project

All Criteo employees can commit to a project of their own through the “10%” project initiative. They can propose, pitch, team up and work on projects and topics of their own choosing for 10% of their working time. In many cases, these projects provide on-the-job development opportunities, and may be pursued or scaled up during an internal “Hackathon”. Several major in-house projects have resulted from the 10% project initiative, including “CriteoExchange”, launched in 2017 which aimed at sharing language knowledge and swapping of accommodation free of charge with other Criteos through an on-line application.

b. Global “Hackathon”

The global “Hackathon” has had two successful years with nearly 400 employees taking part in the 2017 event. This event aims to encourage employees around the world to team up, create ideas, and develop projects, build demos or create business plans. Ideas can be either tech projects that are in line with Criteo’s product roadmap or ones that could completely revolutionize Criteo’s product offerings. Alternatively, ideas can also be around business efficiency that helps economic efficiency, protects the environment or improves the way that Criteo operates. There were three separate hubs to cover the three regions where Criteo operates with the following successes:

1. Tokyo’s business efficiency winners were a team called “Lily” who came up with a platform which allows Sales to create banners for a sales pitch. Tokyo’s tech winners were “App Acumen” whose idea was a suite of testing and verification tools for an in-app environment: get retargeted on select campaigns, verify real displays on publisher apps, and create artificial campaign for testing.

2. Paris’s business efficiency winners were “Yet! Another Slack Bot” who’s idea was to improve the operational team efficiency by providing an awesome assistant for Slack. The tech winners were “Christina” whose pitch was: “So much more than a banner. It’s a service to users that makes on-line shopping interactive, easy and fun – just swipe right to like a product, or swipe left to pass.”

3. Palo Alto’s business efficiency winners were Criteo “Product Explorer” who wanted to create an explorer to show Criteo products with full or selected details, support exact lookup and search functions to fetch the relevant Criteo products and show them. The tech winners were “BRO: Shake that BOT for me” who created a BRO (Bot Recommendation Optimizer) that allows Criteo’s advertisers to leverage their product recommendation and search through an “Applications Programming Interface” (API) that improves their conversions in-thread and on-line.
C) Work organization

Criteo strives to ensure that its employees enjoy a healthy work-life balance.

1. Working hours

While there is no explicit policy on remote working at Criteo, region or country leadership teams are free to allow it if and when necessary.

In the Americas, secure networks allow employees to work remotely. This is culturally engrained in Criteo Americas. Employees with long commutes or good reason to work from home regularly use this option (e.g. to take care of a child). Remote working or flex hours to suit personal needs are key advantages of working in Criteo Americas.

In EMEA, Criteo generally expects employees to be in the office during customer opening hours. There is no formal remote working policy in place. However, employees are allowed to work outside the office from time to time after consulting with their team/manager and the company proposes flexible arrival and leaving hours (8:00 am to 10:00 am and 5:00 pm to 8:00 pm, respectively). 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 in practice. This is notably the case in China, Japan and India where employees have long commutes. They are able to arrange their work time to avoid peak hours. In most countries, this has been implemented on an informal basis, except for Japan where it is included in policies.

2. Employee relations

a. Organization of social dialogue

Communication and transparency are key values at Criteo.

Internal communications

The principal tool for company-wide communication is the “global All-Hands” event organized every three weeks by the CEO to provide key business updates to employees and allow them to ask questions. Each department has regular functional All-Hands to disseminate further information on key business priorities and performance metrics. Change of any kind (involving systems, processes or other issues impacting employees) is communicated during face-to-face sessions to supplement emails on the topic, allowing employees to ask questions or raise concern.
A culture of feedback

Criteo strives to espouse a feedback culture. In October 2017, the company partnered with Glint, an employee engagement specialist, to create the new “Voices” employee survey in all offices to take the pulse of the organization. This employee survey is a key opportunity to determine areas for improvement by reviewing the scores from 30 questions and the qualitative comments left by employees. Participation rate reached 78% and 2,695 comments were left by employees. The global engagement rate was 77% with 80% of respondents recommending Criteo as a great place to work.

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

• Team: 85% of respondents declared that they have good working relationships with the people they interact with on a regular basis.

• Contribution: 81% of respondents understand how the work they do contributes to achieving Criteo’s goals.

• Ethics: 78% of respondents think that Criteo is committed to doing business in an ethical way.

• Diversity: 76% of respondents think that Criteo is committed to being a diverse and inclusive workplace.

• Culture: 74% of respondents think that Criteo has a great culture.

This survey has also been an opportunity to identify key areas for improvement, both at company and teams’ level in order to build action plans to address those areas to watch and employees’ expectations for Criteo to improve on a few topics. Action plans have been implemented and will be monitored by both from the Human Resources team and the management team.

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. Criteo also conducts On-boarding surveys a few weeks after new hired people join the company to continuously improve the onboarding experience. Exit interviews with voluntary leavers are also used to pinpoint the main causes of turnover and better understand and address potential issues.

Employee representatives

In certain offices, dialogue with employee representative bodies is also an important facet of communication:

• Employees in France are represented by a works council, a health and safety committee and employee delegates. The works council is informed and consulted on economic and social matters and manages social and cultural activities. The health and safety committee is informed and consulted on important decisions regarding safety and working conditions. Employee delegates are appointed for the negotiation of company-wide collective agreements. Regular meetings (monthly, bi-monthly and/or quarterly) are held with the employees’ representatives, in addition to extraordinary and informal meetings.

• In Japan, the responsibilities of employee representatives are defined by law. These include defending employees’ interests in the event of policy changes regarding overtime, holidays, working hours or wages. In 2017, one meeting was held with Japan employee representatives regarding local policy change on congratulatory and condolence allowance.

• In the other countries, there is no formal employee representation, although Criteo endeavors to consult employees before implementing any major changes.

b. Summary of collective agreements

Company collective agreements and collective bargaining agreements are created and implemented to promote employees’ working conditions.

In 2017 one collective agreement was signed at country level. This collective agreement is signed every May in Brazil, and applies to all Internet companies registered in the country. It typically addresses salary increases to compensate for annual inflation in Brazil and other benefits such as health insurance, overtime, maternity/paternity leave, and meal vouchers. It is important to note, however, that Criteo offers a better and wider range of benefits than what is stipulated in the collective agreement.

As last year has been a very active period regarding collective agreements (Criteo came up with six agreements signed in 2016), no other major company-wide collective agreement was signed in 2017.
3. Health and safety

The health and safety of its employees is a priority for Criteo. The company devotes time and effort across all geographies to providing good working conditions and the healthiest office environment to its employees; from bright and spacious offices to top-quality desks, chairs and laptops. As working in a risk-free environment is crucial to its employees and guests, Criteo generally goes beyond local applicable regulations.

a. Wellbeing

In all offices, Criteo is committed to promoting employees’ physical and mental wellbeing. To this end, nearly all offices are allocated a budget to encourage employees to exercise. Sport and physical activities are part of Criteo DNA. Each region provides the opportunity to exercise with social and low-cost services:

- Most Criteo offices offer on-site wellness activities (including yoga, Pilates and massages). These are available to employees free of charge, and are highly popular.
- In EMEA, Criteo also provides a sport subsidy which allows people to engage in fitness activities outside of the office and can be used for gym memberships, fitness trainer, sports club memberships and so on.
- In Criteo’s offices in APAC, sports club membership subsidies are commonly used to incite employees to hit the gym. Certain locations arrange a regular badminton activity.
- In the Americas, a mandatory health exam has been introduced in Brazil, while all employees in the United States can register for on-site health screening and flu shots to improve preventive care. In addition, in Brazil on an employee’s employment anniversary, they receive a voucher for an annual full health check-up package that includes a comprehensive screening of the whole body to identify any illness and disease in the early stages.

Moreover, most offices and workstations around the world provide standing desks to their employees (with no medical prescription required) or specific ergonomic seating (with medical prescription required). Based on individual needs, those special appliances enhance physical comfort in the workspace.

As well as activities supporting physical wellbeing, Criteo is also 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 about 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 external free and confidential helpline service can be reached 24/7 for advice and support on a variety of issues. If necessary, employees have the opportunity of having five free counseling sessions. Also, when a specific incident occurs (such as terrorist attack.), Criteo’s Human Resources and Workplace Experience teams create tailor-made solutions as soon as required in order to support employees.

b. Safety

Although Criteo has not deployed a global safety policy, the company endeavors to ensure a safe workplace environment and provides its offices with all necessary safety measures. At its major locations, such as Paris, a nurse is available on-site. Several defibrillators and first aid kits have been installed, and first aid training is available to volunteer employees once a year, with renewal sessions every other year.

As workplace safety is a key priority, Criteo guarantees to comply with all safety regulations and strictly conforms to their requirements. For example, in the United States, Criteo complies with federal legislation (Official Security and Health Agreement) by displaying posters with health guidelines in office spaces, publishing a report once a year on work-related accidents and entitling its workers to compensation insurance.

In 2017, Brazil implemented the Internal Commission on Accident Prevention (CIPA) that aims to prevent work related accidents and diseases. Moreover, the Programs of Medical Control of Occupational Health (PCMSO) and the Program of Prevention of Environmental Hazards (PPRA) have also been renewed for every Brazilian worker.

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 not only acts as a 24/7 hotline for support on security issues, especially when travelling, but also tracks all Criteo travelers so that they can be identified and Criteo can reach out to them in an emergency.

No collective agreement related to health and safety conditions was signed in 2017.
D) Criteo reflects its society

1. Diversity and equal opportunities

At Criteo, people are strong believers in promoting diversity and equal opportunities. In May 2017, the hire of a global lead for Talent Management, with a remit including Diversity and Inclusion, signals Criteo’s continued commitment to driving the importance of this key goal.

a. Discrimination and harassment

Criteo’s Code of ethics and business conduct is applied across all geographies 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.

Its global workforce is therefore very diverse, with a strong mix of local talent and people from different cultures and backgrounds. As an example, there are 28 nationalities in Criteo’s offices in APAC.

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 with measures to prevent moral and sexual harassments, in compliance with legal requirements. The principle of harassment ban is also included in the company’s Code of ethics and business conduct.

In Japan, Korea, Australia, China and India, an anti-harassment written policy is in place in employee handbooks. In 2017, there was an "anti-harassment at workplace" session held to all employees and managers in Japan, Korea and India.

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 new comer has to complete a e-learning module devoted to this topic.

• Ensures an effective and fair hiring process.

• Promotes appropriate standards of conduct at all times.

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 HR 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 (+1 866 865 9476), a confidential, 24/7 service managed by a third party service provider, or send a confidential email to a secure whistleblowing inbox at speakup@criteo.com or choose to submit a secure Whistleblowing form at https://www.openboard.info/CRTO/index.cfm. 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.
b. Measures implemented to promote gender equality

Thanks to Criteo’s non-discrimination policy, the company employs a large proportion of women, particularly in managerial positions. This proportion improved between 2016 and 2017 with a significant change in the number of female managers and directors employed by the business (from 27% to 29% for managers and from 21% to 26% for directors).

<table>
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<th>Gender equality</th>
<th>Total employees</th>
<th>Managers</th>
<th>Directors</th>
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<td>Male</td>
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<td>1,613 (63 %)</td>
<td>298 (73 %)</td>
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<tr>
<td>Female</td>
<td>741 (36 %)</td>
<td>935 (37 %)</td>
<td>109 (27 %)</td>
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<tr>
<td>Total</td>
<td>2,043</td>
<td>2,548</td>
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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 awareness-raising initiatives both internally and externally.

In 2017, Criteo New York hosted the inaugural session for Criteo FLOW (Future Leaders of the World). FLOW is dedicated to building, supporting, and inspiring future leaders and stems from the observation that the world is lacking diversity in leadership, particularly women in leadership roles and focuses on addressing change.

In 2017, Criteo also launched Women in Engineering (WIE), a group which is open to everyone at Criteo (male or female) with the aim of achieving more gender diversity in the company, to improve and increase retention, to develop and hire women in computing jobs (technical Solutions, analytics, R&D, Internal IT, Product).

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 community in Paris (WIMLDS). The community has now extended to over 700 active members dedicated to the support and promotion of women practicing, studying or interested in the fields of machine learning and data science. Two successful meet-ups were organized in Paris this year, with an average of 60 attendees per event, and a partnership with Stanford University has been created in order to be the Paris Ambassadors at the Women in Data Science Conference.
In France, a company-wide collective agreement on professional equality between women and men at Criteo was signed in 2014 for a three-year duration. This agreement is currently under renegotiation with the union delegates. The main topics are: the promotion of gender diversity in recruitment and employment, equality in the professional career and in the access to training and development, equal pay and measures to facilitate the conciliation and balance between private and professional life.

c. Measures implemented to promote the employment and integration of people with disabilities

All positions at Criteo are open to people with disabilities. The company is committed to making all necessary and reasonable adjustments to ensure that disabled members of staff are properly integrated. All Criteo offices are able to accommodate disabled employees, with only minor adjustments.

2. Territorial, economic and social impact of the company’s activity

Criteo’s activities involve offering advertising solutions to companies worldwide to drive greater sales, regardless of their location. As such, Criteo is naturally positioned as an international player totally integrated in the global marketplace. Its social impact is therefore important but remains difficult to assess.

Nonetheless, at Criteo, offices and data centers rely, to some extent, on local services and people at Criteo are proud to contribute to the local economies of a dozen countries.

3. Partnerships and sponsorships

Criteo pledges to see its involvement in society, in all its forms, as a principal driver of continued growth and competitiveness. Consequently, numerous partnerships and sponsorships initiatives already exist within Criteo and lots of events take place every year which involve Criteo employees.

A few years ago, Criteo launched “Go! Days” in the United States, an initiative that has now spread through all Criteo’s locations and entities. The idea is for employees to volunteer a full or half-day of their working life to share their time, money or skills with their local community. Sponsorship is supplied by Criteo (in the form of money and/or time) and employees are free to sign up and take part in the activity. Key internal stakeholders back the initiative locally and get involved.

This year, Criteo reiterated the principle of Go! Days initiative. Criteo has been able to renew partnerships set up in 2016 to participate in sustainable actions and to follow up with the associations with whom Criteo works on long-term projects.

Charity funding is driven and managed by the Human Resources team. In 2017, Criteo spent €70,000 to support 35 partnerships and sponsorships: donations to charities, money for entering sporting events, or provisions of food, drink, clothing, toys, etc.

In France, Criteo has partnered with several non-governmental organizations to encourage the company’s employees to contribute to social improvement or sustainability endeavors. Here are a few examples:

- Partnership with “Simplon.co”, a school network offering professional training to people who cannot easily enter the job market (including under-qualified youths, people from working-class or rural areas, senior citizens and persons with disabilities), with male-female parity in mind. Participants are trained to become website or mobile application developers, integrators or digital specialists. Thanks to this partnership, Criteo’s coding experts help train and coach students.

- Partnership with “Venī Verdi”, an association that creates urban gardens. Since 2016 Criteo employees have helped the association by providing gardening and recycling lessons to school students and teaching them about sustainability issues and waste management.

- Partnership with “Secours Populaire” and their “Pères Noël Verts” initiative, where volunteers, dressed as green Santas, participate in events to bring Christmas cheer to families in need, people living alone, and senior citizens. Thanks to this initiative, which began in 1976, the “Secours Populaire” is able to offer books, toys, festive meals, trips and access to sports or art events and exhibitions.

- Partnership with “Phenix”, a social enterprise that supports companies in their transition to the turning point of the circular economy, by responding with the most innovative solutions to reduce their waste reduction and undertake recovery issues. During the European Week of Waste Reduction, “Phenix” supported Criteo’s initiative to label the action carried out in its offices. They also contributed to the planning of the intervention of 55 Criteo employees within local associations during the Week of Sustainable Development where several actions were carried out, including marauds, preparing dishes from unsold fruits or vegetables, sorting clothes and preparing meals for homeless people. A total of 250 kg of food was saved from the bin and volunteers served more than 100 meals.

- New partnership with UNICEF as part of a financial sponsorship. Criteo was able to match the donations of Criteo employees collected during the famous Paris half-marathon and the Paris 20 km race. Criteo has was able to donate...
more than €13,000 to UNICEF in total (€9,000 as part of the company contribution and €4,000 coming from employees donations).

- Partnership with the “Techfugees” association. Criteo provided financial support through a donation of funds raised during the sale of tickets to the “Not Another Big Data conference”, organized by Criteo in June 2017. This donation allowed “Techfugees” to fund a training program for refugee women wishing to acquire computer skills.

- Partnership with the “CGénial” foundation was renewed. As every year, Criteo donated €5,000 to support the actions of the foundation. Also, the company carried out several actions, including a skills sponsorship involving about 20 employees of the R&D team, on various topics such as diversity (“Aujourd’hui je Code” event (today I code) organized in November 2017 in order to sensitize young women to orientation towards scientific careers) as well as the promotion of science among young people (“CGénial” contest in partnership with the City of Sciences and Industry of Paris – the 2nd prize of the contest wins a day of code and the visit of Criteo).

Even though France is highly active on charities, other Criteo locations are equally active and place emphasis on involvement in the local communities and charities. Here are other global examples of actions taken in 2017:

- In Italy, the Milano office decided to give back to the community by sponsoring James through “CBM Onlus”, a non-profit organization aimed to assist, cure and give a better quality of life for people with disabilities who live in the poorest countries. James is a child from Uganda with feet deformity. With this sponsorship, people at the Milan office are contributing to James’ medical care and surgery and are also supporting his family.

- The London office welcomed the “Step by Step” charity and works with children with disabilities. The London team had the opportunity to work closely with the charity and donated “sensory soft play” for their new center, allowing children to play in a happy and safe environment.

- In the United States, the New York office partnered with the “SurfRider” foundation. Together they ventured out and cleaned over 1.25 square miles of beach area and shoreline and picked up 65 pounds of garbage from the beach, including 352 plastic bottle caps, over 700 pieces of plastic and Styrofoam, and more than 650 cigarette butts.

- With the devastating aftermath of Hurricane Irma affecting the lives of many people in Florida, the Miami office stepped up and came together giving back to those affected. Employees from the Miami office partnered up with the “Salvation Army” collecting donations to provide for the victims of Key West such as non-perishable food, bottled water, candles, clothing, diapers, etc.
E) Reduce Criteo’s environmental impact

1. 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. Each Criteo employee has a responsibility towards the planet and even as a tech company, Criteo can act in its own way by understanding where its negative impacts on the environment are located and work to reduce them through local initiatives and global business transformation.

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

a. Data centers & resource management

To ensure constant business efficiency, Criteo’s operations rely on large data center units and several smaller networking rooms, also known as “Points of Presence” (POPS). POPS are similar to small-sized data centers. In 2017, Criteo has installed its servers in 13 data centers worldwide, all of which belong to external service suppliers. Among those 13 locations, eight are data processing centers and the remaining five host POPS servers. Criteo’s server infrastructure accounts for one of its largest environmental impact.

Since 2016, Criteo has enforced specific policies for its data centers and has upgraded its environmental requirements. One example is that the company increased the guarantee period of servers from three to five years to reduce machines renewal rate. The company also made it mandatory that server delivery should be packaged in boxes of 10 units to reduce plastic and cardboard waste.

In order to reach a responsible use of its infrastructure needs, Criteo must size them according to expected growth. In 2017, a team dedicated to capacity planning was created to ensure optimal allocation of infrastructure resources according to business objectives: this means that full time human resources are now dedicated to optimizing Criteo’s infrastructure usage, making it rational and efficient 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.

Moreover, 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”. Through this criterion, Criteo attempts to gain deep vendor insight with regard to their environmental sustainability business practices and focus on questions as described below (non-exhaustive list):

- Do you provide renewable energy options?
- Are you engaged in any green collaboration with your supplier?
- Are you in the process of improving your LEED Certification (or equivalent)?
- Do you follow Green Grid and/or TIA-942 specifications?
- Do you propose servers end of line buy out model? If yes, please precise terms & conditions (server age/quantity per year and per model).
- Do you propose servers recycling process? If yes, please precise terms and conditions and if you provide a recycling certification.
- Please describe your building’s energy saving process
- Please give a precise explanation of your power usage effectiveness (PUE) calculation/measure.

All of the above are part of the questionnaire used in Criteo’s data center RFP.

In addition of those criteria, a specific appendix has been added in the RFP template regarding the endorsement of the European code of conduct on data center energy efficiency which requests Criteo’s suppliers to describe their activity on a key set of best practices. This code of conduct was launched in 2008 with the aim of improving the energy efficiency in data centers; it is a voluntary initiative, managed by the Joint Research Center (JRC) of the European Commission, which sets ambitious voluntary standards for companies willing to participate. At the heart of
this code of conduct are the “best practices guidelines” which indicate the areas for energy efficiency upgrades in data centers, covering day-to-day operations, equipment substitution, major refurbishment and new data center design.

b. Sustainable offices

Criteo is committed to sustainability and ensures it locates its workforce within the most environmental-friendly buildings.

As an example, the building housing Criteo’s headquarters in Paris is NF HQE certified (certification attesting to high environmental quality). This building alone represents 31% of the total surface area of all offices worldwide.

Similarly, the Criteo office in Beijing is ISO 14001 certified and 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.

Although Criteo does not have a procurement policy regarding sustainable buildings, the company always selects healthy accommodation with best practices regarding the environment.

c. Green initiatives

At its current stage of development, Criteo mainly relies on local initiatives to promote environmental responsibility, led by individual offices or employees. For example, new hire on-boarding training covers topics on printing best practices (e.g. print on both sides in black & white) and various local initiatives such as clothes recycling and tree planting. To raise and maintain employees’ awareness and commitment of the 3R’s of the environment – Reduce, Reuse, and Recycle – Criteo uses internal communication campaigns.

New initiatives in 2017 include work with three non-governmental organizations: “Legambiente”, “Humana People to People” and “Lifegate”. These organizations provide training regarding the protection of the environment, clothes recycling but also regarding food waste and recycling in general.

Criteo also created a Criteo forest with the support of “Tree-Nation”: Criteo planted more than 100 trees in a chosen Africa region. This project also included training on environmental protection.

In 2017 Criteo also continued to raise awareness among its employees for them to commit to day to day actions in their offices and at home in order to reduce their impact on the environment. In 2017, Criteo agreed an action with the ADEME (“Agence de l’Environnement et de la Maîtrise de l’Energie” in French) during the European Week of Waste Reduction in November 2017 and proposed several workshops throughout the week on the 3R’s strategy.

2. Circular economy

a. 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 the landfills), and move towards a zero waste business. The company intends to track its recycling rate in the coming years, for both e-waste\(^2\) and office waste.

\(^2\) Electronic waste, or commonly called “e-waste”, describes discarded electrical components or electronic devices.
E-waste

In 2017, thanks to the mobilization of the R&D, Internal IT and Workplace Experience teams, Criteo has taken 2 important steps in terms of e-waste reporting:

1. Criteo has been able to gather reliable information regarding the e-waste from offices recycling effort (recycling rate).

2. Criteo has refined the definition of the e-waste from data centers. Thus, when a server, hardware or other IT equipment from data centers reach their end of shelf-life or during a data center decommissioning, Criteo resells it to brokers and a part of this equipment is resold at zero cost. Those equipment, collected by Criteo’s brokers, have no commercial value on the market (due to their age or outdated versions) and can therefore logically be considered as e-waste. In 2017, 31.9 tons of IT equipment from data centers were resold on the market, among which 3.2 tons has been resold to brokers for $0 which represents Criteo’s e-waste from data centers.

In the coming months, Criteo is aiming to work even closer with its brokers to understand and track the actual final use of decommissioned equipment without market value.

Office waste

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

Since July 2017, the Paris office has replaced its disposable Nespresso cups by “EcoCups” made from corn starch and entirely recyclable. Criteo is currently running this initiative as a test in the Paris office and is expecting to extend it to other offices shortly. To encourage waste reduction, the company also ran a communication campaign and organized a cup-free day. In the South Europe offices (Milan, Barcelona, and Madrid), metallic bottles for water and mugs for coffee are used to reduce paper cup usage.

b. Paper consumption

Employees aim to limit paper consumption. The nature of Criteo’s business allows them to promote a paperless work model. If printing is necessary, employees are advised to reuse one-sided printed paper or print double sided when possible. This has even been configured as the default printing configuration in Beijing, Singapore, Paris and eight of the offices in the Americas. At the Seoul, Tokyo, and Sydney offices, paper recycling boxes have been installed to encourage employees to recycle and reuse the paper.

<table>
<thead>
<tr>
<th>Waste</th>
<th>2016</th>
<th>2017</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-waste from data centers (equipment not resalable on the market)</td>
<td>N/A</td>
<td>3.2 tons</td>
<td>-</td>
</tr>
<tr>
<td>E-waste from offices</td>
<td>5.15 tons</td>
<td>2.01 tons</td>
<td>-61 %</td>
</tr>
<tr>
<td>Recycling rate</td>
<td>N/A</td>
<td>13.5 %</td>
<td>-</td>
</tr>
<tr>
<td>Office waste</td>
<td>237.3 tons</td>
<td>294.7 tons</td>
<td>24 %</td>
</tr>
<tr>
<td>Total per employee</td>
<td>133 kg/employee</td>
<td>120 kg/employee</td>
<td>-10 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paper consumption</th>
<th>2016</th>
<th>2017</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>6.7 tons</td>
<td>6.3 tons</td>
<td>-7 %</td>
</tr>
<tr>
<td>Total per employee</td>
<td>3.8 kg/employee</td>
<td>2.6 kg/employee</td>
<td>-32 %</td>
</tr>
<tr>
<td>Total from sustainable paper brand</td>
<td>4.50 tons</td>
<td>4.9 tons</td>
<td>9 %</td>
</tr>
<tr>
<td>Part from sustainable paper brand</td>
<td>67 %</td>
<td>78 %</td>
<td></td>
</tr>
</tbody>
</table>

Criteo is also committed to avoiding food waste. Consequently, when social events are organized, food is ordered based on a pre-determined headcount. For example, an out-of-office team calendar has been implemented to track the absentees for monthly team lunches, hence food is ordered based on that month’s attendance. After team lunches, employees are encouraged to pack leftovers and take them home. Despite the fact that the Paris building has a well-equipped company restaurant, it is not directly managed by Criteo. Hence, other measures to reduce food waste are limited to the food service provider principles.
In order to reduce the food waste during company events, the Paris office partnered again with the social company “Phenix” who collect leftover food from the catering facilities and organize immediate redistribution. This partnership has been extended to all departments organizing events to ensure consistency in the actions with the social enterprise. In addition, any remaining food from the orders from the corporate restaurant is redistributed to the “Saint-Eustache” church association.

c. Water consumption

To limit its ecological footprint, Criteo has deployed sustainable development practices regarding water use. In most offices, sensor-equipped faucets and two-level flushing toilets have been installed.

In most offices, Criteo tries not to offer bottled water, only filtered water, as well as reusable dishware or metallic bottles that are given to newcomers in order to reduce packaging waste and unnecessary water consumption.

<table>
<thead>
<tr>
<th>Water</th>
<th>2016</th>
<th>2017</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>19,018 m³</td>
<td>25,239 m³</td>
<td>33 %</td>
</tr>
</tbody>
</table>
| Total per employee | 10.7 m³/employee | 10.3 m³/employee | -4 %

d. Energy consumption

Reduce energy consumption

While Criteo does not own the buildings that it occupies, there is a company-wide commitment to limit energy consumption. In this spirit, energy saving initiatives are decided and implemented independently in each office. Criteo has deployed numerous actions aimed at reducing energy consumption at both its offices and data centers.

In the France, 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 HVAC is set to run from 6 am to 6 pm in the warmer months and 8 am to 6 pm in the cooler months with a threshold set-point of 68 degrees Fahrenheit when heat to turns on.

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

In order to reduce the energy consumption due to the storage of Criteo’s internal data, especially the emails storage, Criteo took advantage of the 2017 summer holiday season to launch a communication campaign about cleaning up emails. This campaign will probably be repeated next year with concrete reduction goals and higher awareness raising among employees.

Monitor energy consumption

In 2016, Criteo employees launched the “Carbonite” project, an initiative related to energy consumption. The goal of the project is to monitor the energy consumption of Criteo’s data centers. A key outcome of the project was the deployment of an algorithm to estimate real-time energy consumption based on power flows. A dashboard was created to show data center power usage and the corresponding quantity of CO₂ emissions. The metrics are based on Criteo’s infrastructure power usage in kWh, data center power usage effectiveness³ (PUE) and kgCO₂/kWh charts. The 2016 electricity consumption of data centers presented below are based on the Carbonite project’s estimations.

In 2017, the R&D team started to raise awareness among data room providers regarding Criteo’s need for a better tracking of the energy consumption of its servers. Criteo managed to collect real electricity consumption for all its data center locations. Therefore, the 2017 electricity consumption of data centers presented below relies on actual consumption and no longer on an internal estimation method. The 42% increase in the data center electricity consumption between 2016 and 2017 is explained by the increase in the infrastructure needs.

³ Power usage effectiveness (PUE) is a ratio of how efficiently a computer data enter uses energy; it contrasts the energy used by the computing equipment with the energy used for cooling and other overhead. The ratio corresponds to the total amount of energy used by a computer data center facility to the energy delivered to computing equipment:

\[
PUE = \frac{\text{Total Facility Energy}}{\text{IT Equipment Energy}}
\]
3. Climate change

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

**Electricity consumption**

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

In order to implement company-scale and reasonable actions, Criteo is now aware of which emission source the company can directly control (such as its use of electricity) and which source the company can still influence through good practice and policies (such as business trips). Criteo tries to limit them by avoiding flights whenever possible, attending video conferences instead of physical meetings, and choosing public transportation over individual cars or taxis. As a consequence, Criteo does not offer company cars in its employees’ compensation packages.

<table>
<thead>
<tr>
<th>CO₂ emissions</th>
<th>2016</th>
<th>2017</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>From electricity consumption (offices)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,348 tCO₂</td>
<td>1,571 tCO₂</td>
<td>17 %</td>
</tr>
<tr>
<td>Total per employee</td>
<td>0.8 tCO₂/employee</td>
<td>0.6 tCO₂/employee</td>
<td>-25 %</td>
</tr>
<tr>
<td>From electricity consumption (data centers)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>12,503 tCO₂</td>
<td>17,259 tCO₂</td>
<td>38 %</td>
</tr>
<tr>
<td>From business trips</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8,035 tCO₂</td>
<td>6,517 tCO₂</td>
<td>-19 %</td>
</tr>
<tr>
<td>Total per employee</td>
<td>4.5 tCO₂/employee</td>
<td>2.7 tCO₂/employee</td>
<td>-40 %</td>
</tr>
</tbody>
</table>

As shown in this table, Criteo has reduced its air travel capacity at the end of 2017 thanks to the “smart spending” initiative. The direct consequence is a decrease of the company CO₂ emissions from business trips by 19% between 2016 and 2017.

**Refrigerant systems leakage**

Besides the greenhouse gas emissions resulting from its direct energy consumption, another of Criteo’s most significant indirect sources of emissions is the leakage from refrigerant systems, used to cool down data center rooms. In order to gain a better understanding of its data centers’ impact on the atmosphere, Criteo is trying to estimate the total CO₂ volume released during refrigerant leaks. Criteo is working closely with its service providers to gather enough information to produce a reliable status report for the upcoming years.

**Resource consumption**

In 2017, Criteo’s CTO set the objective to increase business & technical efficiency, and to better track resource usage. Criteo employees ran the “Footprint” initiative which provides profitability metrics of internal projects, allowing a comparison between the revenue and the cost of revenue (in terms of infrastructure for example). As a result, Footprint dashboards have been implemented and are being used standardly by teams as decision-making tools.

Another good practice launched in 2017 by the “Hadoop Guild” is the systematic reporting on user computer-based resource consumption, providing granular information on every processing job. This tracking gives a good measure of job performance and allows the detection of potential optimization or unexpected increases in resource consumption. There are two direct benefits of this policy. First, it provides a focus on resource consumption to either decrease it when possible or constrain it in the nominal cases. Moreover, those metrics can detect production incidents much faster, which not only reduces detection delay, but also recovery cost.

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4 According to the greenhouse gas protocol methodology, Criteo can classify its greenhouse gas emissions associated with electricity consumption and business trips respectively to scope 2 and scope 3.
Commuting

To further reduce its carbon footprint, Criteo is also looking at ways to minimize the use of individually operated private cars. Many of Criteo’s offices are located in areas easily accessible by public transportation, without a parking lot, therefore discouraging employees from commuting with their private cars. In many of Criteo’s offices, the public transportation is subsidized to promote the public transportation usage.

In China, a shuttle bus service is in place to transport employees to and from the Metro. In EMEA, a “day without a car” is promoted annually and some offices share the possibility to organize ride sharing and regular carpool trips. In the Americas, the New York, Boston, San Francisco, Sao Paulo and Miami offices have shower facilities to help support active, carbonless commuting among employees.

4. Biodiversity

At Criteo, people value biodiversity. Although Criteo’s industry is not likely to impact biodiversity and has very little control over this environmental aspect, Criteo is trying to do its share. To that end, employees have placed birds’ nests on the roof of the London office, and are considering other similar initiatives in other offices.
F) Sustainable relations with stakeholders

1. Dialogue with stakeholders

Criteo’s main stakeholders are as follows:

• Clients and prospects
• Publishers
• Investors
• Subcontractors and suppliers, including technology partners (in particular data center operators)
• Public authorities and administrative bodies
• Shareholders
• 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 evangelists

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

2. Investors

Criteo’s Investor Relations team communicates information and insights to the investment community.

In 2017, Criteo’s senior management and the Investor Relations team met with current and potential shareholders during 27 investor road shows in EMEA and North America. The Investor Relations team also accompanied Criteo’s senior management to 21 broker-sponsored conferences in Europe and North America to present Criteo’s business strategy and meet with current and potential investors in one-on-one and group meetings.

Furthermore, the Investor Relations team hosted one-on-one and group meetings at broker-sponsored conferences, answered inquiries from institutional investors and financial analysts about Criteo’s business strategy in over 275 phone calls and 52 in-person meetings in Criteo’s Paris and New York offices. The Investor Relations team also organized a breakfast with sell-side analysts on the Criteo Commerce Marketing Ecosystem.

Last but not least, the Annual General Meeting of shareholders is held every year and provides all yearly financial results to shareholders. In 2017, the Annual General Meeting was held in Paris on June 28.

Criteo provides a wide range of information to investors about Criteo and Criteo stock on-line. 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.

3. Clients and publishers

The global Marketing team at Criteo is made up of corporate marketing, regional field marketing, PR and analyst relations, marketing operations, and product marketing. 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, PR, social, and thought leadership activities. Following are some examples of key Marketing programs for 2017:

• Launch of the header bidding technology, “Criteo Direct Bidder”, to direct publishers, resulting in over 400 pieces of global media coverage in the first month and nearly 1,400 publishers live on the new integration at the end of the year.

• Introduction of Criteo Commerce Marketing Ecosystem and the new company vision through PR, social media, digital media, and major industry events such as Dmexco and Shoptalk.
Criteo Exec Connect and Criteo Performance Connect event series across 25 cities, connecting with over 750 clients and partners across the globe.

Participation in more than 25 major industry events across 2017, generating over 700 meetings with qualified prospects, existing clients, and partners.

Execution of integrated digital marketing campaigns to prospects, existing clients, and partners, delivering over 100,000 social engagements, a 20% increase in website traffic to 200,000 visitors/month, and 36% more web content engagement.

New analyst relations program, with seven times more analyst coverage compared to 2016 and an increase in industry analyst research from one report in 2016 to 23 in 2017.

Criteo's Sales and Operations 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 get seamless, high-quality support and actionable insight, key factors in Criteo's ability to maintain over 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 always-on demand while Criteo's clients receive access to the highest quality inventory across channels and formats to deliver the best possible campaign performance.

4. 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 monitor their performance better 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 follow:

“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.
V. Methodological note


1. Reporting period

All information collected and highlighted in the CSR report covers the period from January 1, 2017 to December 31, 2017.

2. Reporting scope

In terms of scope, the aim of the CSR reporting scope is to match with the financial reporting scope.

Due to an important number of offices among Criteo legal entities and the likely issues to recover exhaustive and reliable information (such as electricity consumption, water consumption, waste quantity, etc.) in the small offices, Criteo has made the decision to only involve the most important offices during the collection of quantitative data.

Hence, to ensure reliable quantitative information and boost continuous improvement, the Criteo’s CSR reporting scope for 2017 considers the major worldwide legal entities that are financially linked to a data center infrastructure or those with more than 50 employees at the end of 2017.

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 FY2017, the reporting scope on quantitative information covers the following legal entities and offices (it covers 91% of the overall Criteo’s workforce):

<table>
<thead>
<tr>
<th>EMEA</th>
<th>Americas</th>
<th>APAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal entity</td>
<td>Office</td>
<td>Legal entity</td>
</tr>
<tr>
<td>CRITEO SA</td>
<td>Paris</td>
<td>CRITEO do Brasil</td>
</tr>
<tr>
<td></td>
<td>Grenoble</td>
<td></td>
</tr>
<tr>
<td>CRITEO Europa MM</td>
<td>Barcelona</td>
<td></td>
</tr>
<tr>
<td>CRITEO LTD</td>
<td>London</td>
<td></td>
</tr>
<tr>
<td>CRITEO GMBH</td>
<td>Munich</td>
<td></td>
</tr>
<tr>
<td>CRITEO France SAS</td>
<td>Paris</td>
<td>CRITEO Corp</td>
</tr>
</tbody>
</table>
3. 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
- Indicators specified in article R. 225-102-1 of the French Commercial Code
- Global Reporting Initiative (GRI) G4 guidelines
- Specific indicators to Criteo’s Human Resources policy

4. 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 Resource team performs a looping control as follows (also taking into account the potential acquisition of a company):

\[
\text{Headcount [Year Y]} = \text{Headcount [Year Y-1]} + \text{Recruitments [Year Y]} - \text{Leaves [Year Y]}
\]

5. External controls

To ensure accurate and reliable information, Criteo has mandated since 2016 an independent third-party body to verify and validate the reliability of Criteo CSR information. A thorough control process is important. 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.

6. 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

**Compensation:** highlighted in gross, including basic wage and variable pay. The currency exchange rates used are the following:

<table>
<thead>
<tr>
<th>Currency</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>1.10 USD</td>
<td>1.20 USD</td>
</tr>
<tr>
<td>GBP</td>
<td>1.34 USD</td>
<td>1.35 USD</td>
</tr>
<tr>
<td>JPY</td>
<td>0.009 USD</td>
<td>0.009 USD</td>
</tr>
<tr>
<td>CNY</td>
<td>0.15 USD</td>
<td>0.15 USD</td>
</tr>
<tr>
<td>SGD</td>
<td>0.72 USD</td>
<td>0.75 USD</td>
</tr>
</tbody>
</table>

**Training:**

Where face-to-face training hours are related to sessions running over two consecutive years, only sessions completed in year N are considered. If a session has started during year N and finishes in year N+1, it has to be included within year N+1 figures.

If employees attended more than one training session during the reporting period, all training hours of these trainings 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 has been reported by HR 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)

**E-learning training hours**

Are considered:

- Only theoretical hours, not the actual “on-line connection time”
- Training content completed at 51% and more

Are excluded:

- Time logged in The Learning Zone
- Training content completed at less than 50%
- Training content started in 2016
- Training content only related to 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 (expenses reports, HR Information System)
- Programs and content pushed/prescribed to all employees for compliance purposes or for IT application upskill

**Business trips**: Data from business travel agency, EGENCIA, includes all Air Travel Scope except Korea, Japan, Brazil, Russia and UAE. Train trips are not included. Hence, the business trips considered in the CO₂ emission calculation represent 91% of the travel spend.

**Water consumption of offices**: Where there is a missing value, the following ratio⁵ has been used to get an estimate of the daily quantity of water consumed per person: 0.04 m³/day/employee.

**Electricity consumption of offices**: Where there is a missing value, the following ratio⁶ has been used to get an estimate of the quantity of electricity consumed per square meter: 206 kWh/m² per year.

**Electricity consumption of data centers**:

- In 2016, data estimation was based on Criteo’s internal dashboards (Carbonite project).
- In 2017, actual data was provided by Criteo’s data room providers.
- Electricity consumption includes all data centers except Point of Presence servers (POPS) for which power need is negligible.

**Amount of renewable energy consumed for offices and data centers**: The national renewable energy rates used are (source: ADEME):

- France = 0.181
- Brazil = 0.812
- Germany = 0.301
- Spain = 0.401
- United Kingdom = 0.256
- United States = 0.154
- Japan = 0.174
- Singapore = 0 (negligible)
- South Korea = 0.023
- China = 0.257

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

- "Prevention of environmental risks and pollution"
- "Pollution prevention, reduction and rehabilitation"
- "Noise and any other specific form of pollution"
- "Biodiversity"

**CO₂ emissions from electricity consumption of offices:**
Emission coefficients per country from ADEME 2016 database have been used for the calculation.

**CO₂ emissions from electricity consumption of data centers:**
Emission coefficients per country from ADEME 2016 database have been used for the calculation, except for Hong Kong where a rate of 0.580 *10⁻³ has been used from CLP database (local electricity supplier).

**Quantity of office waste produced:** Where there is a missing value, office waste volumes have been estimated according to:

- Either volume of waste bin and frequency of communal waste collection, some hypothesis of density allowing a conversion in tons are used. Those coefficients are stated within the ADEME methodology,

- Or the estimation of 120 kg of office waste per employee per year (source: CNIID).