Criteo’s Environmental Sustainability Strategy
2022
At Criteo, we’ve been steering our business towards more sustainable energy consumption for several years, mainly by partnering with efficient data centers powered as much as possible by decarbonized energy or offsetting emissions through certificates. **We’re now going further by setting ambitious targets to reduce and offset even more of our energy consumption.** Now more than ever, we see the consequences of global warming and its impact on the lives of our employees and their families, our clients and partners, and future generations. We’re acting now because we know this is the right thing to do to limit our carbon footprint and contribute to a more sustainable planet.

Already with a clear and ambitious Diversity, Equity, and Inclusion strategy, **Criteo is now sharing the actions we’ve committed to making a more sustainable impact on the planet and on people.** I am delighted to see the hard work of our teams since the first publication of Criteo’s extra financial report in 2016. Criteo’s commitment to diversity, equity, inclusion, and sustainability continues to grow, and these last few months mark a major milestone towards that cause.

Megan Claren
CEO, Criteo

Rachel Picard
Chairwoman of the Board
At Criteo, we’re committed to reducing our environmental footprint to create a sustainable future for everyone.

As a global technology company, leading by example is our responsibility and the only way forward to creating a more sustainable, promising future for all. At Criteo, sustainability means reimagining how we continue to develop our business, all while reducing our environmental footprint.

We strive to play our part in the global effort to curb climate change. We are especially proud of the Criteo Green Community, a collective of employees determined to raise awareness throughout the company about environmental issues and to support Criteo’s transformation towards a more responsible future. Their early commitments now sit at the heart of all our teams, uniting us all behind the collective endeavor to drive change and meet the needs of our stakeholders in their sustainability journeys.
Criteo's top 10 commitments for the years to come

Criteo’s Leadership, Operational, and Global CSR & Sustainability teams worked in close collaboration with our Board of Directors to develop a thorough strategy. We crafted our commitments through aligning with recommendations from leading initiatives such as the Carbon Disclosure Project (CDP) and the Task Force on Climate-related Financial Disclosures (TCFD).

1. Measuring and curbing the carbon footprint of our products and services
2. Establishing a Science-Based Targets initiative (SBTi)-approved carbon emission reduction targets and implementing a plan to reduce and adapt GHG emissions in line with the Paris Agreement
3. Optimizing the energy used to power the data centers with our suppliers and using more decarbonized energy sources
4. Working with our suppliers to better control the environmental impact of our supply chain and obtain an EcoVadis rating
5. Eliminating single-use plastics and reducing the waste produced across our locations globally
6. Reducing and optimizing the environmental footprint of our corporate trips and events
7. Strengthen our governance with a Sustainability Steering Committee oversight by a Board member
8. Assessing and managing our climate risks (identification, scenario and quantification of climate risk and opportunities)
9. Disclosing our rating from the Carbon Disclosure Project (CDP) questionnaire and comply with CSRD new climate requirements
10. Applying best standards for climate reporting including the Task Force on Climate-related Financial Disclosures framework
The ESG commitments of companies are increasingly important for employees, customers, and investors. And that's a good thing! The whole industry is moving, and Criteo will not just be compliant with the regulations - as always, our agility, our people, and our values, drive us to lead by example and do the right things. As a leader in the techindustry, we are taking our responsibility, and we're acting now: we are committed to formalizing GHG reduction targets - we want to have these targets approved by the Science-based Targets Initiative in 2023. Also, we will align with best-in-class reporting standards from the Task Force on Climate-related Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP).

European and international regulations help companies in the face of climate change. Reporting and other climate laws guide us along the path to sustainable development. In 2022, Criteo calculated its carbon footprint and the emissions linked to Scopes 1, 2, and 3 using the GHG protocol methodology, which establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions. The figures allow us to define precisely the actions to be taken as a priority. At Criteo, we are proactive in our approach to sustainability and will continue to make ambitious commitments that go beyond mere regulatory requirements.

Sarah Glickman  
Chief Financial Officer

Ryan Damon  
Chief Legal and Corporate Affairs Officer
Criteo’s Sustainability Governance

Leadership Team

SVP Diversity, Equity, Inclusion and Sustainability

CSR & Sustainability team (overseeing environmental strategy)

Sustainability Committee

Green Community (Criteo employees)

CSR reporting
- CSR
- Risks
- Investor Relations
- Legal
- Public Affairs

Data centers, R&D
- Infrastructure
- R&D
- Legal
- Procurement

Products, solutions & services
- Publisher partnerships & coalitions
- Client solutions & strategy
- Product
- R&D
- Legal

Projects Owners

Procurement
- Procurement
- Legal

Offices & green IT
- Workplace
- IIT
- Legal
- Procurement

Employee travel
- Travel & Procurement
- Legal

Events
- Marketing
- Events & internal communications
- Travel & Procurement
- Legal
Criteo’s Carbon Footprint

Criteo’s carbon footprint in 2021 represented **83,021 tCO2e**

(*29,4tCO2e per employee, with 2,820 employees in 10 countries*)

The calculation of our carbon footprint has given us guidelines and priorities. We now know where our issues and emissions are, and what we have to do to reduce them. Criteo’s infrastructure (electricity consumption, hardware procurements) and final customer devices (smartphones, tablets, or laptops that display digital advertising) are responsible for 95% of Criteo’s 2021 GHG emissions.

- All GHG Protocol scope 3 items applicable to Criteo’s business model have been covered
- 87% of the data was collected with an accuracy level of 100%
- Most of the data collected for the calculation of the footprint comes from primary data sources, directly provided by the contributors (93%). A few items have been estimated (7%)
- Our emissions are divided into 4 perimeters:
  - **Infrastructure (48%)**: Data centers activity: data centers’ energy consumption, data centers’ purchases, capital goods, waste and data processing
  - **Business (47%)**: Use of the Criteo solution: energy consumption linked to the use of the platform by direct clients, data transfer related to the reception of the advertising on the final consumer’s device
  - **Corporate (5%)**: Company’s direct activities, excluding data centers: it covers employees’ business travels, offices’ wastes, offices’ energy consumption, capital goods, offices’ procurements, commuting, telecommuting
  - **Events (less than 1%)**: External events attended by Criteo employees and internal events organized by Criteo. It includes events’ procurements, waste and business travels
R&D and Infrastructure

We plan to continue to improve our data center sustainability roadmap

By 2023
• Set up an internal working group dedicated to data center sustainability with a joint infrastructure and R&D team
• Strengthen sustainable procurement policy and criteria for data centers in terms of environmental requirements
• Set operational CO2 emission reduction targets
• Consider sustainability as a key criteria in the procurement and life cycle management of servers and network equipment
• Publish locations of renewable energy sources & certification origins and publish GHG accounting methodology

By 2025
• Provide observability on environmental metrics for running software (power usage, carbon footprint) and make them available in the performance profiling toolchain

Products, solutions & services

We plan to use our expertise to design high-performance products that will consume less energy

By 2023
• Set up an internal working group to coordinate Criteo’s efforts on reducing the impact of Products, solutions & services
• Participate in industry initiatives to define standard criteria for “eco-friendly advertising”
• Update the Supply Partner Guidelines to disallow categories of products that are significantly harmful to the environment

By 2025
• Add sustainability criteria to product design processes
• Propose a campaign impact calculator to clients
• Propose an eco-friendly campaign product for display and video
**Procurement**

Sustainability will be an important criteria in the choice of our partners

**By 2023**
- Disclose Criteo’s own EcoVadis rating
- Add required environmental criteria to the procurement policy (EcoVadis), as well as create additional materials to support the Procurement team
- Add previously vetted *sustainable* companies to Criteo’s preferred vendors

**By 2025**
- Operationalize data governance: reporting system and yearly monitoring
- Require Supplier Sustainability Scorecards and possibly audits

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**Offices, IIT, Travel, Events**

We plan to rethink our business trips and reduce our emissions

**By 2023**
- Implement green real estate guidelines and draft a comprehensive green travel policy
- Reduce waste production across all locations
- Optimize the environmental footprint of our corporate events
- Require IT equipment reuse
- Start automating/reducing energy use in all Criteo buildings with landlords
- Set reduction targets for business travel, and continue to offset all business travel emissions (by planting trees)

**By 2025**
- Set waste reduction targets
- Prioritize sustainable mobility & eco-friendly hotels
Disclaimer

This document covers our business and does not address the performance or operations of our suppliers, our contractors, or our partners, unless otherwise noted. The goals and projects described in this document are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed. Furthermore, data, statistics and metrics included in this document are non-audited estimates, not prepared in accordance with generally accepted accounting principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees or subject to future revision. This document uses certain terms including “material” and “materiality” to reflect the issues or priorities of Criteo and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities law or as used in the context of financial statements and reporting.

This document, which speaks only as of its date, is not comprehensive, and for that reason, this document should be read in conjunction with our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (“SEC”), particularly the “Special Note Regarding Forward-Looking Statements” and “Risk Factors” sections, and our most recent Proxy Statement, all of which can be found at https://criteo.investorroom.com/sec.

Statements of future events or conditions in this document, including those that concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “anticipate,” “believe,” “can,” “could,” “estimate,” “expect,” “intend,” “is designed to,” “target,” “seek,” “may,” “will,” “might,” “plan,” “potential,” “predict,” “objective,” “should,” or the negative of these and similar expressions, are forward-looking statements. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others: the ongoing effect of the COVID-19 pandemic and potential effect of inflation and rising interest rates in the U.S., including the macroeconomic effects on our business, operations, and financial results, and the effect of governmental restrictions and regulations on our operations and processes; the ability of the Criteo Artificial Intelligence (AI) Engine to accurately predict engagement by a user; our ability to predict and adapt to changes in widely adopted industry platforms and other new technologies, including without limitation the proposed changes to and enhancements of the Chrome browser announced by Google; our ability to continue to collect and utilize data about user behavior and interaction with advertisers and publishers; our ability to acquire an adequate supply of advertising inventory from publishers on terms that are favorable to us; our ability to meet the challenges of a growing and international company in a rapidly developing and changing industry, including our ability to forecast accurately; our ability to maintain an adequate rate of revenue growth and sustain profitability; our ability to manage our international operations and expansion and the integration of our acquisitions; the effects of increased competition in our market; our ability to adapt to regulatory, legislative or self-regulatory developments regarding internet privacy matters; our ability to protect users’ information and adequately address privacy concerns; our ability to enhance our brand; the invasion of Ukraine by Russia and the effect of resulting sanctions on our business; our ability to enter new marketing channels and new geographies; our ability to effectively scale our technology platform; our ability to attract and retain qualified employees and key personnel; our ability to maintain, protect and enhance our brand and intellectual property; failures in our systems or infrastructure; and the risk factors in the “Risk Factors” section of our most recent Annual Report on Form 10-K and those set forth from time-to-time in other filings by the company with the SEC, available through our website or through the SEC’s Electronic Data Gathering and Analysis Retrieval (EDGAR) system at http://www.sec.gov.