



Elavon Financial Services DAC 2019

Corporate Social Responsibility Report



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About Elavon

For 25 years, Elavon has helped more than 1.3 million customers in over 30 countries around the world grow their business through payments. Our flexible, secure and innovative solutions help businesses attract and keep customers, develop partner relationships, process payments and simplify operations.

Elavon processes more than five billion transactions per year and are consistently rated among the top five global payments providers in the world.

Elavon is backed by the strength and stability of U.S. Bank, the fifth-largest commercial bank in the United States, and rated one of the world's most ethical companies¹.



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Message from Chief Financial Officer, Executive Director

Stephen Groarke

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Now more than ever, Elavon Financial Services DAC ('Elavon') embraces the role we play as an important contributor to the societies and economies in which we operate. We understand that this role goes far beyond simply supporting transactions for our immediate customers and is rooted in having a strong ethical culture.



Elavon is operating from a position of strength, as a wholly owned subsidiary of U.S. Bank, which is one of the World's Most Ethical Companies as named by the Ethisphere Institute for the sixth consecutive year.

Our stakeholders value the quality of the culture of the organisation, knowing that this is critical to delivering long term sustainability for the organisation, its relationships with society and the sustainability of the environment in which it operates.

In this report on Corporate Social Responsibility, we set out our current efforts across five pillars:

- Environmental matters
- Employee matters
- Social matters
- Human rights, and
- Anti-bribery and anti-corruption

The activities described in these sections reflect our sincere commitment to making a positive and lasting impact.

While we are proud of what we have achieved, we also recognise that there is always more that can be done and we will continue to strive to exceed our goals.

The details on the Bank's Risk Management Framework, which reiterates its objectives and policies, are set out in Note 27 to the Consolidated Financial Statements.



Environmental matters

At Elavon, we believe environmental sustainability is integral to the success of our business and important for our future. This is why our global business, under the U.S. Bank brand, has invested more than \$22 billion in environmentally beneficial business opportunities since 2008. We embrace a balanced approach that is centered on learning and partnering with our stakeholders as we address climate change and the needs of our communities, customers, employees and shareholders.

Our initiatives

Under a 2014 baseline, we set a goal to reduce our operational greenhouse gas (GHG) emissions:



Environmental sensitivity is an important component, which is integrated into our overall risk management philosophy. Our ongoing partnership with Ceres, a nonprofit whose mission is to integrate sustainability into capital markets, helps us improve our understanding of how our work supports and advances the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD).

We are dedicated to operating in a more sustainable manner. Under U.S. Bank leadership, Elavon participates in numerous initiatives

to become more environmentally responsible. This includes setting goals to measure our progress. Against a 2014 baseline, we set a goal to reduce our operational greenhouse gas (GHG) emissions by 40% by 2029 and 60% by 2044. As of year-end 2018, we have reduced our emissions by 28% and are continuing to follow sustainable principles in the design of our new facilities with plans to maintain this focus in the future. We're proud to have received a score of A- from CDP (formerly known as the Carbon Disclosure Project) in 2016, 2017, 2018 and 2019 for our environmental work.

Leading the change

Our global business, under the U.S. Bank brand, is a national leader in financing renewable energy, financing about 15% of all solar installations in the United States each year via tax equity financing, which makes communities more environmentally sustainable, and builds economic resiliency through access to affordable energy and the promotion of job growth.

Throughout 2019, we provided \$1.2 billion in renewable energy investments to help finance:

2.2 gigawatts of solar power across the country

340,000 equivalent homes powered by solar energy

The carbon offset of these investments is equal to removing 522,000 passenger vehicles from the road or planting three million acres of forest.

Employee matters

Elavon is committed to fostering an ethical environment that is fair, safe and rewarding for employees. To meet these commitments, the company has policies, procedures, and programmes in place to actively manage employment practices, workplace safety, diversity, equity and inclusion, equal opportunity, ethical business culture and effectively manage people resources for our business activities and for talent planning, acquisition and management.

Our employees are at the core of our continued success. Every day, throughout the enterprise, our employees draw from their own personal and professional skills, diverse backgrounds, and unique perspectives to think, plan and act in ways that move our company forward, both commercially and socially within the local and international environment.



Elavon is committed to ensuring that employees reach their full potential and to provide them with the necessary resources to do so. Through a dedicated training department and online resources, the company provides employees with the necessary educational support and soft skills to enable them to perform their roles to the highest possible technical and ethical standards.

Elavon recognises that to encourage and inspire employees to achieve their potential, the recognition (both financial and non-financial) programmes must be grounded in the principles of fairness, consistency and transparency. The culture of the company, fostered and espoused by senior management is to encourage

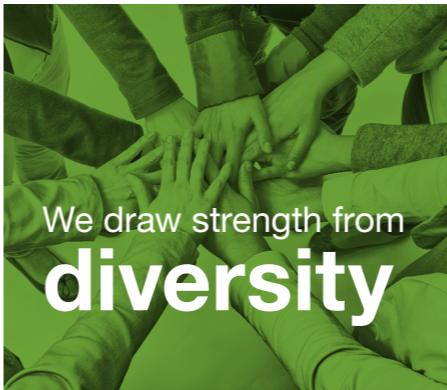
colleagues to recognise each other for a job well done and for their extra efforts in supporting internal and external stakeholders and partners. The company facilitates this through recognition programs such as the Best in Us, an eCard system, and Legends of Possible, a program acknowledging outstanding employees.

EU staff training in 2019:

New hires attended at least **six** training events, a total of **1,320** minutes each.

Existing employees benefited from at least **14** training events, a total of **630** minutes each.

Training comprises personal development, technical, compliance and soft skills education.



Elavon is committed to fostering and sustaining a diverse workplace, which we know is a transformative process that requires an intentional, multi-level approach to recruiting, hiring and development. Our leaders are deeply involved in our diversity, equity and inclusion efforts across the company. With a focus on diversity, equity and inclusion, we can better connect with and understand our customers, enhance our products and services as well as provide opportunities and rewarding experiences for employees. One such example is the Women of Europe Business Resource Group which was launched in 2019 with a mission to develop, advance and engage women.

Throughout the past several years, we've created more structure around hiring and promoting women into leadership positions. We look for opportunities to hire talented women leaders, whether or not they are part of our existing internal talent bench, or new to the company as an external candidate.

Once someone is hired, it's critical that person feels connected and supported. To that end, we've incorporated structure around our formal enterprise-wide mentorship and sponsorship program to provide support and guidance to women as they move up in their careers.

Diversity split within Elavon

 Male
1,349

 Female
1,087

Social matters



Every Elavon employee is provided with 16 hours per annum to volunteer in their communities.

One way to support local communities is through The Development Network, which offers employees a variety of opportunities, including engagement with local schools via "Time to Read" and "Junior Achievement" programmes. Elavon also supports a number of charitable causes on an ongoing basis.

Human rights

Elavon is fully committed to its responsibilities to respect human rights. It is an integral part of our Values and Beliefs that are at the core of all we aspire to do and are designed to ensure that we conduct ourselves in a manner that is consistent with high ethical standards. We must be guided by what is right, not just by what is allowed.



We do the **right** thing

We aim to continually improve our approach to, and the internal guidance on, human rights issues. A number of our core internal documents including the Code of Ethics and Business Conduct as well as our policies and guidelines reflect our commitment to respect human rights.

We have a specific focus on the following spheres of activity:

- Respect human rights of employees
- Avoidance of human rights violations through our business relationships with vendors
- Avoidance of human rights violations through our business relationships with clients

Employees

At senior management level, a clear tone is set of active listening, encouragement of open, active and supportive discussions which permeates throughout all levels of the company. Employees are encouraged to raise any ethical concerns. In order to facilitate this, the company has appropriate, safe

and effective reporting mechanisms to permit employees to raise any potential concerns. On an annual basis, employees participate in a company survey (the Talk to Us survey) which enables employees to provide feedback on a number of key areas in their professional work-life (e.g. growth and

development opportunities, effective communication, physical environment etc.) as well as suggesting areas for improvement. The results of the Talk to Us survey is shared with senior management in line with the company's culture of transparency and support and to facilitate the future direction of the company.

Data privacy

Elavon takes its responsibilities of compliance with all applicable Data Protection, Privacy and Security Laws and Regulations (collectively referred to as requirements) extremely seriously. In this pursuit, Elavon has established an EU Data Protection Framework to determine how Elavon will collect, process, store, share or disclose, protect and use the Personal Data of its customers, partners and others. Elavon sets out its responsibility

within the EU Data Protection Framework relating to the protection of EU Personal Data where it acts as a Data Controller and/or Data Processor, and the measures it will take to protect the rights of Data Subjects, in line with EU legislation, and the laws of the other relevant jurisdictions in which it operates.

Elavon is committed to apply the principles of Data Protection in all situations where Personal Data is

processed by Elavon. Any activities related to storing, processing, or transmitting Personal Data related to EU Data Subjects must be processed in accordance with the principles and the Elavon Data Protection Policy. The Elavon Data Protection Officer is responsible for overseeing the organisation's Data Protection programme.

Vendors

Elavon is committed to the highest level of ethical standards and sound governance arrangements in relation to the management of its activities.

Elavon strives to work with vendors whose policies and practices regarding human rights are consistent with our own. Vendors are expected to respect their employees' human rights, offer equal employment opportunity to all and to not tolerate discrimination or harassment.

Elavon expects that vendors and their supply-chains abide by all applicable laws and regulations in the jurisdictions, countries and regions where they conduct business, specifically by labour laws, e.g. they should not employ forced or child labour, whilst they should adhere to standards regarding health and safety at the workplace and compensate employees adequately.

We engage in long-term relationships with our vendors wherever possible. If a partner fails to

comply with applicable laws and regulation, and/or our requirements, upon notification we insist on improvements and reserve the right to terminate the relationship if our standards and law/regulation gaps are not addressed.

100% of Elavon corporate-directed vendors that required the human trafficking and slavery assessment in 2019 were assessed, as part of the Elavon Third Party Risk Assessment process.

Clients

Our corporate clients operate in all sectors of the economy, including sectors where the risk of negative human rights impacts can be high. In this context we seek to understand the environmental and social risks associated with an industry, client or transaction just as we do for traditional financial risks.



Customer due diligence

Elavon has an Anti-Money Laundering (“AML”) and Counter Terrorist Financing (“CTF”) framework in place to mitigate and effectively manage the risk of money laundering and terrorist financing.

As an Irish regulated credit institution which conducts business in multiple countries across Europe, Elavon is required to have a holistic, risk-based approach towards Customer Due Diligence (“CDD”) which complies with all Irish and E.U. Anti-Money Laundering (“AML”) regulatory requirements to which it is subject.

As a wholly-owned subsidiary of U.S. Bank, Elavon is also required to adhere to U.S. Bank enterprise policy requirements, unless in conflict with local legal or regulatory requirements.

A core component of a strong AML/CTF Framework is Customer Due Diligence (“CDD”). The concept of CDD begins with verifying the customer's identity and assessing the risks associated with that customer to ensure that Elavon knows its customer before we establish a business relationship and on an ongoing basis.

The AML framework is constantly reviewed and updated where necessary to ensure it not only fulfils the latest local, European and international regulations, but also to ensure that it keeps up to date with emerging trends and techniques used by criminals.

During the disclosure period employees completed the Company's mandatory AML/CTF awareness training.

Anti-Bribery and Anti-Corruption

We expect our employees and business partners to comply with all Anti-Bribery and Anti-Corruption (ABAC) laws where the company and our partners operate. We don't tolerate bribery, corruption or improper payments of any kind in our business dealings, anywhere in the world. This applies to all individuals, including employees and officials in both the public and private sectors. Engaging in such behaviour exposes individuals and the company to civil and/or criminal liability and will harm our reputation and undermine the trust of our customers, shareholders and communities.

Individuals may not offer or give anything of value to—or solicit or accept anything from—any government official, customer, third party or other person to: influence a decision; secure a commercial, contractual or regulatory advantage or benefit; avoid a disadvantage; or obtain or retain business. All individuals are responsible for identifying situations that have a heightened bribery or corruption risk and for immediately escalating any concerns or issues.

The company's ABAC Policy, Code of Ethics and Business Conduct, confidential Ethics Line and other supporting policies, provides the framework for mitigating and effectively managing ABAC risk.

During the disclosure period, all employees were assigned and completed the company's ABAC training and all employees were assigned and certified to the company's Code of Ethics and Business Conduct. There were no confirmed allegations of bribery and corruption.

Conduct risk

Elavon is committed to operate at all times with the highest level of ethics and integrity and fosters an environment where employees are encouraged to speak up and report concerns and misconduct without fear of retaliation. In support of our commitment to operate to the highest ethical standards and in the best interests of our customers, Elavon has established a Conduct Risk Policy that provides the

framework to holistically identify, assess and manage Conduct Risk including how we manage the risks that our external operating environment, strategy, business model, internal processes and procedures pose to our customers.

Elavon has developed Core Values which detail and define what is important to the organisation. The Policy introduces six Conduct

Risk Principles, consistent with our Core Values and reflective of European regulations. Together our Core Values and Conduct Risk Principles establish a standard of measure for acting in the best interests of our customers at all times. Elavon is committed to treating all customers fairly and responsibly as we strive to deepen customer relationships.



We make it possible. You make it happen.

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