

# CORPORATE SOCIAL RESPONSIBILITY

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## INTRODUCTION

People and societal responsibility are two key pillars in the implementation of the Group's strategy.

With this in mind, Human Resources policies are designed to support the Group's ongoing evolution. Edenred's ambition to be one of the world's best places to work gives these policies a shared focus – employee well-being – with the goal of ensuring that by 2016, all Group employees work in a subsidiary that has received external certification and/or has initiated a program to improve quality of life in the workplace.

Societal responsibility, supported by employees, is an integral part of Edenred's solutions, given that the Group's flagship *Ticket*

*Restaurant*® meal voucher was invented in response to a societal issue, i.e., promoting healthy lunch breaks, improving sanitary conditions and limiting the use of lunch pails in the workplace. The "Ideal" program expands on this commitment through three priority avenues: healthy eating, environmental protection and local community development.

This chapter contains three sections entitled Social Responsibility, Societal Responsibility and Environmental Responsibility, in line with France's Grenelle II Act. Human Resources policies are described in the first section on Social Responsibility.

## GOVERNANCE, ORGANIZATION AND DISSEMINATION OF THE GROUP'S CORPORATE SOCIAL RESPONSIBILITY APPROACH

Edenred has created an effective organization and governance system to disseminate its Corporate Social Responsibility approach throughout all levels of the Group.

This organization leverages two global networks: the Human Resources (HR) correspondents network and the Corporate Social Responsibility (CSR) correspondents network. These networks are designed to deploy HR and CSR policies and lead local action plans, while enabling sharing of the best practices that everyone is expected to apply across the HR and CSR spectrum. Some country organizations have also created CSR Committees.

Coordination is centralized by the Human Resources and Corporate Social Responsibility Departments. HR and CSR roadmaps are developed in collaboration with the country organizations to apply global objectives to each subsidiary and to meet each country's specific needs.

The HR and CSR networks operate in a collaborative approach, in line with Edenred's multi-local culture. This approach includes:

- regularly scheduled sessions to share best country practices, tools developed for all host countries, general topics that apply to all host countries and external news;
- an internal collaborative web platform named Bubble. The CSR and HR networks each have their own virtual community in which

members can communicate directly through a forum and a blog; share good practices, tools and methodologies; and organize events;

- regular internal communication that helps disseminate the overall approach.

In addition to the HR and CSR correspondent networks, Edenred's CSR policy, as validated by the Executive Committee, is cascaded to:

- senior managers, mainly through presentations given at Group events, during regional or support function seminars, or via the managers Newsletter;
- all Group employees, through general communication or via the collaborative intranet. Three CSR events are organized every year to federate stakeholders around the Group's initiatives. The first, focused on the environment, coincides with Earth Day (April 22), while the second takes place on World Food Day (October 16) and the third, devoted to community support, is organized on "Eden for All" Day (December 10);
- external stakeholders, who receive information on Edenred's CSR policy and main projects via the Group's website, Registration Document, annual brochure and news releases.

## METHODOLOGY

### Social, societal and environmental indicators

Edenred redefined its social, societal and environmental indicators in 2012 to bring them into compliance with the obligations set out in France's Grenelle II and Warsmann IV Acts. The indicators are based to a great extent on the Global Reporting Initiative (GRI) and United Nations Global Compact. A cross-reference table with Article 225 of the Grenelle II Act is available on page 297.

Note: data for these indicators were provided by all the subsidiaries and host countries in the reporting scope (see below).

### Reporting scope

The scope of reporting for social data was fully aligned with the scope of consolidation for financial data. Published data are intended to take into account all subsidiaries, no matter what their legal status, host country or size.

As concerns societal and environmental data, the number of reporting units has grown steadily since Edenred was created, rising from 14

subsidiaries in 2010 to 33 in 2011, 35 in 2012 and 36 in 2013 in the Group's 40 host countries, representing 99.21% of the workforce. Of the four remaining subsidiaries, three are too small (less than three employees) to provide meaningful environmental and societal data and the fourth (Colombia) was included in the scope of reporting during the year. Data for joint ventures other than those included in the scope of reporting during the year are recognized on a 100% basis.

### Collection and reporting of HR and CSR data

The process for collecting and reporting HR and CSR data was revamped in 2012 to make it more reliable and secure. The current annual process is as follows: data are first collected by a local HR and/or CSR correspondent and then entered and validated locally into FIRST, the financial information system used to prepare the Group's consolidated financial statements. The data are then consolidated and checked for consistency by the Group HR department (social data) and Group CSR department (societal and environmental data).

## 4.1 SOCIAL DATA

### INTRODUCTION

People have been a core component of Edenred's growth strategy over the past 50 years and are its most valuable asset. Embodying the pioneering spirit that is responsible for the Group's success, they demonstrate an ability to take action and deliver superior performance day in, day out. They are front-line players in our ambition to achieve sustainable growth.

In the Group's changing environment, Human Resources policies and managerial approach are powerful tools for providing structure and driving engagement and motivation. Edenred's employees are focused on the shared goal of "doing simple things outstandingly well". This simple, fundamental idea is at the core of the Group's "Customer Inside" managerial philosophy, which aims to make customers the focus of strategic thinking and the decision-making process.

## Edenred's values

### Entrepreneurial spirit

A pioneering spirit drives Edenred's growth, as can be seen in the Group's references to "exploring" new countries and "discovering" new solutions.

### Innovation

People who join Edenred become part of a company with a strong growth dynamic and a start-up mindset. Employees are encouraged every day to try new things, as experimentation speeds the discovery of new products and services and their market introduction.

### Performance

At Edenred, employees are given the resources to drive the Group's performance. New solutions for collaboration, communication and sharing currently being rolled out foster operating excellence.

### Simplicity

Simplicity is an ongoing goal at Edenred and a quality that the Group actively seeks in its operating processes and solutions. Simplicity is also reflected in Edenred's emphasis on direct, friendly relations.

### Sharing

The choice to be organized in a network reflects Edenred's sense of sharing, allowing teams to inspire each other by passing on their success stories, best practices and challenges.

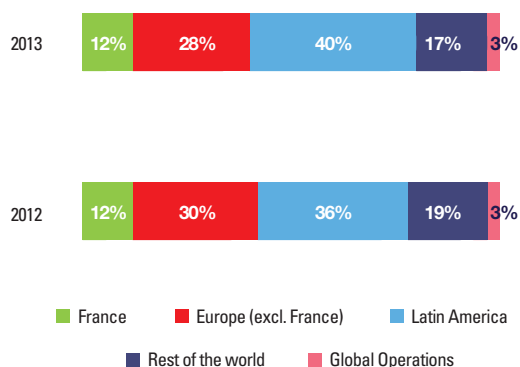
## 4.1.1 KEY FIGURES

### 4.1.1.1 Human Resources data at December 31, 2013

At December 31, 2013, Edenred employed 6,175 <sup>(1)</sup> people in its subsidiaries around the world. On a like-for-like basis <sup>(2)</sup>, this represents an increase of 5.4% from December 31, 2012.

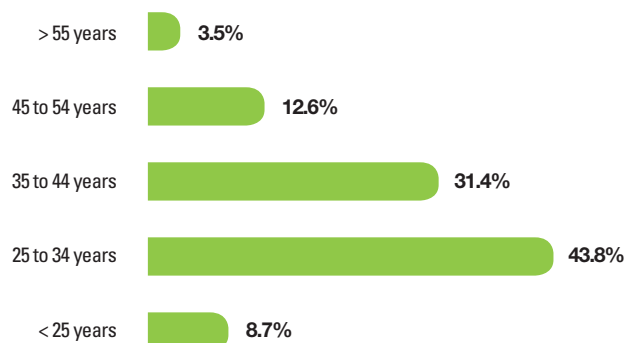
#### a) Workforce by region

The diversity of host regions reflects the Group's international expansion, with nearly more than 85% of the workforce located outside France at end-2013.



#### b) Workforce by age

Edenred has a relatively young workforce, with 53% of employees under the age of 35.



Note : Employees of Edenred International and the regional headquarters are reported under "Global Operations".

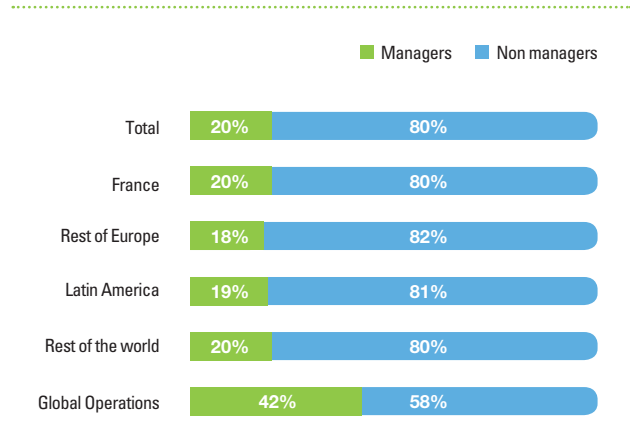
(1) Number of individuals on the payroll at December 31, 2013.

(2) The 2012 scope has been adjusted to reflect identified differences.



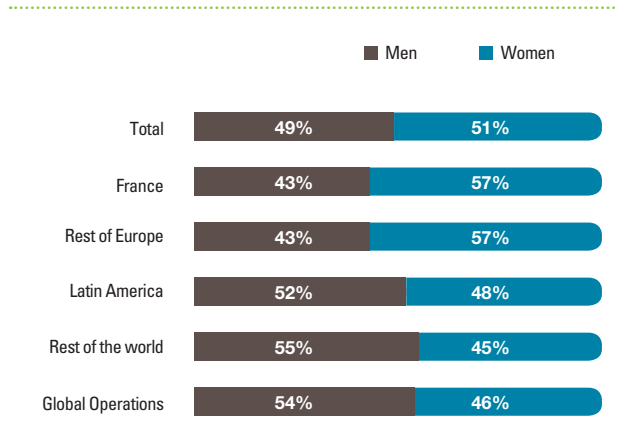
### c) Workforce by job category

A manager is defined as an employee who manages others and/or has a high level of responsibility within the organization. At December 31, 2013, managers accounted for 20% of the workforce, as follows:



### d) Workforce by gender

Women account for 51% of Edenred's workforce, as follows:



#### 4.1.1.2 Hires and departures in 2013

In 2013, the Group hired 1,868 people, of whom 53.6% in Latin America, 18.2% in Europe outside France, 16.8% in the rest of the world, 8.9% in France and 2.5% in Global Operations. Of these, 57.1% were hired externally under permanent contracts and 20.5% were hired through acquisitions, for a total of 77.6%.

At the same time, 1,547 people left <sup>(1)</sup> the Group's various subsidiaries. Resignations, expiration of temporary contracts, uncompleted trial periods, retirements and intra-Group mobility accounted for the majority (70.2%) of these departures. Terminations accounted

for 29.8% of the total, and 83.9% of terminations were individual dismissals.

#### 4.1.1.3 Working hours

All host countries comply with local legislation on maximum weekly working hours. In some countries, the workweek is shorter than the legal maximum.

In 2013, 95% of Group employees were under permanent contract and more than 96% worked full time.

## 4.1.2 MAIN HUMAN RESOURCES POLICIES AND 2013 ACHIEVEMENTS

Edenred's Human Resources policies are designed to support the Group's operating strategy. They are **developed and adjusted** to support the Group's changing situation.

The framework for Human Resources policies is defined by the Group Human Resources Department. Each policy is then applied locally, taking the units' size, history, culture, environment and legislation into account. The Group Human Resources Department coordinates initiatives with the country organizations through the network of Human Resources correspondents.

This pragmatic approach is designed to develop a consistent set of common principles worldwide, to support the business's stepped-up

operational development. It also maintains the units' agility, a key driver in the Group's multi-local organization.

Edenred's major Human Resources policies focus on three key areas:

- organizational performance;
- employee motivation;
- quality of the workplace environment.

(1) Definitive departures only (resignations, terminations, uncompleted trial periods, expiration of temporary contracts, retirement and pre-retirement, intra-Group mobility, mobility between Groups, etc.) Does not include long-term absences leading to a temporary suspension of the work contract.

### 4.1.2.1 Organizational performance

The goal of this pillar is to “put the right person in the right place”. The related HR policies are designed to match, as closely as possible, employee skills and aspirations with the Group’s organizational needs and operational objectives. Training and employee appraisals are key steps in developing individual and organizational performance.

#### a) Offering quality training programs that promote employees’ development while meeting the Group’s organizational and operational needs

Supporting employees’ growth and skills enhancement is crucial for:

- promoting the Group’s strategy, notably in the stepped-up drive to transition to digital solutions and in the development of new solutions;
- improving team members’ employability, by developing their expertise and fostering their personal growth.

Training plays a major role in the Group’s strategic development. In 2013, 4,677 employees (or 76% of the workforce) participated in at least one training course during the year. Complete data on training are provided on page 70 <sup>(1)</sup>.

All Edenred team members may participate in training, provided that the courses correspond to the unit’s strategy and needs and the employee’s personal development objectives. Employee training requests are submitted to management and compiled through the annual appraisal process. The requests are then matched to “big picture” business issues concerning both operations and organization, such as the emergence of new skill-sets, new operating objectives and new solutions. Most of the Group’s country organizations have a structured training plan, designed in line with Edenred’s key training principles and growth strategy, and tailored to the local situation.

Training is generally managed at the local level, in line with the Group’s multi-local culture. To supplement this, certain training programs are managed and/or initiated at the corporate level.

#### a1) Local training programs

Country organization training programs focus on the local needs of the various professions and on short- and medium-term objectives, while sustaining a common foundation for the Group’s values and general knowledge of the organization and its strategy. The priorities in 2013 were to:

- enhance marketing, technological and functional expertise, with:
  - training sessions for sales and marketing staff in Spain, Finland and Poland,

- support for the transition to digital solutions (“Digital Culture for All” program in France),
- customer relationship management,
- product training,
- new technologies;
- strengthen managerial capabilities. Several programs have been developed in Edenred subsidiaries in Latin America, Europe and Asia to boost key managerial skills, particularly in the areas of team management, change management, leadership and communication techniques;
- provide language training, particularly in English and Spanish, to encourage international dialogue and understanding;
- develop safety practices. Fire safety and first-aid training are regularly offered at the local level to guarantee safe working conditions for employees.

Programs may be conducted by internal experts or by training organizations using a variety of methods, including classroom teaching, e-learning, blended learning and on-the-job training.

#### a2) Group training programs

In addition to local programs, a number of training initiatives are conducted at the global level to support the Group’s strategic priorities. In 2013, focus areas included:

- **Training concerning strategy and the development of new solutions.** Edenred offers digital transition training for all host countries. Introduced in 2010 for country chief executives, support function executives and developers, this program supports the deployment of digital solutions in every region and fosters innovation. In 2013, more than 500 team members participated in the sessions, for a total of more than 1,200 people in 35 countries since the program was launched. The following courses were offered in 2013:
  - e-money,
  - mobile and digital solutions,
  - methodologies for implementing card-based programs and handling expense management.
- **Workshops to cascade the Customer Inside managerial approach,** which continued in 2013 with sessions on:
  - the impact of behavioral mechanisms in decision making,
  - listening and challenging,
  - operational excellence,
  - differentiation (customer paths, customer loyalty).

(1) Note: training courses partially paid for by Edenred Brazil are not included.

## b) Appraising employee performance

Performance is one of the Group's five values. Assessing employee performance and skills therefore plays an important role in Edenred's HR processes. Performance appraisals are conducted in each host country at least once a year, generally between December and March, for all employees, regardless of their job level. Certain country organizations, notably in Poland, the United States and Hungary, also carry out mid-year reviews.

This important meeting gives employees and their managers an opportunity to evaluate the past year's events and prepare the future, in a spirit of shared responsibility. Many country organizations encourage their team members to perform a self-evaluation before the appraisal. During the meeting, the employee and manager set objectives aligned with the strategy of the subsidiary and Group.

To help the players make this process their own, certain units have created performance management training courses for managers or employees. Global Operations and Edenred organizations in Romania, Germany, France, Mexico and Brazil, for example, have developed specific training that emphasizes the importance of the annual performance appraisal.

After collecting the individual appraisals, the HR function devises its training plan, reviews salaries with management and tracks career and skills development requests.

### 4.1.2.2 Employee motivation

Edenred's 6,175 employees are active players in the Group's transformation. Leveraging their full potential is a key success factor and a shared ambition in all host countries.

## a) Offering motivating career paths

There is no "standard" career path at Edenred. In keeping with the Group's entrepreneurial spirit, each employee is encouraged to actively develop his or her own career path. Thanks to ongoing changes within the Group and its agile organizations, employees have access to new opportunities. In numerous countries, especially ones with small, fast-growing organizations, employees take on many different responsibilities, thereby developing their cross-functional capabilities.

Whenever the required skills are available in-house, internal mobility is the preferred method of hiring ahead of external recruitment. Job openings are published internally in the United States, Chile and Turkey, for example. Several country organizations, including Edenred United Kingdom, have prepared an Internal Recruitment Charter that guarantees employees the same chance of being hired as outside candidates. Similarly, the UK organization has started a "short-term mission" program under which an employee is seconded to another team for three months in preparation for a potential mobility assignment. The Group Internal Audit Department has its own "guest" program that gives team members from headquarters or country organizations the opportunity to participate in short-term audit missions.

International career management is handled at the Group level and positions ranked executive and higher are monitored by the Executive Committee.

## b) Managing talent and preparing the future

Two programs co-exist at the Group level for managing high-potential talent:

- Talent Week, which focuses on young talent, combines working sessions on Edenred's major strategic paths and future challenges with opportunities to network with members of the Executive Committee and Global Operations. Talent Week targets employees with recognized commitment and growth potential. In April 2013, 37 team members representing all Edenred host regions attended the program.
- the Executive Induction Seminar, which gives new executives the opportunity to gain a more comprehensive view of the Group, talk with members of the Executive Committee and representatives from Headquarters and develop their international network.

The Executive Committee is deeply involved in preparing and leading these programs.

In addition to these sessions for high-potential team members, the Executive Committee prepared and reviewed in 2013 a succession plan for the Group's Top 100 managers.

Certain country organizations, such as Edenred China, Edenred Slovakia and Edenred Brazil, have set up local initiatives to develop talent identified in-house. These programs, which run over several months, often comprise external components (assessment center, personality test, leadership module, management module, communication module) and internal training sessions that are more function- and business-oriented. The local Executive Committee's involvement in these programs is a key success factor.

## c) Integrating new employees and helping them find their element

Because the first days on a job are critical, Edenred pays particular attention to the way it inducts new employees. Most of the subsidiaries have set up onboarding programs that help new employees quickly find their way within the organization and discover Edenred's corporate culture and specific atmosphere of friendliness, sharing and simplicity.

Depending on the position and host country's local environment, several integration paths are available, including:

- collective onboarding sessions that give several new employees the opportunity to learn about the Group's history and strategy, the host country's specific features and Edenred's mindset and operating procedures;
- one-on-one meetings with key people related to the employee's position;
- e-learning welcome sessions (in India, for example).

Other initiatives may be organized before or after these induction days. Examples include:

- welcome kits with practical information for new employees;

- the announcement of new arrivals via intranet or other dedicated channel (see Brazil's "New People on the Block" program);
- feedback sessions with Human Resources and/or the immediate supervisor after one month, three months and six months (see Germany);
- mentoring programs that team a newcomer with a more seasoned employee (see Slovakia);
- "Walk in my shoes" Days that give employees the opportunity to discover a different job (see France).

#### d) Recognizing performance

##### d1) At the corporate level

Each year, the Ewards recognize employees whose performance, work and commitment have helped make Edenred a preferred partner for its stakeholders. Eward winners are selected from among the entire workforce, up to the executive level. The Executive Committee makes the final selection, attesting to the importance the Group places on the Ewards.

Five golden Ewards and ten silver Ewards are handed out at the annual Ewards ceremony. On average, two or three Ewards recognize the performance of a team (national, international, skill-set or project). Since the Ewards system was created in 2011, nearly 45 employees worldwide and seven project teams have been rewarded for their outstanding achievements.

##### d2) At the regional or local level

In Latin America, Asia and Europe, employee recognition programs have been in place for several years and are becoming increasingly widespread. By rewarding exceptional individual and team achievements, they are helping to improve the quality of customer relations, drive innovation and foster internal cooperation. One example is the Eagles Awards created by the Asia-Pacific region in 2011 to recognize top performers.

Another is the e-recognition module introduced in Edenred United Kingdom's employee benefits platform. With this module, employees can nominate co-workers whose performance particularly reflects Edenred's values and Customer Inside behaviors. Local management selects Gold and Silver Excellence Award winners from the list compiled online.

Across the board, Edenred's units make a point of recognizing employees who have given five, ten and fifteen or more years of service to the organization. Local ceremonies are organized to honor these individuals, who receive monetary rewards or Edenred solutions according to the date at which they joined the Group.

#### e) Providing fair compensation and benefits

##### e1) Compensation

Edenred's compensation strategy is designed to recognize employees for their individual engagement and contribution to the Company's growth. It is structured to ensure that individual and collective objectives are effectively aligned with the Group's strategy and support its deployment.

Growth in fixed salary is decided in relation to the local environment, notably with regard to legally mandated wage increases. The principles shared across the Group are based on merit and individual performance, taking into account:

- proficiency and initiative for a given job classification;
- the job's positioning as compared to internal and external benchmarks.

Depending on the managerial level or type of position, employees may be eligible for an incentive bonus. The target amount of this bonus is directly related to the job classification and the amount granted is determined on the basis of performance during the year, as measured by the level of achievement of objectives formally set out with the employee during the previous year's performance appraisal process.

In 2013, the Group's gross payroll totaled €186 million <sup>(1)</sup>, up 4.52% from the year before. Europe (including Headquarters) accounted for 59%, Latin America 30% and the rest of the world 11%.

##### e2) Edenred solutions and services

Employees are Edenred's main ambassadors and promoters. As such, they benefit from solutions and services offered in their country of employment, in compliance with local legislation and within locally defined limits.

These services and solutions, which vary from country to country, are designed to:

- make life easier (*Ticket Restaurant*®, *Ticket CESU*, *Ticket Alimentacion*®, *Ticket Car*®, *Childcare Vouchers*®, etc.);
- motivate and reward (*Shopping Card*®, *Ticket Kadeos*®, *Ticket Compliments*®, *Chèques Sports et Culture*, etc.).

Certain countries, such as the **Czech Republic, Hungary, the United Kingdom and China**, have flex systems that allow employees to select the benefits that best suit their needs via a dedicated web platform. The flex programs offer the opportunity to save, add to retirement funds, use Edenred solutions or benefit from transportation subsidies.

##### Profit sharing programs

Edenred has different ways of giving employees a stake in the Group's results depending on the local environment. Profit sharing plans have been set up in a number of countries.

(1) Includes base salary and all bonuses and gratuities paid to employees under permanent contract.

Very often, bonuses are linked to a unit's results. The percentage varies by country and job category (sometimes bonuses are granted only to local management; sometimes to all employees).

### France

Edenred International and Edenred France employees are given a stake in the Group's results through the **Group statutory profit-sharing agreement**. Profit sharing is designed to ensure that employees share collectively in the Group's results. The funds, calculated on the basis of the Company's net profit, are set aside in the Special Employee Profit Sharing Reserve for deferred payment.

To strengthen cohesion beyond the unit level and enhance the sense of mutual support among employees working at the Group's different French companies, a Group agreement was signed in November 2010 to create a single, pooled special profit sharing reserve. The amount of the profit-shares varies depending on the Group's annual results.

In addition to the November 2010 agreement, Edenred International and the Group's French subsidiaries have all signed a **discretionary profit-sharing agreement**, also to give employees a stake in their Company's performance.

In 2013, all the French subsidiaries paid out discretionary profit-shares. In 2013, all Group employees in France also received a dividend bonus on top of statutory and discretionary profit-sharing, in accordance with France's Profit-Sharing Act of July 28, 2011.

### Brazil

All employees in Brazil are eligible to take part in the profit sharing plan, which gives them a stake in the Company's performance. Twenty percent of this variable, deferred compensation is directly related to the unit's results and eighty percent is tied to the achievement of individual objectives.

### e3) Employee savings plans

Edenred supports employees' voluntary savings with a number of savings plans.

Employees of Edenred International and Edenred France, for example, benefit from a **Group Savings Plan** that allows them to build up savings invested in securities and money market instruments. Edenred encourages this type of saving by offering a matching contribution.

Since December 2011, Edenred employees have also had access to a **PERCO retirement savings plan**. A PERCO matching fund system has been set up separately from the Group Savings Plan as part of the Group's long-term commitment to helping employees prepare for retirement. This system gives employees a vehicle to build up savings towards retirement under favorable terms, so as to have additional income once they stop working. Under PERCO rules, employees may contribute monetized accrued leave to their savings, within a limit of five days per year.

Retirement savings plans have also been set up locally to supplement mandatory pension systems in certain countries like Brazil, with the local unit matching employee contributions.

### e4) Share-based payment

Edenred awards performance shares annually to key executives and key managers, rewarding more than 400 beneficiaries worldwide.

The plan period is five years. Performance share rights granted to French tax residents are subject to a three-year vesting period followed by a two-year lock-up and rights granted to residents of other countries are subject to a five-year vesting period without any lock-up.

The performance conditions are measured over a period of three year for three indicators: growth in issue volume, funds from operations (FFO) and Edenred's Total Shareholder Return (TSR) compared to that of the SBF120 (see chapter on Governance, page 90).

## 4.1.2.3 Workplace environment

### a) Being a best place to work

High performance and well-being are part of Edenred's mission towards both customers and employees. Improving quality of life in the workplace is therefore a key deliverable for the Group. For this reason, Edenred pays close attention to employee well-being, health and safety as part of a shared commitment among all 40 country organizations to earning certification as one of the world's best places to work by 2016.

This collective drive, supported at the highest level by the Executive Committee, involves listening to employees and taking tangible steps to improve quality of life in the workplace. Workplace climate surveys conducted by outside organizations are being used to achieve best place to work status. These surveys measure how employees rate their workplace on such criteria as work-life balance, empowerment, quality of management and communication. The results are analyzed and used to devise action plans led by management and the local HR function.

In 2013:

- nineteen units obtained or were working towards certification for quality of life in the workplace;
- sixty-three percent of the Group's employees worked in a certified environment or a unit actively involved in obtaining certification.

The following organizations are involved in the certification process, based on their presence in the host country:

- the Great Place to Work® Institute has been selected by 12 units. Two country organizations were particularly well-ranked in 2013, with Edenred Uruguay topping the national standings and Edenred Brazil coming in second nationally:
  - employee well-being is assessed on the basis of three key criteria: trust, pride and camaraderie;



- Edenred Greece has chosen the Investors in People survey, which focuses on the Company's managerial practices;
- Edenred Czech Republic was granted Best Employer accreditation by AON Hewitt;
- Edenred Italy's SA 8000 certification was renewed in 2011 for a period of three years. This international social accountability standard ensures decent working conditions for employees around the world;
- Edenred United Kingdom participates in the Sunday Times' "Best companies to work for in the UK" survey;
- Edenred Austria ranks among the leaders in a panel of great places to work based on employee reviews posted on the online employer evaluation platform published by Kununu;
- local consultancies have conducted internal workplace climate surveys for Edenred Finland and Edenred Romania.

Certain countries start their certification drive by carrying out an employee satisfaction and engagement survey internally.

### b) Promoting a good work-life balance

Edenred is committed to developing a good work-life balance through a number of initiatives, including:

- flexible working hours:
  - Edenred subsidiaries in Sweden, Slovakia, Austria, Germany, the United Kingdom and the Netherlands encourage part-time work for employees with young children.
  - Edenred India has scaled back the workweek to five days from six. As a result, Edenred employees work less than the maximum number of hours allowed under local law.
- benefits to promote employee well-being, such as gym, dance and yoga classes, fruit baskets, balanced diet courses and craft workshops;
- concierge services that can handle certain private tasks for employees during their working hours;
- support for parents:
  - at the birth of a child, with bonuses, programs for future mothers (at Edenred Brazil, for example), and incentives to take parental leave,
  - for childcare, with:
    - Edenred childcare solutions (*Childcare Vouchers*® in the United Kingdom, CESU vouchers in France, Ticket Junior® vouchers in Austria, etc.);
    - offices designed with an area to welcome employees' children when they are ill or need temporary childcare (Edenred Germany);
    - a "Moms and Dads" program, particularly to support women returning from maternity leave (Edenred Italy). Among the services offered are expert help in identifying the most appropriate childcare solution;

- in recognition of the Group's commitment to promoting work-life balance, Edenred Austria was voted third best family-friendly company in the country and Edenred Spain was certified a Family Responsible Company.

### c) Acting as a responsible employer and promoting diversity

At Edenred, diversity creates value and enhances performance. For this reason, the Group promotes and cultivates a diverse workforce and fights all forms of discrimination.

#### c1) Diverse profiles

As a multi-local company, Edenred is deeply committed to its multicultural outlook. The diversity of the Group's workforce is both its strength and greatest asset. Edenred operates in very different, complex markets and the diversity of its workforce reflects the geographic diversity of its customer base. In the United States, for example, 12 different languages are spoken by the subsidiary's 50 employees, who represent 14 different nationalities. In Germany, the subsidiary employs around 100 people from 11 different nationalities.

In this multicultural environment, the concept of equal opportunity is intertwined with the principle of fairness that underpins the Group's Human Resources policies. Its purpose is to guarantee all employees equal prospects, regardless of age, gender, disability, religion, etc., assuming equal levels of performance, ability and motivation. Edenred has signed various agreements and deployed targeted policies and action plans to demonstrate tangibly its commitment to respecting differences. The Group diligently applies these agreements, policies and plans in all of its Human Resources processes, particularly in terms of hiring, access to training, professional mobility and internal promotions:

- Edenred United Kingdom has developed an Equal Opportunity Policy designed to ensure that employees are hired, promoted, trained and generally treated on the basis of their skills and aptitudes alone, without regard to gender, country of origin/nationality, religion, age or other factor. As a major player in this policy, management is responsible for combating all forms of discrimination on a daily basis and raising employee awareness about the seriousness of discriminatory behavior, which can lead to disciplinary action. Employees themselves are the front-line guarantors of non-discrimination and are expected to report any incidents to management;
- PPS has also implemented an equal opportunity policy;
- Edenred Italy was among the first companies to sign the Equal Opportunity Charter (*Carta per le pari opportunità e l'uguaglianza sul lavoro*) developed jointly by the Labor Ministry and the Equal Opportunity Minister. Supported voluntarily by companies of all sizes, the charter expresses each participant's pledge to promote an innovative corporate culture and Human Resources policy, without discrimination or prejudice.

## c2) Gender equality

At end-2013, women accounted for 51% of employees worldwide and held 40% of the Group's management positions. Different types of initiatives have been taken within the subsidiaries to promote gender equality. These include:

- formal policies to eradicate discrimination and promote gender equality, implemented for example in Spain, the United Kingdom and the United States;
- agreements on gender equality, such as the one signed in France in December 2011. This agreement confirmed the principles of equal opportunity at all stages of the career path and proposed initiatives to eliminate roadblocks for women at Edenred, as well as measures to facilitate more equal sharing of childcare responsibilities;
- equal pay audits performed by an outside specialist, such as the study of 130 companies commissioned by the Ministry of Family Affairs in Germany in 2013. Edenred Germany ranked first, with complete pay equality between men and women;
- external certification as a Best Workplace for women. For the third year in a row, Edenred Mexico was listed among the Best Workplaces in Gender Equality by Great Place to Work® Mexico, ranking 11<sup>th</sup>.

## c3) Integrating and retaining people with disabilities

Edenred has taken an assertive stance in this area by signing a first Group agreement applicable in the French subsidiaries and Edenred International to hire and retain people with disabilities. As part of this three-year agreement, which took effect in January 2012, Edenred has made a commitment to increase the percentage of people with disabilities in the workforce by 2% by December 31, 2014.

More broadly, Edenred's subsidiaries demonstrate their commitment to integrating and retaining people with disabilities in a number of ways, aligned with each country's specific characteristics:

- numerous subsidiaries, including Edenred Mexico, Edenred United States and Edenred China, hire people with disabilities directly. Edenred Belgium's partnership with Proorienta, a dedicated job training center, has led to the hiring of five hearing-impaired employees. The subsidiary brings in sign-language interpreters for its national information meetings;
- other country organizations hire people with disabilities indirectly. Examples include Edenred Romania, for language training, and Edenred Italy, in accordance with an agreement signed with Milan province to integrate the disabled through an outside company;
- workplaces may be designed and/or equipped to be accessible to people with disabilities;

- a dedicated team has been set up for the French subsidiaries with identified internal correspondents who are responsible for developing hiring resources, creating partnerships with sheltered workshops and enhancing employee awareness and understanding of disabilities;
- communication and awareness initiatives include:
  - an intranet page in France devoted entirely to disabilities in the workplace and the different measures introduced so far,
  - *J'en crois pas mes yeux* (I can't believe my eyes), a web series co-financed by Edenred France that highlights everyday situations in the workplace. The episodes, which continued in 2013, are available on the French subsidiary's intranet,
  - programs organized by Edenred France during national disabilities week (November 18-22, 2013). A Handisport exhibit was installed for the entire week to highlight disabled athletes' achievements. At the same time, sessions on hearing and sight impairment were held to raise awareness of the related challenges in the workplace. Employees also had an opportunity to learn about collaboration with assistance-through-work establishments (ESAT).

## c4) Older employees

Edenred International made a commitment in late 2010 to promote the hiring and retention of older employees. This commitment was formalized in a three-year agreement, in compliance with legal obligations, that features a pledge to maintain the number of employees over 55 at minimum of 4.5% of the total Edenred International workforce. A number of initiatives have been taken to support this measure, notably in the areas of hiring, career planning, working conditions, skills development, end-of-career transitioning and knowledge and skills transfer. A similar action plan has been deployed throughout Edenred France.

In 2013, employee representatives from Edenred International subsidiaries signed an intergenerational contract under which the Company commits to maintaining the proportion of employees over 45 in the workforce. Employees over 55 may also request to scale back their workweek to 80% while maintaining their full pension contribution.

In certain countries, measures to promote the employment of older team members cannot be implemented due to local practices and legislation. This is the case in the United States, for example, where age data is not provided to employers.

## d) Fostering social dialogue

At Edenred, social dialogue covers the full range of negotiation and consultation procedures, as well as the simple exchange of information between employee representatives and management. All of the social advances achieved since July 2010 demonstrate the importance of social dialogue as a key success factor. Representative bodies have been set up in most organizations (except small units), providing a crucial foundation for the social dialogue process.

Three levels of social dialogue are in place within the Group:

#### d1) Social dialogue at the national level

The social advances in the Group's various subsidiaries attest to vibrant social dialogue with labor union and employee representatives. In all, 59.4% of Edenred employees work at units with employee representative bodies and 49% of them are currently covered by a collective agreement.

During 2013, 29 collective agreements were signed in the country organizations on a wide variety of issues, including wages, profit sharing, intergenerational agreements, working time, gender equality, workplace health and safety and job and skills planning.

#### d2) Social dialogue at the Group level in France

Because French subsidiary employees and Edenred International employees work so closely together (located at the same site), Management and employee representatives have agreed on the need to create a Group Works Council on the basis of the various works councils in place within each unit. The agreement specifies that the Group Works Council's role is not the same as that of the unit works councils, which have their own specific objectives and resources.

Created by a collective agreement in 2011, the Group Works Council comprises eight representatives from the works councils of the French subsidiaries and Edenred International. The Group Works Council considers all issues pertaining to the Group's operations, financial situation, business and social environment, as well as any strategic changes. It met twice in 2013.

#### d3) Social dialogue at the European level

Employee representation at the national level varies from country to country. Because the Group is convinced that quality dialogue at the European level will help develop a Europe-wide mindset and shared sense of belonging, a European Works Council will soon be created. A special negotiating group with representatives from 19 European countries has been formed and will meet in 2014 to negotiate the terms under which the European Works Council will operate, the scope of its responsibilities and the procedures for European dialogue. The European Works Council's mission will be to balance the Company's interests with employees' interests in a constructive manner by addressing all cross-border issues in an even-handed spirit of discussion and dialogue.

#### e) Promoting workplace health and safety

In line with Edenred's ambition to be a great place to work, on-the-job risks – including psychosocial risks – are integrated in the Group's development plans. The guiding principle is to ensure that employees have a safe, healthy workplace in which they can perform effectively. The country organizations adapt this principle in accordance with their needs, local practices and the legal and regulatory framework

under which they must operate. Local initiatives focus on three key areas: preventing professional risks, preventing psychosocial risks and providing healthcare coverage.

Complete data on health and safety are provided on page 71.

#### e1) Preventing professional risks

Edenred works closely with existing Health, Safety and Working Conditions Committees (CHSCT) to implement its approach. Numerous country organizations have a CHSCT or similar organization.

##### *Edenred France and Edenred International*

Edenred France and Edenred International have both set up Health, Safety and Working Conditions Committees (CHSCT) that are responsible for monitoring workplace health and safety and improving working conditions, notably by closely reviewing working conditions and potential professional risks on the front lines. All of these risks are listed in a single document, which is used to develop tangible action plans designed to reduce or eliminate them.

##### *United Kingdom*

Edenred United Kingdom has signed a Safety Policy Charter that encourages employees to report all safety risks to their supervisors and take any necessary measures to prevent risks. All accidents are listed in a dedicated register.

##### *Belgium*

Edenred Belgium is affiliated with CESI, an external prevention and protection service. CESI's consultants help identify and manage workplace risks. The prevention consultant is a full-fledged member of the CPPT workplace accident prevention and protection committee, which also includes the CEO (or his/her representative), management representatives, employee representatives and the occupational physician.

##### *Brazil*

In accordance with legal requirements, the Company calls the Internal Accident Prevention Committee (CIPA) to meeting each year. Made up of elected representatives, the committee maps identified risks in each work unit in a specific, regularly updated document and implements prevention policies and awareness initiatives. First responders are trained on a regular basis to provide emergency assistance in the event of an accident.

#### e2) Psychosocial risks

##### *Edenred France and Edenred International*

Edenred France and Edenred International signed an initial agreement in July 2011 establishing the fundamentals of an overall method for preventing psychosocial risks in the workplace. The system consists of questionnaires completed anonymously by employee volunteers



during regular medical check-ups, with the goal of creating an overall workplace health indicator. On the employee's request, the occupational physician can use the evaluation procedure to carefully measure levels of anxiety, stress or depression and ensure that effective treatment is prescribed, all in the strictest confidence. In addition, questionnaire data will be fed into a collective database where analyses may be performed to identify potential risk factors and develop corrective action plans.

The results of this survey, which was conducted jointly over one year with the occupational physicians, were processed in 2013. The workplace health committee, made up of key players in preventing psychosocial risks, met during the year to lay the groundwork for developing an effective action plan that will be deployed initially within Edenred International.

### Italy

In 2013, Edenred Italy conducted an analysis of job-related stress factors. The results were communicated to the Health and Safety Committee and the labor unions and formalized in a collective document signed in July 2013.

### e3) Health coverage and other health benefits

Preserving employees' health is a key objective of Edenred's policy on well-being in the workplace. For this reason, the Group pays particular attention to insurance benefits around the world. With mandatory cover varying significantly from one country to the next, each unit selects the level of additional cover it wishes to provide in line with the local situation, as well as the unit's growth plan and

its funding capabilities. Additional health cover is offered in several Edenred subsidiaries in Latin America, Europe and Asia:

- expatriate employees may be covered by a special international insurance plan in addition to the local system, depending on the country and the level of local benefits. This ensures the same level of protection as in the expatriate's home country, particularly in terms of post-retirement benefits, while respecting the principle of fairness with regard to local employees;
- Edenred France and Edenred International signed a group insurance agreement in November 2010 followed by Company agreements for each unit to ensure that employees and their families are covered in the event of illness, accident or death;
- Edenred Brazil's *Viva Melhor* platform, which is part of the general employee benefits system, offers employees a comprehensive array of care solutions to preserve their health, as well as access to psychologists, nutritionists, physical education teachers, physicians and other specialists.

Medical checkups are offered by many subsidiaries, including Edenred Austria, Edenred Sweden, Edenred Italy and Edenred Hungary.

In other countries, the Group's commitment is also demonstrated through initiatives to promote healthy living and/or balanced diet. These include "Health Days", conferences or workshops on nutrition and health, and programs to promote regular physical activity. Edenred France organizes campaigns to raise awareness about health and safety issues, such as one-day event to fight against hepatitis with *Santé en Entreprise*, an annual flu vaccination drive, a daylong program on healthy eating and balanced diet, and a full week dedicated to well-being (Bee Week). Lastly, Edenred Germany regularly provides employees with news and information on health issues.

### 4.1.3 2013 SUMMARY TABLES OF EMPLOYEE DATA - GROUP

	France	Rest of Europe	Latin America	Rest of the world	Global operations	Total 2013	Total 2012
<b>Number of employees</b>	720	1,737	2,470	1,046	202	6,175	5,915
% women	57.36%	56.59%	47.69%	44.84%	45.54%	50.77%	51.07%
% men	42.64%	43.41%	52.31%	55.16%	54.46%	49.23%	48.93%
Number of interns	5	25	37	13	4	84	46
% under permanent contracts	90.56%	92.75%	96.60%	95.60%	94.06%	94.56%	95.29%
Full-time equivalent	659	1,710	2,545	1,034	189	6,136	5,809
<b>Managers</b>							
% of total workforce <sup>(1)</sup>	20.42%	18.36%	19.23%	20.27%	42.08%	20.05%	17.89%
% women	51.02%	43.89%	36.21%	38.21%	32.94%	40.06%	42.25%
% men	48.98%	56.11%	63.79%	61.79%	67.06%	59.94%	57.75%
<b>Training</b>							
Number of hours of training for managers	3,664	7,227	13,706	2,754	1,507	28,858	36,047
Number of hours of training for non-managers	10,258	15,864	30,255	14,256	1,678	72,311	71,194
<b>Number of hours of training</b>	<b>13,922</b>	<b>23,091</b>	<b>43,961</b>	<b>17,010</b>	<b>3,185</b>	<b>101,169</b>	<b>107,241</b>
Number of managers having attended at least one training course	133	255	504	112	51	1,055	1,392
Number of non-managers having attended at least one training course	489	894	1,717	455	67	3,622	3,434
<b>Number of employees having attended at least one training course</b>	<b>622</b>	<b>1,149</b>	<b>2,221</b>	<b>567</b>	<b>118</b>	<b>4,677</b>	<b>4,826</b>
<b>Occupational accidents <sup>(2)</sup></b>							
Lost-time incident frequency rate (LTIF)	7.97	2.37	4.21	1.37	10.70	3.78	3.83
Number of fatal accidents in the workplace	0	0	0	0	0	0	0
Severity rate (in %) <sup>(3)</sup>	0.28	0.27	0.12	0.01	0.02	0.15	0.11
Absenteeism rate <sup>(4)</sup>	4.25	2.78	2.03	1.40	1.16	2.37	2.25

*For information:*

Employee numbers correspond to the number of individuals on the payroll on December 31 and the number of full-time equivalent employees.

The concept of number of employees is designed to quantify the number of physical individuals under contract (this excludes interns, service providers and subcontractors) regardless of the actual time spent on site or their contractual working hours. Total number of employees is used to calculate several other indicators.

The concept of full time equivalent is designed to quantify the workforce on a comparable basis, i.e., the standard full time contract applied in each unit.

This involves counting the Company's operational workforce taking into account workweek duration and contractual working hours. The figures also include interns and temporary employees.

(1) A manager is defined as an employee who manages others and/or has a high level of responsibility within the organization.

(2) Occupational accidents: non-fatal and fatal accidents occurring during or because of work and involving salaried employees and all other persons working for the Edenred Group in any capacity and at any location and resulting in at least one day of absence.

(3) Severity rate: number of days of lost time following an occupational accident multiplied by 1,000 and divided by the total number of hours worked by the entire workforce over the calendar year.

(4) Absenteeism rate: total number of person-days lost to absenteeism in the period divided by the number of person-days available in the period. This includes absenteeism due to work accidents, commute accidents, professional illnesses and non-professional illnesses.

#### 4.1.4 2013 SUMMARY TABLES OF EMPLOYEE DATA - FRANCE

The data provided in the summary table below concerns Edenred France and Accentiv' Kadéos, which together form a single economic and social unit (UES) with regard to social obligations.

	2013
<b>Number of Employees</b>	
Total number of employees <sup>(1)</sup>	675
Percentage of women	57%
Percentage of men	43%
<b>Employees by age</b>	
Under 25	5%
25 to 34 years	41%
35 to 44 years	35%
45 to 54 years	13%
55 and older	5%
Number of full-time employees under permanent contracts	613
Number of full-time employees under fixed-term contracts	62
Number of part-time employees	38
Non-French employees working in France <sup>(2)</sup> (as a % of total employees)	4%
<b>Hiring</b>	
Number of persons hired under permanent contracts	57
Number of persons hired under fixed-term contracts	104
<b>Compensation</b>	
Gross payroll <sup>(3)</sup> (in millions of euros)	26
<b>2012 discretionary profit-shares paid in 2013</b>	
Number of beneficiaries <sup>(4)</sup>	766
Average gross amount per beneficiary (in €)	1,848
<b>Additional 2012 discretionary profit share paid in 2013</b>	
Number of beneficiaries <sup>(3)</sup>	766
Average gross amount per beneficiary (in €)	214
<b>2012 statutory profit-shares paid in 2013</b>	
Special employee profit sharing reserve, net <sup>(3)</sup> (in €)	906,754
Number of beneficiaries <sup>(4)</sup>	776
Mean net amount per beneficiary (in €)	714
<b>Health and Safety Conditions</b>	
Number of meetings of Health, Safety and Working Conditions Committees	6
Number of employees receiving onsite safety training	177
<b>Employee Relations</b>	
Collective agreements signed in 2013	2
Total hours used for employee delegate activities	66
Number of meetings with employee representatives	24

(1) All employees on the payroll at December 31, 2013, regardless of the type of employment contract.

(2) Number of foreign employees working in France.

(3) Group agreement that concerns all companies incorporated in France. Employees must have worked at least three months in the year.

(4) The amount of the Special Employee Profit Sharing Reserve corresponds each year to the sum of all the theoretical profit sharing reserves calculated separately (in accordance with the legal formula) in each Group company participating in the agreement.

## 4.2 SOCIETAL DATA

### INTRODUCTION

By inventing the *Ticket Restaurant*® meal voucher in 1962, Edenred helped to spread the practice of taking a lunch break to all employees, regardless of category. Since then, the Group has contributed to social progress with programs that make life easier for both employees and consumers. Edenred has deployed a Corporate Social Responsibility (CSR) approach applicable on a daily basis that is thoroughly aligned with its operations. Known as “Ideal”, this approach was formalized in 2012 and presented to external stakeholders in 2013.

“Ideal” is defined by three strategy lines:

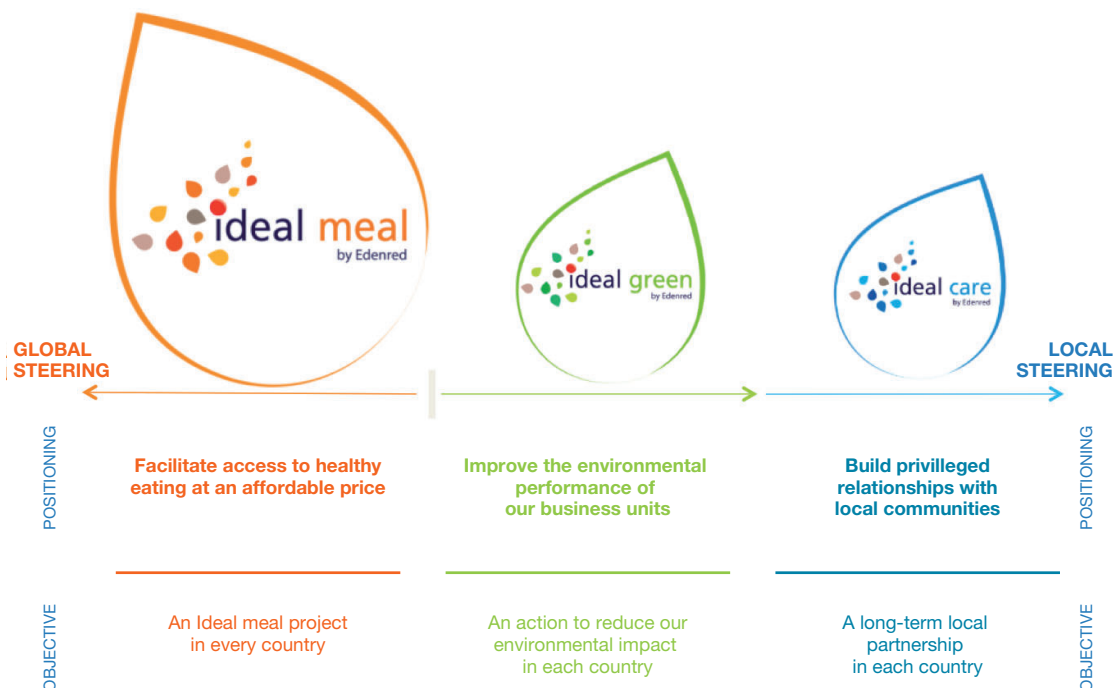
The first concerns **promoting healthy eating habits**, a core competency at Edenred since meal solutions represent nearly 80%

of total issue volume. With “Ideal meal”, Edenred aims to make it easier for stakeholders to enjoy balanced meals at affordable prices in all Group subsidiaries.

The second strategy line is to **limit the environmental impact** of day-to-day operations, whether in the office, in production or in the solutions developed by Edenred. “Ideal green” covers all of the local initiatives undertaken in this area.

The third strategy line is to **support local community development** through “Ideal care” initiatives. In 40 host countries around the world, Edenred’s teams are in contact with people who are actively involved in their cities. Community support plays a critical role in making the Group part of the local ecosystem.

#### Positioning and objectives of the “Ideal” approach between now and 2016



The above diagram shows the target positioning and the Group objective for each strategy line of the “Ideal” approach, as well as the leadership level. “Ideal meal”, which has been identified as the priority challenge for 2016, requires a more global leadership approach with dedicated resources, as well as tools to facilitate the deployment of new initiatives.

### 4.2.1 IDEAL MEAL TO PROMOTE HEALTHY EATING

With several years of experience in promoting good eating habits and fighting obesity, Edenred has decided to step up its action in this area. The “Ideal meal” program covers all initiatives carried out at the Group level to promote healthy eating.

“Ideal meal” was designed to respond, in a pragmatic way, to a growing public health challenge:

- some 1.46 billion people around the world, or more than one adult out of three, are obese or overweight. Clearly, this is a global problem that has led to a very sharp increase in the number of people suffering from certain types of cancer, diabetes, strokes or heart attacks and put enormous strain on public health systems. Today, the majority of overweight and obese individuals live in developing countries, rather than developed nations. According to the World Health Organization (WHO), overweight and obesity are the fifth leading risk for global deaths. At least 2.8 million adults die each year as a result of being overweight or obese;
- as the producer of the *Ticket Restaurant*® and Ticket Alimentation® meal voucher solutions, Edenred is in direct contact with affiliated merchants, beneficiaries and clients who each day make eating decisions that are important for their health. With more than 640,000 corporate clients, 1.4 million affiliated merchants and 40 million beneficiaries, Edenred can take tangible action to promote healthy food choices.

Each subsidiary is encouraged to deploy its own projects with direct stakeholders—customers, affiliated merchants, beneficiaries and Edenred employees—to facilitate balanced nutrition. While these projects are tailored to the local environment and nutritional issues in each country, they are all designed to make a meaningful impact on stakeholder eating habits, as measured by dedicated indicators.

#### 4.2.1.1 A major commitment aligned with Edenred's core business

Since Edenred was created, a number of projects have been launched that contribute to the “Ideal meal” program's mission, including the **FOOD program** covering the majority of the Group's initiatives in Europe, the **Nutritional Balance program** in South America and local initiatives in countries like Brazil, with the **AVANTE™ program**. As of end-2013, 14 country organizations covering 65% of the Group workforce were already involved in healthy eating projects.

#### a) Edenred, FOOD program coordinator in Europe

##### Origin of the European pilot project

Organized as a public-private consortium, the FOOD program (*Fighting Obesity through Offer and Demand*) focuses on the growing problem of obesity in Europe. The program began in 2009 as a project co-financed by the European Commission in six European countries (Belgium, Czech Republic, France, Italy, Spain and Sweden) with the goal of raising awareness about balanced nutrition

among employees and restaurant managers and aligning supply (offer) to demand.

Edenred is the project's sponsor and coordinator. With operations in each of the countries in which the program has been introduced, it is responsible for deployment with the different partners – and more specifically for its diffusion – and for relations with the restaurant network.

After a 28 month period, more than 100 resources were developed and used to reach the two key target groups – employees and restaurant managers – thanks to the active involvement of more than 35 public and private partners. The results of the FOOD project have been compiled in a publication that includes a description of the methodology used and the project's main achievements. (Link to the report) <sup>(1)</sup>.

#### 2012: from the FOOD project to the FOOD program

In light of the pilot project's results, the partners decided to transform FOOD into a program in order to pursue the same principles and objectives. On December 14, 2011, 23 partners signed a new consortium agreement defining the program's main initiatives and organization. The decision to pursue FOOD as a program was also made with the idea of expanding into new countries and bringing in new partners. Slovakia and Portugal have joined the list of participating countries.

#### European FOOD survey: a valuable resource for tracking and evaluating the program

A European survey was conducted in 2012 to track and analyze employee and restaurant needs, as well as potential trends. In 2013, 4,600 employees and nearly 700 restaurants filled out questionnaires for the second edition of the survey in the seven participating countries (Portugal joined the program in 2012). The results showed that three-quarters of the employees surveyed took a lunch break every day (on a par with 2012) and 57% of restaurant managers felt that customers were attracted by nutritionally balanced menus (up slightly from the year before).

#### Notable achievements in FOOD member countries in 2013

Edenred Portugal created a book on smart eating in partnership with the Ministry of Health that provides advice and recipes to help readers buy, prepare, cook and store food while adapting to a difficult economic environment. The book won an award in the “Engaging Initiatives” category at Portugal's national nutrition contest.

In the Czech Republic, Edenred launched a smartphone application and web platform called Ticketka in 2012. As the country's largest restaurant search engine, the Ticketka application makes it easy to quickly find FOOD network restaurants. More than 220,000 visitors used the site in 2013.

(1) <http://www.food-programme.eu/en/project/final-publication-project>

Around ten communication tools were launched in the FOOD program's eight participating countries in 2013 and the number of FOOD network restaurants exceeded 2,870, strengthening the crucial link between supply and demand.

### b) Nutritional Balance program in Latin America

Since 2005, the Nutritional Balance program has been deployed to promote healthy eating habits. The program's purpose is to enable *Ticket Restaurant*® users to easily identify menu items at affiliated restaurants that meet the criteria of a varied and balanced diet. Represented by the "Gustino" mascot, the program was developed in partnership with expert nutritionists, local public partners and restaurant industry representatives, whose involvement ensures the initiative's validity.

The program is active in Edenred's Latin American host countries, notably **Chile, Mexico, Uruguay and Venezuela**.

A number of specific resources have been developed to support beneficiaries, among them:

- **in Chile:**
  - access to an Edenred nutritionist on the local Gustino website ([www.gustino.cl](http://www.gustino.cl)) who answers consumers' questions on balanced nutrition,
  - a study of around 100 employees and 15 restaurants conducted in 2011 by Edenred and *Instituto de Nutrición y Tecnología de los Alimentos* (INTA). Once the two targets were familiarized with Gustino's recommendations, the study showed that the number of balanced meals ordered in restaurants increased by 60% and that the tracked employees saw their body mass decrease by 13%. A larger sample group was used in 2012, raising awareness of the program and its content by 68% among targets familiarized with the recommendations.
- Edenred Chile has been recognized by the Chilean government with an award for healthy innovation;
- **in Uruguay:** Edenred Uruguay's program, deployed since 2005, is designed to cover all stakeholders:
  - employees and corporate customers: Training sessions on healthy eating have been organized since 2008. In 2012, 500 employees participated in these sessions,
  - Gustino affiliates: Numerous direct and indirect promotional campaigns have been initiated to highlight affiliates' commitment,
  - public authorities: Edenred Uruguay has participated in studies on employee eating habits,
  - Edenred employees: Daylong awareness-raising sessions have been organized, along with regular fruit tastings;
- **in Mexico:** to highlight the importance of physical activity in a healthy lifestyle alongside a balanced diet, Edenred Mexico's

teams organized a foot race in 2013 for the general public that attracted nearly 1,000 runners in Mexico City.

### c) The AVANTE™ program in Brazil

The **AVANTE™** program is designed to encourage healthier eating through initiatives targeting all Edenred stakeholders, from affiliated merchants to beneficiaries and clients. The program's objective is to provide:

- affiliated merchants with the tools and training they need to offer more nutritionally balanced choices while increasing their productivity;
- beneficiaries with a system for tracking their nutritional profiles and obtaining useful advice;
- clients with support so they can give employees better access to balanced nutrition, thereby enhancing quality of life in the workplace.

In addition, the Brazilian subsidiary has deployed numerous initiatives to promote more healthy lifestyles among its employees. The *Viva Melhor* program, for example, is designed to combat obesity and prevent musculoskeletal disorders, heart disease and hypertension.

#### 4.2.1.2 A unique approach supported by employees

In applying its societal policy, Edenred has made its employees its main ambassadors by familiarizing them with the principles of healthy eating through a number of initiatives:

- on World Food Day (October 16, 2013), Edenred organized its first "Ideal meal" Day, a group-wide event based on the theme: "What is your country's 'Ideal' recipe?" In all, 33 country organizations and nearly 80% of the workforce joined in to define each country's most nutritionally balanced dish. The winning recipes were chosen either by participants, in a vote, or by selected restaurant chefs and compiled in a book that reflects the Group's cultural diversity. Each subsidiary added an article on its "Ideal meal" Day, with testimonials and photos of their teams in action; <sup>(1)</sup>
- in 2013, Edenred launched a study on the diversity of eating habits. The survey was first conducted in Mexico, the United States, Poland and Belgium, to find out what makes up an "Ideal" meal during employees' workdays. Based on these results, the teams organized workshops in order to draw up local action plans intended for the Group's affiliates, clients and beneficiaries, to respond to the specific food challenges of their markets. The Group intends to pursue these surveys in several other Edenred country organizations in 2014.

(1) <http://www.edenred.com/en/News/Corporate-social-responsibility/Pages/recipe-book-ideal-book.aspx>



### “Ideal meal” key indicators



## 4.2.2 IDEAL CARE TO SUPPORT LOCAL COMMUNITY DEVELOPMENT

In all host countries, the Group forges strong ties with local communities and notably with associations to assist people in difficult circumstances.

Group employees are the driving force behind these initiatives, which can take the form of donations, skills support or social welfare programs in which clients, affiliated merchants, beneficiaries and other Edened stakeholders frequently play an active role.

A wide variety of projects receive support based on each subsidiary's local situation, with an emphasis on long-term partnerships. Examples include food drives and meal voucher donations, educational support programs and re-employment assistance.

### 4.2.2.1 Eden for all: a day devoted to community support

Each year on Human Rights Day (December 10), Edened organizes an international event called “Eden for all” to promote the spirit of mutual support. With the slogan “We care, we share”, the Group encourages employees to take action to help their local communities. During the daylong event, employees organize fund drives to meet the needs of a partner association and/or donate their time by participating in one or more charity projects.

In 2013, 31 host countries and 3,952 employees participated in the event, which was the fourth of its kind.

Employees primarily collected food, clothing, toys and funds and participated in partner associations' activities. The CSR Department

tallies the number of employees involved after each event, as well as the number of people benefitting from an initiative and the amount of money collected or donations in kind.

### 4.2.2.2 Other initiatives

In addition to “Eden for all” Day, many community initiatives are led year-round in partnership with local non-profit associations. In all, the Group supports 330 associations across its host countries, with €805,708 in donations and 552 days (on the basis of 8 hours a day) devoted to philanthropic initiatives, as well as donations in kind.

#### a) Employee initiatives

##### United Kingdom

Edened provides year-round support to a London food bank. Each month, employees of a given department organize a food drive. Thanks to the 240kg of foodstuffs collected by the London office, the food bank was able to help 627 adults and 241 children in need during the year.

##### France

In 2013, Edened France once again gave several employees the opportunity to take solidarity leave in coordination with *Planète Urgence*, a non-profit organization.

In all, employees have donated more than 552 days to solidarity projects.

### b) Initiatives carried out with Group stakeholders

In many countries, the Group leverages its unique positioning with beneficiaries and affiliated merchants to relay and support associations.

#### Spain

The Group's teams encouraged employees from companies in the *La Finca* business center to donate their *Ticket Restaurant*® meal vouchers to *Action Against Hunger*, a charity involved in fighting hunger that Edenred has supported for ten years. In just one day, the campaign bus collected €4,200 in vouchers. The program was repeated throughout the year, bringing in close to €30,000 in donations. The related advertising campaign won an award at the 13th fundraising congress organized by the Spanish Fundraising Association on September 26, 2013.

#### Belgium

In Belgium, Edenred supports *Restos du Cœur* to provide disadvantaged individuals with a hot meal. Throughout the month of December 2013, Edenred Belgium donated €0.025 to *Restos du Cœur* for each transaction paid for with the *Ticket Restaurant*® card.

A total of €33,560.55 was collected, representing 11,080 hot meals for people in difficulty.

#### France

*Ticket Restaurant*® has joined forces with the French Red Cross by encouraging 1.2 million employees to donate their meal vouchers to support Red Cross actions. The first French issuer to have suggested donating vouchers, Edenred initiated the "*Tickets solidaires*" campaign more than ten years ago, raising more than €1.7 million since 2002. For each donated voucher, the Red Cross is able to serve up to seven full meals to people in need.

#### Venezuela

Under the *Narices Mágicas Cestaticket*® program, launched in late 2009, employee volunteers from Cestaticket stage clown-themed events to bring a little joy into Venezuelan hospitals. In the past three years, 55 hospitals, specialized educational establishments and half-way houses have welcomed the program and some 4,000 sick children and 400 hospitalized adults have benefited from the initiative, which has been widely reported in the Venezuelan media. Employees of Edenred Venezuela client companies have participated in the program since 2012, with some 100 helpers joining the 80 Cestaticket volunteers.

### "Ideal care" key indicators



## 4.2.3 OTHER SOCIETAL DATA

### 4.2.3.1 Geographic, economic and social impact

#### Employment and regional development

Because of the nature of its business, Edenred has both a direct and an indirect positive impact on local employment and neighborhood merchants. The pre-paid service vouchers marketed by Edenred are a significant source of revenue for affiliated restaurants,

supermarkets and other merchants, as well as a powerful tool for stimulating local employment, notably for human services. For governments, the vouchers' traceability helps reduce off-the-books work and improves tax collection.

The Group's impact in this area can be measured by the number of affiliated merchants who accept all types of Edenred vouchers. In 2013, Edenred had nearly 1.4 million affiliated merchants in its 40 host countries.



## France

## Summary of Human Resources data for France \*

Employment	December 31, 2013
Total number of employees	922
Compensation	
Gross payroll (in millions of euros)	42

\* French subsidiaries and Edenred International

## Neighbors and local communities

Ticket Alimentation® food vouchers, one of Edenred's flagship nutrition products, can be used by employees and their families to purchase groceries in convenience stores or supermarkets. In many emerging markets, the vouchers are a way to ensure access

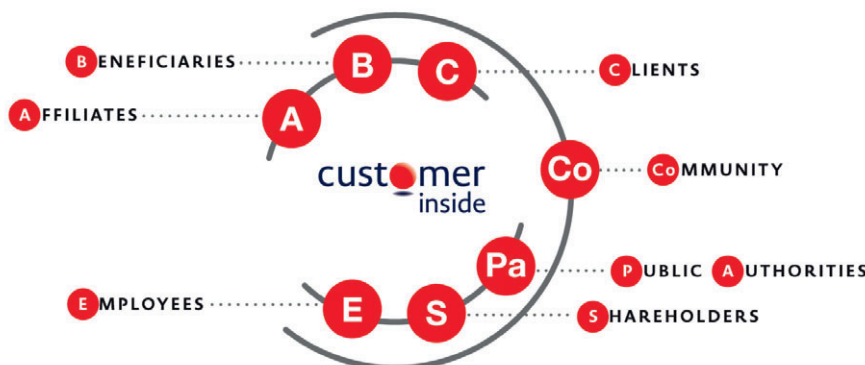
to a balanced diet, not only for Company employees but also for a larger ecosystem. Launched by Edenred in 1983 in Mexico, the product has since been rolled out to other Latin American countries, including Brazil, and more recently to certain countries in Central Europe such as **Bulgaria**.

## 4.2.3.2 Relations with individuals or organizations engaged by the Company

## a) Dialogue with individuals or organizations engaged by the Company

Since 2010, Edenred has been instilling a new corporate culture designed to support the Group's strategy. Known as "Customer

Inside" this corporate culture's ambitious objective is to make Edenred the preferred partner to all stakeholders, from affiliated merchants, clients and employees to shareholders, public officials and the community.



Listening to stakeholders and getting their points of view is a fundamental part of this approach. Numerous "Customer Inside" initiatives are conducted within the Group, as described below:

- **with affiliates:** several subsidiaries have implemented innovative processes to track customer satisfaction. In Venezuela, for example, more than 200 Group employees visited some 3,000 affiliated merchants to present a new communication channel known as "Cestaticket Contigo®". This gave the employees an opportunity to understand the merchants' needs and collect feedback. The approach is designed to nurture long-term relations and provide affiliated merchants with customized service;
- **with beneficiaries:** Edenred Belgium has revamped its online tools for users of Edenred solutions, notably its website and

services platform. To make sure the solutions are perfectly aligned with users' needs, Edenred Belgium asked beneficiaries to participate in the upgrade as beta testers;

- **with clients:** Edenred Italy brought together a panel of customers to test its ExpendiaSmart® expense management solution, collect information on their needs and ensure that the solution worked in the Italian market;
- **with Edenred employees:** the Group is pursuing its objective of listening to employees and achieving continuous improvement through its best place to work approach. Today, nearly 60% of Edenred employees work in a subsidiary that has initiated a Human Resources certification approach;

- **with shareholders:** In 2013, Edenred launched a new concept of informational breakfasts for individual shareholders. Each year, three breakfasts are held for around 15 different shareholders to present the Group's fundamentals and updates on such current topics as digital communication and Corporate Social Responsibility;
- **with public authorities:** as a company involved in enhancing quality of life and human services, Edenred regularly participates in international conferences to present its solutions and share good practices. In 2013, for example, Edenred helped organize and facilitate the 21st European Social Services Conference in Dublin from June 17th to June 19th. With a focus on experience sharing, this annual conference promotes the development of quality social policy aligned with today's challenges. Edenred's relations with public and private partners in the FOOD program consortium provide another example of the Group's engagement with nutritional experts (see 4.2.3.1);
- **with the community:** Edenred subsidiaries work with local associations to meet their needs as effectively as possible. Edenred France has supported Red Cross initiatives for the past 12 years with meal voucher donations that have brought in €1.7 million. In Montrouge, where it is headquartered, Edenred France has channeled employee donations collected during "Eden for all" Day to the local chapter of the Red Cross for the past four years.

#### b) Partnerships and sponsoring

Edenred partners 330 local associations through its various subsidiaries. More detailed information on partnerships and sponsorships is available in section 4.2.2, page 75 "Ideal care to support local community development".

#### 4.2.3.3 Subcontractors

##### a) Inclusion of social and environmental issues in purchasing policy

Edenred's purchasing policy is decentralized at the subsidiary level. The Group has a few suppliers identified as key partners with whom it has international framework agreements. Examples include contracts with the Group's main printers or card suppliers. These framework agreements include clauses on compliance with labor laws in the country of production. Concerning paper purchases, which are still essential to Edenred's operations (see digital transition, chapter 1.3.2.4, page 19), the Group selects environmentally friendly materials such as FSC-certified and/or recycled paper and vegetable-based inks whenever possible and depending on voucher security constraints.

##### b) Reliance on subcontracting

The majority of outside contractors used by Edenred are hired to provide IT services. The Group requires its subsidiaries to ensure that subcontractors are employed in strict observance of the applicable regulations and labor laws concerning work shifts, the basis for calculating hours worked, etc. Edenred France, for example, has set up a system for monitoring compliance with French labor laws.

#### 4.2.3.4 Fair practices

##### a) Measures taken to prevent corruption

Due to the Group's multi-local organization, its ethics approach is adapted to each subsidiary's legal and operating constraints. Several units have developed their own code of ethics to address specific legal requirements. This is the case for Prepay Solutions in the United Kingdom, Edenred Italy, Edenred Brazil, Edenred Mexico, Edenred Uruguay and Cestaticket in Venezuela. These codes of ethics now cover 40% of the Company's workforce. Aware of how important it is to circulate these principles at the Group level, the Legal Affairs Department is considering issuing a formal Group policy to prevent corruption risks.

In 2012, Edenred initiated a procedure to fight against money laundering at the Group level and to train all Finance Departments in the European subsidiaries. In 2013, this procedure was translated into Spanish for the Latin American subsidiaries and measures were taken to familiarize both country organization managers and Finance Departments with its contents. Following these training sessions, certain host countries (France, the United Kingdom, Italy and Argentina, for example) adapted and deployed the procedure in the different business subsidiaries. The Legal Affairs Department pursued these efforts in 2013 and stepped up training by supporting a number of country organizations (including Germany and Romania) in implementing the procedure.

##### b) Measures taken to enhance consumer health and safety

The Group's priority commitment to promoting healthy eating habits and preventing obesity is presented in the previous sections.

#### 4.2.3.5 Initiatives to promote human rights

Edenred respects the fundamental principles of human rights, as defined by the United Nations. As a result, it avoids infringing on human rights in all of its actions.

As concerns Human Resources management, the Group complies with the principles and fundamental rights outlined in the International Labour Organization's fundamental conventions, which cover such basic issues as the right to freedom of association, the effective

recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment

and occupation. The resources deployed in relation to Edenred's business base are described above.

## 4.2.4 RECOGNITION OF EDENRED'S SOCIETAL COMMITMENT

### 4.2.4.1 FTSE4Good

In recognition of its commitment to Corporate Social Responsibility, Edenred has been included in the FTSE4Good Index series since 2010. An evaluation by an independent organization demonstrated that Edenred fulfilled the requirements for inclusion. The FTSE4Good index series has been designed to facilitate investment in companies that meet globally recognized Corporate Social Responsibility standards. Of the 292 European companies in the FTSE4Good, only 48 are French. Edenred's inclusion in the index is a strong incentive for the Group to pursue its socially responsible policies.

### 4.2.4.2 Dow Jones Sustainability Indices

In 2013, Edenred was included in the Dow Jones Sustainability Index (DJSI) Europe in the Commercial & Professional Services industry group. The index assesses businesses along three dimensions – economic, social and environmental – covering criteria such as governance, Human Resources policy, human rights and environmental impact. Edenred is one of the 23 French companies in the DJSI Europe, which lists some 180 companies headquartered in Europe.

### 4.2.4.3 Other

#### Chile

On December 5, 2013, Edenred Chile's team received the healthy innovation award from the country's First Lady for the Nutritional Balance program. The award, which recognizes companies for innovative approaches in promoting healthy eating, rewarded the subsidiary for its efforts to gain a better understanding of beneficiary expectations. In 2011 and 2013, Edenred Chile launched two surveys among a representative sample of employees from two client companies and restaurants involved in the Gustino program to understand and analyze the balanced nutrition program's impacts.

#### Spain

Edenred Spain's teams won an award in the "Business/Non-Profit Collaboration" category at the 13th fundraising congress organized by the Spanish Fundraising Association on September 26, 2013. The subsidiary's campaign against infant malnutrition, conducted with *Action Against Hunger*, raised €30,000 to support the NGO's projects in Africa.

#### Portugal

A book on smart eating published by Edenred Portugal took top honors for food in the "Engaging Initiatives" category at Portugal's national nutrition contest. Written in collaboration with the Ministry of Health as part of the FOOD program, the book provides advice to help readers buy, prepare and cook food economically.

#### United Kingdom

In October 2013, the British government recognized Edenred's teams for the third year in a row with a Bronze Award for their commitment to the Payroll Giving scheme, through which they can donate part of their earnings to charities. Edenred United Kingdom broadly supports this initiative by encouraging giving and by accepting to transfer part of each employee's salary directly to the charitable association of his or her choice, within a limit of £50 per month. The subsidiary also covers all the related processing costs.

#### Group

In 2013, Edenred was recognized with a Fair Business Communication award in the "Events" category by the Aressy agency for the 2012 International Earth Day event during which the Group launched the Edenred City application.

## 4.3 ENVIRONMENTAL DATA

### INTRODUCTION

Unless otherwise indicated, the scope of reporting includes the corporate headquarters and all of the consolidated subsidiaries.

Information is reported by geographical region, as follows:

- France;
- Rest of Europe;

- Latin America;
- Rest of the world

In accordance with the Grenelle II Act of July 12, 2010 concerning France's national commitment to the environment, Edenred has broadened the scope of CSR reporting and increased the number of indicators that are monitored and published by the Group. The Group's CSR reporting methodology is described on page 59.

### 4.3.1 IDEAL GREEN TO PRESERVE THE ENVIRONMENT

#### 4.3.1.1 Organizational response to environmental issues; environmental assessment or certification programs

Edenred has a limited impact on the environment because its operations are mainly service related. Nevertheless, Edenred formalized its environmental policy in 2012 in a commitment letter entitled "Edenred Goes Green". In this document, Edenred undertakes to:

- analyze existing initiatives to ensure that the Company is in compliance with local environmental regulations and international environmental standards and has implemented a continuous improvement approach to prevent any risks related to its operations;
- reduce its environmental impacts by improving waste management and carefully controlling its consumption of natural resources;
- communicate effectively and present its environmental policy to all interested parties, both internal and external.

The Group's environmental initiatives focus on four main paths: environmental management, eco-designed products, programs with ecological value for affiliated merchants and clients, and employee awareness.

#### a) Environmental management

Edenred has established an environmental management system based on the principles of the ISO 14001 environmental management standard.

So far, France, Brazil, and the United Kingdom (representing 29.31% of the Group's employees) have been ISO 14001-certified.

In 2013, Bureau Veritas renewed Edenred United Kingdom's ISO 14001 certification for three more years. This renewal recognizes the subsidiary's involvement in preserving the environment through programs to use energy more efficiently, promote recovery and recycling and support events related to the environment.

To encourage the Group's other subsidiaries to seek certification, the CSR Department released the results of a study it conducted on the challenges and steps involved in obtaining ISO 14001 certification, along with feedback from certified units.

A consolidated reporting system has been established for the environmental initiatives undertaken by all of the Group's country organizations. It is based on some twenty indicators covering the use or production of:

- water;
- energy;
- waste;
- paper;
- greenhouse gases.

#### b) Eco-designed solutions

Edenred's primary impact is related to the production of paper vouchers. The Group is deeply involved in the development of paperless media for its programs, with the objective of having 75% of its solutions in digital format by 2016. As of end-2013, 58% of Edenred's solutions (in issue volume) were produced using paperless media. This approach will considerably reduce the impact of Edenred's activities on paper resources.

In 2013, 17 country organizations representing 58.70% of the workforce used recycled paper or paper certified to the standards of the Forest Stewardship Council (FSC) for voucher production. In addition, three country organizations were certified to ISO 14001 standards (source: 2013 CSR reporting).

### c) Programs for clients and affiliated merchants

A number of Edenred units have developed services to add ecological value to their programs.

#### France

In 2010, *Ticket Clean Way*® launched the ECO Pressing® program to encourage its affiliates, as well as the entire dry-cleaning profession, to reduce their impact on the environment, improve their practices and comply with increasingly strict regulations. In 2012, the ECO Pressing® program was recognized with a Fair Business Communication award for the educational quality of its communication resources.

#### Brazil and Mexico

*Ticket Car*®'s *Ticket Carbon Control*® program, which gives clients detailed, precise information about their vehicles' CO<sub>2</sub> emissions, was rolled out in Brazil in 2009 and in Mexico in 2012.

#### Belgium

Edenred created *Ticket EcoCheque*® in 2009 at the request of the Belgian authorities. This solution promotes environmentally

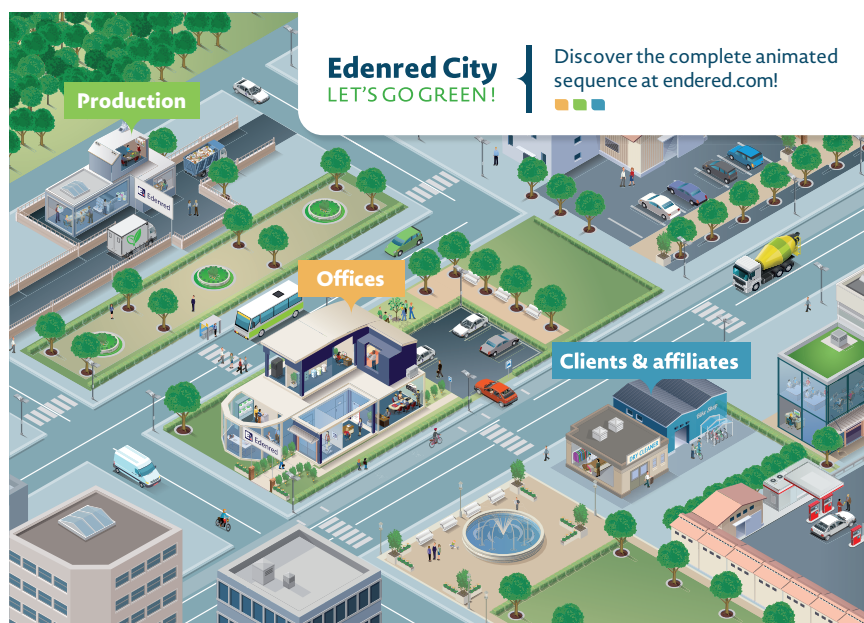
friendly products and services and increases the buying power of employee beneficiaries. 700,000 employees have already used *EcoCheque*® vouchers, which are intended solely for the purchase of environmentally friendly goods and services. An exhaustive list has been drawn up by the National Labor Council.

### d) Employee awareness

Because employee commitment is a key success factor for Edenred's environmental policy, the Group has deployed a variety of resources to inform and teach employees about environmentally friendly practices.

#### 4.3.1.2 Employee training and information

In 2012, Edenred created Edenred City to make employees more aware of environmental issues. This interactive informational resource presents Edenred's various operations and their environmental footprint in a game-like environment. Edenred City is accessible from the corporate website <sup>(1)</sup> in French, English and Spanish.



Visit Edenred City from this link <sup>(2)</sup>

For each area of operation (offices, production, clients and affiliated merchants), Edenred City presents a close-up of the different challenges, illustrates action levers through a number of best practices implemented by the Group's country organizations and provides employees with advice on how to make a difference in their day-to-day activities.

All of the Group's employees were introduced to Edenred City on International Earth Day 2012. Each year on International Earth

Day (April 22), Edenred goes green to remind employees about environmental protection and encourage them to take action.

In 2013, employees in 29 host countries celebrated Earth Day and participated in projects to care for the planet. The 2013 event focused on the environment and food, with awareness-raising conferences in five countries, planting projects in office buildings or shared gardens in ten countries and initiatives to protect the environment in 14 countries.

(1) <http://www.edenred.com/en/Corporate-social-responsibility/Pages/default.aspx>

(2) <http://www.edenred.com/en/Corporate-social-responsibility/Ideal-csr-approach/Ideal-green/Pages/Environmental-management.aspx>



#### 4.3.1.3 Resources devoted to preventing environmental risks and pollution

The environmental management system based on ISO 14001 implemented by Edenred contributes to the prevention of environmental risks and pollution. The environmental budget of Edenred's subsidiaries amounted to €483,713 in 2013. These funds were dedicated to organizing Earth Day, moving units into compliance with ISO 14001 standards, launching environmental communication campaigns and purchasing recycled paper to print

vouchers, catalogues or office documents. The scope of reporting for expenses includes Edenred subsidiaries subject to reporting.

#### 4.3.1.4 Provisions and guarantees for environmental risks

No material provisions or guarantees were set aside in 2013 for environmental risks. Edenred was not subject to any court rulings on environmental claims in 2013.

### 4.3.2 POLLUTION AND WASTE MANAGEMENT

#### 4.3.2.1 Measures to prevent, reduce or abate environmentally hazardous emissions and discharges into the atmosphere, water or soil

The environmental management system based on ISO 14001 implemented by Edenred contributes to the prevention, reduction and abatement of environmentally hazardous emissions and discharges into the atmosphere, water or soil.

Edenred's activities generate wastewater whose content is similar to household wastewater. Edenred's offices, most of which are located in cities, are generally connected to municipal sewage systems.

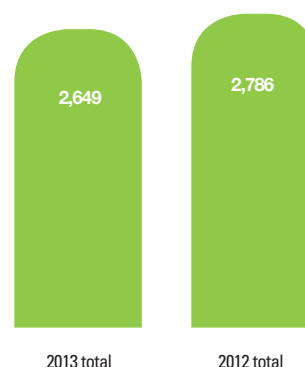
The Group's operations do not result in any soil pollution or significant air pollution. Some of the Group's subsidiaries personalize vouchers directly on pre-printed backgrounds. This is done at Edenred production sites using specific printers. Host countries are encouraged to use environmentally friendly inks for this process. Edenred France, for example, uses non-toxic water-based inks that do not emit any volatile organic compounds (VOCs). Production sites are equipped with aeration systems to ensure that process dust is quickly removed from the air.

#### 4.3.2.2 Measures to prevent, recycle and eliminate waste

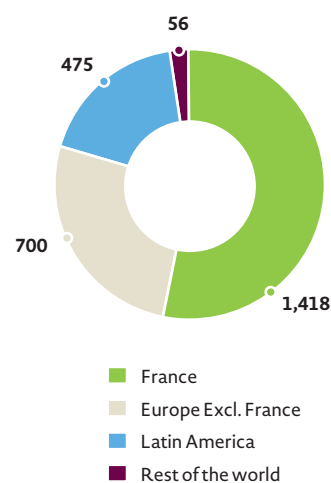
The environmental management system based on ISO 14001 implemented by Edenred covers sustainable waste management and recycling. Edenred City includes a section on waste production and recycling with educational information and examples of good practices in the Group's subsidiaries. Edenred's eco-design approach also helps limit waste production.

The following table shows the total tonnage of waste produced worldwide and by region.

TOTAL WASTE PRODUCED  
(IN METRIC TONS)



WASTE PRODUCED BY REGION IN 2013  
(IN METRIC TONS)



At the Group level, waste production declined by 4.91% during the year thanks, in particular to the transition from paper vouchers to digital format. Edenred France, which continued to produce paper vouchers, accounted for a significant share of the Group's total waste. That said, Edenred France has used recycled and FSC-certified paper for all of its paper vouchers since 2012.

### 4.3.2.3 Noise and all other types of pollution generated by an activity

As Edenred's activities generate very little noise pollution or odors, no related measures have been taken.

## 4.3.3 SUSTAINABLE USE OF RESOURCES

### 4.3.3.1 Water use and supply in relation to local constraints

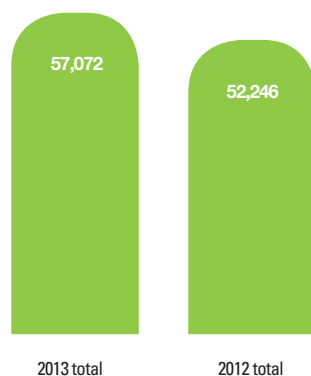
The environmental management system based on ISO 14001 implemented by Edenred encourages reasonable use of water.

Edenred City includes a section on water use with educational information and examples of good practices in the Group's subsidiaries.

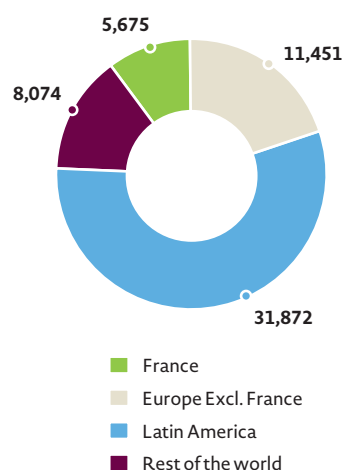
Edenred's offices, most of which are located in cities, are connected to municipal sewage systems.

The table below shows the total volume of water used worldwide and by region.

**TOTAL WATER USE**  
(IN CUBIC METERS)



**WATER USE BY REGION IN 2013**  
(IN CUBIC METERS)



At the Group level, water use increased by 9.24% in 2013, notably in France due to substantial building renovation work that required high-than-usual amounts of water. Consumption also increased in Turkey and the United Kingdom as a result of the subsidiaries' expansion. The breakdown by region is aligned with the breakdown in the Group's business.

#### 4.3.3.2 Consumption of raw materials and measures taken to use them more efficiently

The environmental management system based on ISO 14001 implemented by Edenred recommends responsible use of raw materials.

##### a) Paper

Wood used to make the paper for vouchers is the main raw material used by the Group.

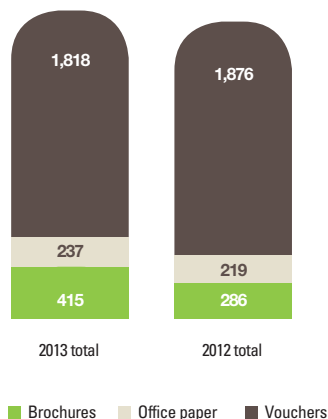
Eco-design is one of the four key improvement paths of Edenred's environmental policy. To contribute to this approach, subsidiaries are encouraged to use recycled paper or paper certified to the standards of the Forest Stewardship Council (FSC), both for voucher production and everyday office use.

In 2013, 17 country organizations (representing 58.70% of the workforce) used this type of paper, thereby limiting the Group's impact on wood resources. In France, Edenred is the first meal voucher issuer to use fully recycled security paper and to have obtained FSC certification.

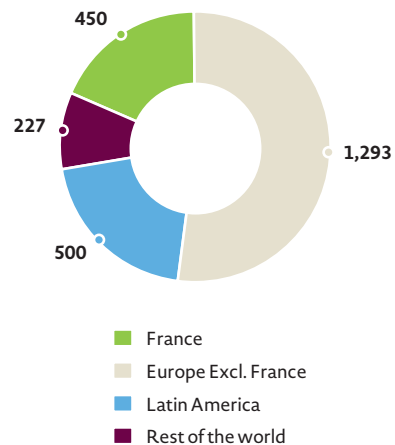
Edenred City includes a section on paper use and recycling with educational information and examples of good practices in the Group's subsidiaries.

The table below shows the total volume of paper used worldwide and by region.

**TOTAL PAPER USE  
(IN METRIC TONS)**



**PAPER USE BY REGION IN 2013  
(IN METRIC TONS)**



Total paper use increased by 3.74% in 2013. The amount of paper used to produce vouchers decreased by 3.07% despite the growth in issue volume. This reflects the Group's continuing policy to transition to digital solutions, which has had a positive impact on paper use.

The increase in office paper use reflects the larger scope of reporting and the Group's growth over the year. Paper used to print brochures increased significantly during the year as the country organizations rolled out numerous new solutions that required presentation brochures. The breakdown by zone reflects the breakdown by business and the progress made in transitioning to digital solutions.

##### b) Plastics

As the digital transition for all Edenred solutions picks up speed, the use of plastic for card production has become a major challenge for the Group. Edenred has already transitioned more than half of its issue volume and intends to achieve a rate of 75%. That said, plastic cards are not the only paperless solution available.

Certain subsidiaries are looking at using more environmentally friendly materials than PVC for card production.

#### 4.3.3.3 Energy use, measures taken to improve energy efficiency and use of renewable energies

The environmental management system based on ISO 14001 implemented by Edenred includes measures to reduce energy use and improve energy efficiency.



Edenred City includes a section on energy use with educational information and examples of good practices in the Group's subsidiaries.

At present, the Group's energy mix does not include renewable energies. However, the development of renewables is encouraged, as in the project in Brazil described in section 4.3.4.1.

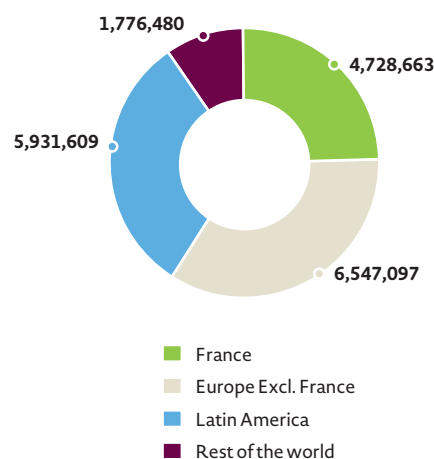
The table below shows the total amount of energy used worldwide and by region.

#### TOTAL ENERGY USE



At the Group level, total energy use decreased by 2.30% in 2013 due primarily to efforts made in the subsidiaries to reduce electricity use and, for certain subsidiaries, changes in scope (move to a new location or pro rata calculation on the basis of number of square meters occupied). The breakdown by region is aligned with the breakdown in the Group's business.

#### ENERGY USE BY REGION IN 2013 (IN KWH)



#### 4.3.3.4 Soil

No measurements were made as soil use is minor in Edenred's operations.

### 4.3.4 MEASURES AGAINST CLIMATE CHANGE

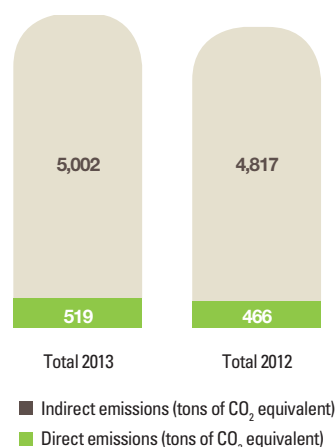
#### 4.3.4.1 Greenhouse gases

Owing to the nature of its business, Edenred has a limited impact on climate change. Nevertheless, the Group pursued a continuous improvement program in 2013 as part of its formal environmental policy. In addition, in France and Brazil—two major Edenred country organizations—greenhouse gas emissions were inventoried to identify precisely which operations are responsible.

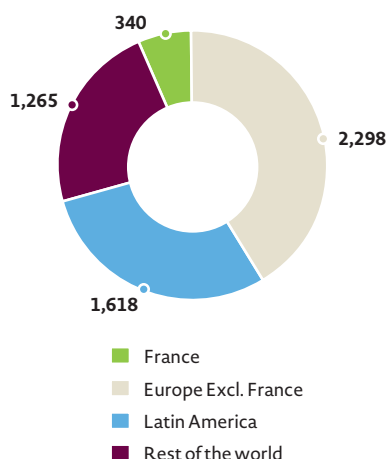
Greenhouse gas emissions are calculated based on the energy use data provided above, as follows:

- direct emissions correspond to the natural gas and fuel oil burned in Group facilities;
- indirect emissions concern electricity used by these units.

#### TOTAL GREENHOUSE GAS EMISSION



#### GREENHOUSE GAS EMISSIONS BY REGION IN 2013 (TONS OF CO<sub>2</sub> EQUIVALENT)



Total greenhouse gas emissions increased by 4.51% in 2013 despite a decrease in total energy use. This was primarily due to the updating of emission factors for natural gas and fuel oil (source: 2006 IPCC guidelines for national GHG Inventory) and electricity (source: ADEME).

#### 4.3.5 MEASURES TO PROTECT BIODIVERSITY

The environmental management system based on ISO 14001 implemented by Edenred includes measures to protect biodiversity.

Edenred City includes a section on biodiversity with educational information and examples of good practices in the Group's subsidiaries.

A number of initiatives described above contribute to the Group's efforts to protect biodiversity. These include the use of recycled and FSC-certified paper for voucher production and nature preservation and reforestation projects carried out with local partners as part of Earth Day.

##### France, Czech Republic and Slovakia

As part of the events organized for Earth Day, employees planted trees or vegetable gardens at dedicated sites.

##### Romania and the Netherlands

Edenred's local teams cleaned up protected sites on Earth Day (April 22).

##### France

Ticket Kadeos® sent each of its affiliated merchants a "plant-a-tree" New Year's card in partnership with Reforest' action, a French NGO.

##### France

The analysis showed that employee commutes are one of the main sources of CO<sub>2</sub> emissions. To improve its results, Edenred France has organized eco-driving training sessions with a specialized firm and distributed an Eco-Driving Charter to all employees.

##### Brazil

An ISO 14001-certified environmental management system has been deployed in the offices for all employees. In addition, Edenred has chosen to offset all of the unavoidable energy consumption recorded at its Brazilian sites in 2011 with a biomass-to-energy investment project.

#### 4.3.4.2 Measures to adapt to climate change

The Group has taken measures to limit the increase in greenhouse gas emissions related to business growth.

Companies must also prepare for climate change and take into account the potential consequences on the working environment. Within the framework of its risk management strategy, Edenred has deployed a system to track seismic and storm-related risks. The system helps users prioritize actions in deploying a safety and prevention plan in the event of an incident.

The recipients could choose between planting maritime pine trees on France's Atlantic coast or re-foresting uncultivated farmland in Fontaine la Guyon, near Chartres.

#### "IDEAL GREEN" KEY INDICATORS



**17**  **countries (58.70% of the workforce) use recycled or FSC-certified paper**

**3.07%** **less paper was used to produce vouchers in 2013** 

**4.91%** **less waste was produced** 

**2.30%** **less energy was used** 

**29.31%** **of employees work in a subsidiary with an Environmental Management System (ISO 14001 certification)** 

## 4.4 CSR INDEPENDENT THIRD-PARTY ENTITY REPORT

Report of one of the Statutory Auditors, designated as independent third-party entity, on the consolidated environmental, social and societal information published in the Group management report

Year ended December 31, 2013

*This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

For the attention of the Shareholders,

In our capacity as one of the Statutory Auditors of Edenred SA, designated as independent third-party entity, whose certification request has been approved by the French National Accreditation Body (COFRAC), we hereby present you with our report on the consolidated social, environmental and societal information presented in the Group management report prepared for the year ended December 31, 2013 (hereinafter the "CSR Information"), pursuant to Article L.225-102-1 of the French Commercial Code (*Code de commerce*).

explained pursuant to the third paragraph of Article R.225-105 of the French Commercial Code (Attestation of completeness of the CSR information);

- to express limited assurance on the fact that, taken as a whole, the CSR Information is presented fairly, in all material aspects, in accordance with the Reporting Criteria (Formed conclusion on the fair presentation of the CSR Information).

Our work was carried out by a team of five people between November 2013 and February 2014, *i.e.* a period of around five weeks. To assist us in conducting our work, we referred to our corporate responsibility experts.

We conducted the following procedures in accordance with professional standards applicable in France, with the order of May 13, 2013 determining the methodology according to which the independent third party entity conducts its assignment and, with regard to the formed conclusion on the fair presentation of the Information, with the ISAE (International Standard on Assurance Engagements) 3000 <sup>(1)</sup>.

### RESPONSIBILITY OF THE COMPANY

The Board of Directors of Edenred is responsible for preparing a Group management report including the CSR Information provided by Article R.225-105-1 of the French Commercial Code, prepared in accordance with the reporting criteria used by Edenred (the "Reporting Criteria"), which are presented throughout the management report and which are available on request from the company's headquarters.

### INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the profession's Code of Ethics as well as by the provisions set forth in Article L.822-11 of the French Commercial Code. Furthermore, we have set up a quality control system that includes the documented policies and procedures designed to ensure compliance with rules of ethics, professional standards and the applicable legal texts and regulations.

### RESPONSIBILITY OF THE STATUTORY AUDITORS

Based on our work, our responsibility is:

- to attest that the required CSR Information is presented in the Group management report or, in the event of omission, is

### I. ATTESTATION OF COMPLETENESS OF THE CSR INFORMATION

Based on interviews with management, we familiarized ourselves with the Group's sustainable development strategy, with regard to the social and environmental impacts of the company's business and its societal commitments and, where appropriate, any resulting actions or programs.

We have compared the CSR Information presented in the Group management report with the list set forth in Article R.225-105-1 of the French Commercial Code.

In the event of omission of certain consolidated information, we have verified that explanations were provided in accordance with the third paragraph of the Article R.225-105 of the French Commercial Code.

We have verified that the CSR Information covered the consolidated scope, *i.e.*, the company and its subsidiaries within the meaning of Article L.233-1 of the French Commercial Code and the companies that it controls within the meaning of Article L.233-3 of the French Commercial Code, subject to the limits set forth in the methodological memo paragraph presented in the introduction of the chapter 4 of the Group management report.

Based on our work and considering the limitations mentioned above, we attest that the required CSR Information is presented in the management report.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

## II. FORMED CONCLUSION ON THE FAIR PRESENTATION OF THE CSR INFORMATION

### Nature and scope of procedures

We conducted around ten interviews with the people responsible for preparing the CSR Information in the departments in charge of the CSR Information collection process and, when appropriate, those responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Reporting Criteria with respect to its relevance, completeness, reliability, neutrality and clarity, taking into consideration, when relevant, the sector's best practices;
- verify the set-up of a process to collect, compile, process, and check the CSR Information with regard to its completeness and consistency;
- familiarize ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and significance of the CSR Information with regard to the company's characteristics, the social and environmental challenges of its activities, its sustainable development strategies and the sector's best practices.

### Concerning the CSR information that we have considered to be most important <sup>(1)</sup>:

- for the consolidating entity, we consulted the documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions), we implemented analytical procedures on the quantitative information and

verified, using sampling techniques, the calculations and the data consolidation, and we verified their consistency with the other information presented in the management report;

- for a representative sample of entities and sites that we have selected <sup>(2)</sup> according to their activity, their contribution to the consolidated indicators, their location and a risk analysis, we held interviews to verify the correct application of the procedures and implemented substantive tests on a sampling basis, consisting in verifying the calculations performed and reconciling the data with supporting evidence. The selected sample represented on average 34% of the Group headcount and between 26% and 49% of the environmental quantitative information.

Regarding the other consolidated CSR Information, we have assessed its consistency in relation to our understanding of the Group.

Finally, we have assessed the relevance of the explanations relating to, where necessary, the total or partial omission of certain information.

We believe that the sampling methods and sizes of the samples we have used in exercising our professional judgment enable us to express limited assurance; a higher level of assurance would have required more in-depth verifications. Due to the use of sampling techniques and the other limits inherent to the operations of any information and internal control system, the risk that a material anomaly be identified in the CSR Information cannot be totally eliminated.

### Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Reporting Criteria.

Neuilly-sur-Seine, February 12, 2014

One of the Statutory Auditors,

**DELOITTE & ASSOCIÉS**

David DUPONT-NOEL

Florence DIDIER-NOARO  
Sustainability Services

#### (1) Quantitative information:

**Social:** Total number of employees by gender, age, status and geographic zone; % of women in management; number of hires and departures; absenteeism rate; number of signed collective agreements; lost-time incident frequency rate (LTIF); severity rate of occupational accidents; total number of hours of training.

**Environment:** Total energy use; total greenhouse gas emissions; total water use; total paper use; number of certified ISO 14001 country organizations.

**Societal:** Number of beneficiaries that have benefited from the "Ideal Meal" programme; number of Edenred employees that have been sensitized to the "Ideal Meal" programme; number of associations supported by the Group; number of days dedicated by employees to sponsorship initiatives.

#### Qualitative information:

**Social:** Employment policy regarding older employees; social dialogue at the European level (establishment of a European Works Council); measures taken to prevent corruption and money laundering.

**Environment:** Deployment of the awareness raising tool "Edenred City"; paperless policy.

**Societal:** Deployment of the FOOD program.

#### (2) Edenred France, Edenred Italy, Edenred UK and Edenred Brazil.