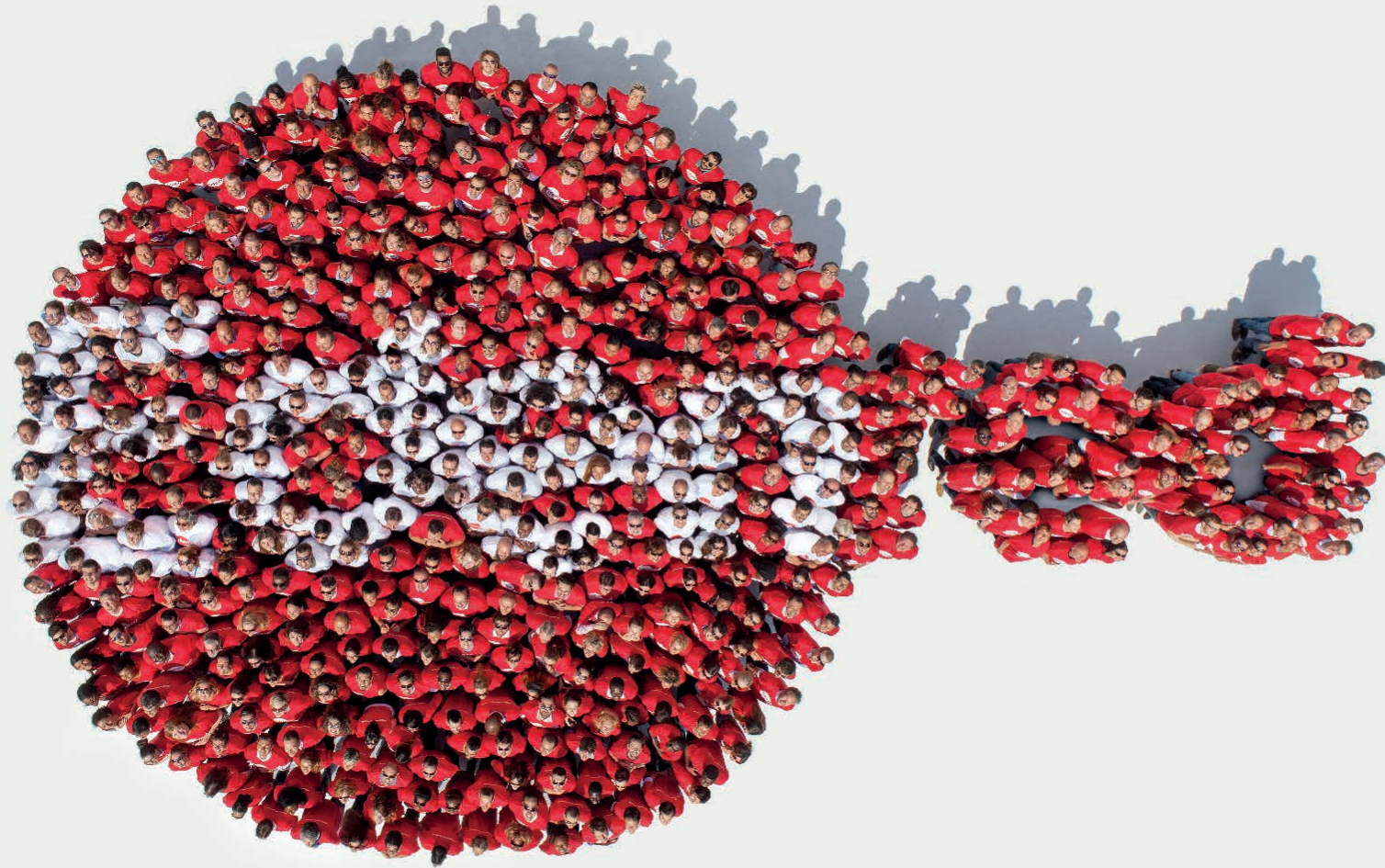


Integrated Report

2018

**Integrated
Report**
2018



2017 key figures

Edenred is the world leader in transactional solutions for companies, employees and partner merchants.



€26 billion
in business volume,
of which 78% digital



1 billion
meals served per year
using Edenred solutions



2.6 million
Edenred fuel cards
and toll solutions



770,000
corporate
clients



44 million
employees using
our solutions



1.5 million
partner
merchants



45
countries¹



8,000
employees



€1,339 million
in revenue

¹Since December 31, 2017, three additional country markets have been opened, in Estonia, Lithuania and Ukraine

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Bertrand Dumazy
Chairman and Chief Executive Officer of Edenred



By supporting transformations in society and new user behavior in the world of work, Edenred takes an entrepreneurial approach to creating and developing innovative and relevant solutions that foster social well-being and promote budget optimization and economic vitality.

Fifty years ago, our pioneering spirit gave rise to the creation of the Ticket Restaurant program, an initiative that revolutionized lunch breaks and still contributes to employee well-being to this day. Many Employee Benefits programs have emerged since then, responding ever more closely and effectively to the expectations of employees as well as of corporate clients and partner merchants, as part of a virtuous process of creating shared value among all stakeholders.

It is this ability to create and manage such ecosystems that is at the heart of Edenred's expertise and which we have been able to transpose into new areas such as mobility by offering solutions to facilitate employee travel and optimize the management of associated expenses.

Today, we are applying our know-how in simplifying and securing transactions to the field of corporate payment.

The societal aspect of our operations is an integral part of our business model and a real driver of aspiration for all of our employees. It is present in the many challenges we seek to address, be it strengthening corporate accountability by improving employees' quality of life,

helping to vitalize the local economy and promote local employment by bringing additional revenue to our partner merchants, or supporting the performance of companies, large and small, by optimizing the management of their employees' expenses or facilitating corporate payments in a secure manner.

To more effectively meet these challenges, we are drawing on our leadership, our digital skills and our local approach to the needs of our clients, beneficiaries and partners around the world.

We have also given innovation pride of place in our approach and, to broaden our field of thinking and experimentation, we have done so by providing our support to start-ups, as part of a collaborative co-construction process that is opening up new perspectives for us.

As you will see as you read through our very first Integrated Report, our strategy, in addition to generating profitable and sustainable growth, aims to mobilize our employees around a unifying project to create value, enhance well-being and drive momentum for all of our stakeholders in our 45 countries.

“To more effectively meet these challenges, we are drawing on our leadership, our digital skills and our local approach to the needs of our clients, beneficiaries and partners around the world.”

Edenred, creating shared value

Edenred is the world leader in transactional solutions for companies, employees and merchants. The Group connects and drives a virtuous, trust-based ecosystem that makes life easier for employees while improving the performance of corporate clients and partner merchants.

Three business lines



Employee Benefits

More than 100 programs related to food, well-being and culture



Fleet & Mobility Solutions

A comprehensive range to manage employee expenses, especially those related to mobility

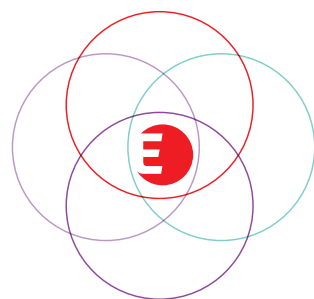


Complementary solutions

Corporate payments, Incentives and Rewards, and Public Social Programs



Four areas of expertise



Financial intermediation
Selected ecosystems

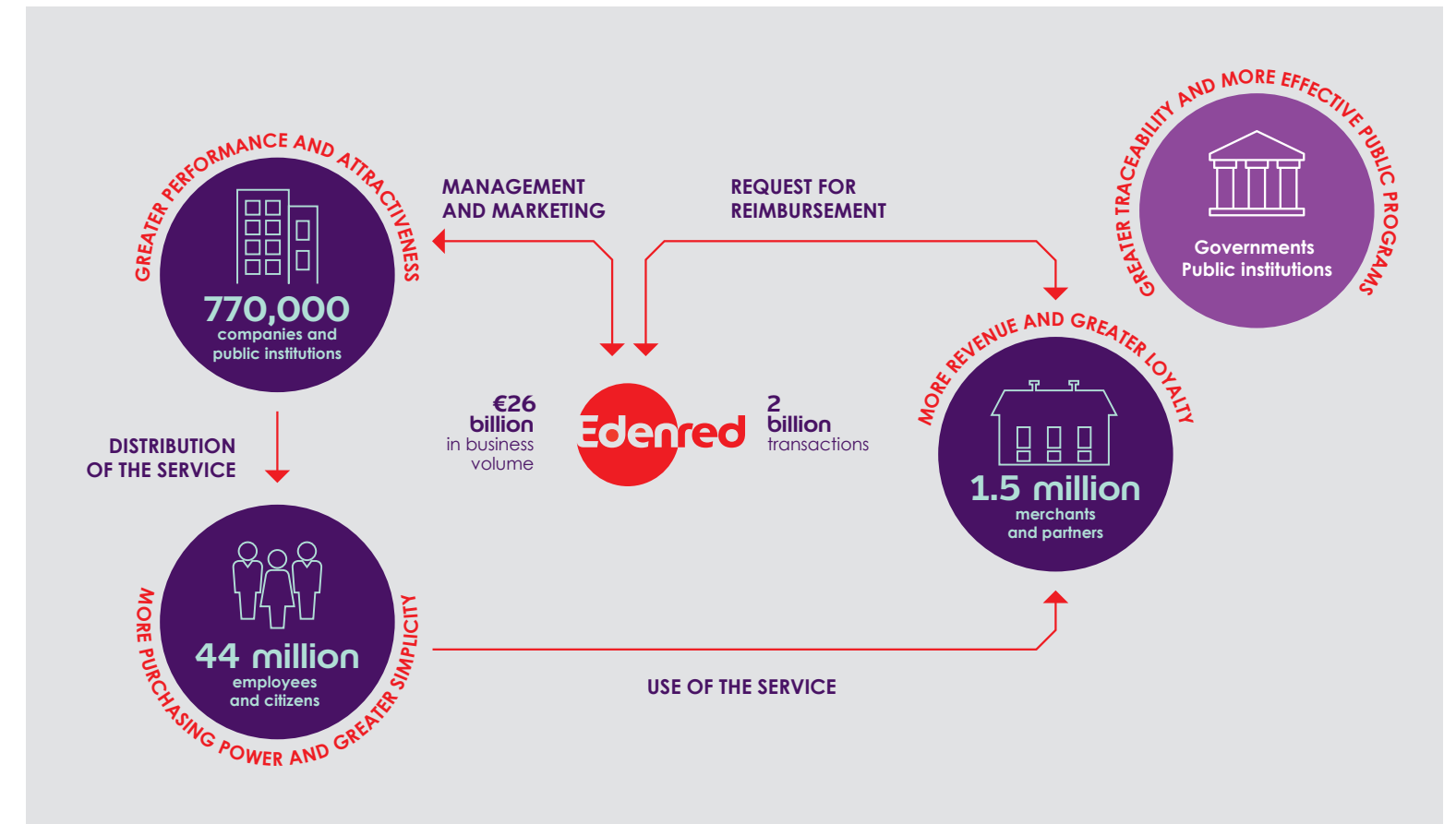
Data intermediation
Big data & Analytics

ReqTech
Compliance

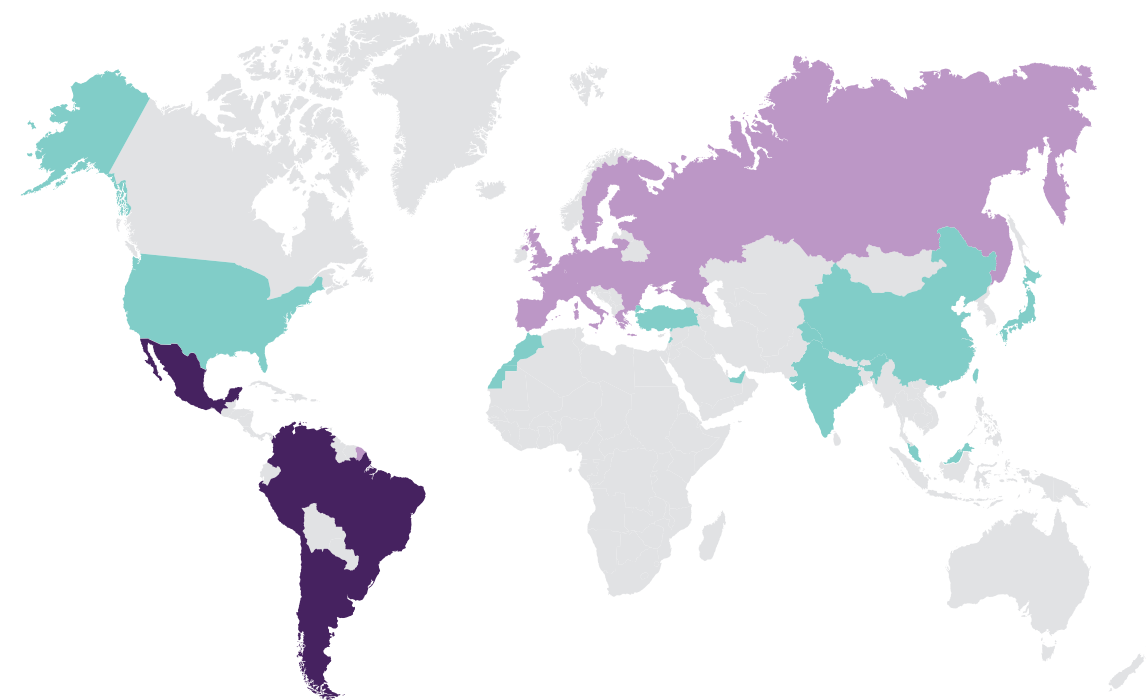
FinTech
Issuer & Processor

²% of 2017 operating revenue

Serving a unique ecosystem



For balanced growth in 45 countries



Revenue: **€1.34 billion**³
EBIT: **€437 million**³

Breakdown of 2017 operating revenue

- Europe: 53%
- Latin America: 41%
- Rest of the World: 6%

³2017 figures

A strategy designed to ensure **profitable and sustainable growth**

To ensure profitable and sustainable growth for both the Group and its stakeholders, Edenred drew up its Fast Forward strategic plan at the end of 2016. It sets ambitious objectives in terms both of the development of the Group's three business lines and of its financial results.

A three-pronged strategy

1

Employee Benefits

Seize development opportunities, especially those offered by digitization.

- **Increase the Group's presence in this still under-addressed market** with strong growth fundamentals, particularly in the small and medium-sized enterprise segment, via new distribution channels.
- **Consolidate Edenred's leadership**, thanks to its strong capacity for innovation and differentiation, enhanced by digitization.
- **Maximize value creation** through greater customer loyalty, combined with cost optimization by digitizing offers and processes.

World leader

2017 growth: +8.5%⁴
(o/w +6.6% organic)

1 billion meals served per year using Edenred solutions

900,000 partner restaurants and food stores

Digitization rate in 2017: 68%

+40% new SME clients in 2017

2

Fleet & Mobility Solutions

Strengthen Edenred's position as a global player.

- **Broaden the Group's positioning in the value chain** of this large, underpenetrated and high-growth market, driven by increased employee mobility.
- **Extend Edenred's geographic footprint** through organic growth and acquisitions.
- **Accelerate the deployment of solutions** dedicated to light vehicles.

Leader in Latin America, number 2 in Europe⁵

2017 growth: +68.2%⁴
(o/w +19.7% organic)

2.6 million Edenred fuel cards and toll solutions

90,000 partner service stations, toll stations and maintenance workshops

Successful integration of Embratec in Brazil and UTA in Europe

3

Complementary Solutions

Leverage Edenred's global presence, know-how and technological expertise to:

- **Develop new dedicated transactional ecosystems**, especially in the area of corporate payment, with financial flows between companies representing several thousand billion euros each year.
- **Develop new digitized and automated payment solutions**, notably by using virtual card technologies developed by the PrePay Solutions subsidiary, the European leader in prepaid services.

Launch of the Edenred Corporate Payment offer in 2017

2017 growth: +5.0%⁴
(o/w +8.1% organic)

Signature of a global contract with IATA⁶ (90 countries) and first contracts signed with FinTechs and European companies in various industries:



A unique business model

Edenred's business model, which generates significant cash flows, allows it to combine a growth-company profile boasting substantial development capacity with the characteristics of a robust group guaranteeing a generous shareholder return policy. The Group's business enjoys major operating leverage, low capital intensity and a structurally negative working capital requirement, since a large proportion of Edenred solutions are prepaid.

A balanced capital allocation policy

In 2017, Edenred generated close to €400 million in free cash-flow, which enabled it to finance €280 million in strategic acquisitions for the Group, and to pay out €138 million to shareholders, while maintaining a stable debt ratio compared with 2016.

Successful integrations

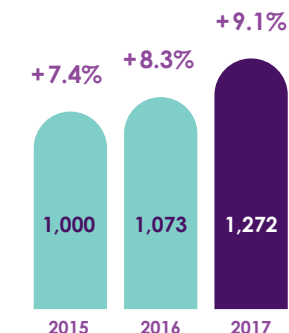
The Group's financial solidity has enabled it to carry out strategic external growth transactions over the past three years.

In particular, Edenred has made two significant acquisitions in the field of Fleet & Mobility Solutions – UTA in Germany and Embratec in Brazil – serving to position the Group today as a global player in this fast-growing business. The managerial support necessary to bring more than 1,300 new employees onboard and foster support for the Fast Forward project and the values of the Group was crucial; it was a major driver of the success of these deals. Other factors stemmed from the Edenred teams' ability to integrate best practices established at UTA and Embratec in order to together carve out a global leadership position.

Record results in 2017

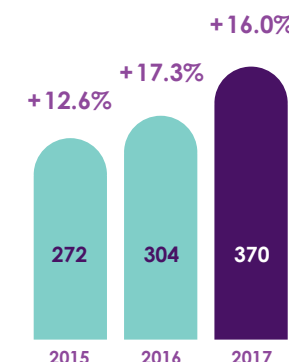
The Fast Forward strategy is paying off. In 2017, the Group exceeded its annual medium-term organic growth targets set for three key indicators:

Operating revenue



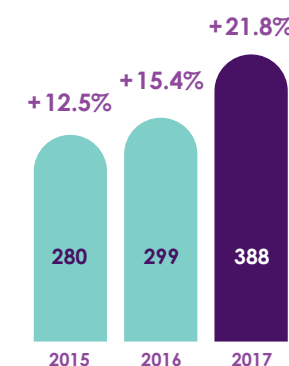
Annual growth target >7%

Operating EBIT⁷



Annual growth target >9%

Funds from operations (FFO)



Annual growth target >10%

⁴2017 operating revenue growth vs. 2016
⁵On the pan-European, multi-brand market

⁶International Air Transport Association

⁷Operating profit before other income and expenses

Governance securing the Group's performance

Edenred's governance bodies guarantee the relevance and compliance of all decisions made by the Group and actions carried out as part of its strategy.

The Board of Directors

Founded on the values of gender balance, diversity and independence, the Board of Directors is made up of 40% women and 60% men from the countries where the Group operates, each possessing strong financial and digital expertise, especially internationally. With the exception of Bertrand Dumazy, Chairman and Chief Executive Officer of Edenred, all directors are independent. The Board of Directors met seven times in 2017, with an average attendance rate of 87%.

Membership of the Board of Directors

Jean-Paul Bailly

Chairman of RATP and Honorary Chairman of La Poste Group

Anne Bouverot

Director of companies

Sylvia Coutinho

Chief Executive Officer of UBS Group Brazil

Dominique D'Hinnin

Chairman of the Board of Directors of Eutelsat Communications SA

Bertrand Dumazy

Chairman and Chief Executive Officer of Edenred SA

Gabriele Galateri di Genola

Chairman of Assicurazioni Generali SpA

Maëlle Gavet

Chief Operating Officer of Compass

Françoise Gri

Chief Executive Officer of Françoise Gri Conseil, Lead Independent Director⁸

Jean-Romain Lhomme

Founder and Manager of Lake Invest Sarl

Bertrand Méheut

Director of companies

Philippe Citerne

Board observer

40%

women
on the Edenred
Board of Directors

90%

independent
directors

Director's Charter

Each member of the Board of Directors is required to adhere to the principles of conduct set out in the Director's Charter and undertakes to act at all times in the Company's interest.

Directors comply with the best practices of corporate governance and apply the ethical principles laid down in the charter.

Committees reinforcing the Group's responsibility

The Board of Directors has three committees to assist it with its decisions and to ensure the Company's responsible development.

Audit and Risks Committee

The Audit and Risks Committee is responsible for ensuring the appropriateness and consistent application of the accounting policies used for the preparation of the consolidated and parent company financial statements, and to monitor the process of preparing financial information. In particular, it monitors the accuracy of the financial information provided to guarantee the reliability of the Group's financial statements and reduce its exposure to risks

Compensation and Appointments Committee

The Compensation and Appointments Committee advises the members of the Board of Directors on the determination of the

compensation and benefits of executive directors, on the policy of granting stock options and on changes in the composition of the Company's management bodies.

The Commitments Committee

In addition to the two regulatory committees, Edenred has created a Commitments Committee that meets at least once a year and whose responsibility is to issue recommendations on any transaction liable to affect the Group's strategy or to materially change its business base.

Executive Committee

Comprising 13 members, the Executive Committee brings together operational representatives from the major regions of the world, as well as functional managers who provide expertise to operations.

Members of the Executive Committee



Jacques Adoue

Executive Vice President, Human Resources and Corporate Social Responsibility



Bertrand Dumazy

Chairman and Chief Executive Officer



Laurent Pellet

Chief Operating Officer, Asia-Pacific and Middle East



Patrick Bataillard

Executive Vice President, Finance



Antoine Dumurgier

Chief Operating Officer, Fleet & Mobility Solutions



Elie du Pré de Saint Maur

Executive Vice President, Marketing and Strategy, and Chief Operating Officer, Corporate Payment



Gilles Coccoli

Chief Operating Officer, Brazil



Arnaud Erulin

Chief Operating Officer, Northern Europe, Central Europe, France and Belgium



Philippe Relland-Bernard

Executive Vice President, Legal and Regulatory Affairs



Philippe Dufour

Executive Vice President, Alternative Investments



Diego Frutos

Chief Operating Officer, Hispanic and North America



Dave Ubachs

Executive Vice President, Digital and IT



Graziella Gavezotti

Chief Operating Officer, Southern Europe

Edenred's CSR governance

Given the social nature of Edenred's corporate purpose, Corporate Social Responsibility (CSR) falls within the remit of the Human Resources Department.

Edenred's Corporate Social Responsibility roadmap is co-constructed with the country organizations and jointly managed within the Group by networks of Human Resources and Sustainable Development correspondents. Validated by the Executive Committee, it is cascaded to the various managers and all Group employees, as well as to external stakeholders. Its implementation and performance are the subject of indicators monitored annually.

⁸The Lead Independent Director is the point of contact between the other independent directors and the Chairman and Chief Executive Officer, allowing them to raise any matters not included on the agenda. He or she also responds to requests from shareholders not represented on the Board of Directors

Employees at the heart of Edenred's growth

Edenred's 8,000 employees are its most valuable asset, demonstrating every day their ability to take action and deliver superior performance. In the Group's transformation, Human Resources policies and the managerial approach are powerful tools for providing structure and driving engagement and motivation.

Five values that inspire all employees daily

In 2017, when the Group's new identity was unveiled, Edenred's values were revisited. They encourage everyone to give the best of themselves and thereby strive for excellence in services to stakeholders.



Passion for customers

The more we engage with companies, employees and merchants, the clearer their needs become, and the simpler it is to determine the changes we should be making. We will not stop improving every last detail of everything we do until 100% of our customers insist that their friends do business with us.



Respect

True business excellence can only be achieved with respect. We are respectful towards our customers, by being proactive, accountable, and honest; to our colleagues, by expressing gratitude and recognition; to our shareholders, by using the resources they put at our disposal efficiently; and to society, by promoting products and services that create value for all stakeholders.



Imagination

Imagination stimulates the desire for innovation, and gives rise to progress. We recognize this, and so we put our own imagination to work, generating inspirational ways to connect companies, employees and merchants, for the working world of today and tomorrow.



Simplicity

Our customers want their interactions with us to be simple and easy. We know that it is hard to make things simple. This is why we always make sure to promote simplicity in everything we do, and transparency in everything we say.



Entrepreneurial spirit

Our entrepreneurial spirit drives growth, instills our pioneering soul in the new business territories we want to explore, strengthens local empowerment, and makes us focus relentlessly on operational excellence.

Edenred's new values are the bedrock of our corporate culture.

Bertrand Dumazy
Chairman and Chief Executive Officer of Edenred

Improving the quality of life at work, a mission and a commitment

Improving the quality of life at work is one of Edenred's main missions, not only for its corporate clients but also for its own employees.

With this in mind, many Group country organizations have undertaken to assess the level of employee satisfaction via a Best Place To Work approach. From 2018, a Group survey will be conducted, with action plans supported by the Executive Committee.

Diversity, a source of value and performance

In its Charter of Ethics, the Group reaffirms its commitment to forbidding all forms of discrimination.

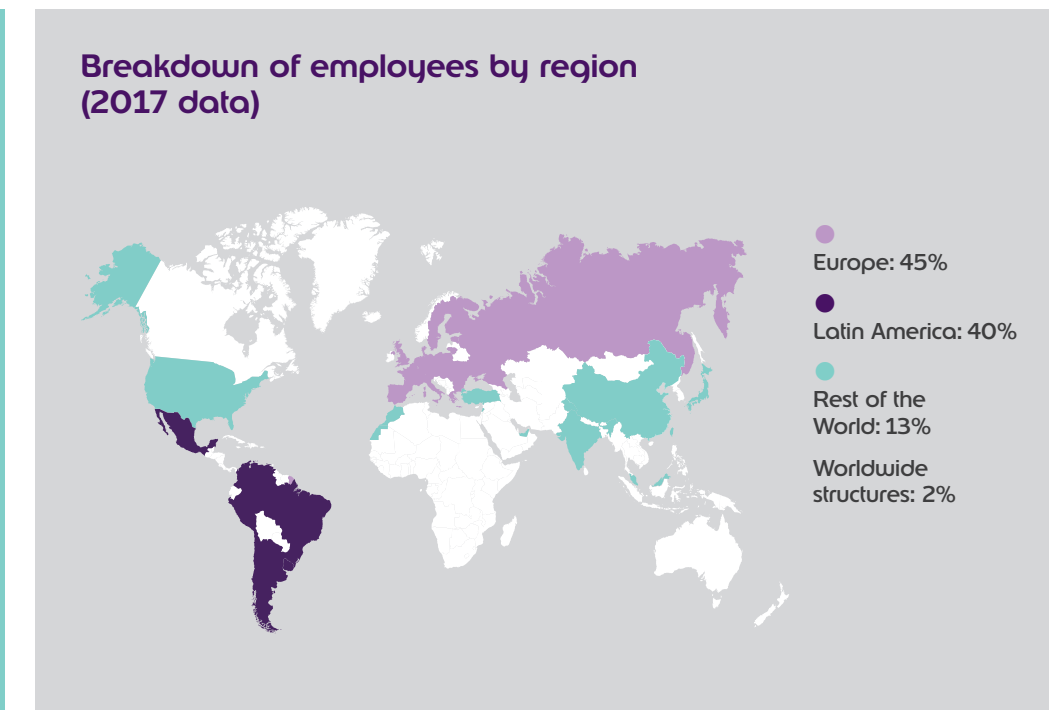
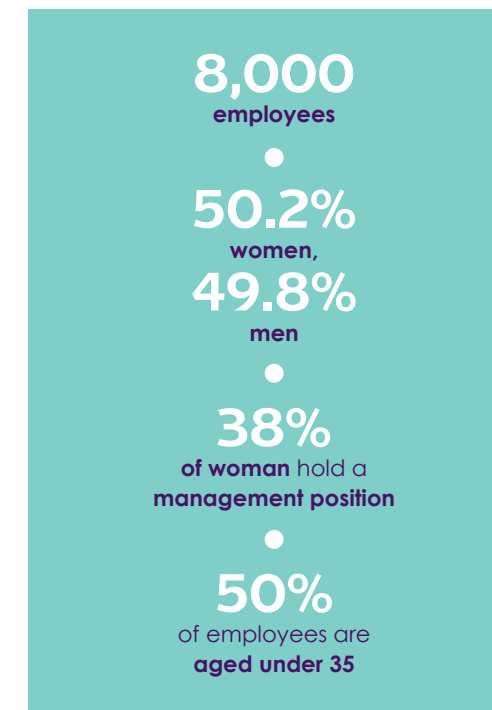
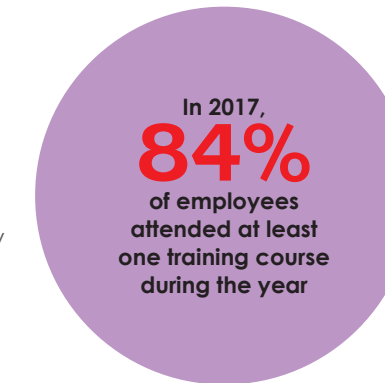
Decisions with regard to hiring, promotion, training and compensation are based solely on the individual's capabilities, skills and experience. Edenred is a multi-local company deeply committed to nurturing its pluricultural diversity. The Group is aware that the diversity of its employees is a strength and valuable asset, while also reflecting the diversity of its customers.

Developing employees and talents, a vital challenge for Edenred

Supporting the development and transformation of employees' skills is key to implementing the Group's strategy and increasing the employability of employees, with a focus on both work skill and life skills.

In 2018, Edenred will start rolling out a global e learning platform, allowing shared training courses to be implemented for all employees.

The Group will also strengthen its ability to identify and track high-potential employees by establishing a talent review process in all countries.



Three talent management programs

• **Talent Week** is aimed at young talents in the Group (five to ten years' professional experience).

• **The Edenred Executive Academy** provides the opportunity for high-potential employees from across the Group to prepare for future career advancements by improving their leadership and personal development and gaining experience in business development, among other things.

• **Edenstep, Edenred's graduate program since 2017**, aims to boost the attraction of young graduates with high potential by offering 24 months of international experience in two Group countries.

A Group committed to society

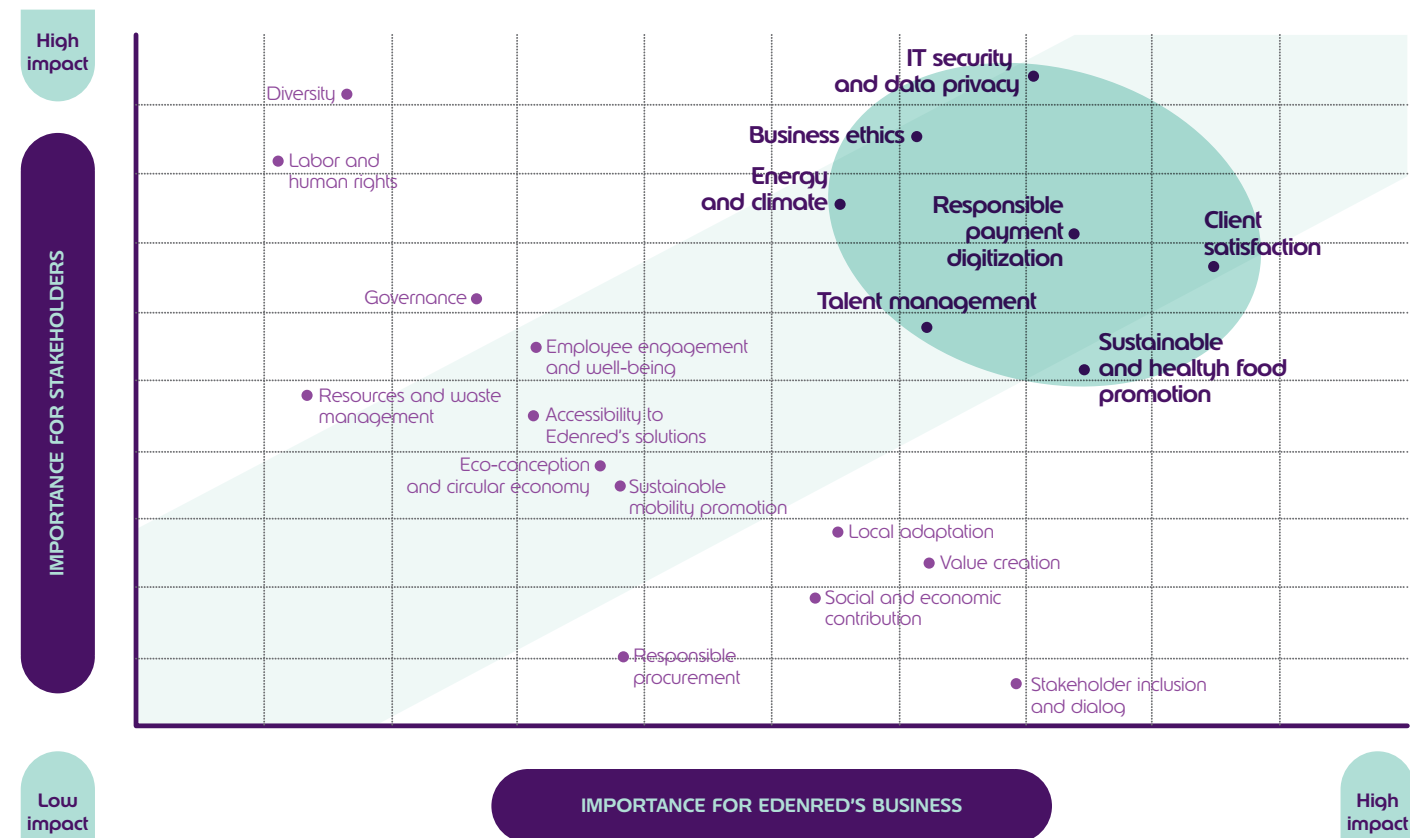
Edenred is driven by a deep commitment to making employees' lives easier and companies more efficient. To achieve this, the Group conducts its business based on an ambitious sustainable development policy, involving its stakeholders and drawing on the recommendations of France's Grenelle II Act, GRI⁹ guidelines and the United Nations Global Compact.

A materiality matrix to identify major issues

In 2017, the Group sought to give fresh impetus to its sustainable development policy by proposing an action plan for 2022, in line with its Fast Forward strategic plan.

To prepare this action plan, a global materiality study was conducted in 2017 through interviews with Group's internal and external stakeholders, identifying and prioritizing the issues facing Edenred according to their relevance to its stakeholders and their impact on the Company's performance.

Seven major issues



⁹Global Reporting Initiative (GRI)

Three pillars to meet the major challenges

The Group's new sustainable development policy is based on three pillars grouping together a series of commitments. Dedicated action plans are in place to ensure that these commitments are properly implemented:



PEOPLE

One of Edenred's missions is to improve the quality of life of its stakeholders on the basis of three underlying goals:

be a benchmark employer by providing a favorable environment for professional development and encouraging diversity in all of its forms, promote solutions for well-being through a healthy and sustainable diet, and contribute to local development by becoming personally involved and sharing the benefits of growth.



PLANET

Edenred aims to preserve the environment by reducing its carbon footprint and its consumption of resources, by designing eco-services for mobility and food waste and by managing the impact of its solutions and services across their lifecycle.



PROGRESS

Edenred is committed to creating value by developing its business and partnerships in an ethical way throughout its value chain, ensuring IT security and data protection and meeting the expectations of its stakeholders while making them partners in its digital transformation.

Employees committed to supporting communities

Edenred plays an active role in community development through outreach projects such as Idealday, its international day of action for employees and other stakeholders.

On September 22, 2017, more than 5,000 employees took part in the event through a variety of sustainable development initiatives in 30 countries.

In 2017,
188
associations supported

€1.86 million
in donations made

586
days dedicated to volunteer work by employees

The Edenraid challenge to help seriously ill children

In 2017, Edenred organized the first Edenraid sporting challenge to support the Make-A-Wish[®] Foundation.

Over two months, 2,300 employees in 40 countries ran, walked or cycled the equivalent of eight times around the Earth in order to raise money and help make the dreams of seriously ill children come true.

Challenge

1

— ● —

Contribute to employee well-being

— ● —

Employee Benefits offered by Edened in such areas as food, human services and leisure improve the purchasing power and quality of life of millions of employees worldwide. Edened therefore contributes directly to employee well-being, alongside companies and public authorities.



Improving quality of life for employees

Employee Benefits offered by Edenred to its corporate clients increase users' purchasing power. Thanks to Edenred solutions, employees can enjoy improved working conditions and a better work-life balance.

Promoting a more balanced diet

A pioneer in well-being in the workplace, Edenred initiated the Ticket Restaurant program in France back in the 1960s, creating a win-win system for the government, companies and employees that was later rolled out in more than 35 other countries.

The program is supported by tax exemption measures for both employers and employees, so that everyone can enjoy a quality lunch regardless of their income. The daily use of Ticket Restaurant gives employees access to a balanced meal during their work day at a reduced cost. For workers in France on the minimum wage, for example, being part of the Ticket Restaurant program halves their lunch budget, which represents around 16% of their monthly expenses.

By improving concentration levels and reducing workplace accidents, taking a pleasant lunch break also has a positive impact on employee productivity.

In certain emerging economies, Edenred has extended its field of action by introducing Ticket Alimentación that can be used to purchase food items in retail outlets, thereby optimizing the food budget for the employee's whole family.

In Romania, meal vouchers increase users' purchasing power by around **20 to 40%**¹⁰

In Portugal, **86%** of workers surveyed see meal vouchers as a workplace incentive¹¹

In Spain, employers estimate that the level of employee absenteeism has decreased by **38%** since the meal voucher system was introduced¹²



An obesity prevention program

In the United States, where obesity affects nearly 40% of the adult population, promoting good eating habits is a key public health issue aimed at preventing the chronic illnesses associated with being overweight.

The NutriSavings program created by Edenred in 2012 enables US companies to help their employees prevent obesity by putting them in contact with healthcare professionals, insurance providers and food industry representatives. Based on voluntary participation, the program enables employees to analyze the nutritional value of their purchases and to benefit from discounts that encourage healthier eating habits.

Contributing to a better way of life

Edenred has drawn on its Ticket Restaurant program, which provides a win-win solution on both the social and economic fronts, to extend its Employee Benefits offering.

Edenred's human services solutions enable users to outsource certain tasks at a lower cost, giving them more time to look after their loved ones and achieve a better work-life balance.

Supporting parents

Childcare services supported by governments and companies give parents peace of mind and make it easier for women to return to work. In Spain, for example, Ticket Guardería enables parents to save on social contributions for all forms of childcare, from childminders and nurseries to after-school clubs. In addition to financial support, the Ticket Junior program in the Czech Republic provides a dedicated platform that puts parents in direct contact with childcare structures, simplifying and speeding up women's transition back to work.

Helping employees free up time

For employees who have to look after loved ones, such as an elderly parent or a disabled relative, Ticket CESU, offered by Edenred in France and co-financed by the employer, provides effective support for hiring care assistants. It can also be used to delegate tasks such as housework and human services, making employees' lives easier.

Facilitating access to culture and leisure activities

Ever attentive to the changing expectations of employees in terms of their well-being, Edenred has developed solutions in numerous countries that now give access to sport, culture and other leisure activities.

In many emerging and developed economies, governments are eager to ensure that workers have access to leisure time. In Brazil, for example, Ticket Cultura gives users access to a wide range of cultural products and services, such as cinema, theater and museum tickets, as well as DVDs and books, at preferential prices.

Under the Ticket Lounas program in Finland, food, culture and sport are all accessible via a single card. The all-in-one service includes a mobile app that enables employees to access their accounts and identify one of the 10,000 restaurants and food outlets or one of the 4,500 cultural or sporting venues where they can spend their dedicated funds.



¹⁰ Source: "Macroeconomic impact of an increase in the value of meal vouchers in Romania", GEA Strategy & Consulting, 2013

¹¹ Source: IPSOS Barometer on "Employee well-being and motivation in Europe", 2014

¹² Source: Murillo, J., Romani, J., "Analysis of the economic impact of meal vouchers in Spain", Barcelona Science Park, University of Barcelona, 2011

Developing digital services that make life easier for employees

At the forefront of innovation in its constant drive to improve the employee experience, Edenred is stepping up the transition of its solutions to digital media, which now account for 78% of business volume. The Group's ambition is to increase this proportion to more than 85% by 2020. Digitization enhances the economic and social benefits of Edenred solutions, by making them easier to use, simpler to manage and capable of supporting new connected, personalized services while keeping transactions totally secure.

Reinventing the lunch break

The combination of the Ticket Restaurant card and the MyEdenred mobile app makes paying for lunch even easier and gives users access to all their account information directly on their smartphone. In addition to consulting their payment notifications and checking their account balance, users can also benefit from the additional services offered by the app, such as the geolocation of partner merchants and promotional offers near their workplace.

Turnkey solutions for a smoother travel experience

Through its Fleet & Mobility Solutions, Edenred also provides employees with digital services that make traveling easier.

In France, holders of the Ticket Fleet Pro card can use the associated mobile app to consult their account balance, geolocate one of the 2,000 service stations in the Edenred partner network or save their travel itineraries to facilitate future trips.

In 2017, more than **10 million** mobile transactions were carried out by users of Edenred solutions in **8 countries**

78% of the business volume generated by Edenred in 2017 came from digital solutions

Replacing paper with cards: a plus for the environment

As part of the process of digitizing its solutions and replacing paper vouchers with cards, Edenred conducted the first comparative Ticket Restaurant life-cycle assessment to ensure that the change genuinely benefits the environment.

The assessment showed that the card has a more positive impact on climate change and natural resources. **More specifically, the shift to digital reduces greenhouse gas emissions by 64% and cuts the use of natural resources by 86%**¹³, primarily because only one card is produced and sent to the user every two years.

A pioneer in mobile payment

True to its innovative and entrepreneurial spirit, Edenred is leveraging its expertise to capture all the opportunities offered by the widespread use of smartphones, particularly mobile payment applications.

This payment method enables users to pay with their mobile devices instead of their bank cards at partner merchants. Edenred is the only player in its segment to offer mobile payment in eight countries on three continents, a service that is highly appreciated by users. Already in 2017, 10 million transactions were made using smartphones, via mobile solutions developed in-house or in partnership with such global mobile payment players as Apple Pay, Samsung Pay and Google Pay.

The digital innovation drive is continuing in 2018. Employees can now order and pay online for meals delivered to their workplace. Payment is made easily via the partner's website or mobile app using the funds available in the Edenred account, without the need to provide any information about the associated card. Aligned with new user behavior, the initiative has already been launched in France and is set to be rolled out in four other countries during 2018.

A wider selection at preferential prices

Edenred provides employees with dedicated platforms where they can purchase a range of products and services in just a few clicks, while benefiting from preferential prices negotiated with e-commerce partners such as *vente-privee*.

The platforms allow employees to choose from a wide variety of entertainment, travel and leisure offers that can be paid for using the subsidies provided by their company's works council or their own personal funds.



Technological expertise, one of Edenred's strategic assets

Edenred initiated its shift to digital technology back in the 2000s, in Latin America. All of its solutions in the region are now paperless and the transition is also under way in Europe, where digital solutions currently account for 61% of the total.

Today, technological expertise is one of the Group's key assets. Its capacity for customer-focused innovation is supported in particular by its PrePay Solutions (PPS) subsidiary, the European leader in prepaid solutions and a licensed e-money issuer.

While PPS has its own direct clientele, which includes many FinTechs, it also helps the Group deploy innovative services and solutions in the areas of Employee Benefits, Fleet & Mobility Solutions and Corporate Payment. This means developing and using technologies that are increasingly open and agile while maintaining the highest standards in transaction security. In 2017, PPS received four Emerging Payments Awards in London.

Information technology is the top item on Edenred's list of expenses and its largest employee category after sales.

15%¹⁴ of Edenred employees work in IT

¹³ Study conducted by consulting firm HAATCH in France, in 2016, for the Ticket Restaurant solution

¹⁴ Not including the 650 external service providers working in IT

Fostering financial inclusion for employees on low wages

According to the World Bank, financial exclusion affects close to two billion people worldwide, primarily in emerging economies. Financial exclusion is the lack of access to basic financial services, or access at a cost that discourages their use. And yet, financial inclusion is a key factor in reducing extreme poverty and promoting shared wealth. Edenred contributes to financial inclusion by creating and developing services specifically for employees who do not have a bank account.

Protecting unbanked employees with payroll cards

The wages of unbanked or underbanked employees are generally paid in cash. The subsequent lack of traceability and control generates security issues and supports the informal economy.

Edenred creates digital solutions that improve the day-to-day lives of these disadvantaged employees.

In the United Arab Emirates, more than 500,000 employees on low wages receive their monthly pay via the C3 payroll card offered by Edenred to local companies. The Group was a pioneer in this market back in 2009 when the UAE government introduced its Wages Protection System, which aims to ensure the traceability of wages in order to limit the informal economy and protect workers.

The C3 card, together with the associated mobile app, can be used by employees to withdraw money from automated teller machines, pay for in-store or online purchases, consult their accounts, transfer funds to their country of origin or top up the call credit on their smartphones.

In Brazil, on the other hand, independent truckers receive payments on prepaid cards which enable them to withdraw cash and pay for their travel-related expenses (fuel, tolls and meals).

C3 Card

was named best payment program financed by a government or business at the Emerging Payments Awards in London in 2017.



Reconciling public interest and economic development

How does a private-sector company such as Edenred contribute to public policy, and in what areas in particular?

Edenred develops and delivers real-world solutions to societal needs, which contribute to meeting the objectives of public policy, whether on a national, European or global level.

Generally speaking, Edenred is a key contact for international organizations, European institutions and national decision-makers. We also communicate regularly with the organizations that have the power to regulate our systems, so that we can explain the specific characteristics of our programs and their value added and thereby ensure the smooth development of our business.

Our solutions have always been based on the "win-win" principle: from our original Ticket Restaurant program aimed at improving employee eating habits, to our childcare or CESU vouchers that compensate for the lack of public nursery facilities and the various solutions that provide access to sport, culture and transportation to make employees' lives easier and improve their well-being and productivity.

Custom-designed in accordance with the applicable legislation, these programs help to meet objectives that reconcile the public interest with economic development.

¹⁵OECD: Organisation for Economic Co-operation and Development

¹⁶ILO: International Labour Organization

¹⁷FAO: Food and Agriculture Organization of the United Nations

Nathalie Renaudin,
Public Affairs Director,
Edenred



Can you describe your day-to-day interactions with public institutions?

We use a continuous monitoring approach to identify those involved and gather information that can help us anticipate the political, social and economic challenges that will affect the countries in which we operate.

We look at studies conducted by academics and researchers and the approach taken by international organizations, such as the OECD¹⁵, the ILO¹⁶ and the FAO¹⁷, and we forge partnerships with them. We also respond directly to issues expressed by governments or local authorities.

Have the solutions offered by Edenred produced conclusive results?

Through surveys, barometers and macroeconomic studies, we regularly assess the effects of the programs introduced locally to meet the needs and expectations of companies, employees and public authorities.

In this way, we can ensure that the virtuous circle created by the introduction of our programs continues to produce positive results over time.

“
Custom-designed in accordance with the applicable legislation, these programs help to meet objectives that reconcile the public interest with economic development.
”

Challenge 2

— ● —

Vitalize the economy and local employment

— ● —

Edenred operates at the heart of a transactional ecosystem built on trust between companies, merchants and employees. This virtuous circle helps stimulate the local economy and create local jobs that are vital to regional development and the expansion of the formal economy.



Contributing to the development of the local economy

Through Employee Benefits and Fleet & Mobility Solutions, more than €26 billion is spent annually across 1.5 million partner merchants. In this way, Edenred actively contributes to vitalizing local merchants.

A growth driver for merchants

Edenred's sales forces, which promote the Group's solutions among local companies, motivate employees to spend their funds with local merchants, providing the latter with a significant and steady source of additional revenue.

Meal vouchers, which enjoy a favorable tax framework and are jointly financed with the employer, provide employees with supplementary purchasing power that can only be used within a filtered network of local partner restaurants and food stores.

The fact that the allocated funds must be used within one year strengthens the program's effectiveness as a driver of local economic growth. In some countries, the win-win system has been extended beyond the food sector to sport, culture and leisure activities.

In Fleet & Mobility Solutions, more than 90,000 partner service stations, toll stations and maintenance workshops worldwide have seen their revenue boosted by additional customer traffic from Edenred solutions.

90,000
partner service stations, toll stations and maintenance workshops

900,000
partner restaurants and food stores

500,000
non-food partner stores

Strengthening merchant appeal

Apart from increased customer traffic, Edenred partner merchants benefit from tools that are designed to improve their business performance.

In Sweden, one of the Group's most digitized markets, Edenred offers its 10,000 partner restaurants a management tool based on a digital platform that provides access to key data from Ticket Restaurant card transactions. By analyzing such statistics as the average amount purchased and the number of customers per day or hour, restaurants can improve their business performance and optimize management by aligning their offering with customer needs and desires.

In Brazil, in Fleet & Mobility Solutions, Edenred is co-funding, alongside certain service stations, the construction of rest areas for truckers. The truck stops are a genuine differentiating factor that give the merchants a competitive edge by attracting and building the loyalty of drivers who stop to fill their tanks.



In Spain, **71%** of partner restaurants believe that meal vouchers help build customer loyalty¹⁸

¹⁸Source: Murillo, J., Romani, J. 2011. "Analysis of the economic impact of meal vouchers in Spain", AQR, IREA, Barcelona Science Park, University of Barcelona, 2011

¹⁹Source: According to 62% of restaurants surveyed, IPSOS Barometer, Slovakia, 2014

²⁰Source: Bogaziçi University/IBPT/IPSOS/National Center for Public Opinion Research/PPM Factum/PwC/Saint-Etienne, C./Taloustutkimus Oy University of Barcelona/University of São Paulo

²¹Source: "Meal vouchers, beneficial on three levels", Alternatives Economiques, 2015

In Slovakia, meal vouchers account for **30%** of total restaurant revenue¹⁹

91% of Brazilian merchants surveyed believe that meal and food vouchers have led to an increase in customers²⁰

€7.5 billion²¹ is injected annually into the French food service industry thanks to meal vouchers, of which:

€4.7 billion for restaurants (traditional and fast-food)

€1.3 billion for supermarkets that sell ready-to-eat products

€1.5 billion for local merchants

Supporting local employment

Increased customer traffic in local stores, simplified administrative procedures and an attractive tax framework for Employee Benefits: Edenred solutions help create local jobs and combat the informal economy.

Helping to formalize the economy

Meal vouchers contribute directly to creating jobs in the restaurant and food retail industries. In France, for example, for every 23 new users of meal vouchers, one restaurant job is created.

In the area of human services, Ticket CESU in France, or its equivalent in other Group countries, helps expand the formal economy by encouraging individuals to declare paid domestic work such as housecleaning, childcare and personal assistance services, notably thanks to financial contributions from the government and their employer.

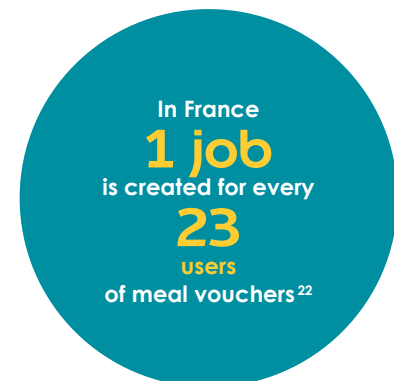
The European Commission currently estimates that the formalization of the economy could create 5.5 million jobs in the human services sector.



Impact, a tool to monitor job creation in Europe

Launched in 2014, Impact is a project aimed at assessing the effectiveness of public policies in the human services sector.

The public-private partnership, coordinated by the European Federation for Services to Individuals and chaired by Edenred, includes eight partners from 11 European countries. Its objective is to create a guide that will help EU Member States to better monitor their policies in support of the human services sector. The project also focuses on such issues as job creation, the transition to the formal economy and the return on public investment. The long-term goal is to help public authorities enhance their systems' effectiveness.



²² Source: Fidal-KPMG, 2017

²³ Source: "Meal vouchers, beneficial on three levels", Alternatives Economiques, 2015

Securing business' long-term viability

José Eduardo Pontes
Head of Violeta
Supermarkets, Brazil



The Violeta supermarket network is the result of a Brazilian success story, which began in 1958 with Café Violeta, opened by José Eduardo Pontes' father. Today, the network comprises six supermarkets and more than 850 employees, serving some 15,000 customers each day.

How does the Edenred solution improve your operations, in terms of business and of management tools?

Commercially, Employee Benefits offered by Edenred ensure a steady stream of employees, who use the solution every day in our stores.

Belonging to this network has also proved valuable in attracting new customers. And profitability has improved as well. In addition to buying the groceries permitted under Ticket Alimentação regulations, customers often purchase additional non-food items like clothing and toys that they pay for with their own money.

In terms of management tools, I think the range of applications offered by Edenred Brazil specifically for employee users is efficient and useful. In the future, it would be nice if partner merchants also had access to these resources.

Has being an Edenred partner helped you weather Brazil's economic crisis?

Yes, the solutions offered by Edenred have been a big help during this difficult time. They have enabled me to maintain the same number of customers as before.

Ticket Alimentação fees are justified by the major benefits the system provides to end users and Edenred partner merchants alike. Being an Edenred partner provides additional security.

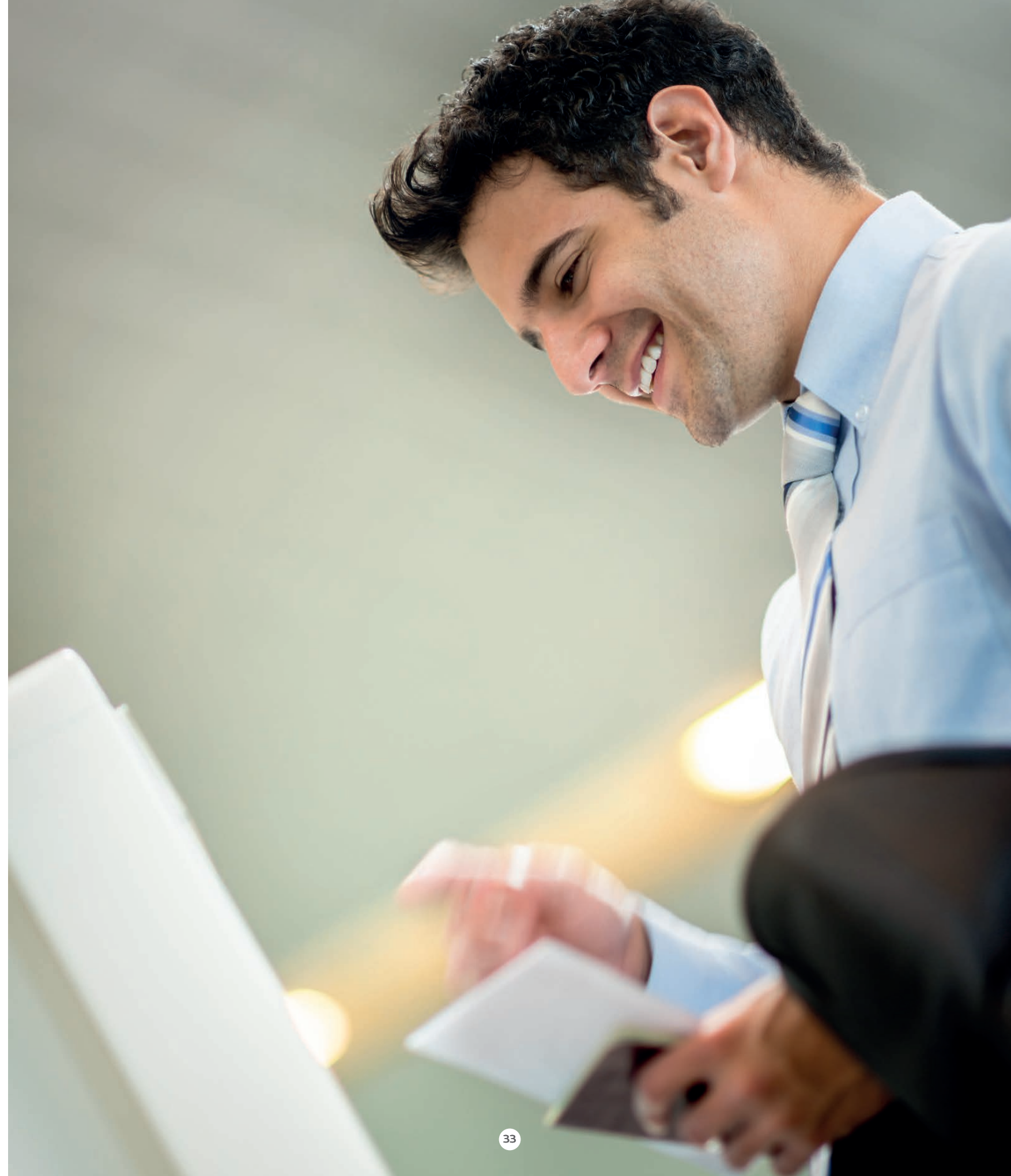
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Being an Edenred partner provides additional security.
”



Challenge 3

Boost companies' agility by optimizing their expense management

Edenred solutions help companies of all sizes optimize their expense management, particularly in relation to employee mobility. In addition, corporate payment innovations respond to the emergence of new security and traceability needs, as well as the demand for immediacy, especially in today's booming e-commerce environment.



Optimizing corporate expenses

Edenred assists companies of all sizes in managing their expenses, providing customized solutions that are in line with new work practices focused on enhanced employee mobility and autonomy. In doing so, Edenred acts as a facilitator for companies seeking to optimize costs.

Improving traceability and control within a filtered network

Edenred is a global player in the Fleet & Mobility Solutions market: leader in Latin America, fast-growing major player in Europe and expanding presence in Asia.

Edenred's Fleet & Mobility Solutions enable corporate clients to:

- **establish a network of partner merchants** where employees can make their purchases;
- **set a maximum daily allowance** for employees during business travel;
- **visualize precise data** on employee travel expenses (amounts spent, distance traveled, carbon footprint).

Thanks to a defined network and a set of personalized management tools, companies can trace, filter and control transactions more easily and accurately, thereby achieving significant cost savings.

Eliminating fraud, applying filters and simplifying VAT recovery processes can generate up to **20%** in savings²⁴

Simplifying administrative and accounting processes

Edenred's management tools typically interface with the administrative and financial management systems of its corporate clients, incorporating additional services such as centralized billing and automated VAT recovery, which greatly simplify the accounting process for companies.



Our company wanted to reduce the administrative costs associated with expense management. Thanks to Expendia Smart, we now have better control of the process. I can delegate the task of travel planning to employees and verify in advance that their arrangements comply with company policy, via an efficiently designed web platform.



Christina Di Lorenzo

Assistant accountant, Servinio Italia, Expendia Smart Fleet & Mobility Solution client

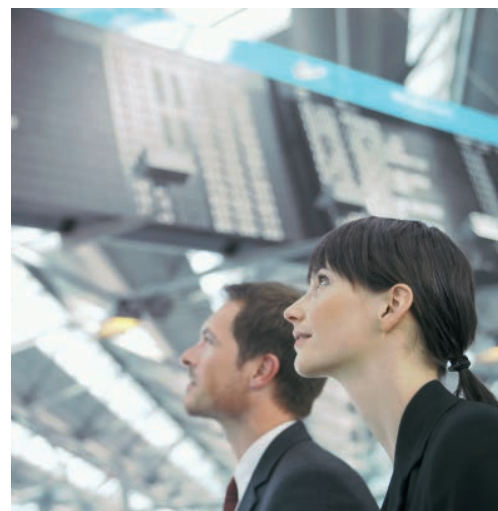


In addition to providing real-time information that helps us make decisions, the Ticket Log partnership gives us greater security and control over our monthly expenses.



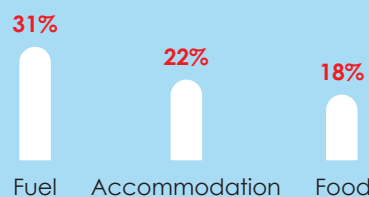
Solar Group

Ticket Log client, Brazil



The business travel market totaled more than **€28 billion** in 2017²⁵

In France, the three largest travel expenses are:²⁵



Facilitating business travel

Facilitating mobility for employees means offering them services and interfaces that provide greater autonomy and avoid upfront costs.

Hassle-free travel

Edenred's business travel and commuter offerings respond to new trends in mobility, while strengthening corporate responsibility and agility.

Thanks to payment cards supported by dedicated platforms, which are programmed in line with criteria defined by corporate clients, employees can book plane tickets, train tickets, hotels and rental cars and also make miscellaneous business purchases without having to pay upfront. Employees in Europe and emerging economies alike appreciate the autonomy, security and flexibility associated with these solutions.

In some countries, Edenred also offers commuter programs. Commuter Check, for example, is a flexible, employer-subsidized solution available in the United States that motivates employees to use public transit or other environmentally friendly modes of transportation. This multimodal approach reduces employee users' commuter expenses by up to 40%.

Multi-service cards for truckers

Truckers spend their working life on the road. Using a single card managed by Edenred, truck drivers can make cross-border journeys and pay for tolls, fuel and vehicle maintenance at partner outlets.

This eliminates the need to carry large amounts of cash, thereby enhancing safety.



Offsetting the environmental footprint of travel

In Brazil, Edenred's largest country, Ticket Log's Carbon Credit program generates carbon credits by replacing traditional fuel with ethanol in flex-fuel vehicles.

Since it was created in 2011, the Carbon Credit program has generated more than **30,000 metric tons** of carbon credits

²⁴ Source: Client testimonials with quantitative data collected annually by Group subsidiaries

²⁵ Source: EPISA Consulting study, 2016

²⁶ Source: Internal survey of a panel of 100 French companies, September 2016

Supporting new forms of mobility

●
Antoine Dumurgier,
Chief Operating Officer,
Fleet & Mobility Solutions,
Edenred



Why is employee mobility a strategic issue for companies?

Mobility is an increasingly important issue for companies. During travel, employees work very little or not at all and are susceptible to fatigue and sometimes even stress. Employee mobility is rising steadily, as are the costs associated with it.

Mobility can be divided into two broad categories: round-trip commutes and business travel or sales appointments.

New forms of mobility will improve the everyday lives of employees. Autonomous cars, for example, will allow employees to rest or work while traveling. The movement of employees from one place to another during the workday also generates costs and pollution. As a result, companies are looking for ways to optimize the carbon cost of their business travel. Large organizations in particular are concerned by this issue.

How does Edenred encourage responsible management of this increased mobility?

Thanks to a wide array of fuel cards and other solutions for paying for vehicle-related expenses, Edenred simplifies life for employees by eliminating the need to make upfront payments and reducing time spent reporting expenses.

For companies, improved control of fuel expenditure translates into considerable cost savings. Our eco-driving and carbon credit programs also help companies who wish to reduce their carbon footprint achieve their objective more easily.

What kinds of solutions exist for transportation professionals?

We offer solutions that are tailored to the specific needs of transportation and logistics companies, whose employees are professional drivers whose main job is to drive a vehicle.

Our objective is twofold: make life easier for the driver and optimize expense management for the employer. In Europe, for example, we offer interoperable fuel-card and toll solutions that enable long-haul drivers to pay for fuel and tolls with a single card across the continent. We also offer services such as access to parking facilities, vehicle maintenance, road assistance and fuel tax recovery.

“
New forms of mobility will improve the everyday lives of employees.
”

Facilitating corporate payment

Edenred has extended its expertise to the management of corporate payment. The growing number and size of these flows has given rise to an increased need for security, traceability and immediacy. With Edenred Corporate Payment, launched in 2017, the Group is leveraging its technological know-how and expertise to address these new challenges.

A technology of the future for agile companies

Managing corporate payments such as accounts payable is a complex process, particularly for multiple, recurring transactions, resulting in significant costs for each of the parties involved.

To optimize flow management, Edenred has introduced a new payment method featuring innovative virtual card technology.

By offering security, immediacy and traceability and eliminating the need for reconciliation, the technology yields sizable savings for companies employing this type of solution.

The single-use virtual card

The system allows users to make a secure payment remotely or online by issuing a one-time number that may only be used for the set amount of the specific transaction and that expires after a limited time.

Multiple areas of application



In the travel sector, Edenred was chosen by the International Air Transport Association (IATA) to develop and manage its new-generation payment system for processing the purchase of airline tickets from more than 400 airlines worldwide. The system will be exclusively rolled out by Edenred in more than 90 countries.



In the hotel sector, the French online hotel booking platform HCorpo uses Edenred single-use virtual cards to help large companies and government agencies precisely identify each booking, facilitate payment at checkout and reconcile cancellations or modifications.



In the real estate sector, Edenred was selected by Foncia, Europe's leading residential real estate services company, to develop a unique digital payment solution for collecting the monthly rent from millions of tenants. Based on individual owner and tenant IBAN numbers, identified wire transfer systematically provides Foncia with an overview of all payments made by transfer.

Identified wire transfer is an efficient and secure alternative to the check and direct debit methods, which are sometimes difficult to reconcile.

90 countries and 40 million transactions expected over the long-term

Challenge 4

Invent the solutions of tomorrow through co-construction

Edenred anticipates and embraces social expectations by co-constructing innovative solutions for the future alongside civil society stakeholders, entrepreneurs and its own employees.



Working together with civil society stakeholders

For the past 50 years, Edenred has supported the social changes that have reshaped the world of work. The Group brings together public authorities, companies and employees to define and implement programs that make society throughout the world a better place.

Educating people to improve eating habits

Edenred launched the European Fighting Obesity through Offer and Demand (FOOD) program in 2009. The initiative brings together public authorities, nutritionists, academic researchers and nine Group subsidiaries to improve the nutritional value of dishes served during employee lunch breaks.

The program, which in its early stages was backed by the European Commission, is now run by Edenred with the support and know how of its partners. Since 2012, a survey has helped those involved to understand employees' needs and encourage restaurants to offer healthier, more balanced meals, mainly by using awareness-raising tools.



European restaurant owners have found that the demand for balanced meals **has almost doubled in the past 5 years.** It reached **30%**²⁷ in 2017

Ensuring the effectiveness of public social programs

Edenred is committed to the management of social programs for low-income groups and ensures that funds can be traced and are allocated to the right person at the right time. This is a sure sign of effectiveness for the public authorities, NGOs and private partners that contribute to the program, as well as for the people it benefits.

In the area of education, the Ticket Juneab program issues food subsidies to disadvantaged university students in Chile. In Italy, the Dote Scuola program helps low-income families with children aged between 6 and 18 to pay for school expenses.

Edenred also provides assistance in Africa, where Ticket Agri in Burundi jointly funds the purchase of farming supplies with farmers to improve their harvests and financial independence over the medium term. Since the program began, 300,000 people have benefited from this development aid each year.

“

Every year, one billion meals are served and paid for across the world under the Ticket Restaurant program, providing Edenred with a privileged vantage point in observing eating habits at work. The digitization of meal vouchers to card and mobile makes it easier to gather information on employee eating habits and promote access to healthy and balanced meals.

”

Bertrand Dumazy
Chairman and Chief Executive
Officer of Edenred



Co-constructing with our clients



Thierry Stucker
Industry Financial Programs
Director, IATA, Geneva

IATA²⁸

In 2017, IATA issued an international call for tender for solutions to make the system for payments between airlines and travel agents more efficient.

Why did IATA choose Edenred to develop its new IATA EasyPay system?

Thierry Stucker: One of the key drivers was Edenred's ability to provide a solution that met our operational needs within the time constraints.

Edenred is a trusted partner due to its outstanding quality of service and many years of experience in prepaid solutions. Add to that its expansive geographic reach and ability to effectively manage costs, and we were certain that Edenred was the right choice to make this major industrial initiative a success.

How did you work together to co-construct the solution during the project?

Thierry Stucker: Edenred's expertise and support were crucial for developing and deploying IATA EasyPay. Edenred helped us to turn business needs into a technical solution, and resulted in a tool that was perfectly tailored to our specifications.

During our many meetings, we developed a stimulating, effective and flexible working environment based on the shared goal of delivering a quality solution within the

set time frame. Edenred's ability to take into account the required features, as well as the way it responded quickly and adapted to our requirements, was evident throughout the process and confirmed by the travel agents and airlines throughout the test phase.

How is the solution being deployed in the 90 countries planned?

Thierry Stucker: IATA and Edenred teams are following the implementation plan, allocating roles and responsibilities based on the specifications of each country. We have put in place all the necessary data processing and reporting systems between IATA and Edenred, in order to ensure the compliance of the solution and an accurate transaction processing.

Thanks to the soundness of the Edenred solution, IATA EasyPay is gradually and agilely being rolled out to all markets.

Grupo Bimbo

Bimbo, Mexico's largest network of industrial-scale bakeries, was looking to improve the management of its vehicle fleet, which is the most extensive in Latin America.

Alfredo Bernacchi
Marketing Director,
Edenred Mexico



Why did Bimbo choose to work with Edenred?

Alfredo Bernacchi: The more than 30,000 vehicles in Bimbo's distribution network make over 130,000 fuel purchase transactions per month. The goal was therefore to reduce management costs.

Edenred's solution of giving Bimbo employees a fuel card that can be used in a filtered network of 460 service stations was very attractive, as was the simplification of the administrative processes, which reduced the number of monthly bills from 2,000 to 4.

Were any particular innovations used for the project?

Alfredo Bernacchi: We discovered during our discussions that Bimbo had identified a problem of vehicle fuel fraud.

To remedy this situation, Edenred suggested equipping the company's vehicles with the Near Field Communication (NFC) contactless technology commonly used at tolls in order to ensure that only these vehicles could be refueled. This innovative solution resulted in the creation of Ticket Car GO.

Co-constructing this solution with Bimbo has also led us to implement an online reporting system broken down by vehicle, driver and transaction, which is now greatly appreciated by our clients. Our innovativeness and decision to dedicate a team to this solution explain how Edenred has been successfully working with Bimbo for the past two years.

²⁸ IATA: International Air Transport Association, which brings together most of the world's airlines, representing 84% of global air traffic.

Developing open innovation with our partners and employees

Through its pioneering, pragmatic approach to open innovation, Edenred anticipates trends, explores new ecosystems and invests in both promising start-ups and employees' ideas.

Identifying innovative start-ups

Edenred's openness to state-of-the-art technologies led it to join forces with the Partech Ventures investment fund in 2011, as part of a co-investment strategy.

Partech Ventures aims to support young, fast-growing companies involved in the digital economy and financial technologies in areas such as innovative web-based services, e-commerce, new means of payment, and their application to various sectors, such as healthcare, recruitment and education.

In 2018, Edenred cemented this partnership by investing in the new Partech Africa fund. The aim of this fund is to invest specifically in Africa, a region with significant growth potential, particularly in the payment industry.



Since 2012, Edenred Capital Partners has supported **11 innovative start-ups**

Encouraging intrapreneurship



At the end of 2017, Edenred launched its first international intrapreneurship program to help employees make their start-up projects a reality.

These disruptive ideas, selected by Edenred's Executive Committee and incubated for six months, serve as the creative basis for new Group solutions.

Investing in forward-looking projects



Edenred Capital Partners, the Group's corporate venture capital fund, has funded 11 start-ups in areas close to Edenred's businesses since it was founded in 2012.

This initiative has resulted in two success stories: ProwebCE (Employee Benefits) and La Compagnie des Cartes Carburant (Fleet & Mobility Solutions), which now contribute significantly to the Group's growth.



ProwebCE

France's dynamic ProwebCE offers management and accounting software and an e-commerce platform to company works councils.

These tools enable employees to use the funds allocated to them annually by their works council to purchase culture and leisure-related goods and services. Employees can also order gift cards and take advantage of discounts on more than one million products and services offered by partner merchants. ProwebCE manages a portfolio of more than 7,000 corporate clients and serves five million employees in France.

Combining innovation strengths



Philippe Dufour
Executive Vice President,
Alternative Investments,
Edenred Capital Partners

Tell us about your background.

Philippe Dufour: I founded PrePay Solutions in the United Kingdom, a European leader in prepaid payment solutions and a key asset for Edenred. I sold the company to the Group in 2009 before joining the Group Executive Committee.

My entrepreneurial spirit and expertise in a key digital sector at Edenred's inception helped establish our open innovation strategy. As part of this, I founded and am actively involved in Edenred Capital Partners, a corporate venture capital fund. Edenred Capital Partners is a financial investor, backed by Edenred, with a strong entrepreneurial culture. The company is aligned with the Group's approach to innovation and seeks to maximize value creation for all stakeholders through synergies with Edenred.

Patrice Thiry: When I first met Philippe Dufour in 2009, he told me about his past experience. We got on so well that he instantly became a ProwebCE shareholder. He saw the company's potential and I believed in Edenred's ability to help us move up a level.

We spoke about ProwebCE's growth and strategy for three years. When I launched an LBO²⁹ in 2012, Philippe suggested giving Edenred Capital Partners a stake in ProwebCE. I was convinced that we needed to pursue the venture with Edenred, as we clearly shared the same points of view on innovation and corporate culture.

²⁹LBO: Leveraged buyout, or the acquisition of shares in a company using a significant amount of borrowed money. A holding company is set up to take on the debt used to finance the acquisition of the target company. The interest payments due by the holding company are covered by ordinary or special dividends received from the acquired company.

Patrice Thiry
Founder, Chairman and
Chief Executive Officer,
ProwebCE



I was also interested in Edenred's potential to support the development of ProwebCE, especially on an international level. The transaction was therefore completed in June 2012.

What has Edenred Capital Partners brought to your business?

Patrice Thiry: Since we had achieved the targets of the business plan sooner than expected, I brought in an industrial-level company during the period of accelerated growth in 2015.

Edenred Capital Partners was a key intermediary for liaising with Edenred's management teams and helped us continue the story together. I'm happy to say that it was a virtuous circle for the whole of our ecosystem. Our partnership allows ProwebCE clients to benefit from the vast network of partner merchants developed by Edenred over more than 50 years. Similarly, Edenred's clients are able to access the innovative technology of ProwebCE's platform and Edenred's partner merchants have seen their number of customers grow thanks to the business volume generated by ProwebCE.

Having now deployed a comprehensive solution together in France, we expect to leverage Edenred's international footprint in order to provide employees and merchants throughout the world with similar offers.

Working more closely with innovative entrepreneurs is key for Edenred. How are you building a long-term relationship with them?

Philippe Dufour: Edenred Capital Partners is a corporate venture capital fund backed by Edenred. Its aim is to invest in companies at different stages of their development, offering them significant growth potential.

Edenred Capital Partners is responsible for facilitating exchanges between Edenred's operations and the companies in which we have invested. This may then lead to sharing client portfolios and expertise or the integration of solutions. When synergies are strong and teams are working in close collaboration, everyone learns from each other, which often results in an outstanding alliance. There is no finer example than the company founded by Patrice Thiry, ProwebCE, which Edenred Capital Partners has supported since 2012.

Key indicators

Financial and CSR performance



COMPOSITION DU CONSEIL D'ADMINISTRATION



Bertrand Dumazy⁽¹⁾
Président-directeur
général d'Ederred



Philippe Citerne *
Vice-Président du Conseil
d'administration
d'Ederred



Jean Paul Bally *
Président d'Honneur du
Groupe La Poste



**Gabriele Galateri
di Genola** *
Président de Assicurazioni
General S.p.A.



**Jean-Romain
Lhomme**
Co-fondateur de P.J.



Anne Bouverot *
Présidente-directrice
générale de Morpho



Maëlle Gavet *
Vice-Présidente exécutive des
Opérations Internationales du
groupe Priceline



Bertrand Meheut *
Administrateur de
sociétés



Sylvia Coutinho ⁽¹⁾
Directrice Générale
d'UBS Brésil



Françoise Gri *
Présidente du Comité des
Rémunérations et Nominations
Ederred



Dominique D'Hinnin
Président du Conseil
d'administration d'Estée
Communications SA

(1) Directeur nommé à l'occasion de l'Assemblée Générale
* Administrateurs indépendants

Summary of financial indicators

Main business indicators

In € millions	2017	2016	Reported change	Like-for-like change
Revenue	1,339	1,139	+18%	+9%
EBIT	437	370	+18%	+13%
EBIT margin (%)	32.6%	32.5%	+0.1pt	+1.4pts
Funds from operations	388	299	+30%	+22%
Free Cash Flow	399	352	+13%	
Net debt	713	588		
Net debt/EBITDA ratio	1.4x	1.4x		
Net profit, Group share	247	180	+37%	
Earnings per share (in €)	1.06	0.78		
Dividend per share (in €)	0.85	0.62	+37%	

Maintaining regular, transparent dialogue with the financial community

With a highly international shareholder base and a free float approaching 100%, Edenred places great importance in reaching out to the financial community to inform its members of changes in the Group's strategy and performance.

Through this approach, the Group met some 800 representatives of 375 institutions worldwide in 2017.

Individual shareholders regularly receive information via newsletters and the Group also organized four meetings in regional France in 2017, as well as four discussion sessions with members of the Executive Committee on financial and social topics related to Edenred's operations.

Edenred's award-winning financial communications

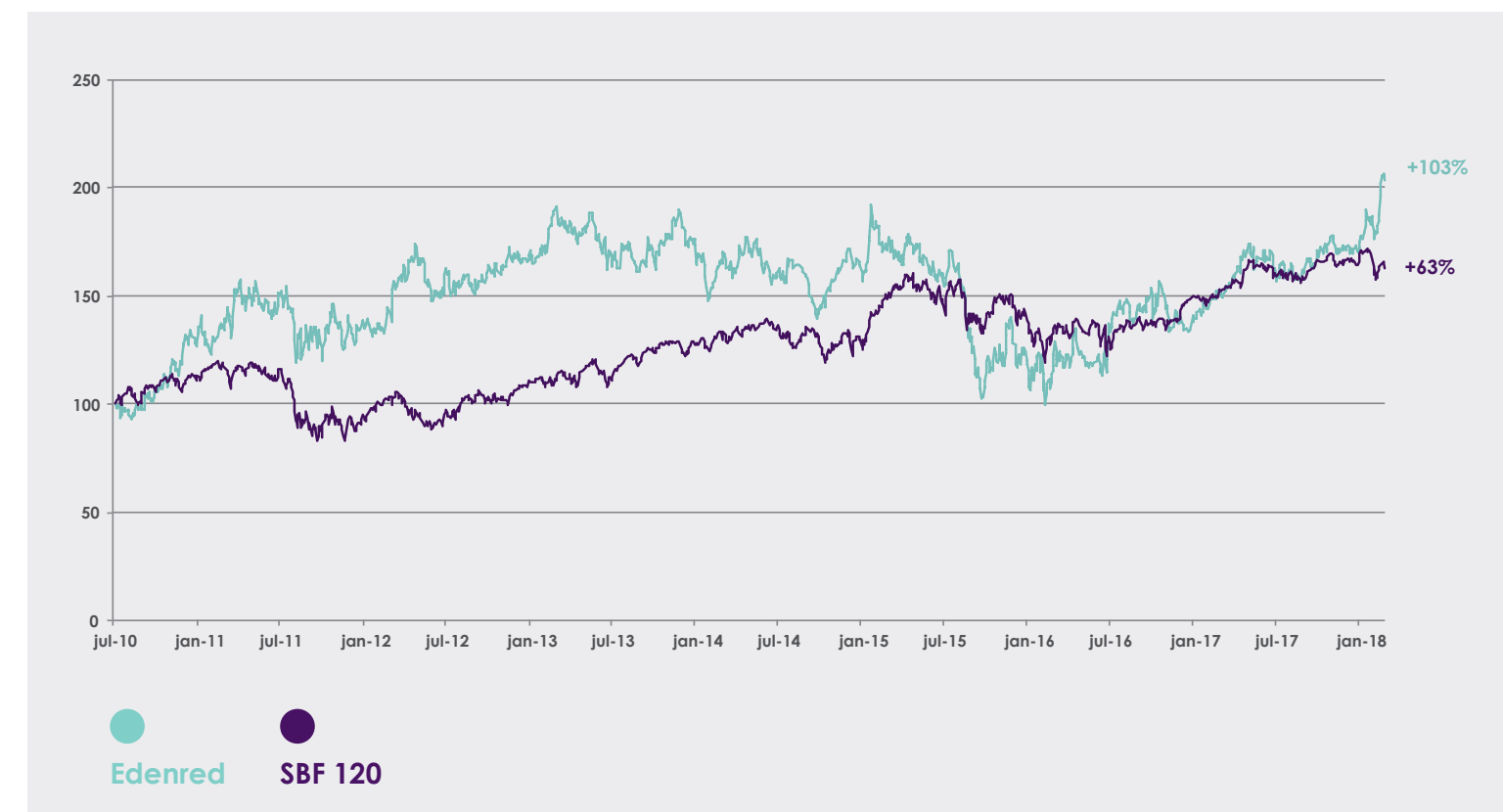
In 2017, Edenred won the following awards from French investment weekly *Le Revenu*:

- the **Gold Award** for Best Shareholder Services for companies in the SBF 120 stock market index
- the **Bronze Award** for Best Shareholder Relations among companies in the SBF 120 index³⁰

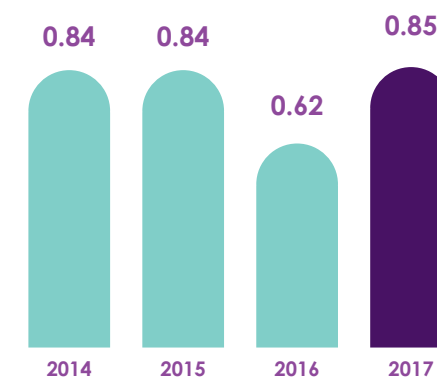
In 2017, for the fourth year in a row, Edenred was awarded a Transparency Grand Prize.

³⁰ Excluding CAC 40 firms

Share performance since Edenred's IPO (July 2, 2010)



Dividend per share (in €)



A solid financial position: BBB+ rating

The Edenred Group has a Strong Investment Grade rating: BBB+/outlook stable according to Standard & Poor's since the Group's IPO in 2010.

This rating takes into account a ratio of adjusted funds from operations to adjusted net debt of 42% and a ratio of adjusted net debt to adjusted EBITDA of 1.7 at end-2017, demonstrating Edenred's strong financial structure.

2017 summary table of employee data – Group

	France (incl. e-Quarter)	Europe (excl. France)	Latin America	Rest of the World	Total 2017	Total 2016
NUMBER OF EMPLOYEES	1,294	2,420	3,069	999	7,782	7,232
Employees under permanent contracts	90.5%	91.7%	99.3%	97.2%	95.3%	95.9%
Women	53.6%	55.3%	47.6%	41.2%	50.2%	50.1%
Men	46.4%	44.7%	52.4%	58.8%	49.8%	49.9%
Full-time equivalent	1,242	2,301	3,125	1,006	7,674	7,248
MANAGEMENT						
Managers (% of total workforce)	18.3%	16.4%	20.7%	24.2%	19.4%	19.3%
Women managers	42.6%	40.2%	36.7%	33.5%	38.0%	38.3%
Men managers	57.4%	59.8%	63.3%	66.5%	62.0%	61.7%
TRAINING						
Hours of training	15,057	33,801	71,712	10,026	130,596	106,210
Hours of training for managers	3,146	11,085	15,383	3,167	32,781	24,840
Hours of training for non-managers	11,911	22,716	56,329	6,859	97,815	81,370
Employees having attended at least one training course	779	1,537	3,427	764	6,507	5,563
Managers having attended at least one training course	131	330	590	187	1,238	969
Non-managers having attended at least one training course	648	1,207	2,837	577	5,269	4,594
HEALTH AND SAFETY						
Lost-time incident frequency (number of days)	14.1	3.5	3.9	0.5	4.7	3.0
Severity rate ³¹	0.3	0.1	0.0	0.0	0.1	0.1
Absenteeism rate (%) ³²	4.5	3.1	1.4	1.4	2.7	2.9
Number of fatal accidents in the workplace	0	0	0	1	1	0
Number of occupational illnesses resulting in at least one day of lost time	0	4	1	0	5	2

³¹Number of days of lost time following an occupational accident multiplied by 1,000 and divided by the total number hours worked by the entire workforce over the calendar year

³²Total number of person-days lost to absenteeism in the period divided by the number of person-days available in the period

Positioning and objectives of the CSR approach in 2017

Priority	Objective	Performance indicators	2017 highlights
Facilitate access to healthy, sustainable eating	A project to promote healthy, sustainable eating in each country	<ul style="list-style-type: none"> 5.6 million employee users, 180,000 partner merchants and 5,370 Edenred employees were reached in 2017 	<ul style="list-style-type: none"> 22 countries involved in projects promoting healthy eating aimed at several stakeholders Healthy eating survey (FOOD) conducted in nine European countries 8 employee engagement projects on healthy and sustainable food at the Group's Idealday event
Improve the environmental performance of our business units	An initiative to reduce our environmental footprint in each country	<ul style="list-style-type: none"> 48% of employees work in an environment that has been certified 2% reduction in paper used for vouchers and brochures or in offices compared with 2016 86% of Group countries (in business volume) use environmentally friendly paper for vouchers 	<ul style="list-style-type: none"> Results of the comparative lifecycle assessments of paper vouchers and cards An ISO 50001-certified country 9 employee engagement projects on the environment at the Group's Idealday event
Build privileged relationships with local communities	A long-term partnership in each country	<ul style="list-style-type: none"> €1.8 million in direct and indirect donations (through voucher donation campaigns) 188 non-profits supported Nearly 4,700 hours dedicated by employees to volunteering 	<ul style="list-style-type: none"> Launch of a connected sporting event in which more than 2,300 employees participated to raise money for the Make-A-Wish® organization Support provided to organizations in the areas of food aid, children, public assistance, culture and emergency assistance 13 employee engagement projects solidarity at the Group's Idealday event

Our publications



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2017 Registration Document



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The Essential 2018

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