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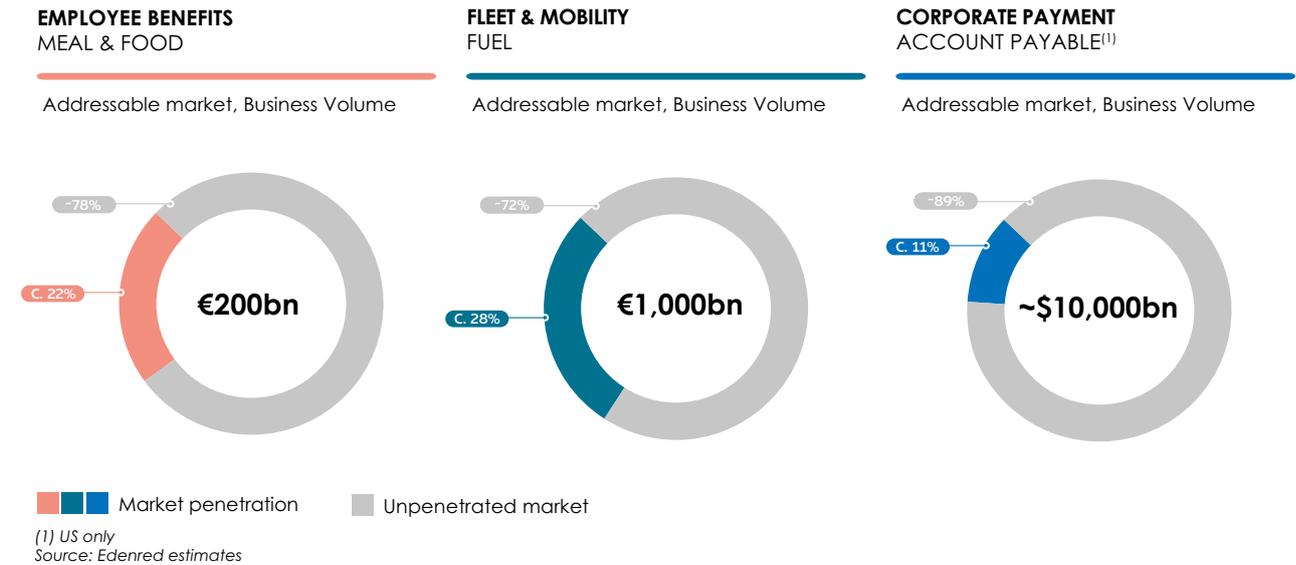
Presentation of the group

1.1 A global player operating in promising markets

1.1 A global player operating in promising markets

1.1.1 Positioning in still largely underpenetrated markets

Edenred operates in still largely underpenetrated markets that offer significant growth opportunities, notably as programs and distribution channels go digital.



1.1.2 Favorable trends in the world of work

The underpenetration of the markets in which Edenred operates reflects the changing expectations of those involved in the world of work and society as a whole. It also reflects the digitalization of these markets and distribution channels, which significantly increases the number of companies in its addressable market and reduces the user acquisition cost.

The growth drivers in the **Employee Benefits** market primarily include economic formalization, intensifying urbanization, the emergence of a middle class and the increasing contribution of the services sector to the local economy. Demand is also being led by the rising number of women in the workplace, aging populations in developed countries and overall population growth in emerging economies, as well as aspirations for a better work-life balance.

The **Fleet & Mobility Solutions** market is benefiting both from employee demand for more mobility and from the need for

companies to manage business expenses more effectively and improve their traceability, while reducing costs and optimizing the time spent managing them.

Complementary Solutions enable Edenred to offer a comprehensive range of solutions to companies and local authorities, particularly the **Corporate Payment Services** that help companies transfer and receive funds more efficiently and securely. **Incentive & Rewards** solutions respond to companies' growing need to find ways of retaining and motivating their employees. Lastly, **Public Social Program** solutions support governments and local authorities in their efforts to combat informal employment and tighten control over the distribution of assistance, while also increasing the purchasing power of their constituents.

1.1.3 Unique expertise and positioning

Backed by 60 years of expertise, Edenred is positioned at the crossroads of four complementary skills:

- proficiency in digital payment technologies (Fin Tech);
- the ability to offer solutions to filter and control financial flows in accordance with local regulations or with the corporate client's needs (public or private Reg Tech);
- the ability to affiliate networks and carry out the necessary financial intermediation (Financial Intermediation);
- the use of transaction data to develop new services (Data Intermediation).

In particular, this expertise is being supported by the digital capabilities of its issuance, authorization and reimbursement technology platform for payments.

In this way, Edenred has integrated payment expertise into its vast ecosystem, which connects over 50 million employee users and more than 2 million partner merchants via close to 900,000 corporate clients, with an unrivaled positioning in its three core markets.

1.1.4 A global player dedicated to the world of work

In 60 years, Edenred has built a solid operating presence in 46 countries on five continents. In most of them, the Group pioneered the **Employee Benefits** market, by initiating the passage of enabling legislation, and now generally holds market leadership. Drawing on its expertise in the management of payment flows in the working world, Edenred has also expanded since the 1990s in the **Fleet & Mobility Solutions** business, where it is currently market leader in Latin America and the second-largest issuer of multi-brand pan-European solutions. More recently, starting in 2016, Edenred leveraged the expertise of its digital technology platform to launch a **Corporate Payment Services** offering, which was broadened in 2019 with the acquisition of Corporate Spending International (CSI), a recognized player in the promising Corporate Payment market in the United States.

- Complementary Solutions (4% of local operating revenue in 2021): *Accentiv*, *Mimetica*.

In 2021, operating revenue totaled €307 million for the year.

Main host countries

In **France**, solutions are offered in several categories:

- Employee Benefits (76% of local operating revenue in 2021): *Ticket Restaurant*, *Kadéos*, *Ticket CESU*;
- Fleet & Mobility Solutions (10% of local operating revenue in 2021): *Ticket Clean Way*, *Ticket Fleet Pro*, *La Compagnie des Cartes Carburant*;
- Complementary Solutions (14% of local operating revenue in 2021): Corporate Payment Services, *Kadéos*, *Ticket CESU*, *Ticket Service*.

In 2021, operating revenue totaled €286 million for the year.

In **Brazil**, Edenred offers a large, diversified range of solutions:

- Employee Benefits (49% of local operating revenue in 2021): *Ticket Restaurante*, *Ticket Alimentação*, *Ticket Transporte*, *Ticket Cultura*;
- Fleet & Mobility Solutions (47% of local operating revenue in 2021): *Ticket Log*, *Repom*;

Competitive environment

In each host market, Edenred has several competitors that vary between its business lines and may be local, regional or global.

In the Employee Benefits market, Edenred competes in most of its host countries with global players Sodexo and Groupe Up, as well as with regional and local providers such as Alelo in Brazil, Natixis Intertitres and Swile in France, and ePassi in Finland.

In the Fleet & Mobility Solutions market, Edenred's competitors are FleetCor and WEX, two North American companies with operations worldwide, as well as large regional players such as DKV, Eurowag and Radius in Europe, and numerous local operators.

In Complementary Solutions, the Incentive & Rewards market is extremely competitive in all countries, and the fast-growing Corporate Payment Services market is characterized by a multitude of local and regional players, such as Avidxchange and BottomLine in the United States, competing for business alongside multinationals like FleetCor and WEX.

In addition, Edenred actively tracks strategic developments in adjacent markets and the start-up ecosystem, notably thanks to the expertise of its in-house venture capital fund Edenred Capital Partners and to its partnership with venture capital firm Partech International.

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Presentation of the group

1.1 A global player operating in promising markets

Peer group of listed companies

COMPANY	BUSINESS	COUNTRY OF LISTING	CURRENCY
Adyen	Payment systems	Netherlands	Euro (€)
Eurowag	Fuel cards and related services	United Kingdom	Pound Sterling (£)
FleetCor	Fuel cards and Corporate Payment services	United States	Dollar (\$)
MasterCard	Payment systems	United States	Dollar (\$)
Nexi	Payment systems	Italy	Euro (€)
Sodexo	Corporate services	France	Euro (€)
Visa	Payment systems	United States	Dollar (\$)
Wex	Fuel cards and Corporate Payment services	United States	Dollar (\$)
Worldline	Payment systems	France	Euro (€)

1.1.5 An attractive financial profile

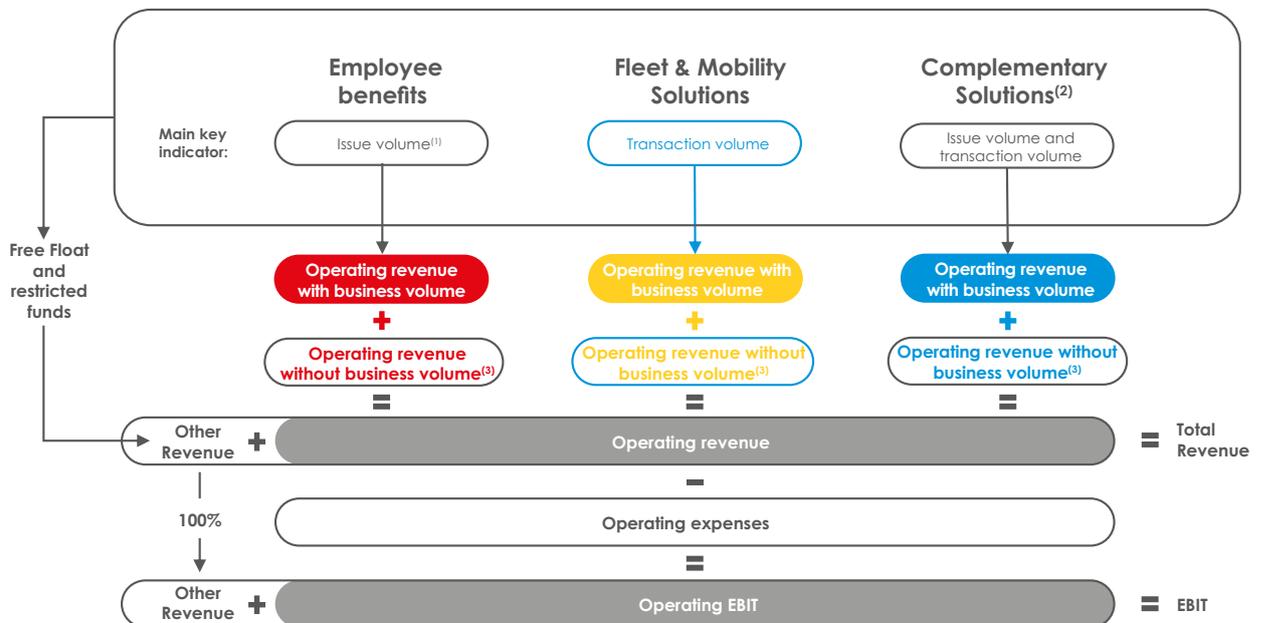
Thanks to Edenred's sustainable and profitable growth profile, the Group's business model can combine the characteristics of a growth company with those of a group that has a solid financial position. Edenred enjoys major operating leverage, low capital intensity and a structurally cash-generative business model thanks to its negative working capital requirement, since a large proportion of Edenred solutions are prepaid.

Edenred's financial model is set out in the diagram below:

- **total revenue**, which came to €1.6 billion in 2021, is made up of operating revenue and other revenue.

The most relevant indicator for measuring the Group's performance is **operating revenue**, part of which relates to the business volume managed by Edenred;

- **EBITDA** corresponds to **total income less operating expenses (excluding depreciation, amortization and provisions)**. It stood at €670 million for 2021;
- **EBIT** corresponds to operating profit before other income and expenses, and includes:
 - operating EBIT, which corresponds to EBIT before other revenue,
 - other revenue.



(1) Some of the Fleet & Mobility Solutions and Complementary Solutions are pre-loaded and also generate issue volume.

(2) Complementary Solutions primarily comprise:

- Incentive & Rewards solutions, whose key indicator is generally issue volume;
- Public Social Programs, whose key indicator is generally issue volume;
- Corporate Payment Services.

(3) For example, maintenance and installation costs and periodic subscription fees.

Employee Benefits

The **Employee Benefits** business is unique in that it uses **pre-loaded** media that generate **issue volume**, which corresponds to the total amount of pre-loaded funds given to users.

Employee Benefits generate **operating revenue**, mainly through commissions related to issue volume, received from both corporate clients and partner merchants. Operating revenue also includes revenue generated without business volume, such as fees based on user numbers, particularly for employee engagement platforms. In addition, a more marginal source of revenue comes from the gains on lost or expired vouchers.

The time between the loading of the payment instruments by the corporate clients and their reimbursement to the partner merchants gives rise to a **negative working capital requirement** that, less receivables, constitutes the majority of the **float**. Interest earned from investing the float generates **other revenue** (formerly known as financial revenue).

Fleet & Mobility Solutions

In this business line, **operating revenue** generated by these solutions consists of different types of commissions received from corporate clients and partner merchants. These include per-use commissions on fuel cards, whether as a percentage of the transaction amount, as a percentage of the fuel purchase, per liter, or in transaction fees, as well as commissions on non-fuel expenditure (for vehicle maintenance, tolls, car washing, parking fees and VAT reimbursement).

Some Fleet & Mobility Solutions are pre-loaded, so that the investment of the resulting float generates **other revenue**. Moreover, the period from which a client pays until the partner merchant is reimbursed generates a **negative working capital requirement** at the Group level, providing an additional source of financing for Edenred.

Complementary Solutions

Operating revenue from Complementary Solutions is primarily derived from the commissions paid by clients (companies, local authorities and public institutions) and partner merchants, in Incentive & Rewards solutions and Public Social Programs. It also includes the revenue generated from employee users and gains on lost or expired vouchers.

Over the past four years, Edenred has been developing new Corporate Payment Services, which also generate operating revenue both with and without business volume (interchange, monthly subscriptions, commissions per transaction, commissions per amount spent, etc.).

A business model generating strong cash flows

Thanks to a sustainable and profitable growth profile and a structurally negative working capital requirement, Edenred generates significant cash flows.

1.2 Strategy and 2022 outlook

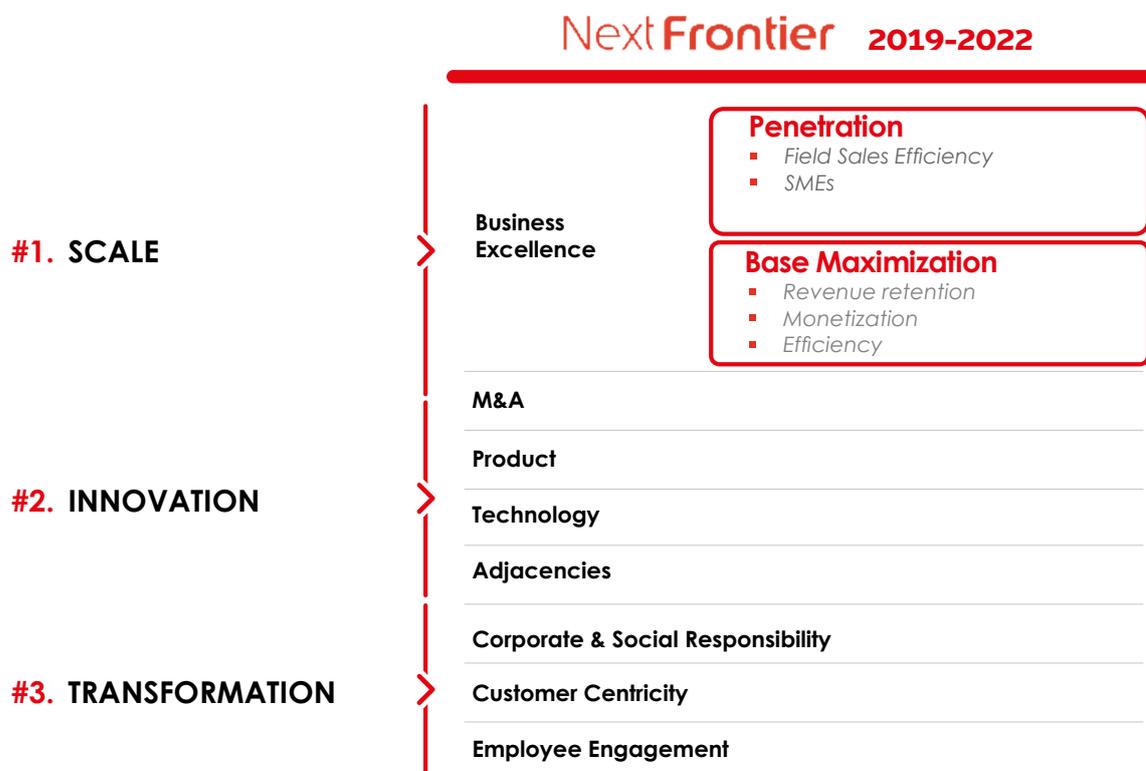
1.2.1 Strategy

The Next Frontier 2019-2022 strategic plan leverages the unique nature of the Group's platform model, presented in the introduction, to transform Edenred into the everyday companion for people at work. It enables the Group to provide these stakeholders with the full range of services and payment solutions they need to make their working lives easier, all accessible from a single virtual wallet.

The platform model, coupled with the shift to digitalized processes and pooled support services, gives rise to significant scale effects,

making it possible both to bring new solutions to market and to swiftly, extensively and cost-effectively roll out innovation and thereby generate profitable growth.

Capitalizing on the platform's unique characteristics, Edenred has based its strategic plan, Next Frontier 2019-2022, on several drivers of sustainable and profitable growth.



1.2.1.1 Expanding and strengthening Edenred's presence in existing businesses

Edenred operates in still largely underpenetrated markets (see section 1.1.1) that offer significant growth opportunities, notably as programs and distribution channels go digital. Digitalization remains an important avenue for growth, particularly in the Employee Benefits segment in Europe, where the adoption rate has still not reached its full potential.

Leveraging the methods and tools put in place under the previous strategic plan, Fast Forward, Edenred has developed a systematic approach based on an array of operating drivers, which are primarily designed to further penetrate its markets. Thus equipped, Edenred will now notably continue to implement initiatives targeting the strategic SME market, where penetration is significantly lower than among middle-market and large companies. To capture the potential of its existing base of clients, partner merchants and end users, Edenred intends to develop tools for retention, cross-selling and monetization of value-added services.

Against a backdrop of dramatic changes in the world of work accelerated by the health crisis, new opportunities are emerging for Edenred. For example, with people working remotely increasingly often, many clients are turning to the digital Ticket Restaurant offering. Whether to replace or round out a brick-and-mortar canteen, this "virtual canteen" unlocks the most comprehensive and flexible workplace meals ecosystem on the market, with over a million partner restaurants.

1.2.1.2 Innovation as a driver of differentiation and source of additional growth

Attentive to the needs of all stakeholders, Edenred looks ahead to the new consumer behavior that may emerge from digitalization, placing the user's mobile experience and access to omni-channel consumption of its services (in stores, on mobile devices, online) at the heart of its strategy. Edenred's ability to provide clients with mobile, app-to-app and virtual-card-based payment methods with increasing speed considerably sharpens its competitive edge.

For example, at a time when the meal delivery market is booming, Edenred is connected to over 200 players in the industry, across 23 countries. Having been a pioneer in API-based payment and, in 2018, the first to forge partnerships with market leaders including Deliveroo and Uber Eats, the Group has continued to extend access to these platforms country by country, working with both international names and local players such as DejBox in France and Tazz in Romania.

This innovation-led approach requires major investments to improve the Group's global technology assets, guarantee system soundness and security, and increase Edenred's capabilities in new segments such as data science and advanced automation.

These technology assets will form an essential base from which to step up development in adjacent businesses, while driving operational and commercial synergies. The market potential of digital employee engagement platforms, for example, is at least as great as that of food-related Employee Benefits. In Fleet & Mobility Solutions, value-added services such as toll, maintenance and VAT refund management will diversify the current business model while also reducing the Group's sensitivity to fuel prices ⁽¹⁾. Lastly, Edenred plans to capitalize on its expertise in the most advanced payment technologies and on its sales and marketing prowess to fully capture the potential of the Corporate Payment market, notably in North America, where it is still underexploited.

1.2.1.3 A strategy of targeted acquisitions to enhance robust organic Group growth

Building on its sound financial position, carefully managed debt and strong cash flow generation, Edenred intends to seize external growth opportunities in line with the strategic ambitions of the "Next Frontier" plan, namely:

- consolidate its position as a world leader in Employee Benefits via targeted acquisitions;
- continue to build its Fleet & Mobility Solutions portfolio via international expansion and a broader range of value-added services to consolidate its position as a global multiservices player;
- grow Corporate Payment Services by targeting new business sectors.

1.2.1.4 Sustainable Development policy

Operating strategy is built around an integrated Sustainable Development policy, which is based on the following three groups of commitments, each with a dedicated action plan to ensure proper implementation:

- PEOPLE: improve quality of life;
- PLANET: preserve the environment;
- PROGRESS: create value responsibly.

These three areas and the quantitative targets for each of its medium- and long-term commitments are presented in the three corresponding sections in Chapter 5 "Non-financial performance statement".

(1) In 2021, a 10% change in oil prices (Brent crude for Europe, WTI crude for Latin America) had an impact of approximately €7 million on the Group's total revenue.

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Presentation of the group

1.3 2021 highlights and 2022 financial calendar

1.2.2 2022 outlook

On the strength of its record performance in 2021, Edenred is confident as it moves into 2022 and intends to keep delivering sustained organic growth across all of the regions where the Group operates and all of its business lines. Edenred can notably count on its dynamic sales teams to continue increasing penetration of its markets. And the Group will be able to capitalize on positive structural trends, such as the development of remote working, the shift to more digital usage patterns and the trend toward more responsible behaviors, thanks to its ability to drive product and technology innovation and thereby more simply and efficiently connect 50 million users and 2 million partner merchants via its 900,000 clients every day.

Edenred should also benefit from economic tailwinds such as higher inflation, rising interest rates and lower unemployment.

In addition, Edenred intends to push ahead with its external growth strategy by consolidating the high-potential markets in which it

operates, leveraging an investment capacity of more than €1.5 billion.

As a result, for 2022, the Group is confirming the annual targets set in its Next Frontier strategic plan:

- like-for-like operating revenue growth of more than 8%;
- like-for-like EBITDA growth of more than 10%;
- free cash flow/EBITDA conversion rate of more than 65% ⁽¹⁾.

These objectives are based on the assumptions described above, the characteristics of Edenred and the markets on which the Group operates (see section 1.1), and the implementation of its strategy (see section 1.2.1). These objectives draw on data, assumptions and estimates that the Group considers reasonable at the date of publication of this document. They were prepared on a basis comparable to the historical financial information and consistent with the accounting policies of the Group.

1.3 2021 highlights and 2022 financial calendar

1.3.1 2021 highlights⁽²⁾

Purpose

- **Edenred unveils its purpose: "Enrich connections. For good." at its General Meeting on May 11, 2021** (News dated May 11, 2021).

ENRICH CONNECTIONS.

"Enrich connections." reflects the Group's expertise in transforming each transaction into an enhanced experience, into a smart, safe and efficient connection, while enhancing its value. Indeed, beyond payments, each transaction, each connection, addresses specific needs to enhance employees' well-being, improve companies' efficiency and attractiveness, vitalize the economy and the local employment market, and enhance the efficiency and traceability of public policies.

FOR GOOD.

"For good." is a message of progress and the possibility of a better future. Edenred solutions have a positive impact on health and well-being. They support the local economy, protect vulnerable communities and preserve the environment.

"For good." is also a promise: in a world where many connections are fleeting, Edenred sets out to form solid, lasting bonds – meaningful, trust-based connections.

Employee Benefits

- **Edenred and Gecina are working to transform the lunch break experience with the "virtual canteen"** (Press release dated July 27, 2021).

Gecina, Europe's leading office real estate company, and Edenred, the world leader in specific-purpose payment solutions, are joining forces to make the lunchtime experience more flexible for YouFirst brand clients, thanks to the *Ticket Restaurant*.

- **Edenred and sunday join forces to develop a pay-at-table solution for restaurants in France** (News dated December 15, 2021).

Edenred, the leader in specific-purpose payment solutions in France and worldwide, has joined forces with sunday, the world's fastest way to pay in restaurants thanks to a QR code on the table. The alliance will enable Edenred *Ticket Restaurant* card users to pay their lunch bill in under ten seconds after eating, without even having to call the waiter.

By joining forces, Edenred and sunday are taking the digitalization of lunch breaks to the next level and providing Edenred *Ticket Restaurant* card users in France with an innovative payment solution that is perfectly in line with new consumer restaurant habits.

(1) Based on constant regulations and methods.

(2) Press releases are posted on www.edenred.com, here (<https://www.edenred.com/en/investisseurs-actionnaires/information-reglementee/communiqués-de-presse>) and here (<https://www.edenred.com/en/medias-journalistes/actualites-et-communiqués-de-presse>).

Edenred Corporate Payment

- **Sage expands partnership with Corporate Spending Innovations, an Edenred company, to deliver new Vendor Payments offering** (Press release dated March 10, 2021).

Public Social Programs

- **Cameroon selects Edenred's digital solutions to optimize management of its new subsidy program for local coffee and cocoa farmers** (Press release dated December 21, 2021).

With the Agri Edenred solution, offered by the world leader in specific-purpose payment solutions, Cameroon's government is setting up a digital earmarked payment system to easily, quickly and securely grant agricultural subsidies. The initiative is part of its "Farmer Gateway" program, which will provide direct funding to more than 600,000 cocoa and coffee farmers to develop this key sector of the country's economy. Edenred's payment solutions allow a million farmers in Africa to increase their yields by providing them with easy, traceable access to the fertilizers they need to develop their activities.

Transactions

- **Edenred successfully places its first sustainability-linked convertible bonds for a nominal amount of approximately €400 million** (Press release dated June 9, 2021).

To coincide with the placement, Edenred published its first Sustainability-Linked Bond Framework, which was reviewed by an external third party and is based on the achievement of three sustainable performance targets:

- People: 34% women in executive positions by 2025;
- Planet: 15% reduction in Greenhouse gas emissions by 2025 versus 2019;
- Progress: 64% of merchants and users made aware of balanced nutrition and food waste by 2025.

Guided by Edenred's purpose, "Enrich Connections. For good," this operation demonstrates the Group's concrete commitment to sustainable development, which is notably reflected in:

- the ten People, Planet, Progress objectives in its "Ideal" Corporate Social Responsibility strategy, addressing 12 of the 17 United Nations Sustainable Development Goals;

- the indexation of the financial conditions of its syndicated credit line to two of these criteria since 2020;
- the conditions governing free share allocation plans, 25% of which since 2021 have been linked to the achievement of quantified objectives in terms of diversity, the fight against global warming and awareness of sustainable nutrition.

Governance

- **Appointment to the Executive Committee: Jean-Urbain Hubau is appointed Chief Operating Officer of Edenred's Fleet & Mobility Solutions and joins the Group's Executive Committee** (Press release of June 1, 2021);
- **Appointments and renewals to Edenred's Board of Directors to be proposed at the General Meeting on May 11, 2021** (Press release dated March 29, 2021):
 - Françoise Gri, an independent director since 2010, Lead Independent Director, Vice-Chairman of the Board of Directors, and Chairman of the Compensation and Appointments Committee, will be put forward for renewal,
 - Sylvia Coutinho, an independent director since 2016 and a member of the Compensation and Appointments Committee, will be put forward for renewal,
 - Angeles Garcia-Poveda will be put forward for appointment as an independent director,
 - Monica Mondardini will be put forward for appointment as an independent director,
 - Philippe Vallée will be put forward for appointment as an independent director.

Subsequent events

- **Appointment to the Executive Committee of Chief Operating Officer, Employee Benefits Solutions, and Chief Operating Officer, Payment Solutions & New Markets** (Press release dated January 6, 2022);
- **Edenred strengthens its Beyond Fuel offering with the acquisition of Greenpass, an issuer of e-toll solutions in Brazil** (Press release dated February 22, 2022).

1.3.2 2022 financial calendar

First-quarter 2022 revenue	April 21, 2022
General Meeting	May 11, 2022
First-half 2022 results	July 26, 2022
Third-quarter 2022 revenue	October 20, 2022
Capital Markets Day	October 26, 2022

1.4 Milestones

2010 Creation of Edenred

On June 29, 2010, the Extraordinary General Meeting of Accor shareholders approved the demerger of the Hotels and Services businesses, leading to the creation of Edenred, listed on the Paris stock exchange as part of the CAC Next 20 index.

Since its formation, Edenred has pursued a targeted acquisitions strategy in its core business, and has carried out a strategic review of its portfolio.

In October 2016, Edenred implemented a strategic plan, Fast Forward, whose aim is to speed up the Group's transformation by 2020, while laying the foundations for new sources of sustainable and profitable growth.

In October 2019, Edenred unveiled a new strategic plan called Next Frontier, which leverages the unique nature of the Group's platform model to transform Edenred into the everyday companion for people at work.

Main acquisitions over the past three years

- January 2019: Edenred signed an agreement for the dual acquisition of Merits & Benefits and Ekvita, market leaders in employer engagement platforms in Belgium;
- May 2019: Edenred acquired Italian employee engagement platform Easy Welfare;
- July 2019: Edenred acquired Benefit Online, a Romanian employee engagement platform;
- September 2019: Edenred signed an agreement to acquire EBV Finance, a Lithuanian company specialized in tax refunds for European transportation companies;
- January 2020: Edenred strengthened its leadership position in the United Arab Emirates payroll cards market with the acquisition of the payroll card portfolio of Mint;

- May 2020: Edenred became the owner of 100% of UTA;
- May 2020: Edenred strengthened its position in the Brazilian market with the acquisition of employee benefits operations from Cooper Card.

Joint ventures and alliances over the past three years

- February 2019: Edenred launched its Corporate Payment Services offer in Africa with Jumia Travel, Africa's top online hotel booking portal;
- July 2019: Edenred joined forces with Swave, the French platform dedicated to innovation in financial services (fintech, insurtech and paytech), which was founded in 2017 at the initiative of the French State;
- March 2021: Sage expanded its partnership with Edenred subsidiary Corporate Spending Innovations to deliver a new Vendor Payments offering in the United States;
- July 2021: Gecina, Europe's leading office real estate company, and Edenred, the world leader in specific-purpose payment solutions, joined forces to make the lunchtime experience more flexible for YouFirst brand clients, thanks to the *Ticket Restaurant*.

Disposals over the past three years

None.

For more information about acquisitions, development projects and disposals in 2021, see Chapter 7, Note 2 to the consolidated financial statements, page 247.

1.5 Regulatory environment

1.5.1 Income tax and payroll tax rules

1.5.1.1 Overview

Employee benefits are exempted from income tax and/or payroll taxes as part of government strategies to encourage their use as an instrument of social policy. To ensure the effectiveness of this incentive system, strict rules govern the allocation and use of these solutions, particularly regarding the employer's contribution and role, the eligible beneficiaries and how the benefits may be used.

In some countries, companies have to be licensed to operate in the Employee Benefits market. They may also be subject to legal and regulatory requirements governing the issue of digital tickets or investment of the float (corresponding to the cash received from clients for prepaid services that has not yet been reimbursed to partner merchants). This is the case in France and Romania, for example (see section 2.1.4, page 40 and Note 4.7 to the consolidated financial statements page 258).

The Fleet & Mobility Solutions business line is not affected by the existence of these kinds of exemptions.

The regulatory environment is illustrated in the following sub-sections by a description of the legislation applicable to meal vouchers in France and Brazil.

1.5.1.2 Regime applicable in France

Rules governing the allocation and use of meal vouchers

The allocation of meal vouchers by an employer is governed by a set of rules that include the following:

- the vouchers may only be allocated to Company employees (including interns, in accordance with Article L.124-13 of the French Education Code (*Code de l'éducation*));
- all employees of the Company must be allocated vouchers with the same face value. However, an employer can choose to allocate meal vouchers only to selected employees, provided that the selection criteria are non-discriminatory;
- employees can only receive one voucher per meal eaten within their daily working hours (part-time employees therefore receive a meal voucher when their working hours include time set aside for a meal).

The use of meal vouchers by employees is also governed by a set of rules that include the following:

- employee users may use the vouchers to pay for their restaurant meal or the purchase of a ready-meal, dairy products or fruit and vegetables up to a daily limit of €19. Partner merchants are not allowed to give any money back on paper voucher payments,

while paperless vouchers allow employees to pay merchants the exact amount of the transaction. Government order no. 2021-1368 of October 20, 2021 authorized a temporary increase in the daily limit on meal vouchers used exclusively in restaurants, cafés and bars to €38 until February 28, 2022;

- meal vouchers cannot be used on Sundays or public holidays, unless an exception is made by the employer exclusively for employees working on those days. For paper vouchers, this decision is to be explicitly stated on the voucher itself. For paperless solutions, the employer is to inform the employees concerned of the decision by any means before issuing the benefit. The above-mentioned government order no. 2021-1368 of October 20, 2021 temporarily authorized the use of meal vouchers on Sundays and public holidays until February 28, 2022 exclusively in restaurants, cafés and bars.

Aside from persons and organizations working as restaurant owners or greengrocers, the only merchants that can accept meal vouchers are those accredited by France's *Commission Nationale des Titres Restaurant* (CNTR).

Employer and employee benefits

Meal vouchers are financed jointly by the employer (or in some cases the social and economic council) and the employee. The employer's contribution (plus – for the calculation of the ceilings below – any contribution by the social and economic council) cannot represent less than 50% or more than 60% of the vouchers' face value. The employer's contribution is exempt from employee and employer social security contributions provided that it does not exceed a certain ceiling, which is adjusted each year. The adjustment is made in line with the consumer price index (excluding tobacco) during the 12 months to October 1 of the year preceding the year the meal vouchers are acquired, rounded, if applicable, to the nearest cent (Article 81, 1^o of the French General Tax Code (*Code général des impôts*), amended by France's 2020 Finance Act no. 2019-1479 of December 28, 2019). This exemption ceiling is €5.69 for 2022. The employer is free to contribute more than this amount, provided that the 50% and 60% minimum and maximum limits mentioned above are adhered to. In this case, only the fraction of the contribution in excess of the exemption ceiling is added back for the purpose of calculating the basis of assessment of social security contributions.

Tax benefits for employees

Meal vouchers represent tax-free income for the employee user, as the portion of the face value paid by the employer within the legal limits is not subject to personal income tax.

1.5.1.3 Regime applicable in Brazil

According to the Brazilian food and meal vouchers law (Labor Food Program – PAT), there are two types of food-related vouchers in Brazil: meal vouchers (*vale refeição*) and food vouchers (*vale alimentação*). Meal vouchers may only be used in restaurants and fast-food outlets, while food vouchers may only be used in supermarkets and grocery stores. These two types of vouchers are not interchangeable.

Companies that want to give meal or food vouchers to their employees have to register with the Brazilian Labor Ministry. They can decide to give the vouchers to selected employees only, provided that all employees who are paid less than five times the minimum wage are included.

As in France, part of the vouchers' face value is financed by the employer and part by the employee. The employee's contribution cannot exceed 20% of the face value and, in practice, employers

generally finance the total amount. Meal vouchers are totally tax-exempt for both the employer and the employee. For large companies, in addition to being exempt from payroll taxes, which in Brazil can represent up to 100% of gross fixed pay, the employer's contribution is deducted from corporate income tax up to the equivalent of 4% of the tax due (considering only those employees who receive a salary corresponding to at most five times the Brazilian minimum wage and receive up to one minimum wage as benefits, pursuant to decree no. 10854 of November 10, 2021) for each tax year. Since November 11, 2017, the Labor Reform, which reformulated the Brazilian Labor Code, is enforceable in Brazil. This law introduces, among other things, food aid provided by employers. Food aid may not be paid in cash and is not considered as part of the salary. As such, it is exempt from social security levies. The Labor Reform does not introduce any changes to the Brazilian food and meal vouchers law (Labor Food Program – PAT).

1.5.2 Other regulations

1.5.2.1 Within the European Union

All employee benefits are excluded from the scope of European directive 2009/110/EC of September 16, 2009 (the "E-Money directive") and directive (EU) 2015/2366 of November 25, 2015 (the "Payment Services directive"). The E-Money directive emphasizes that it is not intended to apply to "monetary value stored on specific prepaid instruments, designed to address precise needs that can be used only in a limited way", particularly because these instruments are only accepted within a "limited network" or can only be used to purchase "a limited range of goods or services, regardless of the geographical location of the point of sale". It states that this may include "meal vouchers or vouchers for services (such as vouchers for childcare, or vouchers for social or services schemes which subsidize the employment of staff to carry out household tasks such as cleaning, ironing or gardening), which are sometimes subject to a specific tax or labor legal framework designed to promote the use of such instruments to meet the objectives laid down in social legislation". The exclusion of all employee benefits is confirmed in the Payment Services directive, which provides a regulatory framework for payment services in the European Union. It clearly and unconditionally excludes "instruments valid only in a single member State provided at the request of an undertaking or a public sector entity and regulated by a national or regional public authority for specific social or tax purposes to acquire specific goods or services from suppliers having a commercial agreement with the issuer".

The Incentive & Rewards, Fleet & Mobility Solutions and Corporate Payment Services portfolios contain some programs involving the issuance of e-money and/or the supply of payment services, which can only be issued by licensed institutions subject to specific capital adequacy rules. The Group offers these types of solutions through its subsidiaries PrePay Solutions UK and PPS EU, e-money issuers licensed in the UK and Belgium, respectively, and through the two e-money issuers created by the Group in Italy and France to meet local needs – Edenred Italia Fin S.r.l. and Edenred Paiement SAS.

Thanks to these four e-money issuers, Edenred can offer solutions, through its European subsidiaries, based on prepaid cards regarded as e-money or payment services. Each of these e-money issuers complies with all applicable capital adequacy and other requirements. The main rule resulting from the classification of certain programs as e-money or payment services concerns the obligation to protect the funds received in exchange for the issue of e-money or for the purpose of making a payment order. These funds are reported in the balance sheet under "Restricted cash" (see section 2.1.4, page 40 and Note 4.7 to the consolidated financial statements, page 258).

Following the United Kingdom's departure from the European Union on December 31, 2020, PrePay Solutions UK continues to issue e-money for use on its domestic market. PPS EU is now responsible for issuing and distributing e-money via other European subsidiaries.

1.5.2.2 Outside the European Union

The Group keeps a particularly watchful eye on the emergence of regulations that are similar to the E-Money and Payment Services directives in all countries in which it operates.

In several countries, regulations governing payment services and/or e-money sometimes take a similar approach to the European Union's regulations, acknowledging the exceptional nature of the Employee Benefits offered by Edenred.

This is the case, for example, in Turkey, where regulations covering both payment services and e-money entered into force in June 2015. Just like the European Union's E-Money and Payment Services directives, the Turkish regulations provide for the exclusion of instruments accepted within a "limited network" or which only grant access to "a limited range of goods or services".

Since 2014, the Central Bank in Brazil has been in charge of regulating procedures for the issue and functioning of certain electronic payment instruments. Circular no. 3886 issued on March 26, 2018 recognized the specific nature of food and meal vouchers and excluded them from the Central Bank's scope of supervision. Furthermore, resolution no. 150 of March 6, 2021 recognized the specific nature of fuel-card issuance and distribution services as well as maintenance services and excluded them from the Central Bank's scope of supervision too. Edenred's other businesses, including the freight business (Repom), are authorized by the Central Bank to operate in open-loop schemes as the issuer. Lastly, the rewards and prepaid solutions business where the Group is the issuer (ESPP) has submitted a request for accreditation, which was still being reviewed by the Central Bank at December 31, 2021.

1.6 Contractual relationships

1.6.1 Contractual relationships with clients

Master contracts are signed with major accounts that generate significant business volume, organizing business relations with these clients.

Such master contracts are generally signed following a call for bids and may cover one or several of the corporate clients' facilities or subsidiaries. They are usually for periods of one to three years. In particular, they specify the terms of the compensation to be paid to

the Edenred unit concerned and the frequency of invoicing and remittance.

For small and medium-sized enterprises and micro-enterprises with limited needs that require greater ordering flexibility, contractual relations are generally based on order forms containing Edenred's general conditions of sale. As part of its digitalization process, the Group also makes use of online contractual agreements and simple, advanced or qualified electronic signatures.

1.6.2 Contractual relationships with merchants

The affiliation of merchants accepting Edenred solutions is formalized by paper or electronic contracts between the Edenred subsidiary and each merchant.

In particular, these contracts specify the terms of the Edenred subsidiary's compensation and the conditions and technical procedures governing the acceptance of the Edenred solutions.

1.6.3 Contractual relationships with suppliers and service providers

Relations between Edenred or its subsidiaries and external suppliers or service providers are governed by standard contracts. Close attention is paid to services with associated intellectual property rights in order to ensure that the rights of Edenred and its subsidiaries are clearly determined.

Edenred uses many suppliers and is not dependent on any single company. In order to benefit from powerful, scalable and secure technological infrastructures, the Group favors the use of public or private cloud-based IT solutions, from providers hailed by the market for the quality of their services and long-term viability. The Group has

notably implemented global master agreements with leading providers of cloud-based solutions and the associated network aspects. These agreements are particularly demanding in terms of compliance, security and availability. To support the digitalization of the Group's solutions, plastic card production, electronic payment services and technical acquisition or authorization services are also outsourced, with the appropriate diligence and care. Particular attention is also paid to the contractual and technical management of providers dealing with personal data, notably to ensure that the processing complies with applicable legislation such as the European General Data Protection Regulation (GDPR).



Presentation of the group

1.7 Intellectual property

1.7 Intellectual property

Edenred's intellectual property mainly consists of its portfolio of brands and domain names. Intellectual property rights are managed by a dedicated in-house team and monitored worldwide by specialized service providers. *Ticket Restaurant*⁽¹⁾ and all other trade names of Edenred solutions and services are registered trademarks of the Edenred group.

Edenred ensures that its protected trademarks are never used inappropriately, with a special focus on preserving their distinctive character.

1.8 Real estate

Most of the Group's offices are leased. The Group does not expect to encounter any problems in renewing the leases.

(1) Edenred does not own the *Ticket Restaurant* trademark in Portugal.