



**EDENRED HANDBOOK  
TO PREVENTING  
CORRUPTION**



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## A WORD FROM THE CHAIRMAN

*Our commitment and responsibility to our stakeholders, such as staff, shareholders, customers, merchants, users and the public authorities, mean that we do everything in our power to guarantee that our activities are conducted in full compliance with the law.*

*This is an obligation we have to meet in order to fulfil our goals. The credibility of our brand image and the sustainability of our company depend on it.*

*This Handbook is intended as an operational tool to assist each member of staff by providing procedures and measures that are clear and tailored to our Group, our activities and corruption risks that we could all face, both collectively and individually.*

*I cannot stress the importance of your alertness in this matter, and count on each and every one of you to apply all the rules set forth in this Handbook, so that we may safeguard the ethical and secure development of our activities.*

Bertrand Dumazy

Edenred Chairman and CEO

A handwritten signature in black ink that reads "Bertrand Dumazy". The signature is written in a cursive style and is positioned above a horizontal line.

# HOW TO USE THIS HANDBOOK

The purpose of this Handbook is to help Edenred employees and divisions abide by the anti-corruption principles adopted by Edenred.

It defines corruption and describes its impact on our activities and the initiatives that have been implemented to prevent it.

This Handbook also provides recommendations to enable all Group members to identify situations that may constitute a risk and the means to ensure anti-corruption rules are respected.

The appendix contains practical tools that we encourage you to use.

Each employee may consult the Group's Legal Division directly for any advice or answers to questions that have not been addressed by this Handbook.

Throughout this Handbook, you will come across inserts that contain additional information:



Provides a definition



Flags specific risks or essential points



Provides additional information

## Local regulations

This Handbook does not cover all points that are specific to local regulations and that could prove to be more restrictive than the principles hereby laid down. It is up to each person to make sure that he or she complies with local regulations.

Nevertheless and in any event, the principles set forth in this Handbook are the *minimum* principles to be applied, regardless of local regulations in the country concerned.



## I. WHAT IS CORRUPTION?

**1.**

THE CONCEPT OF CORRUPTION

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# 1 THE CONCEPT OF CORRUPTION

Preventing and clamping down on corruption have become major concerns globally. Following the adoption of various international agreements and the tightening of national laws, the scope of the offence and even the definition of the offence have widened considerably, so that it now concerns all those in the business world, whether private or public.



Corruption or bribery occurs when a person **offers, promises, or gives** another person ('active corruption' or 'bribing'), or **agrees to receive, receives or accepts** from another person ('passive corruption' or 'being bribed') an **advantage in any form (financial or other)**, in the **knowledge** that acceptance of such advantage would be an inducement or reward for **improperly performing or improperly refraining from performing** a function or an activity.

More recently, in countries such as France or the United Kingdom, the failure by a company to prevent persons acting on its behalf from committing an act of corruption has become an offence in its own right.



- **Receiving** and accepting an undue advantage amounts to passive corruption, which is punishable to the same extent as **giving** this advantage (active corruption).
- Although the current trend indicates a will to punish active corruption and passive corruption in equal measure, **certain courts hand down heavier punishments for active corruption.**

Elements in bold are explained below. The definition of each term or expression is similar in most of the countries in which Edenred is present.

## 2 THE COMPONENT PARTS

For an act of corruption to take place, several cumulative elements must come together.

### 'Giving or receiving an advantage in any form, financial or other,...'

- This naturally covers conventional bribes or sums of money, and also includes « facilitation » payments, i.e. small sums paid to administrative officials to free up or accelerate the processing of certain common administrative services.
- Gifts and corporate hospitality invitations (sporting events, airline tickets, hotel rooms, etc.) may be construed as corruption whenever they are disproportionate\*.
- It is not necessary for the advantage to be received directly by the person who improperly performs or refrains from performing an act. The advantage may be granted to the family of the person (air tickets) or indeed to a charitable organisation (granting a subsidy).
- Simply offering the advantage, even if it is then refused or subsequently withdrawn, is sufficient to establish the offence; it matters little whether the act of bribery takes place before or after the advantage is solicited.

### '... in the knowledge that acceptance of such advantage would be ...'

- An offender is a person who is aware that the advantage is to be granted or received for the purpose of obtaining an undue advantage. Thus, it is not active participation in corrupt practices that is punishable by law, but also simple knowledge or awareness of such participation (such as being on copy of an exchange of suspicious emails).
- Determining whether such knowledge or awareness exists tends to be assessed even more broadly. In US courts, it can be found to exist merely in 'wilful blindness', or in the simple fact of having consciously avoided facing up to one's suspicions by not having tried to uncover the truth.

\* As regards what constitutes a 'disproportionate' gift or corporate hospitality in general, please refer to the indications and recommendations in Part II of this Handbook.

## 2 THE COMPONENT PARTS

### '...inducement or reward for improperly performing or improperly refraining from...'

- This generally means granting an undue advantage, such as signing a contract, giving preferential treatment, or failing to impose a penalty, but also abstaining from performing an action such as not taking part in a vote on a bill, etc. when this advantage would not have been obtained as part of his or her line of work.



An **undue advantage** occurs when receiving an advantage, or even just promising an advantage, induces a person to perform (or refrain from performing) an action under his or her mandate that would not have occurred otherwise.

### '...performing a function or an activity.'

- This may be a public service function, a commercial activity, an activity performed as part of a job or, more generally, any activity carried out on behalf of any natural or legal person, or of any type of organisation or body. Such functions are thus very broad and do not necessarily require a high hierarchical position. A corrupt or bribed person may therefore be a banker who grants a bank overdraft facility, an employee who recommends the signing of a contract, a civil servant who approves an application, etc.

#### Did you know? *Codes of conduct for public officials*



*Beyond the legislative and regulatory provisions, many public entities and organisations have adopted strict codes of conduct that regulate the practices of their officials. Such **codes of ethics or codes of conduct** define, in particular, the gifts and services that their officials are or are not allowed to accept. It is therefore important, whenever commercial relations – or, even more so, transactions – involve public officials, to find out whether or not the official in question is governed by a specific code of conduct. This applies, for instance, to OECD officials, whose Code of Conduct prohibits them from accepting or soliciting any financial or other advantage as part of their official functions.*

## 3 THOSE CONCERNED

### Natural or legal persons

- While the undertaking of an act of corruption obviously presupposes an encounter between two or more **natural persons**, this does not rule out the fact that **legal persons** (whether **private or public**) may be concerned by such an act. Legal persons (companies, associations, trade unions, foundations, etc.) can be **actors in, or facilitators of**, corruption by shielding or by taking advantage of their lack of transparency in the case of subsidies or sums of money.

### Private or public persons

- Bribery of a state body or state representatives is considered to be a **particularly serious** offence, as it threatens the very principles of good administration, social justice and, more generally, the Rule of Law, and undermines the foundations of democracy. This is why penalties for bribery of public officials are heavier than those for corruption in the private sphere and criminal in nature.
- Corruption between two or more private sector entities undermines the principles of fair competition, thereby scaring off investors and hindering economic development. This form of corruption has also therefore been punishable for a number of years.



The definition of a **state body** is relatively broad. It includes not only states and national or local state departments but also:

- businesses owned or controlled by a state (for example, a national oil company, a public hospital, etc.);
- organisations or agencies controlled or managed by a state;
- international or supranational public organisations (of which some or all of the members are governments); and
- political parties.



The definition of a **state body representative** is very broad, namely: anybody who works on behalf of a state body, either directly or indirectly, or who is considered to be a public official under local law. It also includes people running for political functions and anybody who is affiliated to a political party.

## 4 INFLUENCE PEDDLING AND ASSOCIATED PERSONS

- An offence may be established if somebody working on behalf of a company, a service provider or a third party acts in the name of, and on behalf of, the company (the '**associated**' person), while the company itself or its representatives were unaware of the act of corruption and neither desired nor requested it. The offence is automatically established simply by the fact that the act is committed by the '**associated**' person: the employees of the company and of any other subsidiary of the Group, as well as its agents, suppliers, or service providers, are therefore concerned.
- For further information, see the section on 'Relations with third parties' (III. 3 - pp. 22 - 26)
- **Influence peddling**, just like bribery, is punishable.



- **Influence peddling** occurs when a company or a person working for it approaches a person in order to use or try to use such person's influence in the public sphere to obtain or try to obtain an undue advantage. The main difference, therefore, is the intervention of a third party between the company and the public sphere.



## 5 CONFLICT OF INTEREST

- A conflict of interest is a situation that can lead to an act of corruption or a situation that can be qualified as corrupt in the eyes of the law.
- In the event of such a situation, the employee must notify his or her line manager and explain the nature of the relationship that exists between him or her and the third party, such as:
  - close family ties or friendship;
  - distant family ties;
  - former employee in the previous five years;
  - beneficiary of a power of representation on behalf of the third party, which is still valid or had been valid in the previous three years;
  - beneficiary of a right to take time off work for public duties.



The person concerned by a conflict of interest should not vote or take part in decisions or, failing that, should adopt the most suitable approach in light of discussions held on this matter with the Legal Division.



**Should you have any questions on this Handbook or on the rules, please contact the Group's Legal Division.**



## II. EDENRED'S CORRUPTION PREVENTION POLICY

## EDENRED'S POLICY

This anti-corruption Handbook and our Charter of Ethics (available at: <http://www.edenred.com/en/discover-group/our-social-commitments>) lay down the **fundamental principles** of our approach to corruption and ethics, and reflect the main legal principles in this field. These rules apply to all managers and employees of Edenred and its subsidiaries.



As a matter of principle, no employee may, directly or indirectly, offer, promise, grant or authorise the giving of money or anything else of value to anyone as part of his or her work in order to obtain an undue advantage.

The general rules and principles also apply to consultants and other third parties acting in the name of Edenred, as well as to suppliers, partners and other entities with which we work.

Our anti-corruption rules have been designed in such a way as to facilitate the application of this principle.

To guarantee the application of these rules in all our activities and to offer relevant assistance to all those who need it, Edenred has developed an Anti-corruption programme. As part of this programme, we offer training courses to all employees who are directly affected by our rules. The Group's Legal Division provides continuous assistance, on a local and HQ level, by addressing compliance-related matters and by ensuring relevant procedures are respected.



***The Handbook concerns, in particular, relations with:***

- State body representatives;
- international organisation public officials;
- national or international court staff;
- private sector managers or employees.



In addition to any civil or criminal penalties applicable if regulations are infringed, employees also face disciplinary action in the event of a failure to respect the principles contained in this Handbook.



### **Should you wish to inform us of a compliance issue...**

Firstly, please consider the possibility of alerting your line manager.

If this solution cannot be considered, because you have reason to believe that your hierarchy is involved in the issue you have detected, or if the problem you reported to your hierarchy was not solved within a reasonable timeframe, a dedicated email address and telephone number are available to you.

You can use these two means to communicate facts that, in your opinion, go against Edenred compliance rules or legislation governing the fight against corruption. Your details will remain confidential, and Edenred commits to giving due consideration and follow up on your information within the best possible time frame.

**Telephone: Tel : 00 33 1 74 31 88 90**  
**Email: [antibribery@edenred.com](mailto:antibribery@edenred.com)**

If you can or prefer to communicate your facts in French or English, you may choose to either send an email or make a telephone call.

In the event your call is forwarded to voicemail, please prepare:

- Your name and contact details (email, phone number etc.)
- A brief description of the facts, and its location
- The process already initiated with your hierarchy on this matter

Your message will be processed as soon as possible, and an acknowledgement of receipt will be sent to you if the information you left in your message enables it.

If you cannot or prefer not to use one of these two languages, we kindly request that you draft your message in the language of your choice and send it to the email address indicated below. We will ensure your message is translated as quickly as possible, using specialised services that ensure the perfect transcription and confidentiality of your information.



### III. PRACTICAL INFORMATION

Section 3 of this Handbook provides information to understand and implement Edenred's anti-corruption policy. Emphasis is nevertheless placed on professional situations.

After a brief description of the activities in question, this section lists the principles that we ask you to respect, some recommendations to help you apply these principles, and points that require special attention to ascertain whether you find yourself in a corruption or bribery situation.



## 1. GIFTS, MEALS, HOSPITALITY, TRAVEL AND ACCOMMODATION

Offering gifts and certain services (such as meals, trips, leisure activities) is often considered as an act of courtesy. These practices are common in many countries. Nevertheless, anti-corruption laws forbid the giving of gifts, services and other objects of value to a third party in order to obtain an undue advantage or to unjustifiably influence any kind of official action. Furthermore, the acceptance of gifts or services is specifically regulated in many countries, as it is considered to be one of the most obvious forms of corruption, particularly in the case of a commercial operation or a regulatory approval procedure.



**Should you have any questions on this Handbook or on the rules, please contact the Group's Legal Division.**

## A. PRINCIPLES

- Giving gifts or invitations to meals or to corporate hospitality events is not considered *per se* as an act of corruption.
- However, such gifts or invitations should be for reasonable and proportional amounts (as compared with customary practice in the sector in question). This is necessarily assessed on a case-by-case basis and depends in particular on the functions of the beneficiary and on his or her seniority, as well as on the context in which the invitation is given. Invitations that are too frequent may be deemed to be disproportionate.
- They must comply with:
  - the procedures applicable at Business Unit level and/or Group level (the 'Travel and Business Expenses Policy' (*'Politique Voyages et Frais Professionnels'*) for Edenred);
  - the legislation of the country in which they are given or received;
  - and, if it is possible to become acquainted with them, the procedures and regulations applicable to the beneficiary of the advantage. Insofar as certain organisations may prohibit gifts of any nature, it is necessary to find out about the existence of any codes of conduct, which are very often drafted for officials of certain international organisations.\*
- Gifts, invitations to meals or to corporate hospitality events should be clearly and correctly entered into the accounts.
- Do not send invitations to members of the person's family.
- Invitations should only concern events on business and work days.
- Regardless of the situation, never hand out cash.



All the rules and principles herein also apply to the acceptance of offers.

\* See section 1.2 'Did you know? - Codes of conduct for public officials'

## B. RECOMMENDATIONS

- Get to know and, where applicable, find out about the beneficiary (exact function, mandate, public duties, the rules that govern him/her or his/her profession/status, current situation, etc.).
- Be clear about the purpose of the invitation: it should only aim to establish or reinforce business relations, improve the image of the company giving the invitation, or indeed to discuss a product or a service.
- In the event the amounts indicated in the '*Travel and Business Expenses Policy*' of the Group are exceeded, ask for prior written authorisation from a line manager.
- For travel or corporate hospitality invitations, do not choose the beneficiary by name but rather, as far as possible, invite an unnamed person or a function (e.g. the person in charge of purchasing, etc., thereby enabling the entity to make its own choice as regards those who are to benefit from the invitation).
- Opt for gifts that have a symbolic value (flowers, promotional products, bowls of fruit, etc.).
- Be careful not to give the guest the impression that he/she is obliged to grant any advantage whatsoever in exchange for the invitation or that you are seeking to influence his/her decision-making power.
- Consider the local standard of living and the standard of living of the person in question.
- If the beneficiary has direct or indirect decision-making power over a decision that is pending or in progress and that affects the interests of Edenred (call for tenders, signing of a sales contract, regulatory framework), particular care must be taken and the value of any meal must be modest and reflect the cost of a work meeting meal.



**By way of indication**, in Europe and in the United States, an invitation to dinner should not exceed the equivalent of **50 euros** per guest. Similarly, the total amount of gifts given to a same person should not exceed the equivalent of **100 euros** over any six-month period.

In any event, it is important to abide by the business expenses policy and justify any deviation therefrom.



## 1. SPONSORSHIP, PATRONAGE, DONATIONS AND POLITICAL PARTIES

### POLITICAL CONTRIBUTIONS



**Political contributions** are financial contributions that seek to support a political aim. A political contribution could take the form of a local, regional or national fund-raising event, an offer of goods or services, the remuneration of employees for political activities carried out during work hours, or even the provision of campaign funding.

These contributions can pose a problem as:

- Political contributions from companies are illegal in a lot of countries;
- Further contributions may be expected.

By way of principle, it is recommended that no political contribution should ever be made, regardless of the form it takes.

*In light of its social responsibility policy, the Group may grant financial support to a project or to an organisation in the humanitarian, cultural or educational field, among others.*

### DONATIONS

Donations form part of Edenred's commitment to civil society and are a means to contribute to causes of public interest. They testify to our identity as a corporate citizen.

A donation is anything of value that Edenred gives to support charitable causes without expecting to receive any form of commercial advantage or compensation in return. Donations can take the form of money, goods or services, and also be made in kind. Payments to social or charitable organisations are also considered to be donations.

### SPONSORSHIP AND PATRONAGE

**Sponsorship** is a form of financial support that seeks to boost the brand's image among specific target groups. Contrary to donations, it seeks to obtain a specific advantage. Sporting events, the arts, culture, the sciences and education typically receive sponsorship. However, it can pose a problem if it is seen as a means of obtaining an undue advantage.

**Patronage** covers material (or financial) support given by a company or by a private individual to an action or activity of general interest. It is a form of partnership that is distinguished from **sponsorship** by the fact that, in return, there is no contractual advertising in support of the patron. The patron cannot therefore obtain any direct benefit, apart from having its name cited by the beneficiary, or project leader.



Unfortunately, even legitimate donations may be deemed as acts of corruption, particularly when made to charities that could benefit a third party (such as a state representative) in one way or another. The risk of corruption can also be more direct. For example, funds may be given to fictitious or illegal charities in order to conceal fraudulent payments.

## A. PRINCIPLES

- No donation or sponsorship may be offered, promised or provided if its purpose is to influence an official action or to obtain an undue advantage.
- No donation or sponsorship may be given to individuals, commercial organisations, taxable organisations and/or organisations whose goals are not compatible with the principles of Edenred's Charter of Ethics.
- Complete transparency must govern the provision of donations and sponsorship agreements.
- Payments to private accounts and cash payments are forbidden.
- A donation amount cannot be paid to a natural person.

Furthermore,

- any planned sponsorship or donation to charity must first be submitted to the local Corporate Social Responsibility (CSR) correspondent and to the entity's Managing Director (MD). The implementation of any kind of project is subject to the approval of the MD of the donating entity.
- In the event of a partnership or a donation that exceeds the €50,000 threshold, the local CSR correspondent or the local MD notifies the Group Corporate Social Responsibility Division.
- Any sponsorship or donation of any kind whatsoever for an amount equal to or greater than €10,000 must be formalised in writing, clearly indicating the beneficiary entity or person, the entity or person behind the donation or sponsorship, and the purpose of the donation (for instance, education, diversity, or humanitarian action).\*

## B. RECOMMENDATIONS

- Find out about the identity and reputation of the beneficiary of the donation to check that it is legitimate and complies with local regulations and any applicable codes of conduct.
- Check that the project supported via the donation is in fact up and running at the time of the donation or will be in the near future.
- Check that the beneficiary has no direct or indirect links with a person holding decision-making power and capable of acting in favour of the Group.
- Make sure that the donations do not go via an intermediary, except when the third party is a charitable entity that collects funds that are redistributed among organisations in light of their needs.
- In the absence of a written contract, at least ask the beneficiary to provide a written document that certifies that the beneficiary has received the donation. In general, keep all written evidence relating to the donation.
- Do not allow it to be construed that the donation is made with the purpose of obtaining an undue advantage from the beneficiary.



Contributions to industrial sector associations or payments made to professional organisations are not considered to be donations to charitable causes or political contributions.



### **3. RELATIONS WITH THIRD PARTIES**

Corruption often takes the form of a company using a third party as an intermediary to obtain a public or private contract or to influence state action on its behalf. Anti-corruption laws do not generally differentiate between actions that you take and those taken by somebody acting on your behalf. It is for this reason that we have to make sure that we only work with intermediaries that maintain the same ethical standards as Edenred, regardless of whether they work with state representatives or private sector clients.

*The companies of the Group and their representatives can establish relations with various contacts: suppliers and representation agents (4.1), public officials and institutions (4.2), target companies, and commercial partners in the course of joint-venture, acquisition or development operations (4.3).*

#### **Section contents:**

- 3.1. RELATIONS WITH SUPPLIERS AND REPRESENTATION AGENTS**
- 3.2. INSTITUTIONAL RELATIONS**
- 3.3. RELATIONS WITH PARTNERS: JOINT VENTURES, CONSORTIUMS, ACQUISITIONS AND DEVELOPMENT**

## 3.1. RELATIONS WITH SUPPLIERS AND REPRESENTATION

### AGENTS

*Edenred's rules on intermediaries apply to all of the consultants, agents and advisers, among others, mentioned below, regardless of whether they are hired on a full- or part-time basis, by the hour or for an assignment in order to obtain a public or private contract or to influence the actions of a state body or a state representative.*

#### ILLUSTRATION

The following non-exhaustive list of examples explains what is meant by an **intermediary**:

- a business consultant who helps Edenred to close a sale or obtain orders by organising meetings, trying to win over clients or negotiating with them, carrying out market research or providing any other form of assistance to the sales function;
- a sales representative who acts on behalf of an Edenred entity as a main or independent service provider on a permanent or long-term basis in a specific sector and who interacts with state representatives on behalf of Edenred;
- an interest representative (lobbyist) who lobbies a state representative on a piece of legislation, a rule, a regulation or government strategy;
- an official who manages the passage of imported or exported goods through customs;
- an adviser, lawyer, legal adviser or financial consultant who works with state representatives on transactions with state entities (for example, the privatisation of a public industry or a joint venture with a government- or state-controlled company);
- a legal adviser or lawyer who represents Edenred in a court of law or in its relations with regulators (safety, health, environment, taxation, public services, transport).

#### A. PRINCIPLES

- Carry out due diligence to ascertain the intermediary's identity, reputation, responsible behaviour and skill.
- Work with suppliers who comply with the law and act in a way that is consistent with Edenred's anti-corruption policy.
- Make sure the service and representation contracts are entered into on the terms and conditions of the market: payment of the intermediary should be appropriate and justified.
- The higher the risk, the greater the need to formalise the relationship with the intermediary in writing, specifying the services to be provided and the amount to be paid for such services. It can thereby be shown that payments were made in exchange for the provision of clearly identified services.
- Monitor the progress of the services (reports, minutes, emails) and, as far as possible, ask for documents that provide an account of this progress.
- Bring to the intermediary's attention the Group's Charter of Ethics and this Handbook, and ensure that the intermediary is committed to respecting these principles, in particular by entering into a contract.
- Refuse any requests for payments or gifts to a third party through a service provider if the final beneficiary, the purpose and the amount thereof are not known precisely.
- Inform the Group's Legal Division of any activity of the service provider that might contravene these rules of conduct.

## B. RECOMMENDATIONS

- Formalise the call for tenders process that will be used to select the supplier.
- Choose a supplier on merit, avoid potential conflicts of interest or any form of favouritism that might influence the choice of supplier, except in the case of commercial reciprocity.
- Do not give or accept disproportionate gifts, such disproportion being assessed in the light of the circumstances and of the person giving or receiving the gift (see also section III.1 on the rules on gifts).
- Find out about the existence of anti-corruption policies or ethics guides in force with the service provider.
- In the contract with the service provider, insert *at least* the following:
  - an audit clause (recommended template included in appendix A of this Handbook);
  - an ethics clause (recommended template included in appendix B of this Handbook);
  - an early termination clause in the event the service provider were to breach the provisions of the ethics clause (recommended template included in appendix C of this Handbook).

## C. POINTS THAT REQUIRE SPECIAL ATTENTION

- Look out for 'suspicious signs' that could indicate a risk, particularly situations in which the intermediary:
  - appears to be incompetent, lacks personnel or has no market experience,
  - is an entity that appears to have been specially created for this transaction ('set-up'),
  - is appointed or recommended by a state representative,
  - asks to remain anonymous,
  - asks to be paid in cash, in advance, or into an account abroad,
  - asks Edenred to create false documents, in particular false invoices,
  - has abnormally high fees in relation to the value of the services provided,
  - asks to be reimbursed for abnormally high or undocumented expenses.



## 3.2. INSTITUTIONAL RELATIONS

*Considering the nature of Edenred's business and activities, its representatives, particularly intermediaries, are regularly in contact with state bodies and their representatives. The Group is therefore exposed to the risk of corruption among public officials.*

### A. PRINCIPLES

- A public official is not authorised to receive remuneration or other advantages from Edenred or from its staff or agents in exchange for discussions with Edenred in the course of awareness-raising actions or in exchange for taking action - or abstaining from taking action - that he/she could subsequently take or consider taking. The payment of a commission, whether directly or indirectly through a third party, company or a body of which the public official is a shareholder or, more generally, in which he/she has an interest, is strictly forbidden.
- The sending of gifts or meal or event invitations to public officials should be strictly supervised and controlled. Check whether they have permission under applicable legislation and, in particular, the rules of conduct specific to the institutions they belong to (see '*Did you know? - Codes of conduct for public officials*').
- When an intermediary is used, carry out in-depth research into the service provider and specify precisely in the contract the nature of the services provided and the remuneration terms (see also '*3.1 Relations with suppliers and representation agents*').
- Using an intermediary does not exempt Edenred and its subsidiaries from liability.

### B. RECOMMENDATIONS

- Be transparent about the purpose of and the means of implementing awareness-raising actions.
- Do not allow public officials involved in discussions to hope for any personal advantage.
- Keep an account of meetings held with state bodies and their representatives, stating the circumstances of the meeting, its aim and those present. It is recommended that minutes of meetings and appointments be sent to those who were present. This practice is already required in certain countries and is becoming more widespread.



Engaging a dialogue with a state representative does not mean that the subject matters covered and the decisions made during such discussions are necessarily authorised.

### 3.3. RELATIONS WITH PARTNERS: JOINT VENTURES, CONSORTIUMS, ACQUISITIONS AND DEVELOPMENT

*Acquiring companies, taking minority interests, and searching for strategic partnerships or consortiums, are common activities at Edenred. The companies of the Group may be held liable for acts of bribery and corruption committed by these partners or target entities. It is therefore important to carry out due diligence on these entities or partners, particularly when they themselves work with state representatives or when state bodies have a stake in them.*

#### A. PRINCIPLES

- Commission an audit and checks on the partner entity in the case of a joint venture, a consortium or a development project (shareholders, managers/directors, financial stability, understanding of regulations, reputation, etc.) or on the target company in the case of an acquisition.
- Adapt the checks to the risks posed by the country and the nature of the transaction. In low-risk situations, checks can be unnecessary or very limited. Conversely, in risky situations, checks can include requests for details on the expert's report and reputation of the entity in question, and disclosure of the accounts and of other financial information.
- Make sure that the legal form chosen for the partnership meets the objectives sought. The partnership's legal form must reflect the contributions of each party as well as market practices.

#### B. RECOMMENDATIONS

- Include an audit clause, an ethics clause, and an early termination clause to cover any breach of these obligations.\*
- Document as far as possible the relationship with the third-party entity and keep written evidence when audits are taken.
- When carrying out a single acquisition, avoid, unless it can be justified, complex legal and tax arrangements that involve several companies located, in particular, in different countries.
- Avoid registering an entity, partnership or consortium in an 'uncooperative' state, as defined by the law in force in the country you are working in.
- Avoid any partnership with entities whose managers/directors or shareholders have close ties with the government or with public authorities.
- Do not enter into a contract with any potential partner or entity that suggests that the conclusion of the transaction is subject to the payment of a sum of money that is commercially or economically groundless.

\*Templates of these clauses are available in the Appendix of this Handbook.



**APPENDICES – TOOLBOX AND  
TEMPLATE CLAUSES**

**A.** AUDIT CLAUSE

**B.** ETHICS CLAUSE

**C.** EARLY TERMINATION CLAUSE TO COVER A BREACH OF THE ETHICS CLAUSE

## **A. AUDIT CLAUSE**

*'Provided that it has informed [PARTNER] at least five (5) days in advance, EDENRED may have a third party or itself conduct an audit of [PARTNER] so as to check that [PARTNER] is complying with its contractual obligations and in particular with Article XX – Ethics Clause. In the course of the audit, [PARTNER] undertakes in particular:*

- to allow any auditor designated by EDENRED to access its premises;*
- to cooperate in good faith with the auditor(s) and to give them all the details and information they request and need to conduct the audit correctly.*

*EDENRED undertakes to ensure the audit operations do not interfere with the organisation of the teams of [PARTNER], beyond the constraints inherent to the correct fulfilment of audit procedures.*

*If the result of the audit reveals any deviation from the provisions of the Contract and in particular from Article XX – Ethics Clause of this Contract, [PARTNER] will undertake:*

*to put into place without delay and at its expense the measures necessary to rectify the deviation or non-compliance revealed by the audit;*

*to refund EDENRED for the expenses incurred for the audit.'*

## **B. ETHICS CLAUSE**

*'The Parties acknowledge that they are fully acquainted with the United Nations Convention against Corruption of 31 October 2003, [where applicable, if the place of performance of the Contract is in Africa: with the African Union Convention on Preventing and Combating Corruption, adopted by the Heads of State and of Government of the African Union on 12 July 2003], with the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted by the Organization for Economic Co-operation and Development on 21 November 1997, and, in general, with general principles of international law applicable in anti-corruption matters, and undertake not to commit acts contrary to the provisions of these conventions and to their principles.*

*In addition, the Parties undertake to comply with the provisions of the French Law of 13 November 2007 relating to combating corruption, and, in general, with all the general principles of international law and with all of the regulatory and legislative provisions that are equivalent or that pursue the same objectives and that are applicable in [country of performance of the Contract], and declare they are fully acquainted with them.'*

## **C. EARLY TERMINATION CLAUSE TO COVER A BREACH OF THE ETHICS CLAUSE**

*Paragraph to be inserted in the general termination-for-deviation clause:*

*'In addition, in the event of any deviation from the provisions of Article XX – Ethics Clause – which may have been revealed during an audit conducted by Edenred pursuant to Article XX – Ethics Clause, the Party that is not at fault may, without delay, terminate the Contract by sending notification by registered letter with acknowledgement of receipt, notwithstanding any claim for damages and interest by Edenred.'*



## CONTACT

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