

This document includes the annual financial report



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2015 REGISTRATION DOCUMENT

This document includes the annual financial report

Edenred, inventer of the Ticket Restaurant® meal voucher, is the world leader in prepaid corporate services

42 countries

€18.3 billion

in issue volume

€ 341 million

6,300 employees

41 million beneficiaries

65% of issue volume is digital

660,000 clients

1.4 million affiliated merchants

30% market share



This Registration Document was filed with the Autorité des marchés financiers (AMF) on March 25, 2016 in accordance with article 212-13 of the AMF's General Regulations.

It may be included in the prospectus for a financial transaction provided that the prospectus also contains an information memorandum approved by the AMF. This document has been prepared by the issuer and is the responsibility of the persons whose signatures appear herein.



To the shareholders.

I am delighted to present to you Edenred's Registration Document for 2015. As you will see, we have changed the way we present the information this year to make it easier for you to read and to better showcase Edenred's strengths.

The Board of Directors entrusted me with Edenred's chairmanship in October 2015. Since then, I've had the time to appreciate the values, culture and energy that drive our teams, who are the reason the Group performed so well in 2015 in a changing environment.

Financially, we performed in line with our like-for-like targets in 2015. Issue volume rose nearly 9% to more than €18 billion. Employee Benefits solutions continued to grow on the back of solid foundations and a strong sales dynamic. And we stepped up development in the Expense Management segment – our second pillar of growth.

EBIT amounted to €341 million, up nearly 10% like-for-like. At the same time, funds from operations before non-recurring items grew by over 12%. Edenred maintained a high level of profitability in 2015 despite unfavorable currency effects. On a reported basis, net profit, Group share increased by nearly 8% to €177 million.

2015 also saw several strategic acquisitions that represent promising investments for Edenred. In the Employee Benefits segment, we increased our stake in ProwebCE in France. In Expense Management, meanwhile, we completed the acquisition of a 34% interest in Germany-based UTA during the year. Then, in early 2016, we announced that we were setting up a joint venture with Embratec in Brazil to create a major fuel card player in the local market with more than one million users and an affiliated network covering 58% of the country.

We also pursued our digital transformation in 2015, issuing more than 65% of total volumes in the form of paperless solutions. This change gives us great scope to develop and enhance our range of solutions in the coming years.

The entire management team and I are committed to pursuing Edenred's transformation and accelerating the generation of profitable, sustainable growth. To this end, we launched the Fast Forward project in early 2016 to draw up an ambitious and unifying strategic business plan for the period 2017-2019. I will have the pleasure of publicly presenting this plan in October 2016.

Thank you for your support and your interest in Edenred.

Bertrand Dumazy

Chaiman and Chief Executive Officer

FINANCIAL AND OPERATIONAL GLOSSARY

ACCEPTANCE NETWORK

Network of affiliated merchants that accepts the Group's vouchers as a payment instrument

There are three types of acceptance networks for the Group's card-based products:

- closed loop: the card is issued by an affiliated merchant under its own brand (e.g. Carrefour, Walmart, Starbucks) and is only accepted in its outlets;
- filtered loop: the card is issued only under the issuer's brand and is redeemable in a certain number of sales outlets, selected by the issuer who designed the prepaid service (meal card, food card, fuel card, gift card, etc.);
- open loop: solutions (for example, gift cards, prepaid cards and payroll cards) that are cobranded by the acceptance network and the issuer. They are accepted anywhere.

AFFILIATED MERCHANTS

Businesses that accept the Group's vouchers as a payment instrument, as part of a contractual relationship.

BENEFICIARIES

End users of the prepaid benefit or service, who receive the vouchers from their employer or a public institution.

CLIENT COMMISSION

Commission billed to Edenred's clients (companies, non-profits and public institutions), comprising a variable component calculated as a percentage of issue volume.

DIGITAL TRANSITION

The transition from paper to digital (cards, Internet, smartphone apps, etc.).

EBIT

EBIT corresponds to total revenue (operating and financial) less operating expenses, depreciation, amortization and non-operating provisions, and includes:

- · operating EBIT; and
- financial EBIT.

EBIT is presented in Note 4.2 to the consolidated financial statement on page 188.

Operating EBIT excludes financial revenue.

Financial EBIT corresponds to financial revenue.

FACE VALUES

Amount marked on the payment voucher, or the credit on a digital solution.

FLOAT

The float corresponds to the working capital requirement, or service vouchers in circulation less trade receivables.

FREE CASH FLOW

Free cash flow is presented in section 2.1.1.4 on page 43.

FUNDS FROM OPERATIONS BEFORE NON-RECURRING ITEMS (FFO)

Funds from operations before non-recurring items (FFO) corresponds to EBITDA less net financial expense, income tax paid, non-cash revenue and expenses included in EBITDA, provision movements included in net financial expense, income tax expense and non-recurring taxes. This management ratio is discussed in section 2.1.1.5 on page 46 and in Note 4.4 to the consolidated financial statement on page 189.

ISSUE VOLUME

Total face value of the prepaid service vouchers and cards issued by Edenred to its corporate and public sector clients.

LIKE-FOR-LIKE

At constant exchange rates and scope of consolidation.

MERCHANT COMMISSION

Commissions paid by Edenred affiliated merchants are based on the vouchers' face value. When the vouchers are presented for reimbursement, Edenred pays to the merchant the face value less the amount of its commission.

NORMALIZED GROWTH

Normalized growth is the objective that the Group considers to be attainable if the number of people in work does not decline. It is calculated on a like-for-like basis

OPERATING FLOW-THROUGH RATIO

Ratio between the like-for-like change in operating EBIT and the like-for-like change in operating revenue.

PENETRATION RATE

The ratio between the number of beneficiaries of a service voucher and the eligible active population, which depends on the applicable regulations in the country concerned.

RECURRING PROFIT AFTER TAX

Recurring profit after tax corresponds to net profit less non-recurring items (including tax), less minority interests. Edenred uses this performance indicator to determine its dividend payout ratio.

REVENUE

Total Group revenue includes:

- operating revenue generated directly by prepaid services with and without issue volume; and
- financial revenue, generated by investing the float.

Operating revenue with issue volume includes:

- commissions paid by clients;
- commissions paid by affiliated merchants when vouchers are presented for reimbursement; and
- profits on vouchers that are lost or expire without being reimbursed.

Operating revenue without issue volume corresponds to revenue generated by value added businesses such as incentive programs, human services, and event-related services. The corresponding revenue is the amount billed to the client, and is recognized on delivery of the solutions.

Financial revenue is interest generated by investing cash over the period between:

- the voucher's issue date and reimbursement date for prepaid vouchers; and
- the top-up date and the date the credit is used for prepaid cards.

TAKE-UP RATE

Ratio of operating revenue with issue volume to total issue volume.

WORKING CAPITAL REQUIREMENT

The net balance of operating uses of funds and operating sources of funds. It is presented in Note 4.5 of the consolidated financial statements on page 189. In the Prepaid Services business, working capital requirement is structurally negative, with Edenred receiving funds from clients before having to reimburse its affiliated merchants.

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1.1 CORPORATE PROFILE

1.1.1 UNIQUE EXPERTISE AND POSITIONING

Edenred, which invented the *Ticket Restaurant*® meal voucher and is the world leader in prepaid corporate services, designs and manages solutions that improve the efficiency of organizations and purchasing power to individuals.

By ensuring that allocated funds are used specifically as intended, these solutions enable companies to more effectively manage their:

 Employee Benefits (Ticket Restaurant®, Ticket Alimentación®, Ticket CESU, Childcare Vouchers®, etc.);

- Expense Management processes (Ticket Car®, Ticket Clean Way®, Repom®, etc.);
- Incentive & Rewards programs (Ticket Compliments®, Ticket Kadéos®, etc.).

The Group also supports public institutions in managing their social programs.

Four types of solutions

		B2G		
	EMPLOYEE BENEFITS	EXPENSE MANAGEMENT	INCENTIVE & REWARDS	PUBLIC SOCIAL PROGRAMS
Asa% of IV*	79%	16%	4%	1%
Clients	Human resources	Finance & purchasing	Marketing & sales	Public authorities
Offer	Ticket Restaurant Ticket Alimentación Ticket Ccesu Commuter Check® Ticket Plus Card NutriSavings™	Ticket Ticket Ticket Clean Way* ExpendiaSmart* ""	■ Ticket Kadéos* ■ Ticket Compliments* ■ Accentiv' Mimética*	■ Ticket ■ Restaurant ■ Ticket ■ Service*

*IV: Issue volume

Edenred's solutions are aimed at a variety of stakeholders:

- companies and public sector bodies, the Group's clients, concerned with being an attractive employer, with motivating their teams and optimizing their performance;
- beneficiaries, employees of the Group's clients, who appreciate the simplicity and convenience of service cards and vouchers in making their lives easier;
- affiliated merchants, members of the acceptance network built up by the Group, who wish to increase their revenue, boost customer loyalty and secure their transactions;

 public authorities, looking to improve the effectiveness of their social and economic policies, to deliver benefits and to ensure the traceability of funds allocated to benefit programs.

Listed on the Euronext Paris stock exchange since 2010 ⁽¹⁾, Edenred operates in 42 countries, with 6,300 employees, 660,000 companies and public sector clients, 1.4 million affiliated merchants and 41 million beneficiaries. In 2015, total issue volume amounted to €18.3 billion.

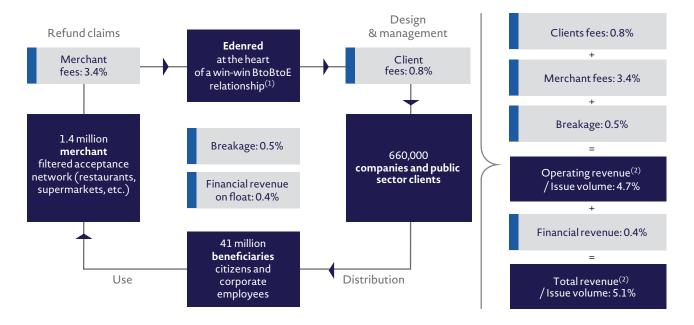
(1) Listed on: the Euronext Paris stock exchange in Compartment A; ticker: FR0010908533.

1.1.2 A CAPITAL-LIGHT BUSINESS MODEL, GENERATING SUSTAINABLE AND PROFITABLE GROWTH

1.1.2.1 A unique business model

The Group's unique business model is illustrated below.

A unique business model



- (1) Business to Business to Employees
- (2) with issue volume

One of the Group's key indicators is **issue volume**, corresponding to the total amount of funds allocated to beneficiaries on behalf of corporate and public clients.

Revenue comprises operating revenue and financial revenue.

Operating revenue corresponds to revenue from the sale of programs and services. It includes operating revenue with issue volume that is generated by prepaid vouchers and cards (€848 million in 2015) and operating revenue without issue volume (€152 million in 2015), consisting of billings for services such as the management of incentive and rewards programs.

Operating revenue linked to issue volume represented 4.7% of issue volume in 2015, breaking down as follows:

 commissions received from corporate and public authority clients on the sale of prepaid vouchers and cards and all related amounts billed to clients such as delivery costs and voucher customization costs, representing an average of 0.8% of issue volume in 2015;

• commissions received from affiliated merchants (restaurants, supermarkets, service stations, hotels etc.), representing an average of 3.4% of issue volume in 2015. When beneficiaries have spent their prepaid vouchers with affiliated merchants, the merchants present the vouchers to Edenred for reimbursement of their face value, net of a commission. This is Edenred's second source of operating revenue. Affiliated merchants generally join the program by signing a contract drawn up individually that specifies a commission rate as well as the basis for reimbursing vouchers. The commission rate generally depends on the type and size of the merchant network and the reimbursement period selected by the merchant when a choice is offered;

1

PRESENTATION OF THE GROUP

1.1 Corporate profile

 profits on vouchers that are lost or expire, without being reimbursed ⁽¹⁾, corresponding to the face value of vouchers that have not been presented by their expiry date. They represented 0.5% of 2015 issue volume.

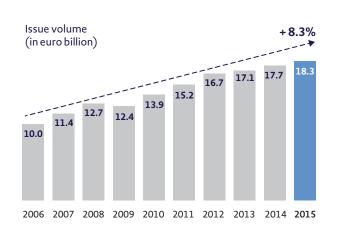
The negative working capital requirement, corresponding to the cash received from clients for prepaid services that has not yet been reimbursed to affiliated merchants, is invested to generate **financial revenue** that is added to operating revenue to calculate the Group's total revenue. In 2015, financial revenue represented 0.4% of issue volume.

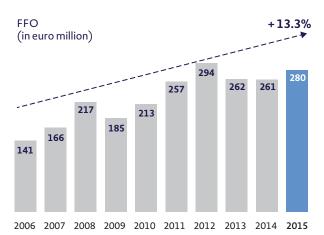
Total 2015 revenue, including operating revenue with and without issue volume as well as financial revenue, represented €1.07 billion.

1.1.2.2 Strong and sustainable and profitable growth with little capital investment

Edenred has multiple drivers of strong and sustainable **issue volume growth** (see section 1.3). Since 2006, reported issue volume has increased **by an average 8.3% per year**.

The business model also generates considerable amounts of cash. Since 2006, reported funds from operations before non-recurring items (FFO) have grown by 13.3% per year on average. Other key features of the business model are the negative working capital requirement and limited capital requirement.





This sustainable business model is also based on extensive diversification in terms of geographies, solutions and clients. Diversification plays a critical role in maintaining consistent performance by spreading risks more widely.

(1) Paper-based or digital format.

PRESENTATION OF THE GROUP 1.1 Corporate profile

1.1.3 A GLOBAL LEADER IN PREPAID CORPORATE SERVICES

1.1.3.1 Overview of the prepaid services market

Edenred is today positioned as **the world leader in prepaid corporate services**, which fits into the particularly large and promising ecosystem of the payment industry.

In 2015, total issue volume amounted to €18.3 billion spanning mainly three types of offers:

- Employee Benefits (79% of issue volume);
- Expense Management (16% of issue volume);
- Incentive & Rewards (4% of issue volume).

The main international competitors in these markets are:

- Sodexo and Up Group (1) in the employee benefits segment; and
- FleetCor and WEX in expense management.

In each host market, Edenred also faces competition from local players, such as Alelo in Brazil and Qui Group in Italy.

As well as its direct competitors, Edenred may face indirect competition from a diverse range of companies in each of its operating segments. For example, international and local banks, financial service providers, service station operators, travel agencies, software solution providers, marketing firms and gift package providers may compete with prepaid services companies.

In addition to these three segments, Edenred develops **Business-to-Government (B2G) solutions** (1% of issue volume) to manage public social programs. This market is served by local and multinational companies that offer prepaid solutions for the implementation of public policies in the areas of social protection, culture, education, sport and professional training.

As well as competitors in the prepaid Business-to-Business (B2B) market, many companies already offer prepaid services for end consumers (mainly gift cards or payroll cards). For example, the mature North American prepaid services market has seen strong growth in the Business-to-Consumer (B2C) segment served by financial institutions and specialist companies. Edenred, which is not present in these adjacent markets, strategically monitors their development through a partnership signed with venture capital firm Partech International in December 2011 and through the Alternative Investments unit set up to provide capital and support to companies offering value-added services to different types of stakeholders.

Lastly, Edenred has occasion to interact with players in the **payment** value chain, such as banks, merchant acquirers ⁽²⁾, payment system networks, payroll management companies, payment terminal and card manufacturers, payment processors and loyalty program managers.

The Group's **international position** is also a core asset that supports:

- the drive to become the preferred partner of public authorities in the areas of employee benefits and public social programs;
- the roll-out of Edenred's expertise and solutions in new countries;
- the delivery of economies of scale;
- the pooling of internal European and Latin American authorization platforms, which are used to process payments from digital media.

⁽¹⁾ Formerly Chèque Déjeuner.

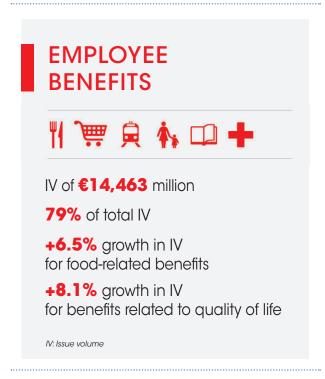
⁽²⁾ Companies specialized in installing payment terminals at merchants.

1.1.3.2 A solutions offer that improves the efficiency of organizations and the purchasing power of individuals

Edenred responds to employers' concerns by offering a comprehensive suite of solutions:

- · Employee Benefits;
- Expense Management;
- Incentive & Rewards programs;
- Public Social Programs

Employee benefits



Edenred's Employee benefits solutions offer added value for a variety of stakeholders:

• public institutions: Edenred's employee benefits solutions represent a method of enhancing the effectiveness of governments' social or economic policies, delivering benefits and ensuring the traceability of funds. Their social usefulness qualifies them for income tax and/or payroll tax exemptions. For governments, the lost tax revenue is offset by the positive direct and indirect effects of employee benefit programs, which help to boost the revenues of affiliated merchants, creating jobs and increasing tax revenues, particularly corporate income tax and value-added tax. These solutions are an efficient tool for combatting development of the informal economy (particularly in the food and human services sectors). From a public health perspective, a key attraction of employee benefits solutions (particularly meal and food vouchers)

- (1) Alternatives économiques 2015.
- (2) IPSOS survey carried out in 2015.
- (3) Robert Half study carried out in 2014.
- (4) Alternatives économiques 2015.

is that they can improve the health of beneficiaries and their families. They also benefit the economy by boosting workers' motivation and raising productivity levels, reducing absenteeism, workplace accidents and cases of food poisoning. In addition, they represent a simple alternative to corporate catering structures for small and medium-sized enterprises. As an example in 2014, the meal voucher system generated a net benefit of €250m for the French economy ⁽¹⁾.

- companies and public sector clients: given that all or part of the employer's contribution to financing the benefits is tax-exempt, employee benefits are a cost-effective way for employers to boost employee compensation and thereby enhance their attractiveness as part of a broader Human Resources strategy. It constitutes additional compensation, its contribution to the financing of these solutions being partially or completely tax exempt. In France, for example, the portion of the meal vouchers' face value paid by the employer is exempt from social security contributions and payroll tax, within the limits prescribed by law (€5.37 per voucher in 2016). With 660,000 clients worldwide at 31 December 2015, Edenred has a diversified client portfolio;
- beneficiaries: employee benefits solutions increase purchasing power, as the employer's contribution to financing these solutions is exempt or partially exempt from personal income tax. In a survey of employees conducted in France, 87% of respondents (2) who had access to meal vouchers said they were satisfied with them. The meal voucher is the French people's favorite social benefit, before heatlth insurance and corporate car (3).
- affiliated merchants: employee benefit solutions are an effective method of boosting the businesses of affiliated merchants (restaurants, grocery stores, etc.), because they help these merchants to attract and retain a new category of "employee-consumer" customers who represent a totally secure source of revenue. In France, nearly 10% of revenues in the foodservices sector are generated by meal vouchers. In a survey of restaurant ⁽⁴⁾, in 2014, the use of meal vouchers in France generated 110,000 direct jobs, of which 74,000 in the food service industry. At year-end 2015, Edenred's worldwide affiliated merchant network comprised 1.4 million service providers operating in a wide range of businesses, including restaurants, supermarkets, retailers, grocery stores and service stations.

Edenred offers various types of employee benefit solutions:

- food-related employee benefits: the Group offers two types of solutions: meal vouchers and food vouchers:
 - invented by the Group in France, back in 1962, *Ticket Restaurant*® allows employees to buy lunch outside their workplace, in an affiliated outlet of their choice. It is a simple alternative to corporate catering structures, particularly for small and medium-sized businesses, that helps employers to foster employee loyalty. The employer's contribution to the cost of the meal, corresponding to all or part of the vouchers' face value, is generally deductible from its taxable profit. It is also generally exempt from personal income tax in the hands of the employee. In addition, all or part of the vouchers' face value is exempt from employer and employee payroll taxes,

1

1.1 Corporate profile

- Ticket Alimentación®, which is more widespread in emerging countries, increases beneficiaries' purchasing power and improves their diet by allowing them to pay for groceries in neighborhood stores and supermarkets not only for themselves but for their entire family. Launched by Edenred in 1983 in Mexico, under the name Vale Despensas®, the solution has since been rolled out to other Latin American countries, including Brazil in 1990, and more recently to certain countries in Central Europe,
- in 2013, another unique employee benefits offer was launched in the United States. The new solution, known as *NutriSavings*®, helps employees to adopt a healthier diet by providing them with more information about the nutritional quality of their grocery purchases while also giving them additional purchasing power. Employees who join the NutriSavings program set objectives with their companies to improve the nutritional quality of their shopping baskets as measured by a score that can be consulted online *via* computer or smartphone. In addition to "incentives" from employers for meeting these objectives, program participants will receive eCoupon savings on nutritionally balanced products. In addition to helping to improve employees' health, this solution also helps companies to reduce their healthcare-related expenses;
- employee benefits to improve quality of life. Building on the outstanding success of *Ticket Restaurant*® and *Ticket Alimentación*® the Group has developed a range of solutions that allow employers to help finance the cost of essential services that make employees' lives easier. Examples include:
 - childcare solutions, with Childcare Vouchers®, one of Edenred's flagship programs in the United Kingdom, and Ticket Guardería® in Spain. These solutions enable employers that don't have workplace daycare facilities to help employees pay for having their children looked after,
 - human services solutions, with the Ticket CESU in France, which is used by companies to help their employees to pay for services in the home.
 - commuting cost solutions such as Commuter Check® in the United States and Ticket Transporte® in Brazil, which allow employers to reduce the cost of their employees' daily commute,

- solutions that encourage purchases of environmentally friendly products, such as the *Ticket EcoCheque*® offered in Belgium,
- solutions for purchases of staple goods, such as the *Ticket Plus® Card* launched in Germany in 2013 that enables companies to offer their employees purchasing power of up to €44 per month for food and fuel purchases,
- solutions for cultural purchases, such as the *Ticket Cultura*® launched in Brazil in 2013 that enables companies to distribute funds for the purchase of specialist goods and services.

In some countries, companies can also award tax-exempt gift vouchers to employees in connection with certain personal events (a wedding, birth of a child, Christmas, etc.).

- Edenred regularly enhances its employee benefits programs with the addition of new services:
 - In France in 2015, Edenred reinforced its presence on the Works Committee market by increasing its stake in ProwebCE, the French leader in solutions for works councils, from 10% to 62%. France has approximately 38,000 works councils, representing 19 million beneficiaries, and through which a total of over €15 billion in spending is generated each year. With a portfolio of over 7,000 clients, serving 5 million beneficiary employees, ProwebCE offers a comprehensive range of solutions for works councils, including management and accounting software and an e-commerce platform that enables beneficiary employees to use the funds allocated to them annually by their works council to purchase culture and leisure-related goods and services. Through this platform, employees can order gift vouchers or cards and take advantage of discounts on more than one million products and services offered by affiliated merchants.
 - Edenred deploys services by developing online service platforms in some countries as well, such as *Benefity Café* in the Czech Republic, to help Human Resources Departments manage their employee benefits more efficiently, promote their employer brand and scale back administrative processes and costs. Integrated in clients' own information systems, the platforms provide greater flexibility to beneficiaries by enabling them to manage their benefits directly.
 - In some countries, the Group also offers new analytics services for clients, such as surveys of compensation practices in the client's industry and of benefit use to assess the effectiveness of employee benefit programs.

Expense management



Efficient and transparent business expense management is an important source of leverage for companies looking to improve their performance and reduce costs. Having recognized this, Edenred offers its clients solutions to help them control their employees' business expenses with optimized expense reporting processes. For employees, these solutions mean not having to pay expenses out of their own pockets and claim reimbursements. Although based on a model comparable to employee benefits, they do not qualify for any exemption from income tax or payroll taxes. They can be accepted in both open and closed loop networks.

The Group operates in three segments of the expense management market:

 fuel and fleet expense management (fuel and maintenance expenditure for cars or trucks)

Since acquiring UTA in 2015 and Cardtrend in 2014, Edenred has become a key player in the global fleet management industry. Its solutions include:

• Ticket Car® in Latin America: This solution simplifies the process of managing vehicle fleets and allows companies to reduce their costs by 10-20%. It has therefore become a valuable tool for managing fuel and maintenance costs, not only for company cars but also for truck fleets. Incorporating a payment card for users and a management platform, the solution allows companies to track and better manage this type of expense, thanks to pre-configured user profiles covering, for example, mileage, telemetry parameters, type of fuel, authorized service stations and service outlays. Launched in Brazil in 1990, Ticket Car® has spread to Mexico, Chile, and Argentina, and today generates the bulk of issue volume in the expense management segment.

In July 2015, Edenred partnered with the Daimler Group, a leader in the Brazilian heavy vehicle market, to launch the MercedesServiceCard, co-branded with *Ticket Car®*, in the Brazilian road transport market. The partnership will give Mercedes-Benz heavy vehicle customers in Brazil the opportunity to access two services using a single card. In addition to paying for fuel expenses using the features and network of the *Ticket Car®* solution, customers will also gain access to the Mercedes-Benz network of maintenance workshops for truck servicing and repairs.

- UTA solutions in Europe: In early 2015, Edenred acquired a 34% stake in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe, with an option to purchase additional shares, exercisable from 2017, which will enable Edenred to increase its stake to 51%. Backed by more than 50 years of experience and present in 40 European countries, UTA provides expense management solutions for heavy vehicle fleets to more than 82,000 European clients. UTA offers a card that can be used in a network of more than 37,000 affiliated service stations and a settlement solution for tolls. It also offers value-added services, including: tracking and reporting of information such as expenses, fuel consumption and mileage; VAT recovery services; and on-road assistance and maintenance services for the 500,000 truck drivers who have a UTA card. One of UTA's flagship solutions is the MercedesServiceCard developed jointly with automaker Daimler, which holds a 15% interest in the fuel card company. Distributed to Mercedes-Benz customers, the card gives holders access to UTA's services and to Mercedes-Benz service centers.
- Cardtrend services in Asia: In 2014, Edenred acquired a 70% stake in Cardtrend, a provider of fuel card management software solutions. Cardtrend operates white-label fuel card programs on behalf of key oil & gas industry players that are based in Southeast Asia. Cardtrend provides its customers with customized software solutions allowing them to manage the fuel cards that they issue and distribute, as well as their loyalty programs;

travel and entertainment expenses management

Edenred offers solutions that enable companies to efficiently manage their employees' travel expenses (plane or train tickets, accommodation, meals, etc.). They comprise a dedicated web platform that can be pre-configured by the employer and preloaded payment cards that can be used by employees to pay their travel expenses. These solutions allow companies to oversee and manage the entire expense cycle - before, during and after each trip - from the booking of plane or train tickets to the automatic processing of the expense claim. They also incorporate a customizable reporting system to control and monitor expenses. One example is **ExpendiaSmart**®, a solution launched in Italy in 2011 to overcome the problem of employees having to pay their expenses out of pocket and then claim reimbursements. Similar solutions have been launched in France (Ticket Travel Pro®), Mexico (Ticket Empresarial®), Poland, Romania and Germany (Spendeo®):

1

1.1 Corporate profile

corporate payments

The Group also meets the needs of specific markets:

- the December 2012 acquisition of *Repom*, the leader in Brazil's "frete" market, has extended Edenred's offer in this segment, which encompasses all the costs incurred by major manufacturers and trucking companies for the outsourced delivery of goods by independent truck drivers. Repom's prepaid cards cover all of an independent trucker's expenses, including fuel, restaurants and tolls, as well as his payment for goods delivery. They also enable industrial and trucking companies to track and manage these expenses easily and efficiently. This highly promising market, which is still relatively underpenetrated, should be boosted by the Brazilian government's introduction of fines and tax incentives in a bid to put transactions by independent truck drivers on a more formal basis,
- the July 2014 acquisition of C3 Card saw Edenred enter the employee payroll cards market in the United Arab Emirates. C3 Cards' payroll cards offer a simple and secure solution for paying employees who do not have a bank account, while allowing client businesses to comply with the local "Wage Protection System" (1) that requires wage traceability,
- the Ticket Clean Way® solution is used by employees to pay for the cleaning of their work clothes. The company issues the employee a smartcard-based cleaning allowance that can be used in a network of affiliated service providers. Launched in France in 1995, Ticket Clean Way® has recently been deployed in other European countries. In late 2011, Ticket Clean Way® introduced the "EPI card", a personal protective equipment cleaning solution for clients in France. The card enables employers to ensure that the protective equipment worn by their employees is of optimal quality by tracking the number of times it has been cleaned. In this way, it addresses an everyday safety concern shared by four million professionals in France's construction, manufacturing, defense and transportation industries.

Incentive and rewards programs

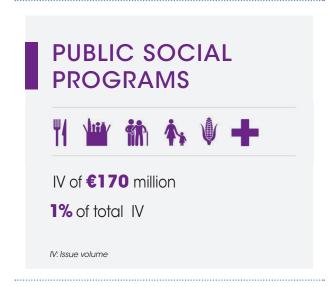


To drive enhanced corporate performance, Edenred offers a wide range of incentive and rewards solutions designed to be used by companies to motivate sales teams, provide incentives for distribution networks, and retain consumers. Although based on the same model as employee benefits, like expense management solutions they do not qualify for any exemption from income tax or payroll taxes. They can be accepted in open or closed loop networks.

- The Group's two main brands in this segment are Ticket Compliments® and Ticket Kadéos®, a range of singleand multi-brand gift vouchers and cards.
- In the Asia-Pacific region, Europe and Brazil, Edenred also partners companies in implementing motivation, incentivization and loyalty-building strategies thanks to an end-to-end service offer that encompasses the essential first step of developing a business marketing strategy (targeting distribution networks, resellers and employees), analyzing relationship data and creating customizable online platforms and, last but not least, distributing the rewards (gift vouchers, gift cards, gift packs, incentive travel, etc.).

⁽¹⁾ Regulation implemented in 2009 in certain parts of the United Arab Emirates to allow the Central Bank to ensure that wages are effectively paid to individuals without bank accounts.

Public social programs



Public authorities and institutions also use Edenred's services for the management and distribution of social benefits, in order to enhance the effectiveness of their policies in this area, in particular by improving the traceability of the funds allocated to the programs. The Group's public social program solutions help public authorities and institutions to keep better track of funds earmarked to improve the purchasing power of certain categories of the population.

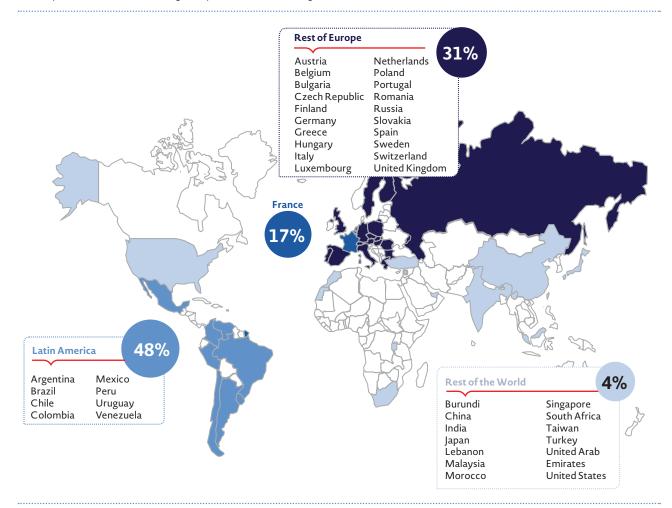
For example, the *Ticket Service*® solution distributed in France (*Ticket CESU*), Belgium (*Ticket S*), Italy, the Czech Republic, Turkey, Chile and South Africa, allows financial assistance to be distributed in accordance with local or regional social policies, to meet specific needs. Most of the programs are designed to help people buy food, clothing or other basic products, or provide access to cultural or sporting facilities or transport.

For public authorities and institutions, Edenred's solutions represent an alternative to the distribution of assistance in the form of cash payments, allowing them to target a specific need and track how they are used by beneficiaries for their intended purpose. They also have the added benefit of avoiding problems of embezzlement and corruption. For example, Chile, Sweden and Italy have introduced cards designed to assist students with food expenses and tuition while at university.

1.1.3.3 Operations in 42 countries, balanced between developed and emerging markets

Since its formation, Edenred has steadily expanded its geographic presence. As of end-2015, it had operations in 42 countries worldwide. In most of these countries, the Group created the market by initiating the passage of legislation enabling the introduction of employee benefits solutions

The map below shows Edenred's global presence and each region's contribution to issue volume.



Breakdown of issue volume between developed and emerging markets

Edenred has a balanced presence in developed markets, which accounted for 42% of issue volume in 2015, and in emerging markets, which represented 58% of the total. The Group's presence in emerging markets gives it access to important future growth drivers.

Main countries where the Group is established

In Brazil, the Group's largest market, Edenred offers a large and diversified range of solutions:

- Employee Benefits (76% of 2015 issue volume in Brazil): Ticket Restaurante®, Ticket Alimentaçao®, Ticket Transporte®, Ticket Cultura®:
- Expense Management (23% of 2015 issue volume in Brazil): Ticket Car®, Repom®;

 Incentive and Rewards (1% of 2015 issue volume in Brazil): Accentiv'Mimetica®.

In 2015, Brazilian issue volume and revenue reached €5.2 billion and €312 million respectively.

In France, the Group's second largest market, solutions are also offered in several categories:

- Employee Benefits (88% of 2015 issue volume in France): Ticket Restaurant®, Ticket Kadéos®, Ticket CESU;
- Incentive & Rewards (11% of 2015 issue volume in France): Ticket Kadéos®;
- Public Social Programs (1% of 2015 issue volume in France): Ticket CESU, Ticket Service®.

In 2015, French issue volume and revenue reached €3.0 billion and €194 million respectively.

1.2 STRATEGIC VISION, INVESTMENT STRATEGY AND OUTLOOK

1.2.1 ROBUST GROWTH FUNDAMENTALS

1.2.1.1 Favorable socio-demographic trends

Edenred operates in the buoyant prepaid B2B services market, where growth in each solution market is being driven by specific socio-demographic trends:

- increasing urbanization, the emergence of a middle class and the growing economic role of the service sector are all contributing to the development of the Employee meal and food benefits market, while growth in Employee quality of life benefits is being fueled by the rising number of women in the workplace, aging populations and the search for a good work-life balance. In addition, the development of formal economies is driving growth across the entire market;
- the Expense Management market is benefiting from employees' increased international mobility and the desire by companies to control business expenses more effectively and improve their traceability;
- Incentive and 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 limit the informal economy and improve their control over the distribution of assistance, while also endeavoring to increase constituents' purchasing power.

1.2.1.2 The drivers of organic issue volume growth

The organic issue volume growth target stands at 8-14% per year. This target attests to the robustness of our core business and the effectiveness of our strategy, initiated through the development of new solutions and the opening of new countries.

There are four organic drivers of issue volume growth:

Clients

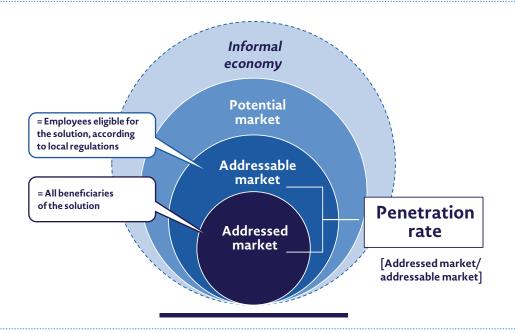
Gaining clients in markets where we have operated for several years is expected to provide significant organic growth in issue volume enabled by:

- the increase in the potential market, i.e. the number of people working in the formal sector of the economy. This is being driven by the formalization of the economy and the creation of new jobs, particularly in emerging markets;
- the increase in the penetration rate, as Edenred gains first-time clients who have not yet used these solutions. The penetration rate corresponds to the total number of beneficiaries of the marketed solution (addressed market) divided by the number of employees eligible for the solution according to local legislation (addressable market), as illustrated below;
- the increase in the Group's market share, thanks to the development of key differentiating factors.

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1.2 Strategic vision, investment strategy and outlook

Penetration rate definition



Face value

The tax ceiling on employee benefits products tends to rise as prices and incomes increase, either automatically through the application of an indexation formula, or by decision of the public authorities.

Edenred lobbies clients and the public authorities to raise voucher face values to keep pace with inflation and salaries, particularly in emerging markets. In some of the Group's markets, the average face value of vouchers ordered by clients is significantly below the maximum face value that is tax deductible. This represents a substantial source of potential growth.

New solutions (1)

Since the introduction of the *Ticket Restaurant*® program in France in 1962, Edenred has developed many employee benefits solutions as well as expense management, incentive and rewards and public social program solutions.

Thanks to the faster deployment of new solutions as part of its strategy, Edenred now expects such solutions to provide an increasing contribution to organic growth in issue volume.

New geographies (2)

Edenred was present in 42 countries worldwide at end-2015.

Since 2010, the Group has entered Finland, Japan, Colombia, the United Arab Emirates and Russia as part of its strategy. These countries are expected to keep contributing the the Group's future organic growth in issue volume.

Breakdown of issue volume growth by growth driver since 2010

Growth drivers	2015	2014	2013	2012	2011	2010
Clients	3.9%	5.3%	5.1%	5.0%	5.3%	5.4%
Face value	2.5%	3.9%	4.5%	3.7%	3.6%	4.0%
New solutions	2.2%	2.6%	2.1%	1.4%	0.8%	0.6%
New geographies	0.1%	0.2%	0.1%	0.0%	0.0%	0.0%
TOTAL	8.7%	12.0%	11.8%	10.1%	9.7%	10.0%

^{(1) &}quot;New solutions" correspond to solutions launched since January 1, 2010.

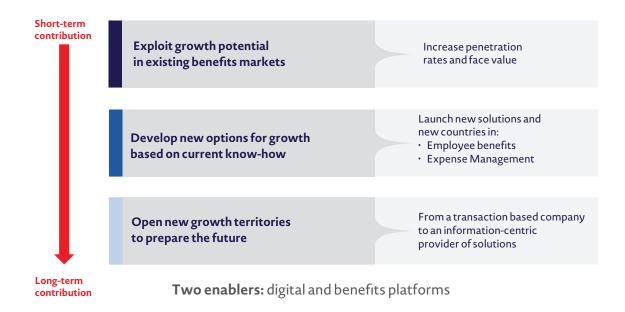
^{(2) &}quot;New geographies" are countries entered since January 1, 2010.

1.2.2 A STRATEGY TO GENERATE STRONG AND SUSTAINABLE GROWTH

The Group has a strong and sustainable growth strategy. To sustain its growth, the Group will continue to launch new solutions and open new countries, with the aim of accelerating the deployment of expense management solutions and increasing the portfolio

of services offered not only to clients, but also to affiliates and beneficiaries. To successfully carry out this strategy, Edenred will leverage the new possibilities arising from the transition to digital solutions

The three components of the strategy



1.2.2.1 Maintaining the strong pace of growth in existing Employee Benefit markets

The Employee Benefit markets, in which Edenred has already operated for several years, still offer significant growth potential, stemming from the increase in the potential market, the increase in penetration rates, which are still low in most of the Group's key host countries, and the increase in the Group's market share, thanks to the development of key differentiating factors.

Edenred is implementing several sales and marketing methods, including:

- aligning diversified sales and marketing channels with the size of client organizations;
- diversifying media to suit solutions and client needs;
- creating differentiating solutions through the use of digital media and the development of online beneficiary service platforms; and
- promoting cross-selling between solution categories.

Examples include:

- In Brazil, the potential market in the medium term, currently estimated at nearly 50 million people, is expected to continue to grow as the economy formalizes. On the other hand, market penetration remains low at around 17%, particularly among small businesses. To take advantage of these growth opportunities, Edenred is developing additional sales channels, as illustrated by its partnership with Carrefour, which distributes the Ticket Alimentação® food voucher, while also enriching its existing programs with new client, affiliate and beneficiary services. For example, Ticket Restaurante® users can receive exclusive lunch deals on their cellphones from affiliates thanks to geolocation services.
- In Europe, increasing penetration rates remain a major growth driver. For example, the rate is only 15% in France and Italy, the region's two largest contributors. In Portugal, where the market is growing quickly thanks to a favorable change in legislation ⁽¹⁾, Edenred joined forces with Banco Espirito Santo (which has since become Novo Banco) in June 2013, thereby becoming the local market leader with a 50% share ⁽²⁾. This partnership has resulted in a swift increase in issue volume locally.
- (1) Legislation has been changed to encourage the development of meal vouchers, which are now more tax-advantaged than employee cash benefits.
- (2) After the creation of the joint venture.

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1.2 Strategic vision, investment strategy and outlook

1.2.2.2 **Developing new growth opportunities**

Since 2010, Edenred's objective has been to put its future growth drivers into place. To meet this objective, it introduced the organization and resources needed to launch innovative solutions and expand geographically. As a result, more than 30 new solutions were brought to market and five new countries (Finland, Japan, Colombia, United Arab Emirates and Russia) were opened between 2010 and 2014. The Group intends to pursue this strategy, in particular by accelerating the development of Expense Management solutions and opening new countries.

The costs of developing new solutions and opening new countries have been factored into the Group's flow-through ratio target of more than 50% from 2014.

New solutions

Since 2010, the Group launched many high-potential solutions, including *Ticket Plus® Card* in Germany, launched in March 2012, and *Ticket Cultura®* in Brazil, launched in September 2013. Strategic innovations, such as the *NutriSavings®* program in the United States, are designed at exploring the growth potential offered by digitalization and the direct relationship the group will be in a position to tie with its beneficiaries.

New geographies

The Group has entered five new countries since 2010.

As an example, Japan represents a promising territoriy for the long term, with more than 60 million employees and a less than 1% penetration rate in the current meal voucher market. As a reminder, the Group had opened two new countries in 2014: the **United Arab Emirates**, with the acquisition of C3 Card, a payroll specialist in the country, and **Russia**, with the acquisition of Daripodarki, the leading player in Russia's monobrand gift card resale market.

Faster expansion of the Expense Management business

Building on its expertise in Latin America, the Group believes that there are extensive growth opportunities in this still relatively underpenetrated market, which offers significant growth potential. It is therefore planning to expand in the three market segments:

fuel and fleet management:

 in Latin America, Edenred plans to continue the deployment Ticket Car®, already a flagship solution in Brazil and Mexico, across the region. The Group is also committed to enriching its offering with new functions and to improving its solutions' positioning in the fleet market's two main segments, light vehicles and heavy vehicles. In the Brazilian market, Edenred announced in January 2016 the signature of an agreement with Brazilian group Embratec, whereby the two companies will combine their expense management assets in Brazil in a joint venture 65%-owned by Edenred and 35%-owned by Embratec's founding shareholders. The merger will enable Edenred to double the size of its fuel card business in Brazil, giving birth to a major player in this market offering significant potential. With approximately 60 billion liters of fuel consumed in 2014 and a low penetration rate (between 15% and 20%), the Brazilian B2B fuel card sector has scope to grow considerably. Through the new company, Edenred will occupy a key position in the Brazilian market for fuel and maintenance cards, with market share of approximately 18% (excluding freight). The Group will serve approximately 27,000 customers and will rely on a network of 23,500 affiliated service stations. The transaction is subject to approval by the relevant authorities, including the Brazilian competition authority (CADE). It is expected to be completed in the first half of 2016,

- in Europe, the Group intends to capitalize on the acquisition of UTA (1), a leading player in the segment of fuel card solutions and maintenance for heavy vehicles. The alliance between UTA and Edenred will help drive faster sales growth for UTA's heavy vehicle fleet solutions, particularly in Central and Eastern Europe. It will also enable the European launch of a new solution for the light vehicle segment, which will gradually be rolled out by Edenred to its 300,000 clients in Europe,
- in Asia, the Group has established a foothold with the acquisition of Cardtrend, a provider of fuel card management software solutions. Edenred intends to explore development opportunities across the rest of the value chain, particularly in processing;
- travel and entertainment expenses management: Edenred
 has positioned itself primarily in the small and medium-sized
 corporate market, with an end-to-end offering covering all of a
 company's business travel expense needs. These solutions will be
 developed locally in current host countries. They will be managed
 by a shared platform, which the Group intends to expand by two
 new functions a year.

As part of this process, the *Ticket Corporate®* solution was launched in Spain and the *ExpendiaSmart®* solution in Italy in 2011. More recently, *Ticket Travel Pro®* was launched in France, *Spendeo®* in Poland, Romania and Germany, and *Ticket Empresarial®* in Mexico in 2014;

 corporate payments, by developing solutions aligned with local needs or by acquiring specialized operators.

For example, in December 2012, Edenred acquired Repom, a specialized company and leader for 20 years in the market

(1) Acquisition of a 34% stake in UTA, accompanied by an option to purchase an additional 17% interest, exercisable between 2017 and 2019.

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PRESENTATION OF THE GROUP

1.2 Strategic vision, investment strategy and outlook

for independent truckers in Brazil, to which it offers preloaded cards covering all the expenses of independent truckers (fuel, restaurants, tolls, etc.), and their payment for the delivery of goods, enabling industrial or transportation companies to monitor and manage these expenses simply and efficiently. In 2014, Edenred acquired C3 Card, a company specializing in payroll cards.

These three segments are expected to represent more than 30% (1) of issue volume by 2017, versus 10% at the end of 2012.

1.2.2.3 Exploring new growth territories

The digital transition is opening up a whole new field of opportunities for Edenred, shaped by more intense interaction with stakeholders (clients, affiliates and beneficiaries) and the possibility of collecting and analyzing transaction data. As part of this process, the Group is exploring new growth territories that will enable it to sharpen its differentiation and generate new sources of volumes and revenue over the long term.

The Group is therefore committed to:

 enriching its employee benefits programs with additional services, by developing online service platforms for client companies. These facilities will enable companies to optimize their Human Resources policies and to demonstrate the value of these policies to employees. For example, Edenred is developing platforms – such as Benefity Café in the Czech Republic – that allow employees to directly select their benefits online. This innovation allows Human Resources Departments to streamline administration processes and gives beneficiaries greater flexibility and more purchasing power, thanks to online promotional deals;

 developing solutions for affiliates and beneficiaries, based on the analysis and use of data collected via digital channels.
 In this way, Edenred will develop solutions that will deliver more purchasing power to employees (through discounts and savings) and additional business volume for affiliated merchants (through special deals and loyalty programs).

In the United Kingdom, for example, Edenred offers beneficiaries discount deals via MyWorkOffers®, an in-house online platform. In the United States, this process is being taken to the next level with the NutriSavings® program, which is enabling Edenred to acquire expertise in data tracking. Under the program, grocery purchases by enrolled employees are analyzed and rated according to their nutritional value. Participants receive cashback rewards from their employer or discount eCoupons for healthy food products, which will help to improve the nutritional quality of their purchases. The model is being extended to new stakeholders, such as producers and manufacturers, who can target their offers.

(1) Assuming that Edenred acquires a controlling interest in UTA.

1.2 Strategic vision, investment strategy and outlook

1.2.2.4 Two strategic levers

Transitioning solutions to digital

The transition to digital solutions represents an important turning point for all stakeholders in the Edenred business model – clients, affiliates, beneficiaries and public authorities – that want to cut costs, optimize processes, streamline and rapidly deploy solutions, and ensure the control and traceability of allocated funds.

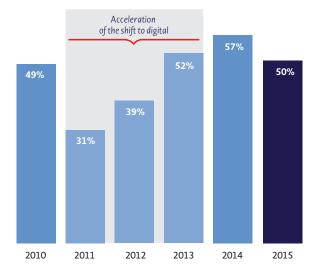
Opportunities and effects of the digital transition

As a faster growth driver, the digital transition is above all playing a key role in increasing issue volume, both by making deployment more efficient and by creating new capacities for innovation.

The digital transition is strengthening Edenred's business model by improving its ability to:

- invent solutions that would not have been viable in paper format, and thereby increase issue volume;
- attract new clients by simplifying processes associated with managing paper vouchers;
- generate additional revenue from clients, affiliates and beneficiaries through new value-added services;
- reduce the cost base by around 5-10% at country level, mainly by lowering production and logistics expenses.

Operating flow-through ratio



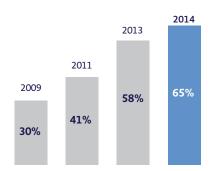
Transition project costs recorded for the period 2010-2013 affected the operating flow-through ratio. However, the ratio has improved significantly to a minimum of 50% since 2014, despite the double cost for paper and digital in countries currently in transition, thanks

to lower digital start-up costs, which have already been incurred in most host countries. No additional investment is planned beyond the budget set by the Group of €50 million a year.

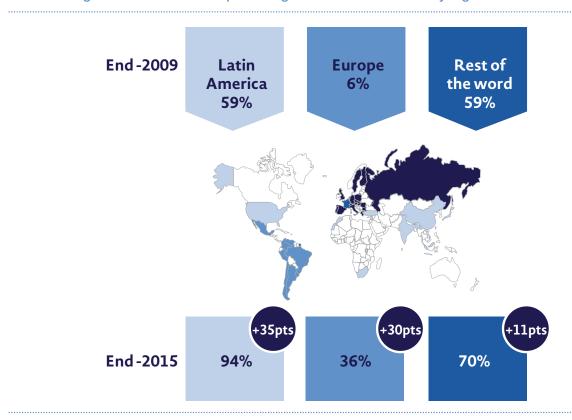
PRESENTATION OF THE GROUP 1.2 Strategic vision, investment strategy and outlook

Status of the digital transition project

Since 2010, the Group has stepped up the pace of digital transition, driving up digital issue volume to 65% of the consolidated total at end-2015, compared with 30% at end-2009.



Growth in digital issue volume as a percentage of total issue volume by region between 2009 and 2015



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1.2 Strategic vision, investment strategy and outlook

Edenred's digital expertise

Deployment of digital solutions is supported by authorization platforms that are a vital link in the digital prepaid solutions value chain and a major source of competitive advantage for the Group. These platforms allow Edenred to design the marketing and technological aspects of the programs in line with client specifications (including the ability to extensively customize the programs' authorization parameters) and also to directly control transaction authorizations and the management of reimbursements to affiliated merchants. Capable of connecting to the payment terminals installed at affiliated merchants by local and international operators (1), they process all of the Group's digital transactions.

In addition, PrePay Solutions' European platform contributes to Edenred's innovation drive. With ten years' experience and with partners such as PayPal and Orange, PrePay Solutions has earned recognition as a vanguard innovator in prepaid technologies through its contactless mobile solutions and e-wallet offers.

Online services platforms

One of the new growth territories explored by the Group concerns enriching employee benefit programs with new online services platforms. These will help to:

simplify benefit management.

The development of online platforms seamlessly integrated into a company's business processes and systems will offer beneficiaries the ability to self-manage a range of benefit-related transactions. For example, employees will be able to select benefits offered by their employer and replace lost or stolen cards. These new tools will allow Human Resources Departments to simplify their management processes and reduce administrative costs;

 develop additional program-related services for Human Resources Departments.

The Group is planning to develop new analytics services for clients, such as surveys of compensation practices in the client's industry and analyses of benefit use to assess the effectiveness of employee benefit programs. These management tools will aim to help companies to optimize their Human Resources strategies. In addition, Edenred plans to build on its employee benefits expertise to offer services that help companies communicate and promote their compensation policies more effectively.

For example, in 2015, the Group acquired ProwebCE, which offers a comprehensive range of solutions for works councils, including management and accounting software and an e-commerce platform that enables beneficiary employees to use the funds allocated to them annually by their works council to purchase culture and leisure-related goods and services. Through this platform, employees can order gift vouchers or cards and take advantage of discounts on more than one million products and services offered by affiliated merchants.

1.2.3 THE KEYS TO SUCCESSFULLY IMPLEMENTING THE STRATEGY

The three pillars of Edenred's strategy are:

- its 6,300 employees, who are actively driving the Group's performance;
- a unique corporate culture;
- a socially responsible approach.

1.2.3.1 **People**

Edenred's men and women are fundamental to the Group's success. Leveraging each employee's full potential is key to our shared success and an ambition that all the countries have in common.

Edenred's Human Resources policies are designed to support the Group's operating strategy.

They focus on three key areas:

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

These policies are described in section 4.1, from page 70.

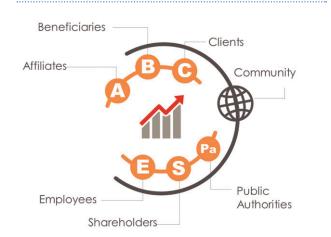
1.2.3.2 Corporate culture

Independence, the creation of a new brand, the digital transformation and penetration of new markets are all ingredients that are transforming the Group's environment.

The ambitious objective of Edenred's corporate culture, which is known as "Customer Inside", is to make the Group's stakeholders ("Customers") ambassadors of the Edenred brand. In other words, the Group is aiming to become the reference partner for all its stakeholders: affiliates, beneficiaries, clients, employees, shareholders, public authorities, and the community in the wider sense. Examples of relations with Edenred's stakeholders can be found in section 4.2.3.2 "Relations with individuals or organizations engaged by the Company", from page 86.

(1) International operators may be acquirers or payment networks such as MasterCard.

1.2 Strategic vision, investment strategy and outlook



Operational excellence and differentiation are central to this idea, to ensure that stakeholders choose and recommend Edenred.

1.2.3.3 **Social responsibility**

In 2012, Edenred launched Ideal, a Corporate Social Responsibility approach closely linked to its business. The approach, which plays a pivotal role in its strategy, has three strands:

- Ideal Meal, to promote affordable healthy eating;
- Ideal Green, to improve the environmental performance of the Group's operating units;
- Ideal Care, to support local communities.

These policies are described in section 4.2, from page 80.

1.2.4 **2016 OBJECTIVES**

After a year shaped by significant operational successes despite a challenging macro-economic environment, particularly in Brazil, the Group has identified five priorities for 2016: pursuing growth and innovation in Employee Benefits solutions; speeding up development in the Expense Management business; developing and monetizing opportunities created by the shift to digital; increasing and pooling IT resources; and preparing a strategic plan. To this end, in early 2016, the Group embarked on the Fast Forward project, aimed at creating an ambitious and unifying strategic business plan for the period 2017-2020.

In terms of financial performance, the Group's organic outlook for 2016 is as follows:

 organic growth in issue volume should be in line with the Group's historic target of 8-14%. Given that the Brazilian economy shows no signs of recovery, it is likely to be at the lower end of this target range;

- given the Group's historic target of operating flow-through ratio above 50%, its aim is to improve this ratio compared to the level recorded in the second half of 2015 (42%);
- lastly, the Group expects growth in funds from operations (FFO) in 2016 to be in line with the historic target of more than 10% annual like-for-like growth.

The sensitivity of EBIT to a 5% rise or fall in foreign currencies as revised in 2015 was €7.6 million for the Brazilian real, €1.5 million for the Mexican peso, and €0.4 million for the Venezuelan bolivar fuerte.

1.2.5 FINANCIAL STRATEGY

The Edenred business model generates significant cash flow. In 2015, funds from operations before non-recurring items (FFO) totaled €280 million, a year-on-year increase of 12.5% like-for-like that was in line with the Group's target of over 10% growth per year.

The free cash flow generated in 2015 amounted to €311 million. A total net amount of €191 million was allocated to the payment of dividends and the share buyback program, and €240 million to acquisitions. After taking into account the negative currency effect and non-recurring items for a total of €249 million, the Group's net debt stood at €637 million at December 31, 2015 (versus €268 million at end-2014).

The ratio of adjusted funds from operations to adjusted net debt was 34% according to Standard & Poor's report as of March 11, 2016, thereby supporting a "Strong Investment Grade" rating.

Dividend timeline section 1.5

Acquisitions strategy

Edenred is pursuing a selective acquisitions policy in line with its growth strategy in prepaid corporate services, which aims to expand its services thanks to the digital transition and to accelerate its development in the promising expense management segment.

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1.3 Highlights of the year

Designed to increase the potential for issue volume growth, such acquisitions may have any of the following three objectives:

- increase market share in the Employee Benefits sector by acquiring local players in the Group's host countries. For example, the July 2012 acquisition of Comprocard in Brazil, the January 2014 acquisition of Bonus and the early 2016 acquisition of Ecobeneficios have enabled Edenred to consolidate its position as a major player in a strategic country with significant potential for growth;
- broaden the Group's offering in the Expense Management segment, as illustrated by the agreement signed in early 2016 with Brazilian company Embratec, allowing Edenred to double the size of its fuel card business in Brazil. The 2015 acquisition
- of a 34% stake in UTA on the European fuel card market fulfills the same objective as the acquisitions of Repom in 2012 in the Brazilian independent truckers market, C3 Card in 2014 in the payroll card market in the United Arab Emirates and Cardtrend in the Asian fuel card market;
- step up expansion in new countries. This was the case of the 2014 acquisition of Daripodarki, the leading player in Russia's monobrand gift card resale market.

The acquisitions are financed in strict compliance with the Group's aim of maintaining a robust financial position.

The list of acquisitions carried out in recent years is presented in section 1.6.2, on page 29.

1.3 HIGHLIGHTS OF THE YEAR

- Patrick Bataillard appointed Executive Vice-President, Finance of Edenred and member of the Executive Committee (press release of November 20, 2015).
- Bertrand Dumazy appointed Chairman and Chief Executive Officer of Edenred by the Board of Directors (press release of September 11, 2015). His appointment took effect on October 26, 2015.
- Edenred and Daimler sign partnership deal in Brazil (press release of July 24, 2015)

Edenred has joined forces with the Daimler Group to launch a cobranded solution on the fuel card market in Brazil. With more than 25 years of experience in Brazil's fuel card market *via Ticket Car®*, its flagship solution, Edenred partners with the Daimler Group to launch MercedesServiceCard, a service card co-branded with *Ticket Car®* and intended for the Brazilian road transportation market.

 Jacques Stern to leave Edenred on July 31, 2015 (press release of May 18, 2015)

Jacques Stern, Edenred's Chairman and Chief Executive Officer since July 2010, has informed the Board of Directors of his decision to leave the Group on July 31 and embark on a new phase of his career.

 Edenred increases its stake in ProwebCE (press release of March 25, 2015)

Edenred and the ProwebCE management team are joining forces to acquire 100% of the capital of ProwebCE, the French leader in solutions for works councils.

ProwebCE offers a comprehensive range of solutions for works councils, including management and accounting software packages and an e-commerce platform that enables employees to use the funds allocated to them annually by their

works council to purchase culture and leisure-related goods and services Through this platform, employees can order gift vouchers or cards, and take advantage of discounts on more than one million products and services offered by affiliated merchants. With a portfolio of more than 7,000 clients, representing 5 million beneficiary employees, ProwebCE generated €8 million in EBITDA in 2014.

Debt tender offer (press release of February 24, 2015)

Edenred announces the launch of an offer to repurchase part of its 3.625% bond issue due October 2017 for cash. The transaction will be followed by a **new bond issue** in euros, with a long maturity, in an amount at least equivalent to that invested in the Tender Offer. The objective is to **extend the average life of the Group's debt.**

 Successful €500 million bond issue (press release of March 3, 2015)

Edenred announces the success of its €500 million 10-year 1.375% bond issue.

The new bond issue was placed with around 200 international institutional investors and was more than five times oversubscribed, confirming the market's confidence in the Group's credit quality.

In particular, this new bond issue enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to six years. **The transaction will be accretive to earnings from 2015**.

In the first quarter of 2015, the Group closed **the acquisition of** a **34% stake in UTA**, a key player in the European fuel card market (press release of October 20, 2014).

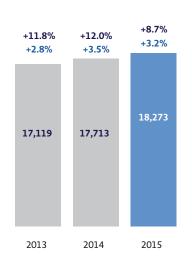
SELECTED FINANCIAL INFORMATION 1.4 **OVER THREE YEARS**

Key indicators *	2015	2014	2013
Issue volume (in € millions)	18,273	17,713	17,119
Revenue (in € millions)	1,069	1,034	1,030
Operating flow-through ratio (in %)	50%	57%	52%
Funds from operations (in € millions)	280	261	262
EBIT (in € millions)	341	343	343
Recurring profit after tax (in € millions)	199	194	193

^{*} For definitions, see the glossary at the beginning of this document.

Growth like-for-like and as reported

ISSUE VOLUME IN € MILLIONS



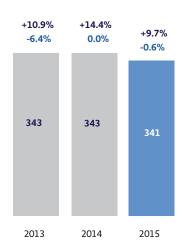
REVENUE IN € MILLIONS



FUNDS FROM OPERATIONS IN € MILLIONS



EBIT IN € MILLIONS

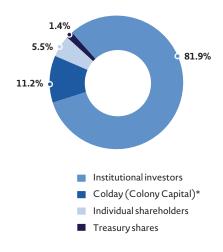


Organic growth Reported growth

1.5 SHAREHOLDER INFORMATION

1.5.1 OWNERSHIP STRUCTURE

The company's ownership structure is as follows, as of November 30, 2015,:



* Reference shareholder

The free float represents 87.4% of outstanding shares.

For more information, see section 7.3.1 page 292

1.5.2 INVESTOR INFORMATION AND DIVIDEND

The recommended dividend ⁽¹⁾ for 2015 will amount to €0.84 per share, representing a payout ratio of 96% of recurring profit after tax, versus 97% in 2014. If the dividend is approved by the Annual

Shareholders Meeting ⁽¹⁾, half of the dividend will be paid in cash. Shareholders may opt to receive the other half in cash or reinvest it in new shares at a 10% discount.

	2015	2014	2013
Last closing price	17.45	22.96	24.33
Dividend (in €)	0.84	0.84	0.83
Dividend yield	4.81%	3.66%	3.41%

On July 2, 2010, the first day of trading of Edenred shares saw a closing price of €14.80.

1.5.3 FINANCIAL CALENDAR

First-quarter 2016 revenue	April 14, 2016
Annual Shareholders' Meeting	May 4, 2016
First-half 2016 results	July 22, 2016
Third-quarter 2016 revenue	October 13, 2016

1.6 MILESTONES

1.6.1 PRE-2010: CREATION AND DEVELOPMENT OF ACCOR SERVICES

1962-1980: From an original idea to an effective business model

The original luncheon voucher concept was launched in the United Kingdom in 1954. In 1962, the Jacques Borel International Group set up a new company, Crédit-Repas, and created *Ticket Restaurant*®, France's first meal voucher. Five years later, legislation was adopted creating a legal regime for meal vouchers in France (government order no. 67-830 dated September 27, 1967).

In the 1970s, the *Ticket Restaurant®* formula was exported to Brazil, Italy, Belgium, Germany and Spain.

1980-2000: Geographic diversification of the employee benefits offer

In 1982, Jacques Borel International – already the world's leading meal voucher issuer with 165 million *Ticket Restaurant*® vouchers distributed per year in eight countries – was acquired by Novotel SIEH. The following year, Novotel SIEH-Jacques Borel International was renamed Accor. In 1984, the daily number of voucher users worldwide topped one million.

In the 1980s and 1990s, the Group embarked on a strategy to diversify the employee benefits offer for businesses, starting in Mexico with the creation of the *Ticket Alimentación*® food voucher in 1983. This was followed, in 1989, by the introduction of *Childcare*

⁽¹⁾ Dividend recommended by the Board of Directors to the Annual Shareholders Meeting of May 4, 2016.

1

1.6 Milestones

Vouchers® in the United Kingdom and, in 1995, by Ticket Culture® vouchers in France.

During this period, the Group also continued to expand internationally, setting up operations in Argentina in 1988, Venezuela in 1990, Turkey in 1992, the Czech Republic, Austria and Luxembourg in 1993, Hungary, Slovakia and Uruguay in 1994, Greece in 1996, the Netherlands, Poland and India in 1997 and Romania in 1998.

2000-2010: Diversification of solutions and media

In the period 2000 to 2010, the Group kept up the pace of organic growth, entering the Chinese market with the launch of a restaurant smart card in 2000, and the Peruvian market. In Brazil, the Group strengthened its presence in 2006 by buying out its 50% partner in Ticket Serviços.

Edenred also pursued a strategy of acquiring local employee benefit providers and companies positioned in the expense management or incentive and rewards segments.

Acquisitions in the employee benefits segment:

- 2003: Dicasa (Mexico);
- 2005: Hungastro (Romania) and WiredCommute (United States);

- 2006: Serial (Italy);
- 2009: Exit Group, the Czech Republic's fourth largest meal voucher issuer.

Acquisition in the expense management segment:

2007: Autocupón, Mexico's second largest fuel card issuer.

Acquisitions in the incentive and rewards segment:

- 2006: Calicado (Germany) and RID (India);
- 2007: Kadéos, France's leading provider of closed-loop and openloop gift solutions;
- 2007: Surfgold, Asia's leading marketing services company, giving the Group access to a client portfolio that includes some of the region's largest companies and to incentive and loyalty program management platforms.

At the same time, the Group completed acquisitions in the technology sector to support its transition to digital solutions:

- 2007: PrePay Technologies Ltd, the UK leader in prepaid cards. Following an agreement with MasterCard Europe in February 2009, the company was renamed PrePay Solutions (67%-owned by Edenred);
- 2008: 62% of Motivano UK, the country's leading online employee benefit management company.

1.6.2 SINCE 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, a pure player in prepaid services that is now listed on the Paris stock exchange. To support Edenred's transition to an independent listed company, a new Board of Directors was elected and the Company's governance principles were defined, a new management team was appointed, the Edenred brand was launched, along with a corporate mission project, EDEN ("Entreprendre Différemment ENsemble", translated as "Moving Forward Differently Together") and a three stage strategy was deployed (described in section 1.2.2).

Since its formation, the Group has pursued a targeted acquisitions strategy in its core prepaid B2B services business, and has carried out a strategic review of its portfolio:

Acquisitions since 2010

- in December 2010, Euroticket, a Romanian meal and gift voucher issuer joined the Group;
- in January 2011, Edenred acquired RistoChef, an Italian meal voucher issuer:
- in October 2011, the Group acquired the fuel card business of CGI in Mexico:
- in July 2012, it was the turn of Comprocard, a food voucher issuer in Brazil to join the Group;
- in July 2012, Edenred acquired Barclay Vouchers, the only meal voucher issuer in Japan;

- in February 2013, the Group acquired Colombian employee benefits company Big Pass;
- March 2013 saw the acquisition of Repom, the Brazilian market leader in expense management solutions for independent truckers;
- in June 2013, Opam, a Mexican employee benefits company joined the Group;
- in January 2014, Nets Prepaid, Finland's leading meal voucher company, was acquired;
- also in January 2014, the Group acquired Brazilian employee benefits company Bonus;
- July 2014 saw the acquisition of C3 Card, a payroll card specialist in the United Arab Emirates;
- in August 2014, Edenred acquired Cardtrend, a Malaysia-based provider of fuel-card management software solutions;
- in October 2014, Russian monobrand gift card resale company Daripodarki joined the Group;
- in the first quarter of 2015, the Group acquired a 34% stake in UTA, a key player in the European fuel card market.
- in March 2015, Edenred increased its stake in ProwebCE (62%), leader of solutions for works councils in France.

Joint ventures and alliances since 2010

 in April 2013, a strategic alliance was set up with SavingStar, the only national fully digital grocery savings service in the US, leading to the creation of NutriSavings. This new joint venture is 67%-owned by Edenred, the majority partner, and 33% by SavingStar;



1.7 The management team

- in June 2013, Edenred finalized the creation of a 50-50 joint venture with Banco Espirito Santo (which has since become Novo Banco) in the Portuguese employee benefits market, contributing its existing operations in Portugal to the new company;
- in July 2014, Edenred entered into an alliance with American Express in Mexico to offer a unique joint fuel card solution;
- in July 2015, Edenred partnered with the Daimler Group to launch a co-branded solution on the fuel card market in Brazil.

Disposals since 2010

In 2011, following a strategic review of its portfolio of businesses, Edenred decided to dispose of certain employee assistance program (EAP) assets:

- in April 2011, Edenred sold 100% of EAP France and its stake in BEA (a provider of corporate concierge services);
- in May 2011, Edenred sold its stake in US-based WorkPlace Benefits and its subsidiaries;
- in August 2011, Edenred sold its Australian subsidiary Davidson Trahaire Group, a Human Resources consultancy specialized in employee assistance programs and other corporate psychology services;
- in March 2013, Edenred sold all of the outstanding shares in Tintelingen B.V., a B2B issuer of Christmas gift vouchers in the Netherlands with a wide range of paperless products and services;
- in January 2015, Edenred sold its Employee benefits business in China.

1.7 THE MANAGEMENT TEAM

1.7.1 MEMBERSHIP OF THE BOARD OF DIRECTORS



Jean-Paul Bailly*
Honorary Chairman of Groupe La Poste



Philippe Citerne* Vice-Chairman of the Board of Directors of Edenred



Gabriele Galateri di Genola* Chairman of Assicurazioni Generali S.p.A.



Françoise Gri*
CEO of Françoise Gri Conseil



Bertrand Meheut*Director of companies



Anne Bouverot*
Chairwoman and Chief Executive Officer of Morpho



Bertrand DumazyChairman and Chief Executive Officer of Edenred



Maëlle Gavet*Executive Vice-President, Global Operations, Priceline Group



Jean-Romain LhommeCo-Founder of PJX10



Nadra MoussalemPrincipal and Co-Head of Colony Capital Europe

* Independent directors

1.7 The management team

1.7.2 THE EXECUTIVE COMMITTEE



Bertrand DumazyChairman and Chief Executive Officer of Edenred

Operational functions



Gilles Coccoli Chief Operating Officer, Brazil



Laurent DelmasChief Operating Officer, France



Arnaud ErulinChief Operating Officer, Central Europe and Scandinavia



Diego FrutosChief Operating Officer, Hispanic and North America



Graziella GavezottiChief Operating Officer, Southern Europe



Laurent Pellet
Chief Operating Officer, Asia-Pacific
and Middle East



Bernard RongvauxChief Operating Officer, Northern Europe and Africa

Support functions



Patrick Bataillard Executive Vice President, Finance



Philippe Dufour Executive Vice-President, Alternative Investments



Antoine DumurgierExecutive Vice-President, Strategy & Development



Philippe Relland-Bernard Executive Vice-President, Legal affairs, Tax, Compliance and Insurance



Jeanne Renard
Executive Vice-President, Human Resources
and Corporate Social Responsibility



Konstantinos Voyiatzis Executive Vice-President, Technology and Strategic Information Systems

1.8 REGULATORY ENVIRONMENT

1.8.1 INCOME TAX AND PAYROLL TAX RULES

1.8.1.1 **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. The Expense Management business is not dependent on the existence of these kinds of exemptions.

To avoid illegitimate use of the tax benefits, 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, while in others no authorization is required. In countries with a licensing system, the barriers to entry are fairly low and consist mainly in meeting certain financial strength criteria

Companies that want to operate in the employee benefits market may also be subject to regulations governing investment of the float (corresponding to the cash received from clients for prepaid services that has not yet been reimbursed to affiliated merchants). This is the case, for example, in France and Romania (see section 2.1.1.4, page 43 and Note 4.5 to the consolidated financial statements, page 190).

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

1.8.1.2 Regime applicable in France

Rules governing the allocation and use of meal vouchers

The rules governing the allocation of meal vouchers are as follows:

- the vouchers may only be allocated to employees of the company concerned (including interns, subject to conditions);
- since April 2014, the vouchers can be issued in paper or digital format, for example via mobile phone or on a payment card;
- since 2002, civil servants may be given meal vouchers if their place of work has no staff restaurant and they are unable to take advantage of alternative solutions set up with public or private foodservice providers;

- meal vouchers qualify as employee benefits; consequently, all employees of the Company must be allocated vouchers with the same face value. However, an employer may allocate meal vouchers to selected employees provided that the selection criteria are non-discriminatory;
- meal vouchers must be allocated on the basis of one voucher per day worked;
- the legislation does not set any minimum or maximum amount, leaving employers free to set the face value of the vouchers allocated to employees. However, in practice, the face value is limited by the caps on the employer's financial contribution, which cannot represent more than a certain percentage of the face value, and on the payroll tax exemption.

Rules also apply to the use of meal vouchers by employees, as follows:

- the vouchers may only be used by the employee to whom they are allocated;
- paper vouchers can be used until January 31 of the year following issue and vouchers in digital format until the end of February of the year following issue. However, employees may exchange unused vouchers for new vouchers up to two weeks after they have expired. The employer can then obtain reimbursement of these unused vouchers, net of the issuer's commission (provided that the vouchers are returned within 30 days);
- employees may use the vouchers to pay for their restaurant meal or the purchase of a ready-meal, dairy products or fruit and vegetables (including fruit and vegetables that require further preparation) up to a daily limit of €19. 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;
- meal vouchers may only be used on working days and not on Sundays or bank holidays, unless an exception is recorded directly on the paper voucher by the employer for the employees concerned.

Meal vouchers can be accepted by restaurants and fastfood outlets, equivalent retailers accredited by the CNTR, and greengrocers, provided that they sell ready-meals (to be reheated or defrosted as necessary), dairy products or fruit and vegetables (ready to eat or requiring further preparation).

1.8 Regulatory environment

Income tax and payroll tax benefits for the employer

Meal vouchers are financed jointly by the employer (or in some cases the works council) and the employee. The employer's contribution (plus – for the calculation of the ceilings below – any works council contribution) cannot represent less than 50% or more than 60% of the vouchers' face value. If these limits are not respected, the employer's contribution will not qualify for exemption from payroll tax, income tax and social security contributions.

The employer's contribution is exempt from social security contributions provided that it does not exceed a certain amount that has until recently been adjusted each year in the same proportions as the upper limit for the first personal income tax band (Article 81, 19° of the French Tax Code). This exemption ceiling was adjusted to ${\in}5.36$ per voucher in 2015. In 2016, following the 0.1% increase to the first personal income tax band, this amount has been raised by 0.1% to ${\in}5.37$. The employer is naturally free to contribute more than this amount provided that the 50% and 60% minimum and maximum limits are adhered to. However, in this case, the fraction of the contribution in excess of the exemption ceiling will be 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, as the portion of the face value paid by the employer within the legal limits (between 50% and 60% of the value up to the current exemption ceiling) is not subject to personal income tax.

However, to qualify for the exemption, the employee must comply with the applicable regulations, particularly regarding the use of the vouchers.

1.8.1.3 Regime applicable in Brazil

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 fastfood outlets, while food

vouchers may only be used in supermarkets and grocery stores. The two types of vouchers cannot be substituted for each other and merchants are not allowed to give any money back on them.

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. They cannot reduce the number of vouchers allocated to an employee or suspend the allocation as a disciplinary measure.

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. In addition to being exempt from payroll taxes, which in Brazil can represent up to 100% of gross salary, the employer's contribution is exempt from corporate income tax up to the equivalent of 4% of the tax due for each tax year.

In 2014, the Brazilian Central Bank regulated the issuance and use of certain electronic payment solutions. As a result, while food and meal vouchers continue to be governed by the Brazilian Labor Ministry with the same operating methods and objectives, the cards used as the medium for granting these benefits are now subject to regulations issued by the Central Bank. In 2015, Edenred submitted the registration applications for the companies affected by the regulations to the Central Bank. At December 31, these applications had yet to be validated by the Central Bank.

The new regulations will come into effect by the end of 2016 or early 2017. The objectives include: setting a minimum level of share capital to be able to issue the cards mentioned above; improving knowledge of customers and users; and strengthening internal control requirements. In addition, restrictions will also be gradually imposed on the funds maintained in users' accounts, from the card's issuance to its use in the networks of affiliated merchants. Edenred will comply with all of the new regulations as soon as they come into effect.

1.8.2 OTHER REGULATIONS

1.8.2.1 Within the European Union

The issuance of e-money is regulated by European directive 2009/110/EC of September 16, 2009 (the "E-Money directive"). The directive defines e-money as an "electronically, including magnetically, stored monetary value as represented by a claim on the issuer which is issued on receipt of funds for the purpose of making payment transactions, and which is accepted by a natural or legal person other than the electronic money issuer."

The directive also states that it is not intended to apply to "monetary value stored on specific pre-paid 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."

Neither meal and food vouchers nor other Employee Benefits constitute e-money, whether in paper or paperless format. The E-Money directive clarifies the idea of a "limited network" by using the example of "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 from the scope of this directive is confirmed in amending directive 2007/64/EC of November 13, 2007 (the "Payment Services directive"), which provides a regulatory framework for payment services in the European Union, particularly regarding the issuance and acquisition of payment instruments, and is closely interlinked with the E-Money directive. The new Payment Services directive, approved by the European Parliament on November 25, 2015, clearly and unconditionally states that the directive does not apply to "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 and Rewards solutions and Expense Management solutions contain some programs that Member States consider to be e-money, which can only be issued by licensed institutions subject to specific capital adequacy rules. The Group offers these types of solutions through its PrePay Solutions subsidiary, an e-money issuer licensed in the UK, and through the two e-money issuers created

by the Group in Italy and France to meet local needs – Edenred Italia Fin S.r.I. and Edenred Paiement SAS. These three e-money issuers can issue prepaid cards regarded as e-money, based on the definitions in the E-Money directive, both within their own countries and throughout all European Union countries in which Edenred offers solutions based on prepaid cards regarded as e-money.

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 concerns the obligation to protect the funds received in exchange for the issue of e-money. These funds are reported in the balance sheet under "Restricted cash" (see section 2.1.1.4, page 43, and Note 4.5 to the consolidated financial statements, page 190).

In Europe, Edenred monitors changes in regulations governing:

- payment services, in particular via the proposed second Payment Services directive;
- the prevention of money-laundering and particularly directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;
- the protection of personal data, in particular the proposed EU General Data Protection Regulation expected to come into force in 2017 in all EU Member States;
- the management of interchange fees and particularly directive (EU) 2015/751 on interchange fees for card-based payment transactions, which reiterates the exclusion of Employee Benefits referred to above.

1.8.2.2 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 were published or entered into force in 2015. In many cases, they 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".

1.9 CONTRACTUAL RELATIONSHIPS

1.9.1 CONTRACTUAL RELATIONSHIPS WITH CLIENTS

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

The master contracts are generally signed following a call for bids and may cover one or several of the client's facilities or subsidiaries. They are usually for periods of one to three years. The contracts specify the commission rate to be billed to the client and the

frequency of billings and payments. It is rare for them to include an exclusivity clause.

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.

1.9.2 CONTRACTUAL RELATIONSHIPS WITH AFFILIATED MERCHANTS

Affiliation contracts are signed by the Edenred subsidiary concerned with the local merchant network, on a solution-by-solution basis.

The contracts stipulate the terms of reimbursement of the vouchers and the commission terms. Nearly all of the solutions sold by Edenred are covered by affiliation contracts.

1.9.3 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, following a call for bids, the Group signed master contracts for the provision of cloud-based solutions

and to manage the related network issues, particularly in terms of compliance and availability.

As the Group continues to digitize its solutions, a large proportion of its contractual relations with suppliers and service providers are also likely to cover purchases of computer servers, plastic cards (with magnetic strips and computer chips), server hosting services, and partnerships with acquisition networks and authorizers.

1.10 INTELLECTUAL PROPERTY

Edenred's intellectual property mainly consists of its portfolio of brands and domain names, which are managed by a dedicated legal team. *Ticket Restaurant*® and the names of the other products and services offered by Edenred are registered trademarks that are the property of the Edenred Group.

Controls over compliance with the rules governing the acquisition of intellectual property rights are executed by contract managers,

as explained in section 1.9.3, and by administrative teams, through the normal filing and registration process.

A surveillance system has been set up to combat attempts to fraudulently use Edenred's brands and domain names.

Edenred also opposes the use of its protected trademarks as generic names in order to preserve their distinctive character.

1.11 REAL ESTATE

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

FINANCIAL REVIEW

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2.1 RESULTS OF OPERATIONS

2.1.1 CONSOLIDATED RESULTS

2.1.1.1 Introduction

2015 saw a **sustained increase in annual results, on a like-for-like basis**, as the following key indicators illustrate:

- issue volume up 8.7% to €18,273 million;
- 50.3% operating flow-through ratio (1), in line with the target of more than 50%;
- EBIT up 9.7% to €341 million;
- funds from operations (FFO) (2) up 12.5% to €280 million.

Profitability was maintained at a high level, with reported EBIT stable year-on-year despite a negative currency effect over the period. Major achievements during the year included robust growth in Employee Benefits solutions, a sharp increase in the Expense Management business, strategic acquisitions and further progress in the ongoing shift to digital.

2015 financial highlights

			% cha	nge
(in € millions)	2015	2014	Reported	Like-for-like
Issue volume	18,273	17,713	+3.2%	+8.7%
Operating revenue with issue volume	848	843	+0.5%	+7.4%
Operating revenue without issue volume	152	115	+32.2%	+4.3%
Financial revenue	69	76	-9.3%	-0.5%
Total revenue	1,069	1,034	+3.3%	+6.4%
Operating expenses, including depreciation, amortization and provisions	(728)	(691)	+5.3%	+4.8%
Operating EBIT	272	267	+1.8%	+12.6%
Financial EBIT	69	76	-9.3%	-0.5%
Total EBIT	341	343	-0.6%	+9.7%
Operating profit before tax and non-recurring items	303	297	+2.2%	+12.8%
Net profit, Group share	177	164	+7.7%	
Recurring profit after tax	199	194	+2.3%	

2.1.1.2 Analysis of consolidated financial results

Issue volume

Issue volume for the year was up 8.7% to €18,273 million, in line with the Group's historic medium-term target of 8%-14% annual

like-for-like growth. Reported growth stood at 3.2% for the period, after taking into account:

- the 0.9% positive impact from changes in the scope of consolidation, which included the acquisitions of Bonus (Brazil) and Nets Prepaid (Finland);
- the 6.4% negative currency effect in the period, primarily due to the 15.4% decline in the Brazilian real against the euro.

- (1) Ratio of the like-for-like change in operating EBIT to the like-for-like change in operating revenue.
- (2) Before non-recurring items.

(a) Issue volume by region

Growth in issue volume by region was as follows:

	Ye	ar	% cha	nge
Region (in € millions)	2015	2014	Reported	Like-for-like
France	3,010	2,880	+4.5%	+3.7%
Rest of Europe	5,653	5,342	+5.8%	+4.4%
Latin America	8,852	8,851	0.0%	+12.4%
Rest of the World	758	640	+18.5%	+14.8%
TOTAL	18,273	17,713	+3.2%	+8.7%

In Latin America, issue volume for the year was up 12.4% like-for-like at €8.9 billion, or 48% of the Group's total issue volume.

In **Brazil**, issue volume for 2015 rose by 8.5% like-for-like despite a very weak economic environment. Issue volume for the Employee Benefits business continued to increase, up 4.8% like-for-like despite a sudden, sharp rise in unemployment. Expense Management solutions enjoyed very strong 23.1% like-for-like growth, reflecting the market's significant growth potential.

In **Hispanic Latin America**, issue volume rose 19.1% like-for-like, driven by strong growth in the Employee Benefits (up 18.8% like-for-like) and Expense Management (up 19.2% like-for-like) businesses. **Mexico**, Edenred's biggest market in the region, continued to deliver robust organic growth (up 14.8% like-for-like), despite a tough basis of comparison since June ⁽¹⁾.

In **Europe**, 2015 issue volume was \in 8.7 billion (or 47% of the Group's total issue volume), up 4.2% like-for-like.

France advanced 3.7% like-for-like on the back of further solid growth in the *Ticket Restaurant*® meal voucher solution (up 3.9%). Edenred is the leader in the shift to digital in France, with a share of 65% of the digital meal voucher market. Around 30% of *Ticket Restaurant*® card users relate to new client wins.

In Italy, the 3.0% like-for-like rise in private sector issue volume over the period more than offset the expected decline in issue volume for the public sector. Growth in issue volume accelerated in **Central Europe** (up 7.2% like-for-like over the period), thanks to a more favorable economic environment.

In the **United Kingdom**, the *Childcare Vouchers*® business rose by 3.5% like-for-like.

Lastly, issue volume in the **Rest of the World** climbed 14.8% on a like-for-like basis over the year, driven mainly by strong growth in **Turkey**, the region's primary contributor.

(b) Issue volume by solution

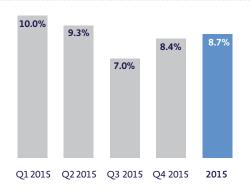
	Employee	Employee Benefits				
	Meal & Food	Quality of Life	Expense Management	Incentive & Rewards	Public Social Programs	Total
Issue volume (in € millions)	12,652	1,811	2,891	749	170	18,273
% of total issue volume	69%	10%	16%	4%	1%	100%
Like-for-like growth	+6.5%	+8.1%	+21.5%	+7.3%	n.m.	+8.7%

The year saw robust 6.7% growth in the issue volume of **Employee Benefits** associated with meals and food and quality of life, which represented 79% of the consolidated total at December 31, 2015. **Expense Management** solutions, the second pillar of Edenred's offer, now accounts for 16% of issue volume versus 14% at end-2014, delivering robust 21.5% growth. The **Incentive & Rewards** business posted a good performance (issue volume up 7.3%), despite a challenging economic environment in Europe.

FINANCIAL REVIEW 2.1 Results of operations

(c) Issue volume by quarter

Quarterly like-for-like changes in issue volume were as follows:



(d) Digital issue volume

The **shift to digital** continued at a rapid pace, with digital issue volume representing 65.4% ⁽¹⁾ of the consolidated total at end-2015, up 3.4 points over the year.

In **Europe**, the transition launched in 2010 is accelerating and digital issue volume now represents **36%** of the region's total issue volume, up 7 points from 29% at end-2014.

There were more than 140,000 **Ticket Restaurant®** card holders in **France** at the end of December, of which around 30% relate to new client wins. Already, 10% of all beneficiaries have a **Ticket Restaurant®** card, making Edenred the **leader** in the shift to digital on the French market.

In Latin America, digital solutions accounted for 94% of total issue volume at end-2015, up 2 points on end-2014.

In the **Rest of the World** region, digital solutions represented **70%** of total issue volume, up 4 points year-on-year.

Revenue

Total revenue for 2015 amounted to €1.1 billion, representing a like-for-like increase of 6.4% on the previous year. Total revenue comprises operating revenue with issue volume (up 7.4% like-for-like), operating revenue without issue volume (up 4.3% like-for-like) and financial revenue (down 0.5% like-for-like).

On a reported basis, the year-on-year change was a rise of **3.3%**, after taking into account the 3.5% positive impact from changes in the scope of consolidation and the 6.6% negative currency effect.

The year's revenue breaks down as follows:

			% cha	ange
(in € millions)	2015	2014	Reported	Like-for-like
Operating revenue with IV (1)	848	843	+0.5%	+7.4%
Operating revenue without IV (1)	152	115	+32.2%	+4.3%
Financial revenue	69	76	-9.3%	-0.5%
TOTAL REVENUE	1,069	1,034	+3.3%	+6.4%

⁽¹⁾ IV: issue volume.

a) Operating revenue with issue volume

Operating revenue with issue volume increased by 7.4% like-forlike to €848 million.

In 2015, growth in operating revenue with issue volume was 130 basis points lower than growth in issue volume. This difference

results from various mix effects (type of solution, country, contract) and in 2015 reflected in particular the renegotiation of client fees in several countries and the withdrawal from some large but low-margin contracts.

⁽¹⁾ Digital issue volume of 69.2% at the end of 2015 when applying 2013 rates for the Brazilian real (2.87 BRL/€) and Venezuelan Bolivar Fuerte (15.01 VEF/€).

Operating revenue with issue volume by region

The following table presents quarterly changes in operating revenue with issue volume by region.

Like-for-like growth	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
France	+2.9%	+2.7%	-2.5%	-1.6%	+0.2%
Rest of Europe	+3.3%	+3.6%	+3.4%	+2.8%	+3.3%
Latin America	+14.8%	+14.5%	+8.0%	+10.9%	+11.9%
Rest of the World	+13.2%	+11.8%	+9.8%	+12.7%	+11.8%
TOTAL	+9.0%	+9.2%	+5.3%	+6.3%	+7.4%

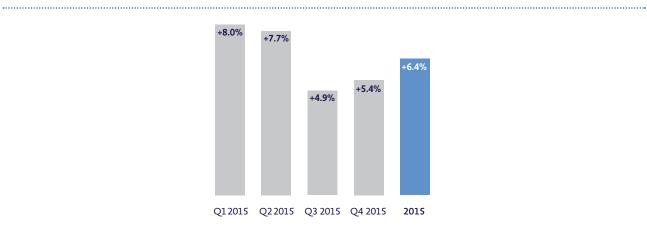
b) Financial revenue

Financial revenue was €69 million, virtually stable like-for-like (down 0.5%), in line with expectations for the year as a whole. This results from a solid 12.6% like-for-like increase in Latin America and a 15.2% like-for-like decline in Europe, reflecting interest rate trends in the two regions.

Like-for-like growth	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
France	-17.7%	-21.9%	-26.2%	-26.6%	-22.9%
Rest of Europe	-7.6%	-7.6%	-9.9%	-8.8%	-8.5%
Latin America	+19.2%	+8.3%	+10.8%	+12.6%	+12.6%
Rest of the World	+26.9%	+19.1%	+23.8%	+15.1%	+20.7%
TOTAL	+2.7%	-2.7%	-1.6%	-0.4%	-0.5%

c) Total revenue by quarter

Quarterly like-for-like changes in total revenue were as follows:



EBIT

EBIT corresponds to total revenue (operating and financial) less operating expenses ⁽¹⁾, depreciation, amortization and provisions. It includes:

- operating EBIT, which corresponds to operating profit less financial revenue:
- financial EBIT, which corresponds to financial revenue.

(a) EBIT growth

On a reported basis, **total EBIT** remained stable year-on-year, at **€341 million**. Like-for-like, total EBIT advanced by €33 million, or **9.7%.** Changes in the scope of consolidation had a positive €6 million impact, while the currency effect was a negative €41 million.

Operating EBIT (which excludes financial revenue) rose by 12.6% like-for-like to €272 million, a good performance that reflected an operating flow-through ratio of 50.3%, in line with the target of more than 50%.

Operations in **Latin America** posted an excellent performance, with organic growth of **15.5%** in operating EBIT, versus growth in operating revenue with issue volume of 11.9%. In **Europe**, operating EBIT growth was **6.0%** like-for-like, compared with growth in operating revenue with issue volume of 2.3%.

The Group notes that its subsidiaries' operating EBIT margins are not affected by exchange rate movements. Therefore, on a like-for-like basis, the Group's operating EBIT margin increased from 27.9% to 29.3% in 2015. However, given the differences in operating profitability among the various subsidiaries and their respective contributions to the Group's results, the consolidated operating margin is weighed down by an unfavorable currency mix effect. After taking into account this effect and the changes in scope of consolidation during the year, the Group's operating EBIT margin came to 27.2%.

Financial EBIT (corresponding to financial revenue) was down 0.5% like-for-like to €69 million.

(b) EBIT by region

	Year	•	% change		
Region (in € millions)	2015	2014	Reported	Like-for-like	
France	42	40	+3.9%	-15.2%	
Rest of Europe	108	100	+7.4%	+6.6%	
Latin America	202	213	-5.2%	+15.0%	
Rest of the World	12	9	n/a	n/a	
Worldwide structures	(23)	(19)	+16.7%	+9.8%	
TOTAL	341	343	-0.6%	+9.7%	

Net financial expense

Net financial expense amounted to **€47 million** in 2015, versus €46 million the previous year.

Finance costs for the year totaled €42 million. After hedging gains and interest income from the investment of available cash, together representing a positive impact of €10 million, net finance costs came to €32 million in 2015.

Currency effects and other financial income and expenses represented a net expense of €15 million.

Operating profit before tax and non-recurring items

Operating profit before tax and non-recurring items totaled €303 million in 2015 versus €297 million in 2014, an increase of **2.1**% on a reported basis.

Income tax expense

Income tax expense amounted to €98 million in 2015 versus €99 million the year before. The effective tax rate on recurring profit was 32.8%, compared with 33.2% in 2014.

Net profit

After adding in €9 million in profit from associates and deducting €47 million in net financial expense, €98 million in tax expense and €5 million in minority interests, **recurring net profit after tax** was 2.3% higher at €199 million versus €194 million in 2014.

Net profit, Group share totaled €177 million for the year, compared with €164 million for 2014.

⁽¹⁾ Operating expenses correspond to the operating expenses and operating provision charges discussed in Note 4 to the consolidated financial statements, page 188.

2.1.1.3 Dividend and payout ratio

	2015	2014	2013	% change 2015 vs. 2014
Recurring profit after tax (1) (in € millions)	199	194	193	+2.3%
Weighted average shares outstanding (in millions)	228	227	225	
Recurring profit after tax per share (in €)	0.87	0.86	0.86	+0.9%
Ordinary dividend per share (in €)	0.84 (2)	0.84	0.83	+0.0%
Ordinary dividend payout (in € millions)	191	191	185	
Payout ratio (3)	96%	97%	96%	

- (1) Recurring profit after tax = net profit less non-recurring items (including tax), less minority interests.
- (2) To be recommended at the Annual Shareholders Meeting on May 4, 2016. Shareholders will be given the option of receiving the total dividend in cash or receiving 50% in cash and 50% in stock at a 10% discount.
- (3) Total dividend as a percentage of recurring profit after tax.

2.1.1.4 Liquidity and financial resources

Cash flows (1)

(in € millions)	December 2015	December 2014
Net cash from operating activities	368	385
Net cash from operating activities including non-recurring transactions	337	353
Net cash used in investing activities	(315)	(117)
Net cash used in financing activities	26	(231)
Effect of changes in exchange rates and fair values	(39)	(1)
Net change in cash and cash equivalents	9	4
Cash and cash equivalents at beginning of period	397	393
Cash and cash equivalents at end of period	406	397
Net change in cash and cash equivalents	9	4

⁽¹⁾ See the consolidated statement of cash flows on page 168 and Note 4.4 to the consolidated financial statements on page 189.

Net cash from operating activities corresponds to funds from operations before non-recurring items, plus the change in working capital (*i.e.* the recurring increase in negative working capital requirement) plus the change in restricted cash.

Restricted cash, in the amount of €858 million at December 31, 2015 versus €797 million at December 31, 2014, corresponds mainly to service voucher funds in France (€599 million), the United Kingdom (€165 million), Romania (€43 million), the United States (€21 million) and India (€12 million) that are subject to specific regulations in these countries. Due to the restrictions on their use,

increases in these funds are recorded as a deduction from net cash from operating activities.

Funds from operations before non-recurring items (FFO)

Funds from operations before non-recurring items (FFO) amounted to €280 million, versus €261 million in 2014. The like-for-like increase of 12.5% was higher than the Group's objective of more than 10% normalized annual growth ⁽¹⁾. FFO calculation is analyzed in section 2.1.1.5 "Management Indicators", page 46.

⁽¹⁾ Normalized organic growth target for the 2010-2016 period.

Working capital requirement

The following table sets out the items that make up the working capital requirement, excluding restricted cash.

(in € millions)	December 2015	December 2014	% change
Inventories, net	19	14	5
Trade receivables, net	973	1,035	(62)
Other receivables and accruals, net	272	272	-
Working capital assets	1,264	1,321	(57)
Trade payables	82	67	15
Other payables	172	169	3
Vouchers in circulation	3,564	3,615	(51)
Working capital liabilities	3,818	3,851	(33)
NEGATIVE WORKING CAPITAL	2,554	2,530	24

Negative working capital requirement at December 31, 2015 was up €24 million compared with December 31, 2014.

Debt

Net debt analysis

The Group had net debt of €637 million at December 31, 2015 versus net debt of €268 million at the previous year-end.

The €637 million net debt position at December 31, 2015 takes into account:

- the €311 million in free cash flow for the year, allocated to the shareholder return policy for €191 million and to acquisitions for €240 million;
- the currency effect and non-recurring items for a negative €249 million (of which a negative €171 million for the currency effect alone)

The ratio of adjusted funds from operations to adjusted net debt was 34%, according to the Standard & Poor's report as of March 11, 2016, thereby supporting a "**Strong Investment Grade**" rating.

(in € millions)	December 2015	December 2014
Non-current debt	1,476	1,307
Other non-current financial liabilities	38	46
Current debt	2	2
Bank overdrafts	61	28
Other current financial liabilities	45	26
Debt and other financial liabilities	1,622	1,409
Current financial assets	(40)	(51)
Other marketable securities	(478)	(665)
Cash and cash equivalents	(467)	(425)
Cash and cash equivalents and other current financial assets	(985)	(1,141)
NET (CASH) DEBT	637	268

Non-current debt consists mainly of:

- €522 million (€800 million gross prior to the early repurchase of €290 million in February 2015) in 3.625% fixed-rate 7-year **bonds** due October 6, 2017;
- €231 million (€225 million gross) in 3.750% fixed-rate 10-year private placement notes due May 23, 2022;
- €261 million (€250 million gross) in 2.625% fixed-rate 7-year bonds due October 30, 2020;

 €461 million (€500 million gross) in 1.375% fixed-rate 10-year bonds due March 10, 2025. The €200 million in bank borrowings repayable in June 2015 were paid down in the second half of 2014. As a result, the Group no longer has any bank debt other than short-term bank overdrafts.

As of December 31, 2015, the Group's debt and other financial liabilities, totaling €1,622 million, were due as follows: 7% in 2016, 33% in 2017, 1% in 2018, 16% in 2020 and 43% in 2021 and beyond, as set out in the table below.

(in € millions)	2016	2017	2018	2019	2020	2021 and beyond	December 31, 2015
Debt and other financial							
liabilities	108	535	15	5	261	698	1,622
TOTAL	108	535	15	5	261	698	1,622

The cost of gross debt at December 31, 2015 was 2.74% before hedging and 1.96% after hedging (see Notes 6 to the consolidated financial statements, page 208).

The maturity of financial investments (see Note 6.3 page 204 and Note 4.5 Restricted Cash in the consolidated financial statements page 190) breaks down as follows:

maturity >1 year: 29%;

• maturity <1 year: 71%.

Marketable securities include €473 million worth of term deposits and equivalents with maturities of more than three months and €5 million worth of money market securities and bonds, as well as UCITS.

Cash and cash equivalents break down as €174 million in cash and €293 million in money market instruments with original maturities of less than three months.

Free cash flow

Free cash flow generated over the year totaled €311 million.

(in € millions)	December 2015	December 2014
EBITDA	387	381
Net financial expense	(46)	(46)
Income tax paid	(104)	(95)
Non-cash items	20	21
Dividends received from investment in associates	23	0
Funds from operations	280	261
Change in working capital requirement	129	160
Change in restricted cash	(41)	(36)
Recurring capital expenditure	(57)	(50)
FREE CASH FLOW	311	335

Equity

Equity represented a negative amount of €1,442 million at December 31, 2015 and €1,320 million at the end of the previous year. This is due to the recognition at historical cost of the assets contributed or sold to Edenred by Accor through the asset contribution-demerger transaction. It has no impact on the Group's refinancing capacity, the underlying strength of its financial position or its dividend paying ability.

The statement of changes in equity is presented on page 169 of the consolidated financial statements.

Off-balance sheet commitments

Off-balance sheet commitments amounted to €161 million at December 31, 2015, versus €94 million a year earlier. For more details, see Note 11.5 of the consolidated financial statements, page 235.

2.1.1.5 Management ratios

Key ratios and indicators

	2015	2014
Like-for-like growth in issue volume	+8.7%	+12.0%
Total net margin (EBIT/issue volume)	1.9%	1.9%
EBIT margin excluding financial revenue (EBIT – financial revenue/issue volume)	1.5%	1.5%
Like-for-like growth in FFO (1)	+12.5%	+15.1%
Adjusted FFO/adjusted net debt (2)	*34%	**40%

^{*} As published by Standard & Poor's on March 11, 2016.

^{**} As published by Standard & Poor's on May 12, 2015.

(1) FFO growth is calculated as follows:		
(n) € millions)	2015	2014
+ EBITDA	387	381
- Net financial expense	(46)	(46)
- Income tax paid	(104)	(95)
- Non-cash income and expenses included in EBIT	19	19
- Cancellation of financial provisions and provisions for taxes	1	2
+ Dividends received from investment in associates	23	0
= Funds from operations before non-recurring items (FFO)	280	261
Growth in FFO	+7.3%	-0.4%
Like-for-like growth in FFO	+12.5%	+15.1%

(2) The adjusted FFO/adjusted net debt ratio is calculated as follows:		
(in € millions)	2015	2014
Net debt (cash) at December 31	637	268
Standard & Poor's adjustment	162	303
Adjusted net debt (cash)	799	571
EBITDA	388	381
Standard & Poor's adjustment	(114)	(150)
Adjusted FFO	274	231
Adjusted FFO/adjusted net debt	*34%	**40%

^{*} As published by Standard & Poor's on March 11, 2016.

Following a change in methodology, the adjusted FFO/adjusted net debt ratio published by Standard & Poor's (34%) reflects a difference compared to previous years.

2.1.1.6 Material contracts

During 2015, no contract representing a material obligation or commitment for the Group was signed in connection with the Group's external growth operations.

^{*} As published by Standard & Poor's on May 12, 2015.

2.1.2 FORESEEABLE DEVELOPMENTS

The outlook for 2016 is described in section 1, page 24.

2.1.3 MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties that may affect the Group in the current financial year are the same as the ones described in section 3 "Risk Factors", page 53.

The October 6, 2010 €800 million 7-year bond issue of which €290 million were repurchased before maturity in February 2015, the May 23, 2012 €225 million 10-year bond issue, the October 30, 2013 €250 million 7-year bond issue and the March 10, 2015 €500 million 10-year bond issue do not give rise to any rating risk because they were assigned a specific rating at the time of issue in line with standard market practice.

2.1.4 MAIN RELATED PARTY TRANSACTIONS

The main related party transactions are presented in detail in Note 11 to the consolidated financial statements, page 233.

2.1.5 RESEARCH AND DEVELOPMENT ACTIVITIES

None.

2.1.6 SOCIAL, SOCIETAL AND ENVIRONMENTAL INFORMATION

Social, societal and environmental information is provided in section 4, page 65.

2.1.7 SUBSEQUENT EVENTS

Subsequent events are presented in Note 3 to the consolidated financial statements, page 180.

2.2 MANAGEMENT REPORT FOR THE EDENRED PARENT COMPANY

DESCRIPTION OF THE BUSINESS

As the Group holding company, Edenred SA manages a portfolio of equity interests, collects dividends from subsidiaries and drives the Group's development.

The Company owns a portfolio of brands, including *Ticket Restaurant*®, *Ticket Alimentaçao*®, *Ticket Compliments*®, *ChildcareVouchers*®, and *Ticket EcoCheque*®, and earns revenues from licensing these brands.

It also provides services to other members of the Group in the areas of prepaid solutions, staff secondment, cash management and IT, as well as advisory services. These services are billed as a percentage of the subsidiaries' revenues and/or profits or as a flat fee or on a per-service basis. They are determined on arm's length terms.

2015 RESULTS

The Company reported 2015 revenue of €30 million versus €29 million in 2014, including all royalties and service fees earned in the normal course of business.

Service revenues correspond to fees billed under the Master Services Agreement, for the secondment of staff and various additional costs.

Analysis of Edenred SA revenue

(in € millions)	2015	2014	% of total
Service fees			
Mutual costs			
IT services	7	7	24.15%
Master Services Agreement	18	18	59.99%
Other	5	4	15.85%
TOTAL	30	29	100%

Operating income and expenses

Other revenues, own work capitalized, reversals of depreciation, amortization and provisions and expense transfers together totaled €87 million in 2015 compared with €45 million in 2014. The increase is mainly due to the transfer of bond issuance costs recognized in deferred charges (€29 million) and the reversal of provisions for length-of-service awards (€8 million) as a result of governance changes

The Company ended the year with an operating loss of €19 million versus a €24 million loss in 2014.

Operating expenses in 2015 amounted to €136 million compared with €98 million the previous year.

External charges went up to €74 million from €39 million in 2014.

Payroll costs rose to €39 million from €34 million in 2014.

Depreciation, amortization and impairment of fixed assets was €3 million in 2015, versus €2 million the previous year.

Provisions for length-of-service awards payable to employees on retirement reflect an addition of €1 million and a reversal of €8 million in 2015, versus a net addition of €1 million in 2014.

Net financial income

Net financial income for the year amounted to €190 million compared with €62 million in 2014.

Movements on financial provisions, for the most part provisions for impairment of shares in subsidiaries and risks related to subsidiaries, represented net income of €7 million. This amount reflected (i) €54 million in write-downs of shares in subsidiaries and affiliates, mainly the Edenred France subsidiary for €22 million and Surfgold Singapore for €18 million, (ii) €41 million in reversals of provisions for shares in subsidiaries and affiliates, including the €16 million for the Shanghai Yagao Meal, Beijing Yagao Meal and Edenred China subsidiaries following their disposal, and €12 million for Accentiv Travel, (iii) €2 million in provisions for risks related to subsidiaries, of

2.2 Management Report for the Edenred parent company

which Edenred Portugal for €1 million, (iv) €14 million in reversals of provisions for risks relating to subsidiaries for Shanghai Yagao Meal and Beijing Yagao Meal, and (v) a €8 million reversal of provisions for receivables.

Dividend income for the year totaled €194 million, versus €97 million in 2014. It included €85 million from Edenred Belgium, €49 million from Edenred France, €16 million from ASM, €15 million from Saminvest, €14 million from Edenred España, and €7 million from Edenred Brasil Participações.

Recurring profit before tax

Recurring profit before tax amounted to €171 million versus €38 million in 2014.

Non-recurring items

Non-recurring items represented a net expense of €33 million, compared with a net expense of €2 million the previous year, mainly due to capital losses on the disposal of Shanghai Yagao Meal, Beijing Yagao Meal and Edenred China.

Income tax expense

Edenred SA reported a €26 million tax loss in 2015, compared with a €67 million tax loss the previous year. Edenred SA and its eligible French subsidiaries elected for the Group relief system governed by Article 223A of the French General Tax Code on March 18, 2011. The election applies as from the 2011 tax year.

In 2015, Group relief of €8 million was recorded in Edenred SA's accounts, including tax credits.

Edenred SA reported a consolidated tax loss of €11 million on behalf of the tax group in 2015.

Net profit

Net profit for 2015 stood at €137 million (€137,391,090), compared with €41 million (€41,569,054) in 2014.

Non-deductible provisions for liabilities and charges and nondeductible expense accruals recorded in the balance sheet at December 31, 2015 totaled €6 million, compared with €25 million a year earlier.

Edenred SA paid out €191 million (€191,332,462) in dividends for 2014, or €0.84 per share, giving shareholders the option of reinvesting 50% of the dividend in new shares. The transaction resulted in the creation of 2,005,302 new ordinary Edenred shares, representing 0.87% of the capital. The total cash dividend, in an amount of €149 million, was paid on June 8, 2015.

The recommended ordinary dividend has been set at €0.84 per share. Details of the proposed appropriation of earnings are provided in section 8 of the Registration Document.

Details of the positions and directorships held by the directors and of the Executive Directors' compensation are provided in section 5 "Corporate Governance".

INFORMATION ON SUPPLIER PAYMENTS

Edenred SA trade payables analyzed by due date

(in € millions)		Invoices receivable	Less than 30 days	In 30-60 days	More than 60 days
	Trade payables	0	1	-	_
2014	Supplier invoices receivable	3	2	1	-
	TOTAL	3	3	1	-
	Trade payables	0	2	-	-
2015	Supplier invoices receivable	4	3	1	-
	TOTAL	4	5	1	_

NON-DEDUCTIBLE EXPENSES

The aggregate amount of non-deductible costs and expenses referred to in Article 39 paragraph 4 of the French General Tax Code amounted to €169,134 for 2014 and the tax paid thereon was €58,233 (disclosure made in application of Articles 223 quater and quinquies, 39-4 and 39-5 of the Tax Code).

BUSINESS REVIEW IN 2015

In 2015, the Company carried out its holding company activities.

During the year, the Company continued to apply its investment strategy of acquiring minority interests, generally through joint

investments with other investment funds, in innovative projects offering significant growth potential in similar markets to the Group's businesses.

For this reason, Edenred SA continued to subscribe to Partech VI capital calls in 2015, investing €2 million, and in new investments that are shown in the table below:

Company	Group stake
Tim talent	25.03%
Zen Chef – 1001 menus	15.27%
Lucky Card	13.04%
Finsquare – Invex	9.73%

TRANSACTIONS IN EDENRED SA SHARES

At December 31, 2015 Edenred SA held 3,008,056 of its own shares, representing 1.3% of the capital.

The Company's ownership structure is described in section 7.3.1 "Ownership Structure".

On November 3, 2011, Edenred SA entered into a liquidity contract with Exane BNP Paribas that complied with the AMAFI Code of Conduct recognized by the Autorité des marchés financiers (AMF), whereby Exane BNP Paribas undertook to make a market in Edenred SA shares on the Euronext Paris stock exchange.

On November 3, 2014, Edenred SA entered into a liquidity contract with Oddo Corporate Finance that complies with the Code of Conduct issued by AMAFI on March 8, 2011 and approved by the Autorité des marchés financiers on March 21 of the same year.

The resources credited to the liquidity account to fund these marketmaking transactions were, at 31 December 2015:

- €4,628 million in cash;
- 250,000 Edenred shares.

FINANCING

On February 24, 2015, the Group announced the launch of a partial debt tender offer for cash relating to the bond issue due October 2017. The operation was followed by a new bond issue in euros

On March 3, 2015, Edenred placed a \in 500 million ten-year 1.375% bond issue.

In particular, this new bond issue enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to six years.

Following these transactions, at 31 December 2015 the Company had total debt of €1,485 million.

2.2 Management Report for the Edenred parent company

RELATIONS WITH SUBSIDIARIES

Edenred SA holds direct interests of 50% and over in 38 companies. The most significant interests, in terms of value, are as follows:

 Edenred France (€464,966,992), a French company that issues meal vouchers and other prepaid services solutions to customers in France.

In 2015, it had revenues of \leqslant 144,058,884, versus \leqslant 143,372,160 in 2014, and recurring profit before tax of \leqslant 46,699,571, compared with \leqslant 75,563,033 for the previous year;

- ASM (€306,267,400), a French holding company;
- Edenred Belgium (€8,607,913), a Belgian company that issues meal vouchers and other prepaid services solutions to customers in Belgium.

In 2015, it had revenues of \leqslant 40,821,000 versus \leqslant 43,380,000 in 2014, and recurring profit before tax of \leqslant 78,025,000 compared with \leqslant 54,978,000 for the previous year.

The table below presents subsidiaries whose carrying amount in Edenred SA's balance sheet exceeds 1% of the Company's share capital:

Subsidiaries and affiliates	Currency	% interest
Subsidiaries and affiliates with a carrying amount in excess of 1% of Edenred SA's capital		
Subsidiaries (at least 50%-owned)		
a) French subsidiaries		
Edenred France 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
ASM 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Quattro 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Cinq 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Huit 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Saminvest 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	60%
Veninvest Neuf 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Onze 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Douze 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
Veninvest Seize 166 - 180 bd Gabriel-Péri 92240 Malakoff	EUR	100%
b) Foreign subsidiaries		
Surgold India PVT Ltd (Singapore)	INR	100%
Edenred (India) PVT Ltd (India)	INR	94.90%
Edenred Pte Ltd (Singapore)	SGD	100%
Edenred España SA (Spain)	EUR	100%
Cestaticket Services C.A. (Venezuela)	VEF	57%
Edenred Belgium	EUR	100%
Edenred Deutschland GmbH (Germany)	EUR	100%
Barclays Voucher Co, Ltd (Japan)	JPY	100%
Inversiones Dix Venezuela, SA	VEF	100%
Edenred Portugal	EUR	50%
Big Pass (Colombia)	COP	100%

The other subsidiaries and affiliates are presented in Note 24 to the Company financial statements - Subsidiaries and affiliates.

RATIOS
None.
RISK FACTORS
Risk factors are described in section 3, page 53, of the Registration Document.
RESEARCH AND DEVELOPMENT ACTIVITIES
None.
SUBSEQUENT EVENTS
There have been no significant events since December 31, 2015.
DEVELOPMENTS AND OUTLOOK

Edenred SA will pursue its holding company activities in the coming years.

RISK FACTORS

3.1	LEG/	AL RISKS	54	3.4	OPERATIONAL RISKS	61
	Chang	e in the laws or regulations applicable to			Customer risks	61
	solutio	ns qualifying for a specific tax regime	54		Risk of voucher forgery and theft	61
	•	es in the legislative or regulatory environment			Migration from paper to digital solutions	61
		perless solutions	55		Information system risks	62
	Protec	tion of the Group's brands	55		Environmental risks	62
3.2	EXT	ERNAL RISKS	56	3.5	RISKS ASSOCIATED WITH THE	
	Economic risks Competition risks Risks related to partnerships		56 56	3.3	GROUP'S GROWTH STRATEGY	
					AND ORGANIZATION STRUCTURE	62
					Risks associated with the Group's growth strategy	62
	and ot	nd other strategic agreements			Risks associated with the Group's organization structure	63
	Risks associated with international activities		57		This is associated with the Group's organization structure	00
3.3	MARKETRISKS		58	3.6	LEGAL AND ARBITRATION PROCEEDINGS	64
	3.3.1	Preliminary comment	58			-
	3.3.2	Interest rate risk	58	3.7	RISKS TRANSFERRED TO THE	
	3.3.3	Currency risks	59		INSURANCE MARKET	64
	3.3.4	Counterparty risk	59			
	3.3.5	Financing and liquidity risk	60			

Investors are advised to consider all of the information provided in this Registration Document, including the risk factors described in this section, before making their investment decision. The described risks are those whose occurrence, in the Company's opinion as of the date of this Registration Document, could have a material adverse effect on the Group, its business, financial position, results of operations or development. Investors' attention is drawn to the fact that other currently unknown risks or risks whose occurrence has not been considered as of the date of this Registration Document may also have a material adverse effect on the Group, its business, financial position, results of operations or development.

The risks and threats to the Group's business are reviewed regularly, under the supervision of the Audit and Risks Committee. These reviews have led to the identification of five categories of risks:

 legal risks, particularly risks associated with the laws and regulations applicable to the Group's solutions;

- external risks, corresponding to the impact of external factors such as changes in the economic or competitive environment;
- market risks, which include currency, interest rate, credit and liquidity risks;
- operational risks, including risks associated with the migration from paper to digital solutions;
- risks associated with the Group's growth strategy and organization structure.

The risk management system is described in more detail in the Report of the Chairman of the Board of Directors on internal control, in section 5.5 page 135.

3.1 LEGAL RISKS

CHANGE IN THE LAWS OR REGULATIONS APPLICABLE TO SOLUTIONS QUALIFYING FOR A SPECIFIC TAX REGIME

Risk

Some Group solutions are governed by national regulations designed to create a payroll tax, income tax or other environment that will encourage their development. They are mainly Employee Benefits solutions, particularly *Ticket Restaurant*® meal vouchers and *Ticket Alimentación*® food vouchers. In 2015, Employee Benefits solutions accounted for 79% of the Group's total issue volume.

These laws and/or regulations may change in ways that are unfavorable to the Group. For example, governments faced with ballooning budget deficits may be tempted to scale back or abolish the payroll tax or income tax benefits attached to these solutions. As the solutions' tax appeal and the format that restricts their use to a specified purpose are core factors behind their growth, any unfavorable change in the regulatory or legislative environment could lead to a decline in related issue volume.

See section 1.8 "Regulatory Environment", page 32 for more information about the regulations applicable to the Group, including sections 1.8.1.2 and 1.8.1.3 on page 32, which describe the regulatory environments in France and in Brazil.

Measures to manage the risk

The Public Affairs Department implements targeted measures, such

- continuous monitoring of political, social and economic developments in the Group's host countries, in order to be forewarned of proposed changes in the laws and regulations applicable to solutions that qualify for a specific payroll tax or income tax regime:
- development of institutional tools, such as macro-economic studies, research, surveys and position papers, demonstrating the effectiveness of Edenred's solutions in promoting specific policies;
- identification of the core players in government, government departments, the corporate world and academia that are involved at international, European and national level, and development of long-term contacts with them;
- participation in the public debate, in order to become a preferred contact of international organizations, European institutions and national decision-makers, so as to defend Edenred's interests and promote its business;
- drafting of messages adapted to each of these players, to ensure that the future of Edenred's solutions and programs is assured;
- creation of partnerships (and/or discussion platforms) with players involved in developing, promoting or defending policies that govern Employee Benefits solutions.

CHANGES IN THE LEGISLATIVE OR REGULATORY ENVIRONMENT FOR PAPERLESS SOLUTIONS

Risk

Some Group solutions are regulated in the various countries where they are sold. The transition to digital solutions – which accounted for 65% of issue volume at the end of 2015 – may lead to an increase in the number of solutions that are subject to specific regulations.

The regulatory environment for paperless solutions is changing in the European Union as well as in some countries in the Americas and Asia, often in a political climate that is conducive to the introduction of greater restrictions and improved protections for beneficiaries of these solutions. New regulations governing certain gift cards and other payment cards, for example, generally impose stricter rules concerning the information to be given to customers and beneficiaries when the cards are sold, the level of fees and commissions billed to customers and the treatment of unused balances on expired cards. In some countries, the issuer is required to refund all or some of the remaining balance to the customer. In addition, the Group's businesses are subject to data protection and data security laws.

Regulatory obstacles may limit the Group's ability to grow its businesses. The obstacles may be unexpected and require the deployment of significant resources and investments, which may have an adverse effect on the Group's results of operations and financial position.

Measures to manage the risk

In some countries, dedicated organizations have been set up to issue paperless vouchers corresponding to e-money or payment services under the supervision of the local supervisor, in order to comply with legal and regulatory requirements. This is the case, for example, in France, Italy and the United Kingdom. In addition, training and awareness programs have been set up within the subsidiaries, dealing with the issues arising in connection with the digital transition, such as the protection of personal data and antimoney laundering procedures. Lastly, the Group has set up a series of programmed controls and other internal controls to meet the new requirements created by the digital transition.

PROTECTION OF THE GROUP'S BRANDS

Risk

The Group owns a portfolio of recognized brands, such as *Ticket Restaurant*® and *Ticket Alimentación*®. The names of the Group's solutions have been registered in all countries where they are currently used or where they may be introduced in the future. Although prior rights searches are performed, covering brand names and related domain names, it is not possible to obtain absolute assurance that no third parties have rights to similar names that could be used as a basis for challenging, under local statute or case law, the Group's right to use its own brands in certain countries. In addition, the Internet exposes the Group to risks of "cybersquatting", *i.e.* the registering by third parties of Internet domain names that are identical or close to those used by the Group for the sole purpose of selling them.

Measures to manage the risk

The portfolio of intellectual property rights is regularly updated and all necessary measures are taken to effectively protect and defend the brands and domain names used by the Group. A global surveillance system ensures that the Group is informed of any attempts by third parties to register any brands or domain names that are identical or close to those used by the Group. All necessary legal measures are also taken, including through the civil or criminal courts or by way of alternative dispute resolution procedures, to protect and defend its intellectual property rights.

Measures are also taken to promote risk awareness among people who have access to and/or hold sensitive and/or confidential information. In addition, best practice guidelines are issued to limit the risk, in particular with regard to the use of information systems.

3.2 EXTERNAL RISKS

ECONOMIC RISKS

Risk

The Group's results depend in part on economic conditions in its main host countries. Although Edenred's business is less sensitive to economic cycles than others, adverse economic conditions would nevertheless have a direct impact on its issue volume and, consequently, on its results of operations. An economic downturn leading to corporate bankruptcies and plant closures would have the effect of reducing the Group's customer base, while an increase in unemployment rates would lead to a reduction, for each client, in the number of beneficiaries of the Group's solutions. In addition, increases in the face value of the vouchers issued by the Group are influenced by inflation rates. Lastly, the Group's financial revenue (i.e., the interest income received on the float resulting from the timing difference between the payment by customers of the vouchers' face

value and their reimbursement to the merchants) depends on (i) the volume of vouchers issued and, consequently, the economic factors described above, and (ii) market interest rates (see section 3.3.2 "Interest Rate Risks", page 58).

Measures to manage the risk

With operations in 42 countries, economic risks are diversified and the Group is less exposed to economic difficulties in a specific country. The Group is exposed to macroeconomic difficulties in Brazil, but is also benefiting from an acceleration in growth in Europe. The Group's biggest countries in terms of issue volume are Brazil (biggest contributor), France and Mexico. Together, they account for 61% of the Group's issue volume and 65% of operating income (EBIT).

COMPETITION RISKS

Risk

The Group's businesses are exposed to competition from a handful of international groups as well as local competitors (see section 1.1.3.1 "Overview of the Prepaid Services Market", page 9, for a description of the Group's main competitors). One or several markets may be penetrated by new entrants. These may be new companies, or existing companies that are changing their positioning in one or more markets. Competitive pressures may drive down fee rates in some countries whose economies are struggling, resulting in contracts not being renewed or making it more difficult to win new contracts. If the Group is unable to effectively withstand these competitive pressures, it may lose market share or experience a decline in business or margins.

In countries where Edenred has strengthened its leadership position, certain competitors or commercial partners may be tempted to claim that the Group has used this position to bypass or distort market rules.

Measures to manage the risk

To compete effectively against the main players in its markets, the Group applies a strategy of competitive differentiation in terms of product offer, positioning and value for money.

For example, by moving ahead faster with the transition to digital solutions, Edenred has set itself firmly apart from certain competitors. This strategy forms the basis of balanced and long-lasting relations with the Group's various stakeholders.

In all, these measures help to attenuate competition risk.

RISKS RELATED TO PARTNERSHIPS AND OTHER STRATEGIC AGREEMENTS

Risk

In the course of its business, the Group may use partners' technologies, IT applications or networks, particularly for its digital solutions. Any disagreement concerning the renewal of any such partnerships or user licenses may have an adverse effect on the Group's business.

Similarly, agreements have been signed with affiliated merchants to permit the use and/or sale of prepaid vouchers and cards. The non-

renewal of any of these partnerships may have an adverse effect on issue volume and revenues from the solutions concerned.

Measures to manage the risk

To attenuate the potential impact of this type of disagreement, a specific department has been set up to manage the Group's strategic partnerships and monitor developments involving the competition.

RISKS ASSOCIATED WITH INTERNATIONAL ACTIVITIES

Risk

The Group operates throughout the world. Its host countries include emerging markets, particularly in Latin America and – to a lesser extent – Central Europe. In 2015, emerging markets accounted for around 58% of the Group's total issue volume.

The Group's international operations expose it to numerous risks arising, for example, from unexpected or arbitrary changes in tax rules or other regulations applicable to its products, or a change in the political or economic environment in a given region or country. Some countries apply exchange controls or impose restrictions on the repatriation of profits.

The Group may also face the risk of its operations being nationalized without receiving adequate compensation, the risk of corruption in certain countries, changes in exchange rates or inadequate protection of computerized data.

If one or several of these risks were to occur, this could have a material adverse effect on the Group's results of operations and financial position.

Measures to manage the risk

The Group's broad international presence lessens the concentration of this risk. In addition, the Group prepares action plans to reduce its consequences, particularly the legal and financial consequences, as far as possible.

However, the Group can give no assurance that its results of operations will not be materially affected by a major change in the economic or regulatory environment in any of its host countries.

3.3 MARKETRISKS

3.3.1 PRELIMINARY COMMENT

Risk

In the normal course of business, Edenred is exposed to interest rate, financing, liquidity, counterparty, currency, and other financial risks. Detailed quantified information about the Group's exposure to these risks, after hedging, is presented in the notes to the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management", page 207).

Measures to manage the risk

The Group's market risk management policy is designed to meet three core objectives (listed in order of priority): security (i.e., to ensure that transactions are financially secure), liquidity (i.e., to ensure that the Group has sufficient liquid assets and sources of short-term financing to cover its short-term cash requirements) and profitability (i.e., to optimize interest income and expense). The aim

is to minimize the impact of market risks on the Group's results and, to a lesser extent, on the balance sheet. Interest rate and currency risks are managed at Group level by the Corporate Treasury and Financing Department, which reports to the Chief Financial Officer in charge of Legal Affairs.

Interest rate and currency instruments are used to support the Group's investment and financing policies, as well as its hedging strategies (fair value and cash flow hedges). Corporate Treasury and Financing has the necessary expertise and computer applications (Front to Back treasury management software) to invest available cash, raise funds and hedge risks on the financial markets in accordance with the practices generally applied by leading groups. The department's organization and procedures are reviewed by the Internal Audit Department. Monthly cash reports are submitted to the Chief Financial Officer who validates the objectives set in accordance with previously approved management strategies.

3.3.2 INTEREST RATE RISK

Risk

The Group is exposed to interest rate risk on both financial liabilities and financial assets. Interest bearing debt is exposed to the risk of changes in interest rates that in turn affect the Group's finance costs.

And changes in interest rates may also affect the Group's results of operations, debt and equity, due to the impact of applying IAS 39 – Financial Instruments: Recognition and Measurement.

Consolidated debt includes both fixed and variable rate borrowings, substantially all denominated in euros (99.9% of the total, rounded to 100% in the consolidated financial statements). Target breakdowns between fixed and variable rate debt are determined separately for each currency, giving due regard to anticipated trends in interest rates and to changes in the composition of debt as a result of new borrowings and the repayment of existing borrowings. At December 31, 2015, 30% of total debt was at fixed rates of interest and 70% at variable rates, after taking into account the effect of hedges (see Note 6.6 "Financial Instruments and Market Risk Management", section 1 "Impact of hedging", page 208).

Interest rate fluctuations have a direct impact on the Group's financial revenue and other interest income. The float amounted to €1,803 million at December 31, 2015, of which €945 million reported as cash and cash equivalents and other marketable securities (see Note 6.3 "Cash and Cash Equivalents and Other Marketable Securities" in the notes to the consolidated financial statements, page 204), and €858 million reported as restricted cash (see Note 4.5 "Change in working capital", "Restricted Cash" section, page 190).

The average interest rate was 2.9% at December 31, 2015 and 3.3% at December 31, 2014.

A 100-basis point change in interest rates would have an impact of €9 million on interest income in 2015, assuming that the float remains unchanged over the year at the same nominal amount in euros, and taking into account effective fixed interest rates and maturities at December 31, 2015.

Instruments with maturities of more than one year represented 29% of the total at December 31, 2015 versus 30% at December 31, 2014.

Measures to manage the risk

The Group applies a risk monitoring and management strategy that aims to limit the volatility of interest income and expenses through the use of hedging instruments. Target breakdowns between fixed and variable rate borrowings are reviewed at regular intervals and new targets are set for future periods by senior management.

The related financing strategy is implemented by the Corporate Treasury and Financing Department. The most commonly used hedging instruments are interest rate swaps, caps and floors. They are contracted with leading banks and the documentation is based on the model recommended by the French Banking Federation (FBF).

Edenred does not conduct any trading transactions and has no plans to engage in this type of activity. Neither Edenred SA nor the Group has any open interest rate positions that would be likely to expose the Group to significant risks.

At the balance sheet date, interest rate risks on debt and certain investments were hedged. The hedging instruments used by the Company at that date consisted of interest rate swaps (with Edenred as the fixed rate borrower or lender) and collars (caps and floors).

At 31 December 2015, the notional amounts of interest rate hedges were €1,130 million on debt, covering the risks on the €1,485 million worth of debt securities, and €235 million on financial assets.

These instruments are described in the notes to the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management," "Financial instruments", "Derivatives" section, page 207).

The impact of a 100-basis point change in interest rates on debt of €1,485 million at December 31, 2015, is presented in the notes to the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management", part A.3 "Sensitivity Analysis", page 209).

3.3.3 CURRENCY RISKS

Risk

The Group is exposed to currency risks on the translation into euros in the consolidated financial statements of issue volumes, revenues, EBIT and balance sheet items for each country outside the euro zone. This foreign currency translation risk is not hedged. Due to the Group's operations in 42 different countries, many financial statement indicators are inevitably exposed to foreign currency translation risk, particularly that arising from the translation of financial statements denominated in Brazilian reals, Mexican pesos and Venezuelan bolivar. A significant proportion of the Group's service voucher issue volume is generated in countries where the functional currency is different from the Group's reporting currency (the euro). Group policy consists of investing the cash generated by these activities in the currency of the country where the vouchers are issued.

Actual cash flows between countries whose currency is not the euro consist mainly of dividends paid by subsidiaries to their parent company, and interest payments made and received on intercompany financing. These cash flows may be exposed to changes in exchange rates between the original currency and the

At December 31, 2015, the notional amounts of cash flow hedges of currency risks were limited. These hedges concerned forecast capital flows for less than twelve months.

Exchange gains and losses recognized in the 2015 income statement are presented in the notes to the consolidated financial statements (see Note 6 "Financial elements", "Net Financial Expense" section 6.1, page 202).

The impact of a 10% change in the exchange rates of the main currencies is presented in the notes to the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management", "Foreign exchange risk" section: "Currency analysis", "Hedging of foreign exchange risk", "Sensitivity analysis", page 209).

Measures to manage the risk

The Group's operating profit is not exposed to any currency risk, because each subsidiary's revenues and expenses are paid in local currency. Concerning currency risks on capital flows between subsidiaries and the parent company, foreign currency loans/ borrowings are translated using the standards generally applied by leading groups. Other capital flows are included in the monthly cash reports referred to in section 3.3.1 "Preliminary Comment".

Neither Edenred SA nor the Group has any open currency positions that would be likely to expose the Group to significant risks.

3.3.4 COUNTERPARTY RISK

Risk

The Group is exposed to counterparty risk arising from transactions with banks and financial institutions. Its counterparties are financial institutions with which its available cash is invested and from which interest rate and currency instruments are purchased. Default by one of these institutions or a deterioration in its financial position could result in financial losses for Edenred.

Measures to manage the risk

Exposure to counterparty risk is reduced by dealing only with leading counterparties according to correlated country risks, using a wide range of counterparties, setting exposure limits by counterparty and using a monthly reporting procedure to track the concentration of counterparty risk and the credit quality of the various counterparties (based on their credit ratings).

Details of the Group's counterparties are presented in the notes the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management," "Credit and counterparty risk" section, page 212).

Group policy consists of investing available cash in the currency of the country in which its solutions are issued. It is therefore exposed to country risks that could arise, in particular, in the event of a financial crisis affecting one or more of its host countries.

A significant proportion of the Group's available cash (corresponding to cash denominated in euros) is invested with the holding company under the worldwide centralized cash management scheme (*via* intercompany loans and/or multi-currency cash-pooling solutions).

Under this system, the subsidiaries' available cash is transferred to the holding company in all cases where this is allowed under local law or the law governing the business concerned, and where financial conditions permit. Pooling available cash helps to reduce the Group's exposure to counterparty risks on the leading financial institutions with which the funds are invested, through regular centralized monitoring of these funds.

Moreover, pooling available cash in this way helps to vastly reduce the Group's exposure to counterparty risks in countries on review for a potential credit rating downgrade. As part of this prudent policy, the Group selects financial institutions independently of the country from which the available cash originates.

3.3.5 FINANCING AND LIQUIDITY RISK

Risk

The Group's business routinely generates a negative working capital requirement. As a result, the operating subsidiaries do not have any recurring material borrowing needs.

The Group may, however, have occasion to take on debt to finance acquisitions or, from time to time, to cover the financing needs arising from the cash cycle.

The financing policy objective is to maintain borrowings at a level that gives the Group permanent access to flexible sources of financing.

Liquidity risk arises mainly from the timing of payment obligations for interest-bearing debt (bonds, bank borrowings, etc.) and non-interest bearing financial liabilities (non-controlling interest - NCI - puts), and from future payments to be made on derivative financial instruments. For further information, refer to the notes to the consolidated financial statements (see Note 6.6 "Financial Instruments and Market Risk Management", "Liquidity risk" section, page 211).

Managing debt entails raising new financing to replace existing borrowings on their due date.

Measures to manage the risk

In line with its refinancing risk management policy, the Group reduces its exposure by (a) setting up financing sources at Group

level through the Corporate Treasury and Financing Department; (b) using diversified financing sources; (c) meeting most of its financing needs through more cost-effective medium-term credit facilities; (d) ensuring that sources of financing are available at all times and (e) by negotiating loan agreements that do not include any hard covenants.

A centralized cash management scheme has been set up, whereby the cash surpluses of Group entities are used to cover the cash shortfalls of other entities, and only the net cash requirement is financed through borrowings on the financial market.

Short-term financing needs are secured by undrawn medium-term confirmed lines of credit obtained from leading banks (see Note 6.4 to the consolidated financial statements "Debt and Other Financial Liabilities", "Debt", "Maturities of debt analysis", section 2 "Credit facilities", page 206). At 31 December 2015, Edenred had €700 million in undrawn confirmed lines of credit, expiring at the end of June 2019.

Available cash is invested in instruments that can be purchased, sold or closed out within a maximum of five business days. These instruments consist for the most part of fixed-rate time deposits, interest-bearing demand deposits and money market securities, mainly retail certificates of deposit. Further details are presented in the notes to the consolidated financial statements (see Note 6.3 "Cash and Cash Equivalents and Other Marketable Securities," page 204).

3.4 OPERATIONAL RISKS

CUSTOMER RISKS

Risk

Edenred's exposure to customer default is limited and it is not dependent on any single customer. Statistical dispersion of the business is high, with no customer billed in 2015 representing more than 1% of revenue, and trade receivables corresponding to several tens of thousands of accounts.

Measures to manage the risk

The Group's exposure to losses on trade receivables for which no provision has been recorded is low.

Moreover, some country organizations have set up dedicated teams to manage this risk, and use external databases to obtain a second opinion on the financial health of prospects or customers. Some country organizations have chosen to implement risk transfer solutions, notably in the form of credit insurance.

RISK OF VOUCHER FORGERY AND THEFT

Risk

The distribution of forged vouchers and voucher theft expose the Group to several risks. The Group may be asked to accept forged or stolen vouchers presented by affiliated merchants for reimbursement. Cases of forgery and theft are nevertheless extremely rare.

Measures to manage the risk

To limit the risk, steps are being taken to accelerate the migration from paper to digital solutions as explained below. At the same time, the Group has resources specifically dedicated to preventing fraud. The Group also has a policy of purchasing insurance coverage of theft risk, as explained in section 3.7 "Risks Transferred to the Insurance Market", page 64.

MIGRATION FROM PAPER TO DIGITAL SOLUTIONS

Risk

The Group is developing electronic media (card, Internet, mobile) for its various solutions. The migration from paper to digital solutions (see section 1.2.2.4 "Transitioning solutions to digital", page 21) provides an opportunity to increase issue volume and to sell value-added services, while reducing the risk of voucher theft. However, it is not without its risks, which include the risk of cards being illegally duplicated *via* a practice known as "skimming". In addition, migration may drive down the average holding period of the float, *i.e.*, the period between the sale of the products and their reimbursement. Lastly, payments for electronic products frequently transit through third-party networks (mainly payment systems or banking networks), which deduct fees and can set restrictive rules.

Measures to manage the risk

The Group's experience with digital solutions in Brazil in recent years shows that the increase in the float resulting from higher issue volumes more than offsets the effect of the shorter float holding period. Moreover, the digital transition enables solutions to be developed that would not be feasible with paper vouchers, leading to an overall increase in the value of the float. The migration to cards will help reduce certain risks, notably those stemming from the production and storage of paper vouchers, risk during transportation, and voucher forgery. In addition, card and transaction security can be bolstered through technological improvements, such as by equipping the cards with a smartcard chip or by strengthening the security checks at payment terminals.

3.5 Risks associated with the Group's growth strategy and organization structure

INFORMATION SYSTEM RISKS

Risk

In the normal course of business, the Group and/or its service providers use a certain number of IT tools and information systems, in particular to manage digital products and for prepaid program management. The main risks concern information system downtime and data availability and confidentiality. If the IT infrastructure, applications or data transmission networks were to fail, or data center or network security were to be breached, or data were lost – accidentally or intentionally – or used for fraudulent purposes, this could disrupt the Group's business operations.

Measures to manage the risk

The Group and/or its service providers have back-up systems for these databases, located in highly secure data centers. These back-ups are tested annually.

In addition, the Group develops business-specific information systems that are rolled out to the subsidiaries to promote synergies and reduce risks.

In 2015, the Group launched a project to harmonize its electronic data storage and processing systems. The purpose of this project is to standardize the mechanical, human and software security solutions used to protect these information systems, and to implement these solutions throughout the Company to ensure that levels of system availability better match their levels of criticality.

At the same time, the Group conducts internal and external audits dedicated to these sensitive computer sites in order, in particular, to monitor safety and improve quality if needed.

In February 2014, the Group set up a dedicated digital risk transfer solution described in section 3.7 "Risks Transferred to the Insurance Market", page 64.

ENVIRONMENTAL RISKS

Due to the nature of its business, Edenred is not exposed to any significant direct environmental risks. For more information about the Group's environmental footprint, see section 4.3.1 "Environment", page 89.

3.5 RISKS ASSOCIATED WITH THE GROUP'S GROWTH STRATEGY AND ORGANIZATION STRUCTURE

RISKS ASSOCIATED WITH THE GROUP'S GROWTH STRATEGY

Penetration of new geographic markets

Risk

The Group's ability to pursue its geographic expansion strategy is affected by certain restrictions and uncertainties, concerning in particular the future regulatory and political environment over which it has no control. The Group may invest resources in preparing its entry in a new market without any assurance that an appropriate tax regime will be established.

Succeeding in a new market also entails setting up a network of affiliated merchants to make the solution attractive for both customers and beneficiaries. The Group may incur start-up losses

due to the absence of economies of scale during the early years. Once the Group has opened up a market, its market share may be eroded by the entry of new players that benefit indirectly from its investment and do not have to incur the same costs or risks.

Measures to manage the risk

The successful development of an Employee Benefits program in a new country depends in part on the existence of an appropriate tax regime, which in turn may depend on specific legislation being adopted. Before the decision is made to enter a new market, the New Market Pre-Development unit checks that the tax environment is appropriate for its solutions.

Risks associated with the Group's acquisition strategy

Risk

The Group's growth strategy is based in part on external growth, mainly through acquisitions. It may not be possible to identify credible targets or to close deals at the right time and the right price.

In addition, to obtain anti-trust approval for acquisitions in one or several jurisdictions, the Group may have to accept certain conditions such as a requirement to dispose of certain assets or business units.

There are a number of risks associated with acquisition strategies: (i) the business plan assumptions underlying the valuation of the target may prove to be wrong, particularly those concerning future synergies and estimates of market demand; (ii) the Group may not be successful in integrating the acquired company, its technologies, product ranges and employees; (iii) the Group may be unable to retain certain key employees or customers of the acquired company; and (iv) the Group may have to take on additional debt to finance the acquisitions. Consequently, the benefits of current or future acquisitions may not be obtained within the forecast period or may fall short of expectations or adversely affect the Group's financial position.

Measures to manage the risk

When a new business is acquired, an integration plan is prepared and the necessary resources are made available for its implementation. In particular, an Internal Audit is performed without delay, internal control principles are established and the Group's financial systems are deployed.

RISKS ASSOCIATED WITH THE GROUP'S ORGANIZATION STRUCTURE

Intangible assets

Risk

Goodwill and other intangible assets with an indefinite useful life are tested annually for impairment. Net goodwill carried in the consolidated balance sheet at 31 December 2015 amounted to €575 million while net intangible assets totaled €182 million. The Group believes that the 2015 consolidated financial statements present fairly all of its assets and liabilities and its financial position. However, inherently unforeseeable events may occur in the future that result in certain intangible assets being impaired. Any material impairments of intangible assets may have an adverse effect on its results of operations for the year in which the impairment is recognized.

Measures to manage the risk

Business assumptions and forecasts are prepared periodically, including a strategic plan and budget drawn up each year for each of the subsidiaries. The strategic plan and the budget are analyzed and, where necessary, an appropriate action plan is developed.

Tax risks

Risk

As an international group, Edenred is subject to the tax laws of a large number of countries and conducts its business in compliance with various national regulations. The tax rules in force in the Group's various host countries do not always provide clear solutions that are not open to interpretation. As a result, the Group's organization structure, the way it conducts business and the applicable tax regime may be based on its own interpretation of local tax rules.

There is no guarantee that its interpretations will not be challenged by local tax administrations in the future.

Measures to manage the risk

Assisted by the Legal and Tax Department and/or a firm of legal and tax advisers, the subsidiaries ensure that they comply with local tax rules. The Group is nonetheless currently involved in various tax disputes. These are described in the notes to the consolidated financial statements (see Note 10.3 "Claims and Litigation", page 231).

Rating risks

Risk

Edenred's credit rating reflects the Group's ability to repay its debt, its liquidity position, certain financial ratios, its business profile and financial position, various other factors that are considered relevant for companies operating in the prepaid services business, and the general economic outlook in its host countries. Each agency's rating based on these business, financial and other risk profiles, is determined in accordance with standard market practice.

Measures to manage the risk

The Group aims at maintaining a strong financial structure, in line with an investment grade rating. In this regard, the ratio of adjusted funds from operations to adjusted net debt was 34%, according to the Standard & Poor's report as of March 11, 2016. (see Note 2.1.1.5 "Key Ratios and Indicators", page 46).

Edenred has been rated BBB+/stable outlook by Standard & Poor's since June 2010. The rating was confirmed by Standard & Poor's in its press releases dated April 15, 2011, October 5, 2011, April 27, 2012, October 23, 2012, March 26, 2013, April 22, 2014,

May 12, 2015, January 12, 2016 and, most recently, March 11, 2016. The loan agreements for the Group's bond issues and the term loan do not include any rating trigger (event of default). Each bond

issue since the demerger, for a total amount of €1,485 million, was assigned a specific rating at the time of issue in line with standard market practice.

3.6 LEGAL AND ARBITRATION PROCEEDINGS

In the normal course of business, the Group may be involved or become involved in legal and arbitration proceedings and be subject to tax or government audits.

Information about legal or arbitration proceedings in progress, pending or threatened that may have, or have had in the recent past, significant effects on the Group's financial position, business or results of operations is provided in the notes to the consolidated financial statements (see Note 10.3 "Claims and Litigation", page 231).

To the best of the Company's knowledge, no other governmental, legal or arbitration proceedings that may have a significant impact on the financial position of the Company and/or the Group ⁽¹⁾ have been initiated against the Company or any of its subsidiaries.

The method used to provide for or recognize liabilities complies with the applicable accounting standards (see the notes to the consolidated financial statements, Note 10.2 "Accounting policies", page 230).

Provisions for litigation are recorded on receipt by the Group of a notice of claim or summons, based on an assessment of the related risk made by the Group and its advisors. They are presented in the notes to the consolidated financial statements (see Note 10.2 "Provisions", page 230).

Edenred has not entered into any material off-balance sheet commitments other than those disclosed in the notes to the consolidated financial statements under Note 11 "Off-Balance Sheet Commitments", page 235).

3.7 RISKS TRANSFERRED TO THE INSURANCE MARKET

Edenred's operational risks are transferred to the insurance market through business-specific insurance programs that protect its businesses and assets in all host countries. They consist of international programs that set common standards for the transfer of risks to insurers and pool purchases of cover by Group entities.

To diversify counterparty risks associated with these programs, they are spread between around a dozen insurers, none of which covers more than 30% of the total capacity transferred to the insurance market. In 2015, over 90% of the Group's programs involved insurers with an insurer financial strength rating higher than A- from Standard & Poor's.

A worldwide liability insurance program covers the losses caused to third parties by Edenred's business, across the entire Group.

Property and casualty insurance programs cover damage to the assets used in the business, including machines, furniture and buildings, as well as the cost of business interruption following an

incident such as a fire, flood or plane crash. The individual sites purchase local property and casualty and business interruption cover in addition to that provided by the international program. Edenred had around 170 sites in 42 countries as of December 31, 2015.

A Group-wide policy transfers to the insurance market part of the risk of fraud and embezzlement by third parties, with or without complicity on the part of Edenred employees.

In 2014, the Group acquired a reinsurance captive, which enables it to address new risks that are specific to Edenred's businesses, such as digital risks. It also helps the Group to manage other risks in accordance with trends in the insurance and reinsurance markets.

All compulsory insurance cover has been taken out in the Group's host countries.

The 2015 insurance market was such that the Group was able to maintain the amounts transferred to the market.

(1) External risks are discussed on page 56.

CORPORATESOCIAL RESPONSIBILITY

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Edenred is driven by a deep commitment to making people's lives easier and companies more efficient.

As we transform our business, enabling every employee to embrace this mission is one of our corporate project's key success factors. The Human Resources function plays a key role in supporting our teams in this change process and in creating the stimulating, learning environment they need to invent the future.

Edenred's solutions have long been built around an employee-led social responsibility commitment. Our *Ticket Restaurant*® meal

voucher, for example, was invented to address a social issue by encouraging French employees to take a lunch break, thereby improving sanitary conditions and limiting the use of lunchboxes in the workplace. Today, our "Ideal" program is demonstrating this commitment in three areas: healthy eating habits, environmental stewardship and local community development.

In accordance with France's Grenelle II environmental legislation, this chapter is organized into three sections covering social, societal and environmental aspects. Human Resources polices are described in the first section on social responsibility.

GOVERNANCE, ORGANIZATION AND DEPLOYMENT OF THE CORPORATE SOCIAL RESPONSIBILITY PROCESS

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

This organization leverages two global networks: the Human Resources (HR) correspondents network and the CSR correspondents network. These networks are tasked with deploying HR and CSR policies and leading local action plans, while enabling the sharing of the best practices that everyone is expected to apply across the HR and CSR spectrum.

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

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

 regularly scheduled sessions to share best country practices, common tools, general topics that apply to all host countries and external news;

- an internal collaborative web platform named Bubble. The CSR and HR networks each have their own virtual community in which members can communicate directly through a forum and a blog; share best practices, tools and methodologies; and organize events:
- regular internal communication that helps disseminate the overall approach.

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

- senior managers, mainly through presentations given at Group events, during regional or support function seminars, or via the managers newsletter;
- all employees, through information published Group-wide or on the collaborative intranet, or via events, newsletters or blogs;
- external stakeholders, who receive information on Edenred's CSR policy and main projects via the Group's website, Registration Document, annual brochure and news releases.

CORPORATE SOCIAL RESPONSIBILITY

METHODOLOGY

Social, societal and environmental indicators

Edenred redefined its social, societal and environmental indicators in 2012 to bring them into compliance with the obligations set out in France's Grenelle II and Warsmann IV Acts. The indicators are based to a great extent on the Global Reporting Initiative (GRI) and the United Nations Global Compact, signed in 2015. A cross-reference table with Article 225 of the Grenelle II Act is available on page 351.

Reporting scope

For social data, the scope of reporting is exactly the same as the scope of consolidation for financial data. Reported data cover every subsidiary, regardless of legal form, host country or size.

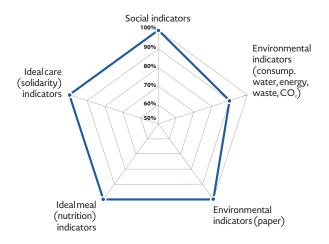
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In the case of societal and environmental data, the number of reporting units has been steadily expanded over the years, to a total of **39** of our **42** host countries in 2015. With fewer than five employees each, the **3** remaining host countries are too small to provide meaningful environmental and societal data. Data on water use, energy use and waste production have been collected and consolidated for subsidiary headquarters, production facilities and branches with more than 50 employees. The reporting scope therefore covers **90**% of employees for these environmental data and 100% for other environmental and societal data.

Joint ventures in which Edenred has a majority interest are fully consolidated, with the exception of those that were formed during the year. Host countries closed during the year have also been excluded from the scope of reporting.

Coverage of the Grenelle II scope of reporting by 2015 HR and CSR data

% OF AVERAGE ANNUAL WORKFORCE COVERED IN 2015



Collection and reporting of HR and CSR data

In recent years, the HR and CSR data collection and reporting process has become more reliable and secure thanks to its integration into the information system used for financial consolidation. Under the current process, every year data are collected by a local HR and/or CSR correspondent and then inputted and validated locally in FIRST,

the financial information system used to prepare the consolidated financial statements. They are then consolidated and checked for consistency by the corporate HR Department (social data) and CSR Department (societal and environmental data). The reported data are used to update the HR and CSR indicators, which are sent to the correspondents and country chief executives to provide comparative data analysis and support the implementation of action plans.

4.1 SOCIAL DATA

As our most valuable asset, people have been a core component of Edenred's growth strategy over the past 50 years. They embody the pioneering spirit that has driven our success, demonstrating every day their ability to take action and deliver superior performance.

In today's changing environment, Human Resources policies and managerial practices are powerful tools for providing structure, encouraging engagement and motivating our teams. In their daily jobs, our employees are guided by a shared commitment to "doing simple things outstandingly well." This simple, fundamental idea is the core of our "Customer Inside" managerial philosophy, which aims to make customers the focus of our strategic thinking and decision-making processes.

Edenred's values

Entrepreneurial spirit

Entrepreneurial spirit is a key driver of Edenred's growth. It fosters accountability, common sense, agility and foresight. It blossoms in our environment, where initiative, testing and learning are key attitudes.

Innovation

The ability to innovate enables us to continuously develop inventive and differentiating ideas. Listening and responding to trends and needs in our markets are fundamental to our business. Employees are encouraged to pass on their ideas for improving or changing processes.

Performance

The quest for performance is one of our highest standards and the key to our success. The best ambassadors of this value are our employees, both individually and as a community.

Simplicity

Simplicity is integrated into all of our solutions. Relationships with our stakeholders are natural, direct and friendly.

Sharing

The sense of sharing is an everyday reality at Edenred, whether it be skills, experience, outlook or mutual support among employees or with external stakeholders.

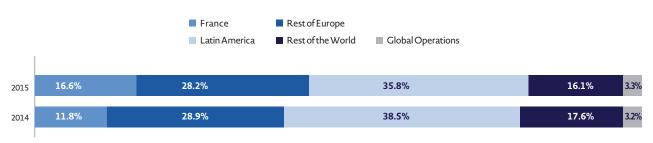
4.1.1 KEY FIGURES

4.1.1.1 Human Resources data at December 31, 2015

At December 31, 2015, Edenred employed **6,299** (1) people in its host countries around the world, representing an increase of **0.6**% from December 31, 2014.

Workforce by region

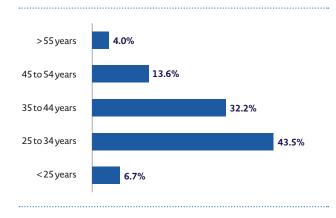
The diversity of geographical locations reflects our international character, with 80.1% of employees based outside France at the end of 2015.



Note: Employees who work for the parent company in France or at regional headquarters are included in "Global Operations".

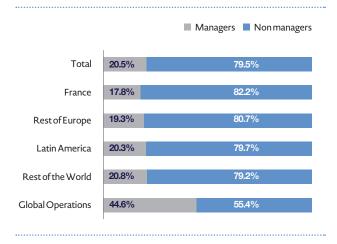
Workforce by age

A total of 50.3% of all employees are aged under 35.



Workforce by job category

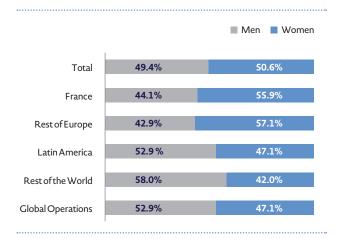
A manager is defined as an employee who manages others and/ or has a high level of responsibility within the organization. At December 31, 2015, managers accounted for **20.5%** of the workforce, as follows:



⁽¹⁾ Number of individuals on the payroll at December 31, 2015.

Workforce by gender

At December 31, 2015, women accounted for **50.6%** of the workforce, as follows:



4.1.1.2 Hires and departures in 2015

In 2015, the Group hired **1,510** people ⁽¹⁾, of whom **35.8%** in Latin America, **20.4%** in Europe outside France, **20.9%** in France, **20.3%** in the Rest of the World and **2.5%** for its Global Operations. **79.5%** of hires were recruited from outside and under permanent work contracts.

During the same period, **1,634** people ⁽²⁾ left the various host countries. Resignations, expiration of temporary contracts, uncompleted trial periods and retirements accounted for the majority (**56.7**%) of these departures. Terminations accounted for **34.4**% of the total, and **73.7**% of terminations were individual dismissals.

4.1.1.3 Working hours

All host countries comply with local legislation on maximum weekly working hours.

In 2015, **95.9**% of Group employees had permanent contracts and **96.2**% worked full time.

4.1.2 MAIN HUMAN RESOURCES POLICIES AND 2015 ACHIEVEMENTS

Human Resources policies are designed to support the Group's operating strategy and ongoing transformation.

Each policy is applied locally, taking the units' size, history, culture, environment and legislation into account. The Group Human Resources Department coordinates the sharing of best practices with the country organizations through the network of Human Resources correspondents.

This pragmatic approach is designed to develop a consistent set of common principles worldwide, to support the fast expansion of our business operations. It also maintains the units' agility, a key driver in our multi-local organization.

Human Resources policies are built on three pillars:

- organizational performance, which includes hiring, training and performance management;
- employee motivation, which covers compensation and benefits, recognition, careers and mobility, and induction;
- quality of the workplace environment, which encompasses the Best Place to Work program, social dialogue, health and safety, and diversity.

Country HR teams are responsible for locally implementing human resources principles and complying with national labor practices and legislation.

Human resources highlights of the year

Change in corporate management: appointment of a new Chairman and Chief Executive Officer;

Supporting the digital transformation: revising the training curricula for talents and top management;

Awards: Human Resources Director of the Year (in the International Corporation category), presented at the *Victoires des Leaders du Capital Humain* event in Paris. Finalist in the *Espoirs du Management* Awards;

Sustained progress toward the Well-Being at Work objective: 87% of employees working in a host country involved in the program;

Performance: creation and deployment of an HR and CSR indicator scorecard.

4.1.2.1 Organizational performance

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

- (1) Excluding internal promotions and transfers, merged entities and conversions of temporary contracts into permanent contracts.
- (2) Does not include promotions or transfers, conversions of temporary contracts into permanent contracts or any long-term absences that may lead to a temporary suspension of the work contract, but not its termination.

CORPORATE SOCIAL RESPONSIBILITY

4

4.1 Social data

Hiring for the long term

During the year, Edenred hired a total of 1,201 employees on permanent contracts to support its business development. The hiring of new employees is seen as a critical process, and is managed rigorously. Internal policies ensure compliance with the principles of non-discrimination and diversity so that the recruitment process takes place without any form of discrimination.

Before starting an external search, country units first look at internal mobility paths. This is because our small, local organizations require us to foster internal mobility in order to retain talent and enable employees to grow, in terms of skills, agility and employability.

Offering high-quality training programs while meeting the Group's organizational and operational needs

Supporting employees' growth and skills enhancement is crucial for:

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

Training is a key part of every HR initiative at Edenred. In 2015, 4,704 employees (or 74.7% of the workforce) participated in at least one training course during the year. Complete data on training are provided on page 79.

All Edenred team members may participate in training, provided that the courses correspond to the unit's strategy and needs and match the employee's personal development objectives. Most of the Group's country organizations have a structured training plan, designed in line with Edenred's key training principles and growth strategy, and tailored to the local situation.

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

Local training programs

Country organization training programs focus on the local needs of the various professions and on short- and medium-term objectives, while sustaining a common foundation for the Group's values and general knowledge of the organization and its strategy. The priorities in 2015 were to:

- enhance marketing, technological and functional expertise, with:
 - training for sales and marketing teams (Slovakia, Japan and Finland),
 - digital awareness and e-commerce training ("social selling" training in France, "Digital and Innovation Academy" in Brazil, and B2B e-commerce training in Southern Europe),
 - product training,

- customer relationship management,
- · new information technologies,
- project management training (project management methodology training in Sweden and Finland, introduction to the Agile method at PPS and in Belgium, and international project management certification in China);
- strengthen managerial capabilities;
- provide language training;
- develop safety practices;
- promote knowledge transfer, through knowledge sharing sessions, such as those organized at corporate headquarters or in Brazil.

Programs may be conducted by internal experts or by outside organizations, using a variety of methods, including classroom teaching, knowledge sharing and e-learning modules. Mentoring programs are also being set up by more and more countries, including the United Kingdom, Greece and Austria.

Group training programs

In addition to local programs, a number of training initiatives are conducted at the Group level to support global strategic priorities. In 2015, focus areas included:

- training concerning strategy and the development of new solutions: Edenred offers digital transition training for all host countries. Introduced in 2010 for country chief executives, support function executives and developers, this training supports the deployment of digital solutions in every region and fosters innovation. A total of around 1,630 employees have participated in the program since its launch in 2010. In 2015, training and working sessions with the host countries focused primarily on:
 - electronic banking and innovative payment systems,
 - mobile solutions,
 - expense management;
- the program to cascade the Customer Inside managerial approach, which in 2015 centered on a new module on managing in a complex environment for country chief executives.

Appraising employee performance

Performance is one of the Group's five values. Assessing employee performance and skills therefore plays an important role in HR processes. Mandatory for all employees, regardless of their job level, performance appraisals are conducted at least once a year, generally between December and March. Certain countries, notably Romania, Uruguay, PPS, Greece and Germany, also carry out midyear reviews.

To improve stakeholder buy-in, certain units have created performance management training courses for managers or employees. Germany and Mexico, for example, have developed specific training sessions on performance appraisals.

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

4.1.2.2 Employee motivation

Edenred's **6,299** employees are helping to drive the Group's transformation. Leveraging their full potential is a key factor to collective success and a shared ambition in all host countries.

Offering motivating career paths

At Edenred, there are no standard career paths, and employee mobility is managed locally to a large extent. In line with the Group's entrepreneurial spirit, each employee is seen as an actor of his or her personal and career development. Thanks to ongoing changes within the Group and its agile organizations, employees have access to new opportunities. In numerous countries, especially ones with small, high-growth organizations, employees have many different responsibilities, thereby developing their cross-functional capabilities.

Whenever the required skills are available in-house, internal mobility is the preferred method of hiring ahead of external recruitment. At corporate headquarters and in some countries, including India, Belgium and Poland, vacancies are advertised internally. This practice is currently being expanded. Several countries, including the United Kingdom, have prepared an Internal Recruitment Charter that guarantees employees the same chance of being hired as outside candidates. Similarly, the UK organization has started a "short-term mission" program under which an employee is seconded to another team for three months in preparation for a potential mobility assignment. The Group Internal Audit Department has its own "guest" program that gives team members from corporate headquarters or countries the opportunity to participate in short-term audit missions in order to discover new professions and new spheres.

Some countries, including India and the United Kingdom, have created the potential for gateways between jobs for certain functions (IT and sales teams in particular). These gateways provide openings for possible moves from one level or type of position to another.

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

Managing talent and preparing the future

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

- the Talent Week, which is aimed at middle managers whose engagement level and growth potential have been recognized by the Group. The seminar helps participants understand Edenred's strategy, acquire a shared knowledge base and build an international network;
- the Executive Induction Seminar, which provides the opportunity for new top managers to gain a broader vision of the Group, to work on leadership, and to benefit from behavioral coaching in connection with Customer Inside.

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

Certain countries, such as Brazil, Slovakia, Romania and China, have set up local initiatives to develop talent identified in-house. These programs often comprise an external component (assessment/development center, personality test, leadership module, management module, communication module) and internal training sessions that are more function- and business-oriented. The local management committee's involvement in these programs is a key success factor.

Onboarding new employees and helping them find their place

As the first steps in any new company are key, Edenred country organizations pay particularly close attention to welcoming new employees into teams. Most have set up onboarding programs that help new employees quickly find their way within the organization and discover Edenred's unique culture and atmosphere of friendliness, sharing and simplicity.

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

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

Other initiatives may be organized before or after these onboarding days:

- welcome booklets, to provide practical information to help new employees on a day-to-day basis. For this purpose, the Group welcome booklet was updated in 2015 and distributed to all countries;
- the announcement of new arrivals to all employees;
- feedback sessions with Human Resources and/or the line manager after one month, three months and six months (in Germany);
- mentoring programs that team a newcomer with a more seasoned employee (in the United Kingdom and Greece).

Recognizing performance

At the corporate level

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

Since the Ewards were created in 2011, nearly 76 employees worldwide and 13 project teams have been rewarded for their outstanding achievements.

CORPORATE SOCIAL RESPONSIBILITY

4

4.1 Social data

At the regional or local level

In Latin America, Asia and Europe, employee recognition programs have been in place for many years. By rewarding exceptional individual and team achievements, they help improve customer relations, drive innovation and foster internal cooperation. In 2011, for example, the Asia-Pacific region created the Eagles Awards to recognize top performers.

The United Kingdom has introduced an e-recognition module in its benefits platform. With this module, employees can nominate co-workers whose performance particularly reflects Edenred's values and Customer Inside behaviors. Local management selects excellence award winners from the list compiled online.

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

Providing fair compensation and benefits

Compensation

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

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

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

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

In 2015, the Group's gross payroll totaled €204 million (1), up 6.6% from the year before. Europe (including Global Operations) accounted for 63.9%, Latin America 23.7% and the Rest of the World 12.4%.

Edenred solutions and services

Employees are Edenred's main ambassadors and promoters. As such, they benefit from solutions and services offered in their country

of employment, in compliance with local legislation and within locally defined limits.

These services and solutions, which vary from country to country, aim to:

- make life easier: Ticket Restaurant[®], Ticket CESU, Ticket Alimentación[®], Ticket Car[®], Childcare Vouchers[®], etc.;
- motivate and reward: Shopping Card®, Ticket Kadéos®, Ticket Compliments®, tickets Sports et Culture, etc.;
- manage business expenses: in the course of their duties, some managers and sales employees use Edenred's solutions to manage business expenses.

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

Profit-sharing programs

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

Quite frequently, bonuses are linked to a unit's results. The percentage varies by country and job category, with bonuses granted sometimes only to local management, and sometimes to all employees.

France

Employees of the parent company and the French subsidiary are given a stake in consolidated earnings through the Group statutory profit-sharing agreement. The funds, calculated on the basis of the Company's net profit, are set aside in the Special Employee Profit-sharing Reserve for deferred payment.

To strengthen cohesion beyond the unit level and enhance the sense of mutual support among employees working at the Group's two French entities, a Group agreement was signed in November 2010 and renewed in 2013 to create a single, shared Special Employee Profitsharing Reserve. The amount of profit-sharing bonuses varies on the basis of net profit, shareholders' equity, wages and value added.

Independently of this shared agreement, the Group's French companies (parent company and French subsidiary) have all signed discretionary profit-sharing agreements aimed at giving employees a stake in their company's performance by rewarding them with a collective bonus, based on the achievement of the performance target stipulated in the agreement.

Employee savings plans

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

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

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

Since December 2011, parent company and Edenred France employees have also had access to a PERCO retirement savings plan.

Retirement savings plans have also been set up locally to supplement mandatory pension systems in certain countries like Brazil, with the local unit matching employee contributions. Lastly, countries including Japan, Mexico, Venezuela and Colombia have implemented employee savings plans.

· Edenred Solidarity Fund

In early 2015, Group management and the employee representatives of Edenred France and the parent company signed an agreement setting up a Solidarity Fund to provide financial assistance to employees of the two entities who find themselves in need. Eligible employees may receive support in the form of donations or loans, depending on the situation. Each case is reviewed by a committee comprising an employee representative and a management representative from each entity, who must decide unanimously to grant or reject the requested support.

Share-based payments

Edenred awards performance shares annually to key executives and top talent, rewarding more than 400 beneficiaries worldwide in 2015.

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

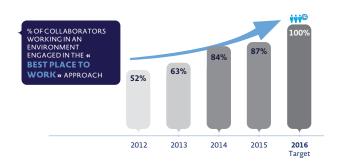
The performance conditions are measured over a period of three years for each of the three indicators: growth in issue volume, funds from operations (FFO) and Edenred's total shareholder return (TSR) compared to that of the SBF120 (see the section on Governance, page 142).

4.1.2.3 Workplace environment

Being a "Best Place to Work"

High performance and well-being are part of Edenred's commitment towards both customers and employees. Improving quality of life in the workplace is therefore a key deliverable for the Group. For this reason, Edenred pays close attention to employee well-being, health and safety as part of the commitment shared by all of the country organizations to be engaged in a "Best Place to Work" initiative by 2016.

Our "Best Place to Work" objective



The Best Place to Work program is supported by the Executive Committee and draws on quality of worklife surveys. These surveys target different criteria in each country, such as work-life balance, empowerment, quality of management and communication. The results are analyzed and used to devise action plans led by management and the local HR function.

At end-2015:

- 26 units had obtained or were working toward certification for quality of life in the workplace;
- 87% of the Group's employees worked in a "Best Place to Work" certified environment or a unit actively involved in obtaining certification.

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

Promoting a good work-life balance

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

- flexible working hours:
 - the Austrian subsidiary encourages part-time work for employees with young children, as do Sweden, Finland, Germany, PPS and Slovakia;
- concierge services that can handle certain private tasks for employees during their working hours;
- benefits to promote employee well-being, such as gym and dance classes, and balanced diet workshops;
- support for parents:
 - at the birth of a child, with bonuses, programs for future mothers (Brazil) and incentives to take parental leave,
 - for childcare, with:

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- the distribution of Edenred childcare solutions to employees (e.g. Childcare Vouchers® in the United Kingdom, Ticket Junior® in the Czech Republic, and the CESU voucher in France),
- offices designed with an area to welcome employees' children when they are ill or need temporary childcare (Germany),
- a "Moms and Dads" program (Italy), particularly to support women returning from maternity leave. Among the services offered are expert help in identifying the most appropriate childcare solution;
- in recognition of its commitment in this area, Edenred Spain has been certified a "Family Responsible Company".

Acting as a responsible employer and promoting diversity

Diversity is a source of value and performance. Published in late 2014, the Charter of Ethics reaffirms our commitment to forbidding any form of discrimination with regard to gender, age, family situation, origin, sexual orientation, physical abilities, or membership in a political, religious or labor organization. Decisions with regard to hiring, promotion, training and compensation are based solely on the individual's capabilities, skills and experience.

A diverse workforce

Edenred is a multi-local company deeply committed to nurturing its multicultural diversity, which it sees as a source of strength and a valuable asset. Our host countries operate in very different and complex markets, and the diversity of our workforce reflects the geographic diversity of our customer base. The **50** employees of the Dubai subsidiary, for instance, represent ten different nationalities, while the **92** Edenred Germany employees cover nine nationalities and speak 11 languages.

This is why the concept of equal opportunity is intertwined with the principle of fairness that underpins the human resources process. In this way, all employees demonstrating the same levels of performance, ability and engagement are guaranteed the same possibilities of success, regardless of age, gender, disability, religion or other factors. To demonstrate this commitment to respecting our differences, a variety of agreements have been signed, backed by targeted action plans, which are being diligently applied in hiring, training, mobility, promotions and every other human resources process. Edenred United Kingdom, for example, has developed an Equal Opportunity Policy designed to ensure that employees are hired, promoted, trained and generally treated on the basis of their skills and aptitudes alone, without regard to gender, country of origin/ nationality, religion, age or other factor. As a major stakeholder in this policy, management is responsible for combating all forms of discrimination on a daily basis and raising employee awareness about the seriousness of discriminatory behavior, which can lead to disciplinary action.

Gender equality

At end-2015, women accounted for **50.6%** of employees worldwide and held **39.3%** of management positions. Different types of initiatives have been taken within the host countries to promote gender equality. They include:

- formal policies to eradicate discrimination and promote gender equality, implemented for example at PPS, and in the United States and the United Kingdom;
- agreements on workplace gender equality, such as the one signed by Edenred France, which reaffirms the principles of respect for equal opportunity between men and women at all stages of their careers. It includes initiatives to eliminate roadblocks for women at Edenred, as well as measures to facilitate more equal sharing of childcare responsibilities. The intergenerational contract, which came into force in early 2014, also commits the Company to ensuring a balance between men and women and maintaining employment levels for young people and older workers;
- external studies on effective wage equality, such as the one conducted in 2015 on expatriate employees.

Integrating and retaining people with disabilities

Edenred took an assertive stance in this area by signing an initial Group agreement applicable in the French subsidiaries and the parent company to hire and retain people with disabilities. As part of this three-year agreement, which took effect in January 2012, Edenred made a firm commitment to increase the percentage of people with disabilities in its workforce. At end-2014, Edenred renewed its commitment by signing a new three-year agreement that notably includes a plan to keep people in employment, as well as communication/awareness, training and hiring initiatives (with a minimum target of eight hires, including three on permanent contracts, over the term of the agreement).

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

- numerous host countries, including Sweden, Slovakia, Venezuela and the United States, hire people with disabilities directly. In addition, Edenred Belgium renewed its partnership in 2015 with Prorienta, a dedicated job training center. The subsidiary brings in sign-language interpreters for its national information meetings;
- other countries hire people with disabilities indirectly. Examples include Edenred Spain, Edenred France and corporate headquarters for various services, and Edenred Italy, in accordance with an agreement signed with Milan province to integrate employees with disabilities through an outside company;
- workplaces may be designed and/or equipped to be accessible to people with disabilities;
- a dedicated team has been set up for the French subsidiaries with identified internal correspondents who are responsible for developing partnerships with recruitment organizations and sheltered workshops, creating a purchasing policy, ensuring

the continued employment of employees recognized as having disabilities, and organizing employee information and awareness sessions on disability issues;

- a plan has been implemented at Edenred France to keep disabled people in employment by using various tools, such as hearing aids, speech synthesis for the visually impaired, and ergonomic adjustments to workstations;
- communication and awareness initiatives include:
 - helping to launch the European Disability Employment Week in partnership with ADAPT at the European Parliament in Brussels,
 - co-financing a French web series about disabilities in the workplace.

Older employees

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

In 2013, employee representatives of the parent company subsidiaries signed an intergenerational contract that commits the Company to increasing the hiring rate of people under 26 by two percentage points and to preserving the proportion of employees aged over 45. Employees aged 55 and over may scale back their workweek to 80% while still retaining the same basis of assessment for their pensions as when working full-time.

Fostering social dialogue

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

Social dialogue at the national level

The social advances in the Group's various host countries attest to vibrant social dialogue with labor union and employee representatives. In all, 66.1% of Edenred employees work at units with employee representative bodies and 53.8% are currently covered by a collective agreement.

During 2015, **39** collective agreements were signed in host countries on a wide variety of issues, including wages, profit sharing, intergenerational agreements, working time and workplace health and safety. Among those agreements, **3** focus specifically on health and safety.

Social dialogue at the Group level in France

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

Created by a collective agreement in 2011, the Group Works Council comprises seven representatives from the works councils of the French subsidiaries and Edenred International. The Group Works Council considers all issues pertaining to the Group's operations, financial position, business and social environment, as well as any strategic changes. It met twice in 2015.

Social dialogue at the European level

Employee representation at the national level varies from country to country. Because the Group is convinced that quality dialogue at the European level will help develop a Europe-wide mindset and shared sense of belonging, a European Works Council has been created. A special negotiating group with representatives from 13 European countries was formed and met in July 2014 to negotiate the terms under which the European Works Council would operate, the scope of its responsibilities and the procedures for European dialogue. The agreement on the European Works Council was signed in September 2014. The European Works Council's mission is to balance the Group's interests with employees' interests in a constructive manner by addressing all cross-border issues (i.e. concerning at least two countries) in an even-handed spirit of discussion and dialogue. Chaired by the Vice-President, Human Resources, the European Works Council consists of four representatives who meet once a year. In 2015, this meeting took place in July.

Promoting workplace health and safety

In line with Edenred's ambition to be a "Best Place to Work", on-the-job risks – including psychosocial risks – are integrated in the Group's development plans. The guiding principle is to ensure that employees have a safe, healthy workplace in which they can perform effectively. The countries adapt this principle in accordance with their needs, local practices and the legal and regulatory framework under which they must operate. Local initiatives focus on three key areas: preventing occupational risks, preventing psychosocial risks and providing healthcare coverage.

Complete data on health and safety are provided on page 79.

Preventing occupational risks

Edenred works closely with existing Health, Safety and Working Conditions Committees (CHSCTs) to implement its approach. Numerous countries have a CHSCT or similar organization. Training and employee awareness programs are set up and experts visit sites to verify their compliance with health and safety standards and provide employees with health and safety advice.

Edenred France and Edenred International

Edenred France and Edenred International have both set up CHSCTs that are responsible for monitoring workplace health and safety and improving working conditions, notably by closely reviewing working conditions and potential occupational risks on the front lines. All of these risks are listed in a single document so that they can be reduced or eliminated *via* tangible action plans.

Brazil

In accordance with legal requirements, the Company calls the Internal Accident Prevention Committee (CIPA) to a meeting each year. Made up of elected representatives, the Committee maps identified risks in each work unit in a specific, regularly updated document and implements prevention policies and awareness initiatives. A regular newsletter provides information on occupational health, ergonomics, road safety, etc. Workplace rescue and first-aid staff are regularly trained to assist in the event of an accident.

Belgium

Edenred Belgium is affiliated with CESI, an external prevention and protection service. CESI's consultants help identify and manage workplace risks. A prevention consultant has been appointed to take charge of protection and well-being at work. He is a full-fledged member of the workplace accident prevention and protection Committee (CPPT), which also includes the CEO (or a representative), management representatives, employee representatives and the occupational physician. The CPPT meets monthly.

Psychosocial risks

Edenred France and Edenred International

Edenred's French subsidiary and parent company signed an agreement in July 2011 establishing the fundamentals of an holistic method for preventing psychosocial risks in the workplace. This involved creating a psychosocial risks scorecard comprising indicators covering the working environment (absenteeism, turnover, etc.) and employee health and safety (accidents, serious incidents, etc.). The overall aim of the agreement was to develop a workplace health indicator by assessing stress levels based on anonymous questionnaires completed voluntarily by employees during regular medical check-ups.

On the employee's request, the occupational physician can use the assessment procedure to carefully measure levels of anxiety, stress or depression and ensure that effective treatment is prescribed, all in the strictest confidence. In addition, risk factors were identified following analysis of the questionnaire data and used to develop an action plan. Deployed at corporate headquarters in 2014, it covers the following areas:

- sensitivity training for managers, to help them detect when team members are over-stressed;
- changes to the performance appraisal forms;
- training workshops on how to conduct performance appraisals;
- the creation of leisure areas;
- office refurbishments to standardize use of direct natural light;
- soundproofing in some offices and work areas.

Italy

In 2015, the Italian subsidiary reviewed the analysis of work-related stress factors conducted in 2014. The results were communicated to the employee representatives on the Health and Safety Committee, and the labor unions.

· Health coverage and other health benefits

With mandatory cover varying significantly from one country to the next, each entity selects the level of additional cover it wishes to provide in line with the local situation, as well as the entity's growth plan and its funding capabilities. Additional health cover is offered in several Edenred host countries in Latin America, Europe and Asia:

 expatriate employees may be covered by a special international insurance plan in addition to the local system, depending on the country and the level of local benefits. This ensures the same level of protection as in the expatriate's home country, particularly in terms of post-retirement benefits, while respecting the principle of fairness with regard to local employees;

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- Edenred France and the parent company signed a Group insurance agreement in November 2010, followed by company agreements for each entity to ensure that employees and their families are covered in the event of illness, accident or death;
- Edenred Brazil's Viva Melhor platform, which is part of the general employee benefits system, offers employees a comprehensive array of care solutions to preserve their health, as well as access to psychologists, nutritionists, physical education teachers, physicians and other specialists.

Medical checkups are offered by many host country, including the Czech Republic, China, Mexico and Bulgaria.

In other countries, the Group's commitment is also demonstrated through initiatives to promote healthy living and/or a balanced diet. These include "Health Days", conferences or workshops on nutrition and health, and programs to promote regular physical activity. The Mexican subsidiary, for example, organizes a Health Week once a year for employees and their families, with free medical check-ups and reduced fees for a variety of tests. Edenred France organizes campaigns to raise awareness about health and safety issues, such as a workplace health and safety day, a one-day event to fight hepatitis with Santé en Entreprise, an annual flu vaccination drive, a day-long program on healthy eating and balanced diet, and a full week dedicated to well-being.

CORPORATE SOCIAL RESPONSIBILITY

4.1 Social data

4.1.3 2015 SUMMARY TABLES OF SOCIAL DATA - GROUP

		Europe (excl. France)	Latin America	Rest of the World	Global	T-4-1 0045	Total 2014
		,			Operations	Total 2015	
Number of employees	1,048	1,773	2,257	1,017	204	6,299	6,263
% under permanent contracts	91.4%	94.0%	98.3%	98.1%	96.6%	95.9%	94.9%
% women	55.9%	57.1%	47.1%	42.0%	47.1%	50.6%	50.9%
% men	44.1%	42.9%	52.9%	58.0%	52.9%	49.4%	49.1%
Number of interns, apprentices and international volunteers	21	42	34	27	12	136	102
Full-time equivalent	998	1,743	2,379	1,012	212	6,343	6,170
Managers							
% of total workforce (1)	17.8%	19.3%	20.3%	20.8%	44.6%	20.5%	20.4%
% women	47.1%	43.9%	34.2%	35.8%	39.6%	39.3%	39.1%
% men	52.9%	56.1%	65.8%	64.2%	60.4%	60.7%	60.9%
Training							
Number of hours of training	14,026	25,641	58,742	10,163	1,581	110,153	104,524
Number of hours of training							
for managers	2,580	8,328	20,070	3,359	516	34,853	28,067
Number of hours of training for non-managers	11,446	17,313	38,672	6,804	1,065	75,300	76,457
Number of employees having attended at least one training course	687	1,310	1,931	701	75	4,704	4,889
Number of managers having attended at least one training course	126	288	446	160	20	1,040	1,013
Number of non-managers having attended at least one training course	561	1,022	1,485	541	55	3,664	3,876
Health and safety							
Frequency rate (2)	9.7	2.0	2.7	0.0	0.0	2.9	2.8
Number of fatal accidents in the workplace	0	0	0	0	0	0	0
Number of occupational illnesses resulting in at least one day of							
lost time	0	0	0	0	0	0	0
Severity rate (3)	0.2	0.0	0.1	0.0	0.0	0.1	0.1
Absenteeism rate (4)	4.2	3.0	1.3	1.3	1.5	2.3	2.2

Note on reported information:

 ${\it Employee number s correspond to the number of individuals on the payroll on December 31 and the number of full-time equivalent employees.}$

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

The concept of full-time equivalent is designed to quantify the workforce on a comparable basis, i.e. the standard full-time contract applied in each unit. This involves counting the Company's operational workforce taking into account workweek duration and contractual working hours. The figures also include interns and temporary employees.

- (1) A manager is defined as an employee who manages others and/or has a high level of responsibility within the organization.
- (2) Frequency rate: number of occupational and commuting accidents with lost time multiplied 1,000,000 and divided by the total number of hours actually worked by the entire workforce over the calendar year.
- (3) Severity rate: number of days of lost time following an occupational or commuting accident multiplied by 1,000 and divided by the total number of hours worked by the entire workforce over the calendar year.
- (4) Absenteeism rate: total number of person-days lost to absenteeism in the period divided by the number of person-days available in the period. This includes absenteeism due to work accidents, commuting accidents, occupational illnesses and non-occupational illnesses.

4.2 SOCIETAL DATA

By inventing the *Ticket Restaurant*® meal voucher in 1962, Edenred helped to spread the practice of taking a lunch break to all employees. Since then, the Group has contributed to social progress with programs that make life easier for both employees and consumers. Edenred has deployed a Corporate Social Responsibility (CSR) approach applicable on a daily basis. Known as "Ideal", it is aligned with its operations and defined by three strategy lines.

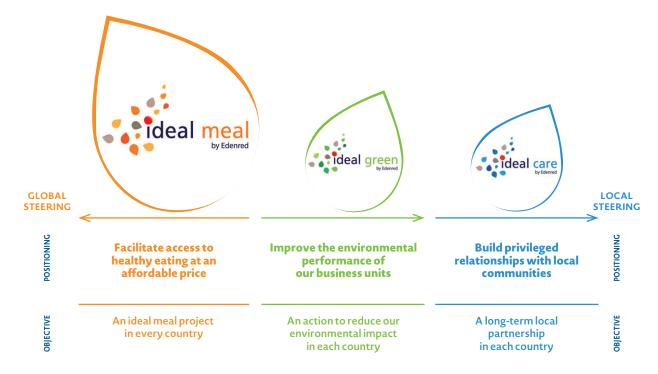
The first concerns **promoting healthy eating habits**, a core competency at Edenred since meal solutions represent nearly 80% of total issue volume. With "Ideal meal," Edenred aims to make it

easier for stakeholders to enjoy balanced meals at affordable prices in all Group host countries.

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

The third strategy line is to **support local community development** through "Ideal care" initiatives. In 42 host countries around the world, Edenred's teams see local solidarity as an essential component of the Group's integration into local ecosystems.

POSITIONING AND OBJECTIVES OF THE "IDEAL" APPROACH



The above diagram shows the target positioning and the Group objective for each strategy line of the "Ideal" approach.

Also presented above is the leadership level required to steer each of these strategy lines. The "Ideal meal" line – the priority issue identified by the Group for the period up to end-2016 – involves global steering with dedicated resources and additional tools to make it easier to deploy new initiatives.

Corporate social responsibility highlights of the year

Pledge to support the United Nations Global Compact and spreading of the Charter of Ethics.

Digital-related issues explored during CSR Group days, including Green IT, live cooking classes and the online solidarity challenge.

Renewal of the FOOD Consortium agreement and on-boarding of a ninth country (Austria).

Completion of Ideal Meal surveys of employee eating habits.

Creation and deployment of an HR and CSR indicator scorecard.

4.2 Societal data

4.2.1 IDEAL MEAL TO PROMOTE HEALTHY EATING

Since becoming independent, Edenred has considerably expanded on its more than ten-year commitment to promoting healthy eating and fighting obesity. As part of this process, all of the initiatives underway at the Group level have been brought together under the "Ideal meal" program.

"Ideal meal" was designed to respond, in a pragmatic way, to a key public health challenge:

- in 2014, 1.9 billion people over 18, or 39% of the world's adult population, were considered obese or overweight. This has led to a sharp increase in the number of people suffering from certain types of cancer, diabetes, strokes or heart attacks, which in turn is putting significant strain on public health systems. Today, the majority of overweight and obese individuals live in developing countries, rather than developed nations. According to the World Health Organization (WHO), overweight and obesity are the fifth leading risk for global deaths. At least 2.8 million adults die each year as a result of being overweight or obese;
- as the producer of the Ticket Restaurant® and Ticket Alimentation® meal voucher solutions, Edenred is in direct contact with affiliated merchants, beneficiaries and clients who each day make eating decisions that are important for their health. With almost 660,000 corporate clients, 1.4 million affiliated merchants and 41 million beneficiaries, Edenred can take tangible action to promote healthy food choices.

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

4.2.1.1 A major commitment aligned with Edenred's core business

Since Edenred's creation, it has taken many initiatives contributing to the development of the "Ideal meal" program: the **FOOD program**, which houses the majority of the Group's initiatives in Europe, the **Nutritional Balance program** in South American countries, and local initiatives in country organizations such as Brazil with the **AVANTE™ program**. As at end-2015, **18** countries covering **74**% of the total workforce were already involved in healthy eating projects. The main initiatives are presented below.

Edenred, FOOD program coordinator in Europe

Origin of the European project

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

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

In light of the pilot project's results, the partners decided to transform FOOD into a program in order to pursue the same principles and objectives over the long term. On December 14, 2011, a total of 23 partners signed a new consortium agreement defining the program's main initiatives and organization. The decision to pursue FOOD as a program was also made with the idea of expanding into new countries and bringing in new partners. As a result, Slovakia, Portugal and Austria have all joined the list of participating countries. The agreement was renewed in November 2015.

Notable achievements in FOOD member countries in 2015

Austria joins FOOD, becoming the ninth member country

In April, the Austrian Ministry of Health decided to join the consortium and Edenred Austria with the goal of raising awareness among the country's employees and restaurants. In just a few months, Edenred teams successfully got 70 restaurants to pledge to comply with the national FOOD criteria defined by the Ministry and conducted a broad campaign at year-end to inform clients and affiliated merchants about how the program works.

Italy takes part in the Milan Expo 2015 to fight against food

In alignment with the focus on food issues at Milan Expo 2015, whose motto was "Feeding the Planet, Energy for Life," Edenred Italy and its partner *Banco Alimentare* (Food Bank) joined politicians and association representatives in a round table on food waste. The goal was to devise legislation to facilitate the recovery of the equivalent of €2 billion worth of uneaten food a year.

In the country's nine member countries, **3,282 affiliated restaurants** have joined the FOOD program and more than 230 tools have been developed to spread the principles of balanced nutrition among employees and restaurants.

The Nutritional Balance program in Latin America

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

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

Notable achievements in Nutritional Balance member countries in 2015

In Chile, Edenred teams provide an offer around the Nutritional Balance program to their clients. A individual nutritional review was conducted for 300 Edenred beneficiaries, who were organized into small groups and assisted for six months by nutritionists In Uruguay, the program celebrated its tenth anniversary during the year. For key accounts, cooking classes led by a chef and a representative of the Honorary Board for Cardiovascular Health were attended by nearly 70 people. A wide range of direct and indirect promotional initiatives were also organized to highlight the commitment of affiliated merchants offering healthy meals. Lastly, Edenred teams regularly work in partnership with government to educate the general public. In 2015, they partnered with the Ministry of Health to raise awareness among food industry professionals in May and worked with representatives from the Food and Agriculture Organization (FAO) on World Food Day in October.

The AVANTE™ program in Brazil

AVANTE™, the Brazilian version of the "Ideal meal" program, is designed to educate beneficiaries about the importance of a healthy diet, support affiliated restaurants in offering more balanced menus and help clients improve the health of their employees.

- Notable achievements of the AVANTE™ program in 2015
- affiliated merchants: a network of AVANTE™ affiliates is being identified to direct users to the healthiest restaurants so as to increase their revenue. Around 300 restaurants have already been signed up.

- beneficiaries: an e-learning module was developed and used by around 100 beneficiaries during the year. It is available at http://www.programaavante.com.br/
- in an innovative move that has helped to reach isolated employees, an AVANTE™ foodtruck is criss-crossing the country offering healthy lunches. Beneficiaries already include around 8,000 employees of client companies.

4.2.1.2 The third Ideal Meal Day goes digital

On October 16, World Food Day, each host country educates its employees, clients, affiliated merchants and beneficiaries by giving nutritional advice and organizing activities to encourage healthy eating.

For 2015, Edenred offered employees and outside stakeholders the unusual experience of a massive online cooking class, live and in replay, on the same day and with the same recipe. In all, 28 country organizations participated, with some also inviting clients and shareholders to attend.

4.2.1.3 The Ideal meal survey to respond better to local conditions

In 2013, Edenred conducted a survey to find out more about the diversity of employee eating habits, and to identify the right levers in alignment with each host country's local situation and corporate culture. In 2014 and 2015, the survey was extended to ten new country organizations, so that a total of 66% of all employees have been polled worldwide, with an average response rate of nearly 70%. The findings, which offer a highly detailed vision of the challenges in each region, are currently being summarized.

IDEAL MEAL KEY INDICATORS IN 2015



PROMOTE HEALTHY NUTRITION AMONG OUR STAKEHOLDERS



18 COUNTRIES INVOLVED



4.7 MILLION BENEFICIARIES
123,000 AFFILIATES
AND 4,978 EMPLOYEES
EDUCATED AROUND
THE WORLD



3,282 ESTABLISHMENTS
IN THE FOOD NETWORK
OF RESTAURANTS
IN EUROPE

CORPORATE SOCIAL RESPONSIBILITY

4.2.2 IDEAL CARE TO SUPPORT LOCAL COMMUNITY DEVELOPMENT

In every host country, Edenred forges strong ties with local communities and associations to assist people in difficult circumstances.

Our employees are the driving force behind these initiatives, which take the form of donations, skills support or social welfare programs, very often deployed in association with clients, affiliated merchants, beneficiaries and other stakeholders.

Throughout, the focus is on long-term partnerships with the supported organizations. Chosen on the basis of each host country's local situation, the projects cover a wide range of areas, including food aid through collections and voucher donations, support for education or re-employment assistance.

4.2.2.1 Ideal Care Day devoted to community support

Each year on Human Rights Day (December 10), Edenred organizes the international "Ideal Care Day", during which employees are

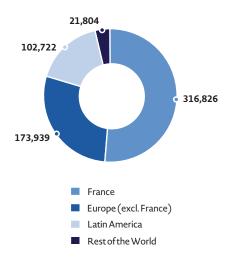
encouraged to take action to help their local communities. During the day-long event, employees organize fund-raising drives to meet the needs of a partner association and/or donate their time by participating in one or more charity projects.

This year, employees were invited to vote in the international Eden for All Challenge, a nine-day intranet poll to determine which of the three finalist outreach projects Edenred would support on Ideal Care Day 2015. The winner, the reforestation project in partnership with the Reforest'action association, was presented with a donation in proportion to its total number of votes.

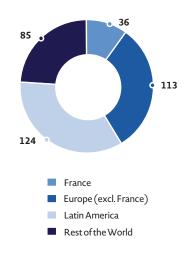
4.2.2.2 Other initiatives

In addition to Ideal Care Day, Edenred celebrates the many community initiatives being led by employees throughout the year in partnership with local non-profit associations. In all, 180 associations in our host countries around the world are being supported, with €615,291 in donations and 359 eight-hour days devoted to volunteer activities.

FINANCIAL DONATIONS TO ASSOCIATIONS BY REGION IN 2015 (in $\ensuremath{\epsilon}$)



TIME DEVOTED TO VOLUNTEERING ACTIVITIES BY REGION IN 2015 (person-days)



Employee initiatives

Mexico

Since 2007, Edenred has supported the association *Un Techo para mi país* (A roof for my country) which builds homes for families in difficulty. Over the past eight years, the commitment of employee volunteers has represented nearly 1,300 hours of work. Approximately 500 employees, assisted by the association's volunteers, have helped build housing for 53 families.

Venezuela

In May 2015, Cestaticket® celebrated the fifth anniversary of its Narices Mágicas Cestaticket® (Cestaticket® Magic Noses) program, whose employee volunteers stage clown-themed events to bring a little joy into Venezuelan hospitals. In the five years since it was launched in late 2009, the program has partnered with 75 hospitals, special-needs schools and half-way houses, delighting some 5,900 sick children and 1,300 hospitalized adults, with extensive coverage in the Venezuelan media. Employees of Edenred Venezuela client companies have participated in the program since 2012, with some 100 helpers joining the 100 Cestaticket® volunteers.

United Kingdom

Last September, six Edenred UK employees met the challenge of cycling between our offices in Chester and London. More than a sports challenge, the E2E ride also enabled our teams to raise money for two of the subsidiary's partner organizations, the Cancer Research Institute and Ollie's Army, an association supporting Ollie, a four-year old boy suffering from an incurable disease, and his family. In the end, the team covered 370 kilometers, climbed 3,400 meters and burned 9,000 calories, while raising €6,000 through 160 donations for the two charities.

Initiatives carried out with other stakeholders

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

France

For the past 13 years, Edenred France has worked alongside the French Red Cross to encourage 1.2 million employees to donate their *Ticket Restaurant*® vouchers to support the association's community initiatives. Edenred was the first French issuer to suggest donating vouchers. Its *Tickets solidaires* campaign is now also open to *Ticket Restaurant*® card users, who can make donations to the French Red

Cross throughout the year, securely and in just a few clicks, on the beneficiary website, www.myedenred.fr. To mark the new year, from March 1 to 15, 2015, they could also donate all or part of the prioryear funds remaining in their account to the French Red Cross. In this way, more than €2,300,000 has been raised since 2002.

Bulgaria

Edenred Bulgaria is partnering the Holiday Heroes association, which offers needy families food packages during the year-end holidays. The year's soon-to-expire vouchers are collected from key accounts and their employees to finance one of the items in the Christmas package. In 2015, the BGN 5,600 (around €2,900) collected helped to finance more than 2,900 kilograms of rice distributed to 5,183 families. For more information, please visit the association's website at https://holidayheroes.bg/en/

Austria

Since 2006, Edenred has partnered with the Austrian Red Cross to collect paper vouchers donated by beneficiaries in special boxes installed on client and affiliated merchant premises each year. In this way, €11,500 was raised in 2015 to help families in emergency situations not covered by government assistance, in particular by paying their bills, enabling them to buy groceries and offering them long-term support.

IDEAL CARE KEY INDICATORS IN 2015



SUPPORT LOCAL COMMUNITIES THROUGH VOLUNTEERING ACTIONS



180
ASSOCIATIONS
SUPPORTED





4.2.3 OTHER SOCIETAL DATA

4.2.3.1 Geographic, economic and social impact

Employment and regional development

Because of the nature of its business, Edenred has both a direct and an indirect positive impact on local employment and neighborhood merchants. The pre-paid service vouchers marketed by Edenred are a significant source of revenue for affiliated restaurants, supermarkets and other merchants, as well as a powerful tool for stimulating local employment, notably for human services. For governments, the vouchers' traceability helps reduce off-the-books work and improves tax collection.

The Group's impact in this area can be measured by the number of affiliated merchants who accept all types of Edenred vouchers. There are nearly 1.4 million affiliated merchants in its 42 host countries.

France

Summary of human resources data for France (1)

Employment	At December 31, 2015
Total number of employees	1,252
Compensation	
Gross payroll (in € millions)	54

⁽¹⁾ French subsidiaries and parent company

Neighbors and local communities

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

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

4.2.3.2 Relations with individuals or organizations engaged by the Company

Dialogue engaged with individuals or organizations

Table of stakeholders, actors, primary means of dialogue and issues addressed

Stakeholders	Key Edenred actors	Primary means of dialogue	Issued addressed
Clients Key accounts, SMEs, public sector	Sales and Marketing Department, subsidiary senior management Group Human Resources and Corporate Social Responsibility Department	Customer surveys Tender bids Client presentations Website Theme workshops led by nutritionists	Satisfaction and opinion surveys Building awareness of healthy eating Product and service compliance Ethical conduct Responsible services content in proposed Group solutions
Affiliated merchants Restaurants, foodservice outlets, service stations, dry-cleaners, etc.	Subsidiary Affiliates Department	Extranet website CSR programs (ECO Pressing®, local versions of Ideal meal) FOOD program affiliate questionnaires Targeted newsletters and email campaigns	New business development Educating restaurants in healthy eating practices
Beneficiaries Employees, citizens	Subsidiary Marketing Department	Website, social media Beneficiary website Targeted newsletters and email campaigns Dedicated events (cooking classes, workshops with nutritionists)	Satisfaction and opinion surveys Information related to the solutions in use Building awareness of healthy eating Increasing purchasing power
Employees Edenred employees and employee representative organizations, job applicants	Group Human Resources and Corporate Social Responsibility Department Subsidiary senior management and HR manager	Special committees (Works Council, Health, Safety and Working Conditions Committee, European Works Council) Employee satisfaction surveys Internal communication CSR events	Social dialogue Workplace well-being policies Employee retention and motivation Engagement in the corporate project
Shareholders Institutions, individuals, the financial community, SRI rating agencies, the French financial markets regulator (AMF)	Group senior management Investor Relations Department Group Human Resources and Corporate Social Responsibility Department	Registration document Roadshows and conferences Meetings with investors Shareholder breakfasts at headquarters and meetings across France Newsletters Dedicated website and mailbox	Educational material about Edenred's businesses and the specific features of its indicators Business ethics Corporate governance Transparency
Public authorities	Group Institutional Relations Department Subsidiary senior management	Meetings Working groups Economic research	Contributions to public health solutions
The community Associations, NGOs, local communities	Subsidiary CSR correspondents	Financing, donations in-kind or in person-hours Promotion <i>via</i> the communication channels with Edenred stakeholders	Partnerships Visibility given to a cause or association Fundraising support

CORPORATE SOCIAL RESPONSIBILITY

Breakdown of stakeholder flows

Stakeholders	Clients	Employees	Suppliers	Shareholders	Banks	States	Investors	Communities
Type of flow	Revenue	Employee benefit expense	Other operating expenses excluding tax	Dividends and purchase/sale of own shares excluding tax	Net borrowing cost	Taxes	Capital expenditure	Donations to NGOs
Data	+€1,069 million	-€331 million	-€320 million	-€242 million	-€31 million	-€147 million	-€315 million	-€0.65 million

4.2.3.3 Subcontractors

Inclusion of social and environmental issues in purchasing policy

Published in late 2014, the Charter of Ethics discusses supplier relations and enjoins Edenred business partners, subcontractors and suppliers to meet ethical, environmental and social standards in compliance with the values described in this document. Purchasing policy is decentralized to the subsidiary level. A selected number of suppliers, such as our largest printers and card vendors, have been designated as key partners and covered by international framework agreements that include clauses on compliance with labor laws in the country of production. Concerning paper purchases, which are still business-critical, environmentally friendly materials such as FSC-certified and/or recycled paper and vegetable-based inks are consistently preferred whenever possible without jeopardizing voucher security.

Reliance on subcontracting

The majority of outside contractors used by Edenred are hired to provide IT services. The Group requires its subsidiaries to ensure that subcontractors are employed in strict observance of the applicable regulations and labor laws concerning work shifts, the basis for calculating hours worked, etc., and encourages compliance through awareness measures with CSR correspondents. By virtue of its Charter of Ethics, Edenred is committed not to using forced or concealed labor, and to refusing to work or immediately stopping working with suppliers and service providers using employees working under duress or threat. Edenred France, for example, introduced a Responsible Purchasing Charter in October 2014 to set out its expectations of suppliers in the areas of human rights, employment best practices, non-discrimination, etc. The charter has been signed by the subsidiary's main suppliers.

4.2.3.4 Fair practices

Measures taken to prevent corruption

In line with its multi-local organization, Edenred's ethics approach is adapted to each subsidiary's legal and operating conditions. To address specific compliance issues, local codes of ethics have been developed by several units, including Edenred Italy, Edenred Brazil, Edenred Mexico, Edenred Uruguay, Cestaticket in Venezuela and, since 2014, Edenred France. These codes now cover **56**% of the global workforce. In the United Kingdom, PrePay Solutions has established a separate anti-corruption policy. Recognizing the importance of spreading these principles more widely across the organization, a Group Charter of Ethics was drafted and distributed to all employees in December 2014, and made available on the corporate website in April 2015. In Brazil, an e-learning module on the Group Charter of Ethics has so far been taken by more than 500 employees.

In 2012, anti-money laundering (AML) and combating the financing of terrorism (CFT) policies were introduced at the Group level, with training for the finance teams in the European subsidiaries. In 2013, the policies were translated into Spanish for the Latin American host countries, and training was offered to both country chief executives and the local finance departments. Following these sessions, certain country organizations, like France, the United Kingdom, Italy and Argentina, adapted and deployed the policies in their operating host countries. The Legal Affairs Department pursued these efforts in 2013 and assisted a number of countries (including Germany and Romania) in implementing the procedure. In 2014, Internal Audit assignments were conducted jointly between the Group Audit Department and PrePay Solutions to verify the existence and proper application of AML/CFT procedures in Germany and Poland, leading to local action plans. The Group's audit framework was revised in 2014, and now includes several points relating to anti-money laundering procedures. In 2015, a Compliance Department was created and tasked with revising corporate AML/CFT policies and leading their deployment in the host countries.

Measures taken to safeguard consumer health and safety

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

4.2.3.5 Initiatives to promote human rights

Edenred is committed to respecting human rights as defined in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. As a result, it avoids infringing on human rights in all of its actions.

As concerns human resources management, the Charter of Ethics reaffirms our commitment to the principles and fundamental rights

outlined in the International Labour Organization's fundamental conventions. These cover the right to freedom of association, the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment and occupation. The resources deployed in relation to Edenred's business base are described above.

4.2.4 MEASURING AND RATING PERFORMANCE

4.2.4.1 Socially responsible investing indices

FTSE4Good

In recognition of its commitment to corporate social responsibility, Edenred has been included in the FTSE4Good Index series since 2010. An evaluation by an independent organization demonstrated that Edenred fulfilled the requirements for inclusion. The FTSE4Good Index series has been designed to facilitate investment in companies that meet globally recognized corporate social responsibility standards. Of the 802 companies in the FTSE4Good, only 52 are French. Edenred's inclusion in the index is a strong incentive for the Group to pursue its socially responsible policies.

Dow Jones Sustainability Indices

For the third consecutive year, the Dow Jones Sustainability Index (DJSI) acknowledged Edenred's commitment to corporate social responsibility. In 2013, Edenred was included in the DJSI Europe in the Commercial & Professional Services industry group. The index assesses companies on economic, social and environment aspects, covering criteria such as governance, human resources policy, human rights and environmental impact.

4.2.4.2 Standards

United Nations Global Compact

In 2015, following the publication of its Charter of Ethics, Edenred officially joined the 12,000 organizations around the world that have pledged to support the United Nations Global Compact, an initiative that calls on companies to adopt a common stance on human rights, labor, the environment, and anti-corruption. Launched in July 2000 with the goal of creating a sustainable, inclusive global economy, the Compact is one of the world's foremost corporate social responsibility initiatives.

Grenelle II Act

A cross-reference table between the information published in this Registration Document and Article 225 of the Grenelle II Act is available on page 351.

4.2.4.3 Other certifications and ratings

France

In 2014, Edenred France undertook a program to deepen its CSR commitment, involving 11 projects to implement ISO 26000 recommendations. In December 2014, an audit by Bureau Veritas rated the subsidiary 3.6 out of a possible 5, highlighting its ability to successfully address CSR issues. The results also allowed the subsidiary to ascertain its level of maturity and identify areas for improvement in the seven key issues: Governance, Human rights, Working relations and conditions, Environment, Fair trade practices, Consumer issues and Communities and local development.

Italy

The Italian Competition Authority has awarded Edenred Italy its highest 3-Star Legality Rating certification. According to global anticorporation association Transparency International, perceived levels of transparency and legality are very low in Italy, indicating that people lack confidence in their institutions and the business community. In response, in 2013 the Italian Competition Authority introduced the *Rating di Legalità* certification program to rate the commitment of companies to ethical practices, financial transparency and social responsibility. In 2015, certificates were awarded to Edenred and 62 other worthy companies.

Europe

This year, the FOOD program won an award from the Palo Alto School in Milan for the best project aimed at improving workplace well-being. The school honored the program as the first initiative in Italy promoting balanced nutrition in the workplace based on the Mediterranean diet. FOOD was also one of the three finalists for Belgium's 2015 Nutrition and Health Prize, which is awarded every year by a scientific committee to the best project contributing to better health in the country.

4.3 ENVIRONMENTAL DATA

Information is reported by geographical region, as follows:

- France:
- Europe (excl. France);

- Latin America:
- Rest of the World.

The Group's CSR reporting methodology is described on page 67.

4.3.1 IDEAL GREEN TO PRESERVE THE ENVIRONMENT

4.3.1.1 Organizational response to environmental issues, environmental assessment or certification programs

Although it has a limited impact on the environment because its operations are mainly service related, Edenred undertakes to:

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

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

Environmental management

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

France, Brazil, and the United Kingdom have received this certification and renew it at least once every three years. Mexico and the Czech Republic have obtained other local environmental certifications. As a result, 50% of Edenred employees now work in a host country that has received environmental certification.

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

A consolidated reporting system has been established for the environmental initiatives undertaken by all of the Group's countries. It is based on some 20 indicators covering:

water consumption;

- energy consumption;
- paper consumption;
- plastic consumption;
- waste production;
- greenhouse gas emissions.

In 2015, Bureau Veritas renewed the ISO 14001 certification obtained by Edenred Brazil in 2012. To receive this certification, the subsidiary set up and now monitors specific indicators, such as the percentage of suppliers trained in environmental issues. Edenred Brazil has trained 87.5% of its target of 70% of suppliers.

Eco-designed solutions

Edenred's primary impact is related to the production of paper vouchers. In 2015, **15** country organizations, representing 62% of the workforce and 73% of issue volume, used recycled paper or paper certified to the standards of the Forest Stewardship Council (FSC) for voucher production (source: 2015 CSR reporting).

The Group is actively engaged in transitioning its solutions to paperless media, with the objective of having 75% of them in digital format by 2016. As at end-2015, 65% of issue volume was delivered paperlessly. This approach considerably reduces the impact of Edenred's activities on paper resources. In late 2015, comparative lifecycle analyses were conducted on paper and card-based *Ticket Restaurant®* solutions to determine the most effective ways to reduce the card's environmental impact in 2016.

Programs for clients and affiliated merchants

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

Brazil and Mexico

Ticket Car®'s Ticket Carbon Control® program, which gives clients detailed, precise information about their vehicles' CO₂ emissions, was launched in Brazil in 2009 and in Mexico in 2012.

Belgium

Edenred created *Ticket EcoCheque*® in 2009 at the request of the Belgian authorities. This solution promotes environmentally friendly products and services, and increases the buying power of employee beneficiaries. Some 700,000 employees have already used *EcoCheque*® vouchers, which are intended solely for the purchase of environmentally friendly goods and services. An exhaustive list has been drawn up by the National Labor Council.

United Kingdom

Cycle to Work is a solution devised by the UK subsidiary that allows employers to reduce their payroll costs by subsidizing the purchase of bikes for their employees. The model strongly encourages employers to promote this clean, healthy mode of transportation.

Employee awareness

Because employee commitment is a key success factor for Edenred's environmental policy, a variety of resources have been deployed to inform and teach employees about environmentally friendly practices. In 2015, a total of 3,995 employees attended training sessions on environmental issues throughout the year, with a focus on Green IT, an increasingly important challenge as the shift to digital gains momentum. For example, 19 country organizations offered courses in this issue during the year.

4.3.1.2 Employee training and information initiatives: Ideal Green Day

Each year on International Earth Day (April 22), Edenred goes green to remind employees about environmental protection and

encourage them to take action. Since 2011, Earth Day has provided an opportunity to raise awareness and get teams to work on one of the key environmental issues facing Edenred. In 2015, the theme was Green IT, with the 27 participating subsidiaries leading initiatives on the responsible use of information systems and discussing how to leverage digital technology to reduce the environmental footprint not only of the Group but also of our stakeholders. In all, 3,502 employees took part in such activities as recycling scrap IT equipment and supporting associations in addressing the spread of digital technology and raising awareness of the challenges and what people can do to meet them.

4.3.1.3 Resources devoted to preventing environmental risks and pollution

The environmental management system based on ISO 14001 implemented by Edenred helps prevent environmental risks and pollution. In 2015, the host countries allocated a total budget of €368,512 to environmental initiatives, including organizing Ideal Green Day, earning ISO 14001 certification, conducting environmental communication campaigns and purchasing recycled paper to print prepaid vouchers, catalogs and office documents. The scope of reporting for expenses includes Edenred host countries subject to reporting.

4.3.1.4 Provisions and guarantees for environmental risks

No material provisions or guarantees were set aside in 2015 for environmental risks. Edenred was not subject to any court rulings on environmental claims during the year.

4.3.2 POLLUTION AND WASTE MANAGEMENT

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

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

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

The Group's operations do not result in any soil pollution or significant air pollution. Some of the Group's host countries

customize vouchers directly on pre-printed backgrounds. This is done at Edenred production sites using specific printers. Host countries are encouraged to use environmentally friendly inks for this process. Edenred France, for example, uses non-toxic water-based inks that do not emit any volatile organic compounds (VOCs). Production sites are equipped with aeration systems to ensure that process dust is quickly removed from the air.

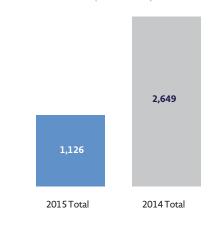
4.3.2.2 Measures to prevent, recycle and eliminate waste

The environmental management system based on ISO 14001 implemented by Edenred covers sustainable waste management and recycling. Edenred's eco-design approach also helps limit waste production. Given the nature of our business, most waste is office

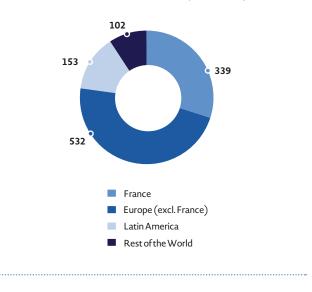
refuse and voucher customization process waste, such as print cartridges and paper. Cards represent an indirect recycling challenge for Edenred, as they are produced by third parties and become the property of beneficiaries once distributed. The Group has, however, started looking into collecting and recycling used cards within its French subsidiary.

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

TOTAL WASTE PRODUCED (in metric tons)



WASTE PRODUCED BY REGION IN 2015 (in metric tons)



In 2015, the sustained transition to paperless solutions in most of the host countries helped drive a steep **58**% decline in waste produced across the Group.

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

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

4.3.3 SUSTAINABLE USE OF RESOURCES

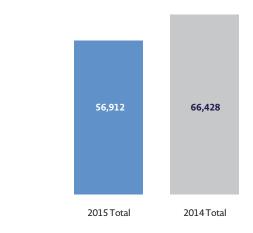
4.3.3.1 Water use and supply in relation to local constraints

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

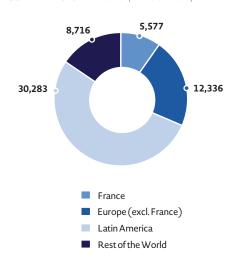
Edenred's offices, most of which are located in cities, are connected to municipal sewage systems.

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

TOTAL WATER USE (in cubic meters)



WATER USE BY REGION IN 2015 (in cubic meters)



In 2015, action plans to cut back on water use helped reduce this indicator by 14% Group-wide over the year.

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

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

Paper

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

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

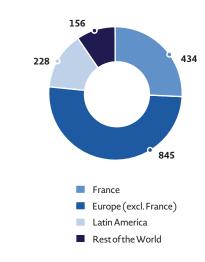
In 2015, 15 country organizations used this type of paper to make their vouchers, thereby limiting the Group's impact on wood resources. In France, for example, Edenred is the first meal voucher issuer to use fully recycled security paper and to have obtained FSC certification.

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

TOTAL PAPER USE IN 2015 AND 2014 (in metric tons)



PAPER USE BY REGION IN 2015 (in metric tons)



Total paper use decreased by **22%**. This reflects the Group's continuing policy to transition to digital solutions and digital marketing campaigns, which has had a positive impact on paper use. The breakdown by region is consistent with the progress made by host countries in terms of their transition to digital solutions.

Plastics

As the digital transition for all Edenred solutions picks up speed, the use of plastic for card production has become a major challenge for the Group. Edenred has already transitioned 65% of its issue volume and intends to achieve a rate of 75%. That said, plastic cards are not the only paperless solution available.

Certain host countries are looking at using more environmentally friendly materials than recycled PVC for card production. Edenred France, for example, has formed a partnership with a local card recycling company that uses a mechanical process that is currently the industry's most eco-responsible. In 2015, a total of **68** metric tons of plastic was used in the Group's card production.

Another source of plastic consumption stems from Edenred's office work and the use of plastic cups. Several host countries have taken action either to reduce this use by offering new hires their own cup (France) or to limit its impact by sorting waste cups (France and Japan).

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

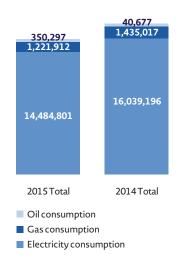
The environmental management system based on ISO 14001 implemented by Edenred includes measures to reduce energy use and improve energy efficiency.

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

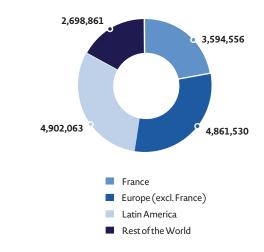
In 2015, solar panels were installed on the roof of a voucher plant in Belgium and are now generating 74,902 kWh a year.

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

TOTAL ENERGY USE (in kWh, LHV) LHV = Lower Heating Value



ENERGY USE BY REGION IN 2015 (in kWh, LHV)



At the Group level, total energy use decreased by **8%** in 2015, primarily due to the generally milder winter in Europe, the efforts made in the host countries to reduce electricity use and, for certain host countries, changes in scope (China, Germany and PPS). On the other hand, extensive use of a generator during blackouts in Venezuela caused fuel oil consumption to jump six-fold during the year. The breakdown by region is aligned with the breakdown in the Group's business.

4.3.3.4 Land use

No measurements have been made as land use is minor in Edenred's operations.

4.3.4 MEASURES TO COMBAT CLIMATE CHANGE

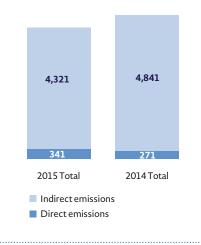
4.3.4.1 Greenhouse gases

Owing to the nature of its business, Edenred has a limited impact on climate change. Nevertheless, the Group this year pursued a continuous improvement program as part of its formal environmental policy. In addition, in France and Brazil – Edenred's two main countries – greenhouse gas emissions were inventoried to identify precisely which operations are responsible.

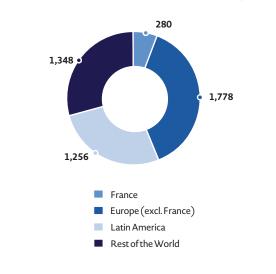
Greenhouse gas emissions are calculated based on the energy use data provided above, as follows:

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

TOTAL GREENHOUSE GAS EMISSIONS (in tCO2 eq)



GREENHOUSE GAS EMISSIONS BY REGION IN 2015 (in tCO2 eq)



Total greenhouse gas emissions decreased by **9%** in 2015 in line with the reduction in total energy use. The calculation of greenhouse gas emissions is made on the basis of emission factors for natural gas and fuel oil (source: 2006 IPCC guidelines for National Greenhouse Gas Inventories) and electricity (source: ADEME).

In Brazil, Edenred chose to offset all of the unavoidable energy use reported during the subsidiary's carbon review with a biomass-to-energy investment project.

Other country organizations have implemented commuting-related initiatives, such as the incentives used by Edenred UK and Edenred Germany to encourage employees to bike to work. Corporate headquarters employees have created a car-pooling intranet site that has been undergoing testing since the summer of 2015 for rollout to other host countries in 2016.

4.3.4.2 Measures to adapt to climate change

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

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

4.3.5 MEASURES TO PROTECT BIODIVERSITY

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

A number of initiatives undertaken by our host countries to protect biodiversity are described above, including the use of recycled and FSC-certified paper for voucher production and nature preservation and reforestation projects carried out with local partners as part of Ideal Green Day.

For example, for the third consecutive year, *Ticket Kadéos®* affiliates were sent a "plant-a-tree" New Year's card in 2015 in partnership with Reforest'action, a French NGO. In addition, the initiative was extended to Edenred France clients, who were offered the same possibility of choosing the type of tree they wanted to plant as part of a reforestation project in Haiti. In all, 443 trees were planted as part of the Reforest'action project during the year. The virtual lot listing all the trees planted by Edenred France is regularly increased throughout the year by other responsible marketing operations bringing together employees, clients and other stakeholders.

IDEAL GREEN KEY INDICATORS IN 2015



MOBILIZE TO REDUCE OUR ENVIRONMENTAL IMPACT



9% LESS GHG EMISSIONS



22%
LESS PAPER WAS USED
IN OFFICES AND
TO PRODUCE VOUCHERS



14% LESS WATER CONSUMED

4.4 CSR INDEPENDENT THIRD-PARTY ENTITY REPORT

Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated human resources, environmental and social information included in the management report

This is a free English translation of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31st, 2015

To the Shareholders,

In our capacity as Statutory Auditors of Edenred SA, (the "Company"), appointed as independent third party and certified by COFRAC under number(s) 3-1048 ⁽¹⁾, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31st, 2015 included in the management report (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (Code de commerce).

accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);

 express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

Our work involved six persons and was conducted between November 2015 and February 2016 during a five week period. We were assisted in our work by our sustainability experts.

We performed our work in accordance with the French professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000 (2) concerning our conclusion on the fairness of CSR Information.

COMPANY'S RESPONSIBILITY

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the reporting protocols and guidelines used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the company's head office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French Code of ethics (Code de déontologie) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

STATUTORY AUDITORS' RESPONSIBILITY

On the basis of our work, our responsibility is to:

 attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in

1. ATTESTATION REGARDING THE COMPLETENESS OF CSR INFORMATION

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in corporate social responsibility section of the management report.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

- (1) Whose scope is available at www.cofrac.fr
- (2) ISAE 3000 Assurance engagements other than audits or reviews of historical financial information.

CORPORATE SOCIAL RESPONSIBILITY

4

4.4 CSR Independent third-party entity report

2. CONCLUSION ON THE FAIRNESS OF CSR INFORMATION

Nature and scope of our work

We conducted around ten interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and;
- obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important (see appendix):

 at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report; • at the level of a representative sample of entities/divisions/sites selected by us ⁽¹⁾ on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average 36% of headcount, between 27% and 48% of quantitative environmental data, and between 19% and 66% of the quantitative societal data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, March 3rd, 2016

One of the Statutory Auditors, DELOITTE & ASSOCIES

David DUPONT-NOEL Partner

Florence DIDIER-NOARO Partner, Sustainability Services

<u>Appendix</u>

The CSR Information that we considered to be the most important, on which we conducted detailed tests, are the following:

Quantitative information:

Social: Total workforce by gender, age, job category and region; Percentage of women in management positions; Number of hires and departures by type (excluding mobility); Absenteeism rate; Percentage of employees working at units with employee representative bodies; Percentage of employees covered by a collective agreement; Frequency rate and severity rate of occupational accidents and commuting accidents; Number of hours of training.

Environment: Total energy use; Total greenhouse gas emissions by region; Total paper use for the production of vouchers; Number of country organizations, percentage of the workforce represented, and percentage of issue volume using recycled paper or paper certified to the standards of the Forest Stewardship Council (FSC) for voucher production; Percentage of employees working in a country organization that has received an ISO 14 001 certification.

Societal: Number of country organizations involved in an 'Ideal Meal' programme; Number of Edenred employees that have been sensitized to the "Ideal Meal" programme; Number of days dedicated by employees to sponsorship initiatives.

Qualitative information:

<u>Social:</u> Compensation policy and Edenred Solidarity Fund; Psychosocial risks at Edenred France and Edenred International. <u>Societal:</u> Ideal Meal Day; Ideal meal survey to respond better to local conditions; Anti-money laundering procedures.

CORPORATE GOVERNANCE

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5.1 CORPORATE GOVERNANCE

Edenred's system of corporate governance is based on the AFEP-MEDEF Corporate Governance Code for listed companies, revised in June 2013 and November 2015 (the "AFEP-MEDEF Code"). The Corporate Governance Code can be consulted on the MEDEF

website, www.medef.com. Paper copies are available on request from AFEP, MEDEF and the Company's headquarter.

The only two exceptions to the application of the AFEP/MEDEF Code recommendations are mentionned on pages 133 and 148.

5.2 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

5.2.1 MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

5.2.1.1 **Governance structure**

Since April 9, 2010, Edenred has been organized as a *société anonyme* (public limited company) administered by a Board of Directors.

As provided for in the applicable regulations, on June 29, 2010, the Board of Directors decided to combine the functions of Chairman of the Board of Directors and Chief Executive Officer and confirmed this decision on July 30, 2015 when it appointed Nadra Moussalem as acting Chairman and Chief Executive Officer, and again on September 10, 2015 when Bertrand Dumazy was appointed Chairman and Chief Executive Officer. The Board considers that this governance structure is best aligned with the Company's needs, because it ensures the high level of strategic and operational responsiveness required by a young organization whose business is undergoing a radical technological transformation. The Chairman and Chief Executive Officer does not receive any compensation in his capacity as Chairman of the Board.

Article 14 of the Company's bylaws allows for the appointment by the Board of one or two Vice-Chairmen to lead Board meetings in the Chairman's absence. In light of its decision to combine the functions of Chairman and Chief Executive Officer, the Board decided to appoint an independent director as Vice-Chairman of the Board. Philippe Citerne has held this position since June 29, 2010.

On February 11, 2015, the Board of Directors decided to amend its Internal Regulations to formalize this practice. Under Article 1.5 of the amended Internal Regulations, the Vice-Chairman may also act as senior independent director provided he/she qualifies as an independent director in accordance with the criteria disclosed by the Company. In addition, the Board of Directors must appoint a Vice-Chairman if the Chairman is also the Chief Executive Officer, in which case the Vice-Chairman will also serve as senior independent director.

In addition to the role vested in him by the Company bylaws, the Vice-Chairman, as lead director, acts as the preferred contact for the other independent directors. Whenever necessary and at least once a year, he organizes a meeting reserved exclusively for independent directors to allow them to discuss certain issues outside full Board meetings. The meeting costs are paid by the Company which also handles the logistical aspects. The meeting agenda is set by the Vice-Chairman but each independent director is able to raise any other issues not included on the agenda. After the meeting, the Vice-Chairman can arrange to meet the Chairman and Chief Executive Officer to inform him of all or certain of the independent directors' comments or requests. If appropriate, he may also decide to comment on the work of the independent directors during meetings of the full Board.

5.2 Administrative, management and supervisory bodies

The Vice-Chairman, who also acts as senior independent director, oversees responses to requests from shareholders not represented on the Board, makes himself available to hear their comments and suggestions and, where possible, answers their questions after consulting the Chairman. To this end, he has been assigned a specific e-mail address that may be used by any person who wants to send him their comments or ask questions: philippe.citerne@edenred.com. The Board of Directors is informed by the Vice-Chairman about all of his contacts with shareholders.

The Vice-Chairman, who also acts as senior independent director, oversees formal self-assessments of the Board's practices and approves the self-assessment report. He may intervene with the Chairman and Chief Executive Officer on the items to be included on the agenda of Board meetings. He approves the annual summary of strategic issues to be included on the agenda of Board meetings, as submitted to him by the Chairman and Chief Executive Officer. Lastly, he deals with any conflicts of interest involving Board members.

5.2.1.2 Membership of the Board of Directors

As of December 31, 2015, the Board of Directors had 10 members, seven of whom were qualified by the Board as independent directors based on the criteria set out in the AFEP-MEDEF Corporate Governance Code.

As of December 31, 2015, of the ten members, seven are men and three are women, representing 30% of the Board members in compliance with the French Act no. 2011-103 of January 27, 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards, and on workplace equality. Its membership therefore complies with the applicable laws and regulations.

The table below summarizes the composition of the Board of Directors at 31 December 2015. Details on each of the directors are provided thereafter.

			Number of directorships in	Audit and	Compensation and	Commit-	Date		Assistance at the
Name	Age	Inde- pendence	listed companies (excluding Edenred)	Risks Committee	Appointments Committee	ments Committee	first elected	End of current term	10 Board meetings
Bertrand Dumazy	44	No	0				2015	2018 AGM	100%
Jean-Paul Bailly	69	Yes	2	•		•	2010	2016 AGM	100%
Anne Bouverot	49	Yes	1	•			2010	2017 AGM	70%
Philippe Citerne	66	Yes	1	•	•		2010	2017 AGM	100%
Gabriele Galateri di									
Genola	69	Yes	2		•		2010	2018 AGM	70%
Maëlle Gavet	37	Yes	0				2014	2018 AGM	80%
Françoise Gri	58	Yes	2		•		2010	2017 AGM	90%
Jean-Romain Lhomme	40	No	0	•			2013	2018 AGM	80%
Bertrand Meheut	64	Yes	1			•	2010	2016 AGM	60%
Nadra Moussalem	39	No	1		•	•	2010	2016 AGM	90%

^{*} There were more Board meetings compared with previous years and with the timetable set at the end of the previous year, due in large part to the change of governance.

Each director's situation in relation to the independence criteria, defined in collaboration with the Compensation and Appointments Committee, is reviewed annually by the Board of Directors. As regards significant business relationships between directors and the Company, the Board of Directors noted again this year that none of the directors had any relationship of any kind whatsoever with the Company, its Group or the management of either that may color their judgment. Pursuant to the independence criteria approved by the Board of Directors, qualified independent directors cannot:

- have been at any time in the past five years an employee or a corporate officer of the Company, or an employee or director of its parent or a company that it consolidates;
- be a corporate officer of a company in which the corporation directly or indirectly holds a directorship, or in which an employee

appointed as such or a corporate officer of the Company (current or in the past five years) holds a directorship;

- be a customer, supplier, investment banker or commercial banker:
 - that is material for the Company or its Group, or
 - for which the Company or its Group represents a material proportion of the activity;
- · have any close family ties with a corporate officer;
- have been a Statutory Auditor of the Company at any time in the last five years;
- have been a director of the Company for more than twelve years;
- be or represent a shareholder owning more than 10% of the capital or voting rights of the Company.

The table below summarizes these independence criteria for each director:

	Not an employee or corporate officer			No family ties	Not an auditor or former auditor	Not a director for more than twelve years		Independent
Bertrand Dumazy	х	•	•	•	•	•	•	NO
Jean-Paul Bailly	•	•	•	•	•	•	•	YES
Anne Bouverot	•	•	•	•	•	•	•	YES
Philippe Citerne	•	•	•	•	•	•	•	YES
Gabriele Galateri di Genola	•	•	•	•	•	•	•	YES
Maëlle Gavet	•	•	•	•	•	•	•	YES
Françoise Gri	•	•	•	•	•	•	•	YES
Jean-Romain Lhomme	•	•	•	•	•	•	х	NO
Bertrand Meheut	•	•	•	•	•	•	•	YES
Nadra Moussalem	•	•	•	•	•	•	х	NO

5.2 Administrative, management and supervisory bodies

As of December 31, 2015, the membership of the Board of Directors is as follows:

Jean-Paul Bailly

Date of birth: November 29, 1946

Nationality: French

Business address: 38, rue Gay Lussac, 75005 Paris, France

First elected: June 29, 2010

Re-elected: May 15, 2012

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2015

Number of Edenred shares held at December 31, 2015:

607

Main position: Former Chairman of RATP and Honorary Chairman of Groupe La Poste.

Experience and expertise: A graduate of École Polytechnique and the Massachusetts Institute of Technology, Jean-Paul Bailly has

held various positions with the Paris Transit Authority (RATP), including Manager of the Paris Metro and RER suburban rail system, Human Resources Director, Deputy Chief Executive Officer and then Chairman and Chief Executive Officer. He was Chairman of the French Post Office (Groupe La Poste) from 2002 to 2013 and Chairman of the Supervisory Board of La Banque Postale from 2006 to 2013. He has been

Honorary President of Groupe La Poste since then.

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

 Position
 Company
 Country

 Director
 Accor SA (listed company)
 France

 Chairman of the Supervisory Board
 Europcar (listed company)
 France

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

PositionCompanyDirectorSopassure SA

CNP Assurances SA (listed company)

Poste Immo SA – Permanent representative of La Poste Geopost SA – Permanent representative of La Poste Sofipost SA – Permanent representative of La Poste

GDF Suez SA (listed company) - Representing the French State

Chairman and Chief Executive Officer La Poste SA

Member of the Supervisory Board La Banque Postale Asset Management SA

Anne Bouverot

Date of birth: March 23, 1966

Nationality: French

Business address: The Walbrook Building, 25 Walbrook, London, EC4N 8AF, United Kingdom

 First elected:
 June 29, 2010

 Re-elected:
 May 24, 2013

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2016

Number of Edenred shares held at December 31, 2015:

1,012

Main position: Chairman and Chief Executive Officer of Morpho

Experience and expertise: A graduate of École Normale Supérieure and of Télécom Paris, Anne Bouverot was head of presales

operations at Global One from 1996 to 2002. In August 2004, she became Chief of Staff for the Chief Executive Officer of Orange Group and then, in November 2006, Executive Vice-President, International Business Development, at France Telecom. She has also been a Director of Groupama SA since

October 2008. In September 2011, she was appointed Chief Executive Officer and Member of the Board of Directors of GSMA, the international association of mobile network operators. She became Chairman and

Chief Executive Officer of Morpho (Safran) in 2015.

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

Position	Company	Country
Chairman and Chief Executive Officer	Morpho Trak, LLC	United States
Chairman of the Board of Directors	Morpho Detection International, LLC	United States
Director	CapGemini SA (listed company) Morpho Detection, LLC	France United States
Chairman	Morpho USA, Inc. Morpho SAS	United States France
Member of the Supervisory Board	Morpho Cards GmbH	Germany
Directorchine shown in italies do not fa	I within Article I 225 21 of the French Common	reial Code on multiple directorships

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position Company

Director Orange SA (listed company)

Groupama SA (listed company)

GSMA Ltd

Chief Executive Officer GSMA SV

Chairman France Telecom North America

Member of the Board of Directors GSMA (international association of mobile network operators) – Permanent representative of

France Telecom Orange

Member of the Scientific Advisory Board France Telecom Orange SA (listed company)

5.2 Administrative, management and supervisory bodies

Philippe Citerne

Date of birth: April 14, 1949

Nationality: French

Business address: Bain & Cy, 50, avenue Montaigne, 75008, Paris, France.

First elected: June 29, 2010 May 24, 2013 Re-elected:

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2016

Number of Edenred shares held at December 31, 2015: 1061

Main position: Vice-Chairman of the Board of Directors of Edenred.

Experience and expertise: After graduating from École Centrale de Paris and holding a number of positions in the French Finance

> Ministry, Philippe Citerne joined Société Générale in 1979, where he served as Vice-President of Economic Research, Vice-President Finance and Vice-President Human Relations, prior to becoming Director, Deputy Chief Executive Officer and Chief Operating Officer from 1997 to April 2009. He is currently Vice-Chairman

of the Boards of Directors of Accor and Edenred.

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

Position	Company	Country
Director and Vice-Chairman of the Board of Directors	Accor SA (listed company)	France
Member of the Supervisory Board	Lendix	France
Director	MK2	France
Chairman	C2.0	France
Chairman	Filcico	France
Chairman	Inverewe Capital	Ireland
Non-executive Chairman	Telecom & Management SudParis (research institute)	France

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position	Company
Director	Sopra Group SA (listed company)
	Rosbank

Rexecode

Chairman of the Board of Directors Accor SA (listed company)

Deputy Chief Executive Officer Société Générale SA (listed company)

Member of the Supervisory Board Deposit guarantee fund - Representative of Société Générale Chairman Systèmes Technologiques d'Échanges et de Traitement (STET)

Bertrand Dumazy

Date of birth: July 10, 1971

Nationality: French

Business address: Edenred SA 166-180, boulevard Gabriel Péri, 92240 Malakoff, France.

Executive Director since: October 26, 2015

Re-elected: n/a

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2017

Number of Edenred shares held at December 31, 2015:

500

Main position: Chairman and Chief Executive Officer of Edenred SA

Experience and expertise: Bertrand Dumazy is a graduate of ESCP Europe and holds an MBA from Harvard Business School. He

began his career as a consultant at Bain & Company, first in Paris and later in Los Angeles. He then worked as the Investment Director of BC Partners before founding Constructeo. In 2002, he joined the Neopost Group. Initially head of Marketing and Strategy, he was appointed Chairman and Chief Executive Officer of Neopost France in 2005 and then Chief Financial Officer for the Neopost Group in 2008. Three years later he became Chairman and Chief Executive Officer of Deutsch, world leader in high performance

connectors, a position he held until the group was acquired by TE Connectivity. In 2012, he joined Materis as Senior Vice-President then CEO and finally Chairman and Chief Executive Officer of Cromology. He has

been Chairman and Chief Executive Officer of Edenred SA since October 26, 2015.

Independent with regard to AFEP-MEDEF Code:

No

Directorships and positions held as of December 31, 2015

Position	Company	Country
Chairman and Chief Executive Officer	Edenred SA	France
Chairman of the Supervisory Board	Union Tank Eckstein GmbH & Co. KG	Germany
Chairman	PWCE Participations SAS	France
Director	Terreal SAS	France

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position	Company
Chairman	Cromology (formerly Materis Paints)
	Cromology (formerly Materis Peintures)
	Materis SAS
	Materis Corporate Services
Chairman of the Board of Directors	Cromology SL (formerly Materis Paint Espana SL) – Permanent Representive of Cromology Services
	International Coating Products (UK) Limited
Director	Vernis Claessens
	Cromology Italia S.p.A (formerly Materis Paints Italia S.p.A)
	Innovcoat Nanoteknolojik Boya Ve Yüsey Urunleri Sanayi Ticaret Ve Arge A S

Gabriele Galateri di Genola

Date of birth: January 11, 1947

Nationality: Italian

Business address: Piazza Cordusio 2, 20123 Milan, Italy.

Executive Director since: June 29, 2010 May 13, 2014 Re-elected:

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2017

Number of Edenred shares held at December 31, 2015:

Main position: Chairman of Assicurazioni Generali S.p.A.

Experience and expertise: Gabriele Galateri di Genola, who has an MBA from Columbia University, held various positions at

> Saint-Gobain, then at Fiat beginning in 1977. He was appointed Chief Executive Officer of Ifil in 1986 and Chief Executive Officer and General Manager of IFI in 1993. He was Chairman of Mediobanca until June 2007, then Chairman of Telecom Italia SpA until 2011. He then became Chairman of the Generali

Group

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

Position	Company	Country
Chairman	Assicurazioni Generali SpA (listed company) Istituto Italiano di Tecnologia (IIT)	Italy Italy
Director	Accor Hospitality Italia Srl Lavazza SpA FAI – Fondo per l'Ambiente Italiano Assonime Moncler Italia SpA (listed company) Fondazione Marcianum	Italy Italy Italy Italy Italy Italy
Member of the General Board and Executive Committee	Fondazione Giorgio Cini	Italy
Member of the Management Board	Associazione De Sono	Italy
Member of the International Advisory Board	Columbia Business School	United States

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position Company

Director Italmobiliare SpA (listed company)

> Azimut - Benetti SpA Saipem SpA (listed company) Accor SA (listed company) Fondazione Rosselli Banca Esperia SpA

Istituto Europeo di Oncologia (IEO) Fondazione Nuovi Mecenati Fiera di Genova SpA

Utet SpA Fondazione R&I

Cassa di Risparmio di Savigliano (CRS)

Banca Carige (listed company)

Fondazione Ravello Fondazione Santa Cecilia TIM Participaçoes SA

Confindustria

Member of the Central Advisory Board Commerzbank AG

Chairman TIM Brazil S&P SA (listed company)

TIM Participacoes SA

Telecom Italia SpA (listed company)

Vice-Chairman RCS Mediagroup SpA (listed company)

Member of the Supervisory Board San Faustin NV Member of the Compensation CommitteeTIM Participações SA

Member of the Management and/or

Confindustria

Unione Industriali Napoli - Vice-Chairman of the Banda Larga Project **Executive Board**

Assolombarda

Member of the General Board Fondazione Ravello

Member of the International Advisory Bank of America Merrill Lynch

Board Temasek

Maëlle Gavet

Date of birth: May 22, 1978

Nationality: French

Business address: Edenred SA 166 - 180 boulevard Gabriel Péri, 92 240 Malakoff, France

Executive Director since: May 13, 2014

Re-elected: n/a

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2017

Number of Edenred shares held at December 31, 2015:

500

Main position: Executive Vice-President of Global Operations, Priceline Group

Experience and expertise: A graduate of La Sorbonne University, École Normale Supérieure de Saint-Cloud and IEP de Paris, in 2001

Maëlle Gavet founded Predstavitelskij.dom, a Russian events company, before joining the Boston Consulting Group as a partner in 2003. In 2010, she joined Ozon.ru as Sales & Marketing Director, becoming Chief Executive Officer in April 2011. In 2015, she was appointed Executive Vice-President of

Global Operations, Priceline Group.

Independent with regard

to AFEP-MEDEF Code:

Directorships and positions held as of December 31, 2015

PositionCompanyCountryExecutive Vice-President of GlobalPriceline GroupPays-Bas

operations

Chief Executive Officer Ozon Holdings Russia

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position Company

Chief Executive Officer LLC Internet Solutions (Ozon.ru)

Partner The Boston Consulting Group

Françoise Gri

Date of birth: December 21, 1957

Nationality: French

Business address: Edenred SA 166-180, boulevard Gabriel Péri, 92 240 Malakoff, France.

Executive Director since: June 29, 2010 **Re-elected:** May 24, 2013

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2016

Number of Edenred shares held at December 31, 2015:

1947

Main position: CEO Françoise Gri Conseil

Experience and expertise: A graduate of Ensimag, Françoise Gri joined the IBM Group in 1981. She was appointed Director of the

E-business Solutions Marketing and Sales division of IBM EMEA in 1996, and then Director of Commercial Operations for IBM EMEA in 2000. After serving as Chairman and Chief Executive Officer of IBM France from 2001 to 2007, Ms. Gri was Chairman of ManpowerGroup France and Southern Europe from 2007 to 2012, before joining the Pierre & Vacances Center Parcs Group in 2013 as Chief Executive Officer

until October 2014. She has been Chairman of Françoise Gri Conseil since then.

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

Position	Company	Country
Director	Crédit Agricole SA (listed company)	France
	WNS Services (listed company, NYSE)	India
	21 Centrale Partners	France
Member of the Ethics Committee	MEDEF	France
Member	High Corporate Governance Committee Institut Français du Tourisme	France France

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

PositionCompanyDirectorSTX Europe

Chief Executive Officer Pierre & Vacances Center-Parcs (listed company)

Member of the Supervisory Board Rexel (listed company)

Jean-Romain Lhomme

Date of birth: August 22, 1975

Nationality: French

Business address: Edenred SA 166 - 180 boulevard Gabriel Péri, 92 240 Malakoff, France

Executive Director since: October 3, 2013 May 13, 2014 Re-elected:

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2017

Number of Edenred shares held at December 31, 2015: 500

Main position: Co-Founder PJX10

Experience and expertise: Jean-Romain Lhomme graduated with a degree in business administration and finance from HEC Graduate

> Business School in Paris and minored in international business at ESADE (Barcelona). He began his career as an analyst in New York and Brazil for the Latin American privatization team of Paribas and for Mercer Management Consulting (Oliver Wyman) as an analyst in Paris. He then worked for the Strategic Director of PPR, mostly focusing on acquisitions and new retail formats. He joined Colony Capital in 2000 and, until 2015, was Principal and Co-Head of Colony Capital Europe, responsible for identifying, evaluating,

completing and managing new European investments. He is now a co-founder of PJX10.

Independent with regard to AFEP-MEDEF Code:

No

Directorships and positions held as of December 31, 2015

Position Country Company Chairman of the Supervisory Board **BUT SAS** France Decomeubles Partners SAS France Legal Manager Lake Invest Sarl Luxembourg Des Garçons SCI France

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years				
Position	Company			
Member of the Supervisory Board	Colfilm SAS	France		
Director	Holding Sports & Événements SAS	France		
Legal Manager	Colony Luxembourg Sarl Fair Sponsors Sarl Fair Zero Sarl New Finco 30GV Genpar 30GV Master Genpar I 30GV Master Genpar II ColMassyRedLux Genpar	Luxembourg		
Chief Executive Officer	Colony Capital SAS	France		
Director	Sisters Soparfi SA Colwine Sarl Clinique de Carouge CMCC SA Permanence de la Clinique de Carouge La Tour Sarl La Tour Réseau de Soins Château Lascombes SA			
Chairman of the Board of Directors	Château Lascombes SA			
Chairman of the Supervisory Board	Buffalo Grill			
Legal Manager	Fair Finance Sarl Fair Partners Sarl			
Director	CDSR Burlington House Developments Limited	United Kingdom		
Director and CEO	Colyzeo Investment Management	United Kingdom		

Bertrand Meheut

Date of birth: September 22, 1951

Nationality: French

Business address: 166 - 180 boulevard Gabriel Péri, 92 240 Malakoff, France

Executive Director since: June 29, 2010 **Re-elected:** May 15, 2012

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2015

Number of Edenred shares held at December 31, 2015:

500

Main position: Director of companies

Experience and expertise: A graduate of École des Mines de Paris, Bertrand Meheut spent most of his career with Rhône-Poulenc

and later Aventis CropScience, serving as Deputy Chief Operating Officer, Europe, in charge of corporate services for the Agro division, and then successively as Chief Executive Officer of the German subsidiary, Deputy Chief Executive Officer of Rhône-Poulenc Agro and Executive Vice-President and Chief Operating Officer Europe. Following the merger of Rhône-Poulenc and Hoechst to form Aventis, Mr. Meheut was appointed Chief Executive Officer of Aventis CropScience. He joined Canal+ Group in 2002 and was Chairman of its Executive Board until 2015. He now holds directorships with several companies.

Independent with regard to AFEP-MEDEF Code:

Yes

Directorships and positions held as of December 31, 2015

PositionCompanyCountryDirectorAccor SA (listed company)FranceAquarelleFrance

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

PositionCompanyDirectorSFR

Canal+ Finance SA - Permanent representative of Groupe Canal+

Sport+ SA - Permanent representative of Groupe Canal+

Cinémathèque

Chairman of the Board of Directors Société d'Édition de Canal Plus SA (listed company)

Canal+ International Development SA

Chairman of the Executive Board Canal+ France SA

Groupe Canal+

Member of the Executive Board Vivendi SA (listed company)

Chairman of the Management Board Canal+ Régie SA

Canal+ Overseas SAS

Chairman Kiosque Sport SAS

Canal+ Régie SAS

Co-Legal Manager Canal+ Éditions SNC – Permanent representative of Groupe Canal+

Managing Partner Kiosque SNC – Permanent representative of Canal+ France SA

Chairman of the Supervisory Board Studio Canal SA

Member of the Supervisory Board TVN

Nadra Moussalem

Date of birth: July 4, 1976 Nationality: French

Business address: 6, rue Christophe Colomb, 75008 Paris, France

Executive Director since: June 29, 2010 Re-elected: May 15, 2012

Current term ends: Annual Meeting to approve the financial statements for the year ended December 31, 2015

Number of Edenred shares held at December 31, 2015:

Chairman of Colony Capital SAS Main position:

A graduate of École Centrale de Lyon, Nadra Moussalem joined Colony Capital in 2000, becoming Experience and expertise:

> Managing Director of Colony Capital Europe in 2007, Principal in 2010 and Co-Head in August 2013. He is also a Director of Distribuidora Internacional de Alimentación S.A. (D.I.A.). He was acting Chairman and

Chief Executive Officer of Edenred from August 1, 2015 to October 25, 2015.

Independent with regard to AFEP-MEDEF Code:

Directorships and positions held as of December 31, 2015				
Position	Company	Country		
Director	Accor SA (listed company)	France		
	Carmila	France		
Chairman	Colony Capital SAS	France		
	Data IV France	France		
	Data IV Services	France		
	DC115 SAS	France		
	Colfilm SAS	France		
	Collilkirsh France SAS	France		
	Data 4 Italy	Italy		
	Data 4 Services Italy	Italy		
Chief Executive Officer	Colspa SAS	France		
Legal Manager	SC 30GV 301	France		
	SC 30GV 302	France		
	Data Genpar Sarl	Luxembourg		
Director	Colyzeo Investment Management	United Kingdom		

Directorships shown in italics do not fall within Article L.225-21 of the French Commercial Code on multiple directorships.

Former directorships and positions held in the past five years

Position Company Chairman and Chief Executive Officer Edenred SA (from August 1, to October 25, 2015)

Director Sisters Soparfi SA

Distribuidora Internacional de Alimentación SA (listed company)

Chairman Collilkirsh

Director Data 4 UK Limited

Data 4 UK Services Limited

Legal Manager Cedar Trust CT Real Estate

The following persons stood down from the Board of Directors during the year:

Jacques Stern

Date of birth: September 19, 1964

Nationality: French

Business address: 166-180, boulevard Gabriel Péri, 92 240 Malakoff, France.

Executive Director since:June 29, 2010Re-elected:May 13, 2014Current term ends:July 31, 2015

Main position at Edenred SA: Chairman and Chief Executive Officer until July 31, 2015

Experience and expertise: A graduate of École Supérieure de Commerce de Lille, Jacques Stern began his career as an auditor with

Price Waterhouse. He joined Accor in 1992 as head of the Consolidation Department and then held various other finance positions before becoming Finance Director in 2003. In March 2005, he became Member of the Accor Management Board in charge of Finance. In 2006, Jacques Stern was appointed Chief Financial Officer, Executive Vice-President in charge of Purchasing & Information Systems, and Member of the Executive Committee. In 2009, he became Senior Executive Vice-President and Chief Financial Officer in charge of Finance, Strategy, Hotel Business Development, Information Systems and Purchasing. On December 15, 2009, he was appointed Deputy Chief Executive Officer in charge of Accor Services and Finance. On June 29, 2010, he was named Chairman and Chief Executive Officer of the Edenred Group.

He resigned from office on May 18, 2015, effective July 31, 2015.

Independent with regard to AFEP-MEDEF Code:

No

Roberto Oliveira de Lima

Date of birth:April 1, 1951Nationality:Brazilian

Business address: Rod. Anhanguera, Km 30,5 Empresarial Itaim CEP:07790-190 Cajamar, SP, Brazil.

Executive Director since:June 29, 2010Re-elected:May 24, 2013Current term ends:May 18, 2015

Main position at Edenred SA: Director and Member of the Commitments Committee until May 18, 2015

Experience and expertise: Roberto Oliveira de Lima has an MBA from Fundação Getúlio Vargas University and a masters degree in

Strategic Planning from Institut Supérieur des Affaires – Groupe HEC. He held various management positions in information technology and finance with Rhodia and Saint-Gobain before joining Accor where, over a period of 17 years, he successively held the positions of Treasury Manager, Chief Financial Officer and Executive Vice-President. From 1999 to 2005, Mr. Oliveira de Lima was the Chairman and Chief Executive Officer of the Credicard Group in Brazil. Since November 7, 2011, he has been a Member of the Board of Directors of Telefônica Brasil S.A. He resigned from office on May 18, 2015 with immediate effect.

Independent with regard to AFEP-MEDEF Code:

No

5.2.1.3 Changes in the membership of the Board of Directors in 2015

The table below shows changes in the membership of the Board of Directors during 2015:

Date of the change	Director concerned	Change
May 18, 2015	Jacques Stern	Resigned from office as Chairman and Chief Executive Officer and from the Board, effective July 31, 2015
May 18, 2015	Roberto Lima	Resigned from the Board
July 30, 2015	Nadra Moussalem	Appointed acting Chairman and Chief Executive Officer as of August 1, 2015
October 25, 2015	Nadra Moussalem	End of term as acting Chairman and Chief Executive Officer
October 26, 2015	Bertrand Dumazy	Coopted as director and appointed Chairman and Chief Executive Officer

5.2.1.4 **Absence of conflicts of interest**

There are no family relationships between the members of the Board of Directors.

No loans or guarantees have been granted or issued by the Company in favor of any member of the Board of Directors. No assets that are necessary for the conduct of the Company's business are owned by a director or a member of his or her family.

There are no potential conflicts of interests between any duties to Edenred of the members of the Company's administrative, management or supervisory bodies or the members of senior management and their private interests.

To the best of the Company's knowledge, in the past five years:

- no director has been convicted of any fraudulent offence;
- no director has been associated with any bankruptcy, receivership or liquidation;
- no director has been the subject of any official public incrimination and/or sanction by any statutory or regulatory authority;
- no director has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

5.2.1.5 Members of the Executive Committee

The members of the Executive Committee are:

Bertrand Dumazy

Chairman and Chief Executive Officer

Patrick Bataillard

Executive Vice-President, Finance

Gilles Coccoli

Chief Operating Officer, Brazil

Laurent Delmas

Chief Operating Officer, France

Philippe Dufour

Executive Vice-President, Alternative Investments

Antoine Dumurgier

Executive Vice-President, Strategy and Development

Arnaud Erulin

Chief Operating Officer, Central Europe and Scandinavia

Diego Frutos

Chief Operating Officer, Hispanic and North America

Graziella Gavezotti

Chief Operating Officer, Southern Europe

Laurent Pellet

Chief Operating Officer, Asia-Pacific and Middle East

Philippe Relland-Bernard

Executive Vice-President Legal Affairs, Tax Affairs, Compliance and Insurance

Jeanne Renard

Executive Vice-President, Human Resources and Corporate Social Responsibility

Bernard Rongvaux

Chief Operating Officer, Northern Europe and Africa

Konstantinos Voyiatzis

Executive Vice-President, Technology and Strategic Information Systems

5.2.2 PRACTICES OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

5.2.2.1 Practices and powers of the Board of Directors

Membership of the Board of Directors (Article 12 of the bylaws)

The Company is administered by the Board of Directors with at least three and no more than eighteen members, except where otherwise permitted pursuant to the law, particularly following a merger.

The age limit for holding office as a director is 75. Directors who reach the age of 75 are deemed to have automatically resigned at the close of the first Shareholders Meeting held after their 75th birthday.

In addition, no more than one third of the Board members may be aged over 70.

These age limits also apply to the permanent representatives of Corporate Directors.

If, as a result of a director reaching the age of 70, the one-third proportion referred to above is exceeded, the oldest director will be deemed to have automatically resigned with immediate effect.

Directors are elected on the basis prescribed by law by ordinary resolution of the Shareholders Meeting, for a four-year term. They may be re-elected.

Exceptionally, shareholders may decide to elect one or more directors for a term of less than four years so that Board members retire by rotation.

If one or more seats on the Board become vacant, the Board of Directors may provisionally appoint directors to fill said seats, subject to ratification at the next Ordinary Shareholders Meeting, on the basis prescribed by law.

A decision by shareholders not to ratify the appointment would not invalidate the Board's decisions and actions during the period up to said meeting.

Directors are appointed by the Board to fill a vacant seat for the remainder of the previous director's term.

For as long as the Company's shares are traded on a regulated market, each director is required to hold 500 Edenred registered shares.

Powers of the Board of Directors (Article 13 of the bylaws)

The Board of Directors decides the Company's strategy and oversees its implementation. It examines all issues relating to the efficient conduct of the business and makes all decisions concerning the Company, within the limits of the corporate purpose and except for those decisions that, by law, can only be made by shareholders in General Meeting.

In addition to those matters which, by law, require the Board's prior authorization, the Board of Directors' Internal Regulations list the decisions of the Chief Executive Officer or the Chief Operating Officers that can only be made with the Board's authorization (see section 5.2.2.2).

The Board of Directors may decide to issue bonds in accordance with the provisions of the law, and may give a one-year authorization to one or several of its members, or to the Chief Executive Officer or, with the latter's agreement, to one or more Chief Operating Officers, to carry out bond issues and set the related terms and conditions on the Board's behalf.

The Board of Directors may assign specific permanent or temporary responsibilities to one or more of its members or to any person outside the Board.

The Board of Directors may decide to set up committees tasked with examining issues submitted to them by the Board or its Chairman.

These committees report to the Board, which decides on their membership and terms of reference.

On June 29, 2010, the Board set up an Audit and Risks Committee, a Commitments Committee and a Compensation and Appointments Committee (see section 5.2.2.5, page 120) whose practices are described in the Board of Directors' Internal Regulations of June 29, 2010, amended on February 11, 2015.

Quorum and majority (Article 15 of the bylaws)

The Board of Directors can validly conduct business provided that at least half of its members are present.

Directors who participate in meetings by videoconference or any other appropriate telecommunication system on the basis allowed by the applicable laws and regulations may be taken into account in the calculation of the quorum and voting majority, by decision of the Board.

Directors may give proxy to another director, in writing, to represent them at a Board meeting, provided that no director may represent more than one fellow director at any given meeting.

Decisions of the Board are made by a majority vote of the directors present or represented.

In the case of a split decision, the Chairman has the casting vote.

Decisions of the Board of Directors (Article 15 of the bylaws)

The Board of Directors meets as frequently as necessary in the Company's interest. Meetings are called by the Chairman.

They are held at the Company's headquarters or at any other venue specified by the Chairman.

Meetings may be called by any method, including orally, by the Chairman, or by the Board Secretary at the Chairman's request.

Meetings may also be held at the request of at least one-third of the directors or the Chief Executive Officer, to discuss a specific agenda.

If the Chairman is unable to fulfill his duties, meetings may be called by the director appointed as acting Chairman or by the Vice-Chairman (or one of the Vice-Chairmen) or by the Chief Executive Officer if he sits on the Board.

Meetings are chaired by the Chairman of the Board or, in his absence, by the Vice-Chairman (or one of the Vice-Chairmen) or by any other director designated by the Board.

The Chief Executive Officer, the Chief Operating Officer, other members of management, the members of the Strategy and Development Department, the Statutory Auditors or any other person with specific knowledge of the matters concerned may be invited by the Chairman to attend all or part of a Board meeting.

Directors and all other persons invited to attend Board meetings are required to treat all information disclosed during the meeting as strictly confidential and generally act with discretion.

5.2.2.2 Internal Regulations of the Board of Directors

At its meeting on February 11, 2015, the Board of Directors amended the Internal Regulations adopted on June 29, 2010, describing the Board's procedures and practices. These Internal Regulations are in addition to the legal and regulatory provisions applicable to Boards of Directors and the relevant provisions of the Company's bylaws. They specify the Board's organizational and operational framework, as well as the powers and responsibilities of the Board and the Committees of the Board (see section 5.2.2.5 "Committees of the Board of Directors", page 120, for a description of these committees).

Membership of the Board of Directors (Article I.1 of the Board of Directors' Internal Regulations)

At least half of the directors on the Board of Directors must be independent within the meaning of the criteria set forth in the AFEP-MEDEF Corporate Governance Code.

Board meetings (Article I.2 of the Board of Directors' Internal Regulations)

The Board of Directors meets as frequently as necessary in the Company's interest at the call of its Chairman. It generally holds at least five meetings a year, including one to review the budget and

one to conduct a strategic review of the Group's operations. The proposed dates of each year's meetings are sent to the directors no later than November 30 of the previous year. Meetings can be called by mail, e-mail or fax or verbally by the Board's Secretary.

Part of at least one meeting a year is devoted to assessing the Board's efficiency and effectiveness, to identify possible areas for improvement. In addition, the Board of Directors conducts a formal self-assessment at least once every three years.

In accordance with Article 15 of the Company's bylaws, for the purpose of calculating the quorum and voting majority, directors who take part in meetings by any method that allows them to be identified and to take an active part in the discussion are considered as being physically present, in accordance with the applicable laws and regulations.

Information given to the Board (Article I.3 of the Board of Directors' Internal Regulations)

The directors are provided with all the information they consider necessary to fulfill their duties.

Before each meeting, directors are sent a meeting file containing background information on all agenda items that need to be examined in advance, unless this is impossible for confidentiality or practical reasons.

The Board is informed on a regular basis of the financial position, cash position and commitments of the Company and the Group, as well as the main policies in the areas of Human Resources, organization and information systems, and discusses these matters and policies at periodic intervals. The Board is also informed on a regular basis of the Company's financial communications strategy. Presentations commented by the Group's senior management may be held and additional documents may be provided, if necessary.

In addition, the directors are kept regularly informed between meetings of all significant events and transactions in the life of the Group. In particular, they receive copies of all press releases issued by the Company as well as a periodic summary of financial analysts' research reports on the Group and, when necessary, the actual reports.

The directors can ask the Chairman or the Chief Executive Officer for copies of any additional documents that they consider necessary to make an informed contribution to Board discussions. The Chairman or the Chief Executive Officer may ask the Board for its opinion before supplying the documents concerned.

The directors can also ask the Chairman or the Chief Executive Officer to arrange for them to meet with members of senior management, with or without the Executive Director being present.

Restrictions on Executive Management's powers (Article I.4 of the Board of Directors' Internal Regulations)

The Board of Directors deals with all matters falling within the powers vested in it under the applicable laws and regulations, including matters requiring the Board's prior authorization under the law, particularly Articles L.225-35 and L.225-38 of the French Commercial Code.

In addition, the Board of Directors:

- a) reviews and approves the Group's overall strategy, at least once a year, in accordance with Article I.2 of the Board's Internal Regulations;
- b) reviews the interim financial statements and approves the interim Management Report in accordance with Article L.451-1-2 of the French Monetary and Financial Code;
- automatically authorizes in advance the following decisions and transactions:
 - any financial commitments of the Company or a Group company (defined as commitments related to the purchase or sale of business units, assets or majority or minority interests in non-Group companies, direct investments, lease commitments, loans, advances, capital increases in non-controlled entities, and bilateral or syndicated bank loans) in excess of €50 million. However, the Chairman and Chief Executive Officer may contract (i) bank loans for up to €250 million provided that the loan fits in with the Group's Board-approved financing strategy and (ii) bank loans due in less than one year, whatever the amount borrowed, without the Board's specific prior authorization.
 - any transactions affecting the Group's strategy or business scope or not in line with the Company's stated strategy;
- d) sets, each year, the total amount up to which the Chief Executive Officer is authorized to issue undertakings, avals and guarantees, which may not exceed €250 million per year.

Vice-Chairman of the Board of Directors and senior independent director (Article I.5 of the Board of Directors' Internal Regulations)

Article 14 of the Company's bylaws allows for the appointment by the Board of one or two Vice-Chairmen to lead Board meetings in the Chairman's absence.

Under Article I.5 of the Board of Directors' Internal Regulations, the Vice-Chairman or Vice-Chairmen are appointed for their term as director.

The Vice-Chairman may also serve as senior independent director. In this case, the Vice-Chairman/senior independent director must qualify as an independent director in accordance with the criteria disclosed by the Company.

A Vice-Chairman must be appointed if the Chairman is also the Chief Executive Officer, in which case the Vice-Chairman will also serve as senior independent director.

Independent directors (section III of the Board of Directors' Internal Regulations)

According to section III of the Internal Regulations, qualification as independent director is discussed every year by the Compensation and Appointments Committee, which submits a report to the Board of Directors. Each director's situation in relation to the independence criteria is reviewed annually by the Board of Directors based on this report.

The Board of Directors must disclose the conclusions of the assessment to shareholders in the Annual Report, indicating that it carefully examined whether the directors had any significant business relationships with the Company and the criteria which were adopted to reach these conclusions.

The definition and independence criteria are set in accordance with the AFEP-MEDEF Corporate Governance Code.

The Board of Directors may decide that a director meeting these criteria does not qualify as independent given his or her situation or the Company's situation due to its shareholding structure or for any other reason. Conversely, the Board of Directors may decide that a director who does not meet these criteria is independent.

5.2.2.3 Chairman of the Board of Directors

Appointment of the Chairman of the Board of Directors (Article 14 of the bylaws)

The Board of Directors elects one of its members to serve as Chairman, for the duration of his or her term as director. The Chairman may be re-elected to this position.

The age limit for holding office as Chairman is 70. If the Chairman reaches the age of 70 during his or her term, he or she is deemed to have automatically resigned from this position at the close of the first Shareholders Meeting held after his or her 70th birthday.

Role and responsibilities of the Chairman of the Board of Directors (Article 14 of the bylaws)

The Chairman's role and responsibilities are specified in the applicable laws and the Company's bylaws.

He or she chairs meetings of the Board of Directors, organizes and leads the work of the Board, and reports to shareholders on the Board's work at General Meetings.

He or she also ensures that the Company's administrative, management and supervisory bodies function efficiently and that the directors are in a position to fulfill their duties.

The Chairman chairs Shareholders Meetings and prepares the reports to shareholders required by law. The Board of Directors may decide to combine the functions of Chairman and Chief Executive Officer, either when the Chairman is appointed or subsequently, in which case the provisions of the law and the Company's bylaws applicable to the Chief Executive Officer also apply to the Chairman.

5.2.2.4 Executive Management

Organization of Executive Management (Article 17 of the bylaws)

In accordance with the law, the Company is managed by and under the responsibility of the Chairman and Chief Executive Officer or by a Chief Executive Officer appointed by the Board.

The decision to separate or combine the positions of Chairman and Chief Executive Officer is made by a majority vote of the directors present or represented at the relevant Board meeting.

At the Board's discretion, this decision may apply until such time as the Board decides otherwise, by a majority vote of the directors present or represented at the meeting.

If the Chairman of the Board is also the Chief Executive Officer, the following provisions of the bylaws apply to the Chairman.

Appointment of the Chief Executive Officer (Article 18 of the bylaws)

When the Board of Directors chooses to separate the duties of Chairman and those of Chief Executive Officer, it appoints the Chief Executive Officer from among the directors or from outside the Board, it fixes the duration of his or her term of office, which cannot, should the case arise, exceed the term of his or her duties as director, it determines his or her compensation and, if necessary, the limits of his or her powers.

The age limit for holding office as a Chief Executive Officer is 65. If the Chief Executive Officer reaches the age of 65 during his or her term, he or she is deemed to have automatically resigned from this position at the close of the first Shareholders Meeting held after his or her 65th birthday.

Powers of the Chief Executive Officer (Article 18 of the bylaws)

The Chief Executive Officer has the broadest powers to act in all circumstances in the Company's name, within the limits of the corporate purpose and except for those powers that the law specifically attributes to the Shareholders Meeting or the Board of Directors.

He or she represents the Company in its dealings with third parties.

The actions of the Chief Executive Officer are binding on the Company, even when they fall outside the corporate purpose, unless the Company can prove that the third party knew or, under the circumstances, could not fail to be aware that this was the case. The fact that the bylaws have been published does not constitute adequate proof.

The Chief Executive Officer may be authorized by the Board to issue guarantees on the Company's behalf, up to a maximum amount

specified by the Board. Any such authorization may not be given for a period of more than one year, whatever the duration of the quaranteed commitments.

The Chief Executive Officer and the Chief Operating Officers may delegate their authority to any persons of their choice, with or without the right of substitution, subject to the restrictions provided for by law

Chief Operating Officers (Article 19 of the bylaws)

The Board of Directors may appoint up to five natural persons as Chief Operating Officers to assist the Chief Executive Officer, at the latter's request.

The age limit for holding office as a Chief Operating Officer is 65. If a Chief Operating Officer reaches the age of 65 during his or her term, he or she is deemed to have automatically resigned from this position at the close of the first Shareholders Meeting held after his or her 65th birthday.

The extent and duration of the Chief Operating Officers' powers is determined by the Board of Directors in agreement with the Chief Executive Officer.

However, in their dealings with third parties, the Chief Operating Officers have the same powers as the Chief Executive Officer.

If the position of Chief Executive Officer becomes vacant for whatever reason, the Chief Operating Officers continue to fulfill their duties and responsibilities until a new Chief Executive Officer is appointed, unless the Board of Directors decides otherwise.

5.2.2.5 Committees of the Board of Directors

The Board of Directors may decide to set up committees tasked with examining issues submitted to them by the Board or its Chairman. These committees report to the Board, which decides on their membership and terms of reference. There are currently three committees of the Board – the Audit and Risks Committee, the Commitments Committee and the Compensation and Appointments Committee. Their rules of procedure are included in the Board of Directors' Internal Regulations.

Audit and Risks Committee

Members

As of December 31, 2015, the members of the Audit and Risks Committee were Philippe Citerne, Jean-Paul Bailly, Anne Bouverot and Jean-Romain Lhomme.

The Committee's Chairman, Philippe Citerne, is an independent director. Three-quarters of its members are considered by the Board as being independent directors based on the criteria in the AFEP-MEDEF Corporate Governance Code. All of its members have expert knowledge of financial and accounting matters.

Terms of reference

The Audit and Risks Committee is responsible for ensuring that the accounting policies applied for the preparation of the financial

statements of the Company and the Group are appropriate and applied consistently from one period to the next; its terms of reference also include monitoring the financial reporting process and checking that internal reporting and control procedures provide adequate assurance concerning the reliability and completeness of financial information and the control of Group risk exposure (mission defined in European directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, transposed into French law by Government order 2008-1278 of December 8, 2008, and in the June 14, 2010 guidelines of the Autorité des marchés financiers). It assists the Board of Directors in ensuring that the financial statements of the Company and the Group, are accurate, fairly stated and reliable. The Committee makes proposals and recommendations to the Board in the areas described below. To this end, the Committee:

- reviews the interim and annual consolidated financial statements and the annual financial statements of the Company, prior to their examination by the Board of Directors. This includes assessing the follow-up of the systems whereby the accounts are drawn up and the validity of methods selected to account for material transactions:
- reviews the procedures for preparing information provided to shareholders and to the market and Company press releases relating to accounting and financial information;
- reviews the scope of consolidation and the reasons for excluding any entities;
- reviews the Group's risk management policy and ensures that effective systems are in place;
- assesses the Group's risk exposures and material off-balance sheet commitments, as well as the effectiveness of the risk management system, and receives a copy of the Chief Financial Officer's detailed report on these matters;
- obtains assurance concerning the effectiveness of the Group's system of internal control by reviewing the methods used to identify risks and the organizational principles and procedures of the Internal Audit Department. It is also informed of the Internal Audit program and is provided with the results of the Internal Audits carried out since the last presentation;
- reviews the Statutory Auditors' audit plan and the results of their audits. It receives a copy of the Statutory Auditors' post-audit letter setting out the main issues identified during their audit and describing the main accounting options selected;
- when the Statutory Auditors' appointment is due to expire, oversees the Statutory Auditor selection procedure and reviews the proposals submitted by the various candidates, expresses an opinion on the proposed fee budgets for statutory audit work and makes recommendations to the Board of Directors on the choice of Statutory Auditor;
- ensures compliance with the rules governing the Statutory Auditors' independence;

- reviews the categories of additional audit-related work that the Statutory Auditors and the members of their networks may be asked to perform in accordance with the applicable laws and regulations;
- is informed, at the end of each year, of the fees paid by Group companies to the Statutory Auditors and the members of their networks during the year, including a detailed breakdown by type of engagement, and reports to the Board of Directors on these fees.

Meetings

The Audit and Risks Committee meets at least three times a year and whenever necessary, including prior to Board meetings whose agenda includes matters within its purview. One meeting attended by the head of Internal Audit is devoted to reviewing the effectiveness of the internal control system.

The Committee may make regular enquiries of the directors, the Chief Executive Officer, the head of Internal Audit, the Statutory Auditors and the Group's senior management (i.e., persons in charge of preparing the financial statements of the Company and the Group, risk management, internal control, legal and tax affairs, treasury and finance) without the Executive Director, being present, after first notifying the Chairman of the Board or the Chief Executive Officer.

Calls to meeting are issued by the Committee Chairman and include the meeting agenda.

Meetings to review the interim and annual financial statements are held at least three days prior to the Board meeting called to approve the financial statements.

The members of the Audit and Risks Committee receive all necessary documents on a timely basis. When members are first appointed to the Committee, they are given detailed information about accounting, financial and operational issues that are specific to the Group.

The Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer and the Statutory Auditors can be invited to attend Audit and Risks Committee meetings.

Commitments Committee

Members

As of 31 December 2015, the members of the Commitments Committee were Jean-Paul Bailly, Bertrand Meheut and Nadra Moussalem.

The Committee is chaired by Nadra Moussalem. Two-thirds of its members are considered by the Board as being independent directors based on the criteria in the AFEP-MEDEF Corporate Governance Code.

Terms of reference

The Commitments Committee is responsible for preparing Board meetings and making recommendations to the Board on the following matters:

- any transactions that have a material impact on the Group's strategy or lead to a material change in the Group's business base (mainly entry in a new business or withdrawal from an existing business), whatever the amount of the commitment;
- · mergers, demergers or asset transfers;
- changes to the Company's corporate purpose;
- any immediate or deferred financial commitments of the Company or a Group company representing more than €50 million per transaction. "Financial commitments" are defined as:
 - acquisitions or disposals of business units, assets or majority or minority interests in non-controlled entities within the meaning of Article L.233-3 I and II of the French Commercial Code by the Company or a Group company; in the latter case, the entity's enterprise value is used as a basis for determining the amount of the commitment.
 - any and all direct investments, for example for the creation of a business, business unit, subsidiary or expenditure on technological developments,
 - lease commitments, the amount of the commitment being measured on the basis of the market value of the leased asset,
 - loans, advances or capital increases in non-controlled entities within the meaning of Article L.233-3 I and II of the French Commercial Code, by the Company or a Group company, and
 - bilateral or syndicated borrowings (i) not consistent with or in compliance with the annual Group financing strategy as previously approved by the Board of Directors or (ii) in excess of €250 million. The Commitments Committee's prior approval is not required for borrowings due in less than one year, whatever the amount borrowed.

Meetings

Meetings of the Committee may be called at any time, in writing or verbally, by the Committee Chairman.

The Commitments Committee meets whenever necessary, including prior to Board meetings whose agenda includes matters within its purview. The Committee's recommendations must be endorsed by the Board of Directors before the related commitments are entered into by the Group.

Compensation and Appointments Committee

Members

As of December 31, 2015, the Compensation and Appointments Committee members were Françoise Gri, Philippe Citerne, Gabriele Galateri di Genola and Nadra Moussalem.

The Committee is chaired by Françoise Gri, independent director. Three-quarters of its members are considered by the Board as being

independent directors based on the criteria in the AFEP-MEDEF Corporate Governance Code.

The Executive Director cannot be a member of the Compensation and Appointments Committee. However, the Executive Director works with the Committee to review candidates for election as directors or the Executive Director's succession plan. The Executive Director also participates in the Committee's review of the compensation policy for members of the Group Executive Committee.

Terms of reference

The Compensation and Appointments Committee's role is to prepare the Board of Directors' decisions on the determination of the Executive Director's compensation and benefits and the Group's policy with respect to stock option plans or performance share plans.

It also participates in preparing senior management succession plans. To this end, the Committee makes proposals and recommendations to the Board in the areas described below.

- regarding appointments, the Committee:
 - makes recommendations, in liaison with the Chief Executive Officer, regarding the appointment, termination and re-election of directors, the Chairman of the Board and the Vice-Chairman or Chairmen, and organizes the selection of candidates for election as directors so as to take into consideration the need for balance in the Board's membership and ensure that each candidate not only has the required capabilities but is also in a position to devote sufficient time to the Board's business. The objective is for directors to have the range of experience and skills necessary to enable the Board to carry out its duties effectively with the required objectivity and independence visà-vis both Executive Management and any given shareholder or group of shareholders,
 - expresses its opinion on the appointment or re-election of the members of the Audit and Risks Committee, the Chairman of the Audit and Risks Committee and the members of the other Committees.
 - establishes a succession plan for the Executive Director, to be able to propose succession solutions to the Board of Directors in the event of an unforeseen vacancy,
 - proposes the qualification of independent director for the directors concerned, ensures compliance with the independence criteria within the meaning of the AFEP-MEDEF Corporate Governance Code, expresses an opinion on this issue, if appropriate, and advises the Chairman on the number of independent directors,
 - is informed of the succession plan concerning members of the Group's Executive Committee;
- regarding compensation and benefits, the Committee:
 - examines and makes recommendations on the Executive Director's short-term compensation (salary and bonus), medium- and long-term incentives such as performance shares and stock options, pension arrangements and all other in-kind benefits,

- proposes and monitors the implementation of the rules for setting the Executive Director's bonus, while ensuring that the rules are consistent with the annual appraisal of the Executive Director's performance and with the Group's medium-term strategy,
- expresses an opinion to the Board of Directors regarding the general stock option and performance share policy,
- is informed of and expresses an opinion on the compensation policy for members of the Group Executive Committee,
- issues a recommendation to the Board of Directors on the overall amount of directors' fees to be submitted to shareholders for approval. It makes proposals to the Board of Directors concerning the fee allocation rules and the individual amounts to be paid to each director based on their attendance at Board meetings and, where applicable, meetings of Committees of the Board.
- reviews the policy regarding employee share issues and any such issues proposed by the Chief Executive Officer,
- reviews liability insurance cover taken out by the Company on behalf of the Executive Director,
- expresses an opinion on the information provided to the shareholders in the Annual Report regarding i) the Executive Director's compensation; ii) the principles and methods used to set such compensation, and iii) stock options or performance shares granted to the Executive Director.

Meetings

The Compensation and Appointments Committee meets at least twice a year and whenever necessary, including prior to Board meetings whose agenda includes matters within its purview. Calls to meetings are issued by the Committee Chairman and include the meeting agenda.

5.2.2.6 **Director's Charter**

Under Article 1.6 of the Board of Director's Internal Regulations, the Board of Directors, a collegial body, must act at all times in the Company's interest.

Directors perform their duties with loyalty and professionalism in accordance with the Director's Charter adopted by the Board of Directors at its meeting of June 29, 2010 to comply with the best practices of corporate governance. The Director's Charter, which describes the ethical principles applicable to directors, in accordance with the applicable laws and regulations and the Company's bylaws, applies to all directors regardless of whether they meet the independence criteria set out in the AFEP-MEDEF Corporate Governance Code.

Duty of due care

Directors must carry out their duties as they see fit in the best interests of the Company. They must be committed to constantly improving their knowledge of the Group and its businesses, and they have a duty of vigilance that includes reporting any problems of which they may become aware. They must devote the necessary time and attention to their duties as a director, making every effort to attend all meetings of the Committees to which they belong, meetings of the Board of Directors and Shareholders Meetings.

In addition to complying with the legal and regulatory provisions related to multiple directorships, directors must make sure that their duties as director of the Company are compatible with the directorships or positions that they hold in other companies, in particular as regards the workload. Directors are required to disclose periodically to the Company the directorships that they hold in any other company in order to enable the Company to comply with its statutory disclosure obligations in this regard.

Duty of information

Directors have a duty to request the information that they consider necessary to carry out their duties from the Company's management *via* the Chairman and Chief Executive Officer or the Board Secretary. They can ask the Chairman and Chief Executive Officer to arrange meetings for them with members of the Group's senior management, to be held with or without the Chairman and Chief Executive Officer being present.

When a new director takes up office, the Board Secretary provides him/her with an information pack containing the Company's bylaws, the Board of Directors' Internal Regulations, the Director's Charter, as well as the principal laws and regulations dealing with directors' responsibilities.

Directors may ask the Board Secretary at any time for explanations of the scope of these laws and regulations and their resulting rights and obligations.

Transparency and preventing conflicts of interests

Directors are expected to demonstrate a high level of independence in all circumstances, in terms of their analyses, judgments, decisions and actions.

They agree not to solicit or accept any benefit that would be likely to affect their independence.

Any director that is directly or indirectly in a position of a conflict of interest – even potentially – with respect to the interest of the Company because of the positions that he/she holds, and/or any interests that he/she has elsewhere, must inform the Chairman and Chief Executive Officer or any individual designated by the Chairman and Chief Executive Officer. A director in a position of a conflict of interest may not take part in the discussion of the matter concerned or the related vote and may therefore be asked to leave the room while the discussion and vote are taking place.

When they are first elected and every year thereafter, no later than January 31, directors are required to disclose in writing all ties that they have with Group companies, their managers, suppliers, customers, partners or competitors. The disclosure document is sent to the Chairman and Chief Executive Officer with a copy to the Board Secretary.

Duty of discretion and confidentiality

Directors have a general duty of discretion and confidentiality in the interest of the Company. To that end, they undertake to treat as strictly confidential all non-public information to which they have access, and all matters discussed during meetings of the Board and any of its committees of which they are members, as well as the opinions expressed and the votes cast during the meetings.

In addition, except for the Chief Executive Officer and Chief Operating Officer, who are called upon to act as the Company's spokesperson, directors are required to liaise with the Chairman and Chief Executive Officer before engaging in any communications with the media on subjects that concern or may affect the Group, the Company, or its corporate governance structures.

Trading in Company securities by the directors

Directors have access to inside information which, if made public, could affect the price of the Company's shares or any other securities issued by the Company. Consequently, in accordance with the applicable laws and regulations, directors must not:

- use inside information to trade in the Company's securities either directly or through an intermediary;
- knowingly allow a third party to carry out transactions in the Company's securities based on inside information;
- disclose inside information to third parties, deliberately or through indiscretion.

In addition, without prejudice to the laws and regulations on insider trading, periods known as "negative windows" are determined each year, during which directors may not trade in the Company's shares or any other securities issued by the Company (including exercising stock options), either directly or through an intermediary, even *via* the trading of derivatives. The negative windows correspond to (i) the 30 calendar days preceding the date of publication of the annual and interim consolidated financial statements, the day of publication and the following day, and (ii) the 15 calendar days preceding the date of publication of quarterly revenue figures, the day of publication and the following day.

Directors are given details of the negative windows each year by the Board Secretary. In addition, they are notified immediately by the Board Secretary of any specific negative windows that will apply due to financial or strategic transactions planned by the Group.

Directors may not hedge the risks of losses on their Company shares or stock options.

Directors are required to report to France's securities regulator (Autorité des marchés financiers) and to the Company (through the Board Secretary) any transactions in the Company's shares or any other securities issued by the Company carried out by them or any persons closely associated with them.

Directors may consult the Board Secretary at any time regarding the implications of the negative windows system and the conditions of its application to any specific case.

5.2.2.7 **Board Secretary**

Pursuant to the Company's bylaws, the Board of Directors names a Secretary who need not be a director.

The Board Secretary calls members to meetings of the Board of Directors when requested to do so by the Chairman of the Board and draws up the minutes of Board meetings, which are then submitted to the Board for approval.

He/she sends the meeting files to directors according to the procedure described in Article I.3 of the Board of Directors' Internal Regulations, when requested to do so by the Chairman of the Board or the Chief Executive Officer, and generally responds to requests from directors for information about their rights and obligations, the Board's practices or the life of the Company.

His/her duties also include obtaining up-to-date copies of the documents disclosing directors' potential conflicts of interest, as provided for in the Transparency and Preventing Conflicts of Interests section of the Director's Charter.

Lastly, the Board Secretary attends the meetings of the Board Committees as needed, at the request of the Chairman or Chief Executive Officer and with the approval of the Committees' Chairmen, and may also be given the task of sending meeting files to the Committees' members.

Philippe Rélland-Bernard was named Secretary to the Board at the Board meeting of June 29, 2010.

5.2.2.8 **Directors' fees**

On the recommendation of the Compensation and Appointments Committee, the Board of Directors allocates the annual amount of directors' fees awarded by the Shareholders Meeting based in particular on each director's attendance rate at Board meetings and at meetings of any committee of which he or she is a member. The

compensation allocation method must include a variable portion (representing the largest part of each director's fee).

Allocation is based on the following principles:

- the duties of Board member are compensated with a fixed portion of a flat amount defined by the Board of Directors and with a variable portion based on the number of meetings attended in the previous year, which will exceed the amount of the fixed portion;
- the duties of Vice-Chairman of the Board of Directors are compensated with a fixed portion of a flat amount defined by the Board of Directors;
- the duties of Committee member are compensated with a fixed portion of a flat amount defined by the Board of Directors and

- with a variable portion based on attendance at meetings, which will exceed the amount of the fixed portion;
- the duties of Committee Chairman are compensated with a fixed portion of a flat amount defined by the Board of Directors for each Committee;
- the duties of observer, if any, are compensated with a fixed portion of a flat amount defined by the Board of Directors and with a variable portion based on attendance at meetings, which will exceed the amount of the fixed portion;
- no directors' fees are awarded to directors who also hold the position of Chairman of the Board, Chairman and Chief Executive Officer, Chief Executive Officer or Chief Operating Officer.

Directors' fees are paid within three months of the fiscal year-end.

5.3 SHAREHOLDERS MEETINGS

5.3.1 NOTICE OF MEETING (ARTICLE 23 OF THE BYLAWS)

Shareholders Meetings are called as provided for by law.

In accordance with the applicable regulations, all shareholders are entitled to attend and take part in Shareholders Meetings in person or by proxy, whatever the number of shares held. The shares must be registered in the name of the bank or broker that manages the shareholder's securities account in accordance with Article L.228-1, paragraph 7, of the French Commercial Code (or in the shareholder's name if the shares are not traded on a regulated market) in the Company's share register no later than 12 a.m. Paris time on the second business day preceding the Shareholders Meeting. If the shares are held in bearer form (and are traded on a regulated market), they must be recorded in a bearer share account kept by one of the

accredited intermediaries mentioned in Article L.542-1, paragraphs 2 to 7, of the French Monetary and Financial Code, by the same deadline. These formalities must be carried out in compliance with the applicable laws and regulations.

The recording of bearer shares in an account kept by an accredited intermediary is evidenced by a certificate of share ownership (attestation de participation) issued, electronically if necessary, by the intermediary in accordance with the applicable laws and regulations.

Shareholders Meetings take place at the Company's registered office or at any other venue specified in the notice of meeting.

5.3.2 CONDUCT OF SHAREHOLDERS MEETINGS (ARTICLE 24 OF THE BYLAWS)

All shareholders have the right to attend or be represented at Shareholders Meetings on the basis specified by law.

They may vote by post pursuant to Article L.225-107 of the French Commercial Code. The proxy/postal voting form may be sent to the Company or to the Company's registrar in paper form or, by decision of the Board of Directors published in the notice of meeting, by electronic mail in accordance with the applicable laws and regulations.

The Board may decide, when the meeting is called, to allow shareholders to take part in and vote at the meeting by videoconference or any other electronic telecommunications medium that allows them to be identified, in accordance with the applicable laws and regulations.

In addition, and if the Board of Directors so decides when the Shareholders Meeting is convened, shareholders may also request an admission card electronically.

Are deemed present for the purpose of quorum and majority requirements shareholders who take part in the Shareholders Meeting by videoconference or by any other means of electronic telecommunication or remote transmission that allow them to be identified, in accordance with the laws and regulations that determine the acceptable types of media and the conditions for their application.

If the Board of Directors so decides when the Shareholders Meeting is convened, the entire Meeting may be publicly broadcast by videoconference or any other means of telecommunication or remote transmission, including *via* the Internet.

Electronic signatures of proxy/postal voting forms by shareholders or their legal representative must be:

- secure signatures complying with the applicable laws and regulations; or
- this electronic signature process will be considered as a reliable process of identifying shareholders and matching them with their votes/proxies within the meaning of the first sentence of the second paragraph of Article 1316-4 of the French Civil Code.

Each share gives the right to one vote save where voting rights are regulated by law. Paid-up shares registered in the name of the same holder for at least two years have double voting rights.

In the case of a share issue paid up by capitalizing reserves, profits or additional paid-in capital, the new shares allocated in respect of shares with double voting rights also have double voting rights from the time of issue.

Registered shares converted into bearer shares or sold to a different shareholder lose their double voting rights. However, transfers through inheritance, liquidation of marital assets or an inter vivos transfer to a spouse or to an eligible relative do not result in the loss

of double voting rights or a break in the qualifying period. The merger of the Company has no impact on double voting rights, provided that the bylaws of the surviving company allow for their exercise.

In the case of split interest shares, the beneficial owner may exercise the voting rights attached to shares at Ordinary and Extraordinary Shareholders Meetings, subject to the legal owner's right to vote personally when the law requires a unanimous vote of all of the shareholders.

Shareholders Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by a director designated by the Board. Otherwise, the meeting elects its own Chairman.

The function of Scrutineer of the meeting is fulfilled by the two shareholders present at the meeting who hold or represent the largest number of voting rights and who consent to take on the role. The Bureau thus formed names a Secretary, who may or may not be a shareholder.

An attendance register is kept, pursuant to the law.

Copies or excerpts of the meeting minutes may be certified by the Chairman of the Board of Directors, the Chairman of the meeting, or the meeting Secretary.

Ordinary and Extraordinary Shareholders Meetings fulfilling the relevant quorum and voting majority requirements exercise the powers vested in them by law.

5.4 EXECUTIVE DIRECTOR'S COMPENSATION, DIRECTORS' AND MANAGERS' INTERESTS

5.4.1 EXECUTIVE DIRECTOR'S COMPENSATION AND POTENTIAL COMMITMENTS TOWARDS THE EXECUTIVE DIRECTOR

5.4.1.1. Compensation of the Chairman and Chief Executive Officer

Processes for determining compensation

The Chairman and Chief Executive Officer's compensation is determined by the Board of Directors based on the recommendation of the Compensation and Appointments Committee. The various components of the compensation package, *i.e.*, fixed salary and

bonus, long-term performance share plans, benefits and pension plans, are taken into account.

The Compensation and Appointments Committee meets four times a year to discuss relevant subjects and performs preparatory work conducted under the supervision of the Committee's Chairman. This work includes analyzing the performance of the Company and its Chairman and Chief Executive Officer, ensuring that objectives are in line with the Group strategy and shareholders' interests, reviewing executive compensation data from similar companies and monitoring

changes in Corporate Governance Codes. Due to the changes in governance, the Compensation and Appointments Committee held twice as many meetings as originally scheduled for the purpose of succession planning, beginning the selection process, making interim arrangements for stewardship of the Company, and determining the components of compensation to be awarded to the Chairman and Chief Executive Officer.

The work of the Compensation and Appointments Committee is used as a basis to assess the prior year's performance and set the Chairman and Chief Executive Officer's targets and compensation for the following year. The short and long-term bonuses are reviewed each year. Fixed salary is revised periodically, taking into account the Chairman and Chief Executive Officer's performance and market practices.

Compensation philosophy

The Chairman and Chief Executive Officer's compensation is determined based on an assessment of his responsibilities and the difficulty of his job, his experience in the position and years of service with the Group. It is also benchmarked to the compensation paid to the Chief Executive Officers of companies or groups of a comparable size to Edenred.

The Chairman and Chief Executive Officer's compensation package includes Company-funded supplementary pension rights and, more generally, all of the benefits described below.

It is determined based on the following three key principles: compliance, comparability and performance.

Compliance

The Chairman and Chief Executive Officer's compensation complies with the AFEP-MEDEF Corporate Governance Code and to the "compliance and explain" principle. The Chairman and Chief Executive Officer's compensation package complies with the Code's recommendations, *i.e.*, short-term compensation (salary and bonus), deferred compensation (incentive plans) and commitments.

Comparability

The Compensation and Appointments Committee regularly engages outside consulting firm Mercer to conduct a benchmarking analysis of the Chairman and Chief Executive Officer's compensation.

This comparison is based on a peer group of French companies from a variety of sectors included in the SBF 120 index with similar characteristics to Edenred, selected based on the following four criteria: (i) market capitalization, (ii) EBIT, (iii) total number of employees and (iv) percentage of international employees.

Performance

The Committee has set diverse and demanding performance criteria, which are used to perform a complete analysis of the Chairman and Chief Executive Officer's performance, in line with the Group's strategy and shareholders' interests. Performance assessment is

based on a balance between financial, stock market performance, operational and management criteria as well as a balance between short-term and long-term performance.

Following the resignation of Jacques Stern as Chairman and Chief Executive Officer effective July 31, 2015, Nadra Moussalem was appointed acting Chairman and Chief Executive Officer until October 25, 2015, and on October 26, 2015 Bertrand Dumazy was co-opted as director and appointed Chairman and Chief Executive Officer. Consequently, the following sections provide details of the components of compensation of each person who occupied the position of Chairman and Chief Executive Officer in 2015.

5.4.1.2 Compensation paid to Jacques Stern, Chairman and Chief Executive Officer from January 1 to July 31, 2015

Salary and annual bonus

2015

At its February 11, 2015 meeting, the Board of Directors decided to revise Jacques Stern's compensation, based on the recommendation of the Compensation and Appointments Committee. This adjustment is based on the analysis of the Chairman and Chief Executive Officer's performance over the past four years and on the benchmarking analysis of his compensation against the peer group's practices conducted by consulting firm Mercer. According to this analysis:

- Jacques Stern's level of compensation was clearly below that of the Executive Directors from the peer group;
- all three compensation components, i.e., fixed salary, bonus and deferred compensation were lower.

Therefore, based on the recommendation of the Compensation and Appointments Committee, the Board of Directors decided to:

- revise Jacques Stern's fixed salary to €750,000, representing a 7% increase compared to 2014, after four years without any fixed salary increase;
- increase the target bonus to up to 120% of fixed salary (capped at 180% if the financial targets are exceeded, compared to 150% previously), to increase the portion of performance-related pay and align this percentage to market practices. The Board of Directors also introduced the earnings per share (EPS) criterion, with the goal of strengthening the alignment of shareholders' interests with those of the Chairman and Chief Executive Officer;
- review the Chairman and Chief Executive Officer's deferred compensation to align it with market practices.

Following Jacques Stern's resignation as Chairman and Chief Executive Officer on May 18, 2015, effective July 31, 2015, the Board of Directors met on July 23, 2015 and, on the recommendation of the Compensation and Appointments Committee, reviewed the amount of variable compensation to which Jacques Stern would

5.4 Executive Director's compensation, directors' and managers' interests

be entitled for the period from January 1 to July 31, 2015. Having noted that the interim consolidated financial statements were in line with budget and in view of the cyclical nature of the Company's operations and the nature of the variable targets set for Jacques Stern, the Board of Directors considered that these targets could not easily be assessed during the current year and therefore, in accordance with the recommendations of the Compensation and Appointments Committee, decided to award Jacques Stern half of his target variable compensation of €900,000, excluding any outperformance entitlement, *i.e.*, a gross amount of €450,000.

In accordance with the "Say on Pay" principle, the Board of Directors will consult the shareholders on these issues at the Shareholders Meeting held on May 4, 2016.

Long-term incentive plans

Jacques Stern was covered by the Group's long-term incentive plan in the same way as the other beneficiaries of this plan (members of the Executive Committee and senior executives in some forty countries).

In 2015, the Board of Directors granted 64,000 performance shares to the Chairman and Chief Executive Officer valued at \in 1,125,000, an increase compared with 2014 (grant of 66,000 performance shares valued at \in 931,920).

As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, he has lost the benefit of this performance share award.

Annual award

	2015	2014	2013
Stock options			
Number of options granted during the year	0	0	0
Value of stock options granted during the year (see Table 4 section 5.4.1.6.2 for details)	€0	€0	€0
Performance shares			
Number of performance share rights granted during the year	64,000	66,000	50,000
Value of performance share rights awarded during the year (see Table 6 of section 5.4.1.6.2 for details)	€0 *	€931,920	€985,997
TOTAL VALUE	€0	€931,920	€985,997

^{*} As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, the Board of Directors' meeting of July 23, 2015 decided, on the recommendation of the Compensation and Appointments Committee, that he would definitively lose the benefit of the performance shares awarded in 2014 and 2015. The value of the performance shares awarded in 2015 was therefore nil at December 31, 2015.

Vested rights under the plans

	2015	2014	2013
Stock options			
Grant date	2011	2010	-
Number of options vested during the year	72,000	240,000	0
Performance shares			
Grant date	2012	2011	2010
Number of performance shares vested during the year	38,500	42,000	60,000

Employment contract

In addition to being an Executive Director since 2009, Jacques Stern had an employment contract signed with Accor SA in 1992 and transferred to Edenred on June 29, 2010 at the time of the Services division spin-off.

The Board of Directors decided that applying the AFEP-MEDEF recommendation of terminating the Chairman and Chief Executive Officer's employment contract when he took up this position would deprive him of the rights he had accumulated during his time with the Group, particularly his seniority-based rights. In line

with the recommendation of the Compensation and Appointments Committee, the Board therefore decided to suspend Jacques Stern's employment contract for the duration of his term as Chairman and Chief Executive Officer, without terminating it. His employment contract was amended twice, as authorized by the Board of Directors, on June 29, 2010 and February 23, 2011. The purpose of these amendments was to entitle Jacques Stern to contractual severance benefits, reflecting his length of service with the Company, in an amount not to exceed two years of compensation, as recommended by the AFEP-MEDEF Code, payment of which was contingent on challenging performance conditions.

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5.4 Executive Director's compensation, directors' and managers' interests

In any event, Jacques Stern resigned from office and also from the position he could have held under his employment contract had it become effective upon termination of his corporate office. Accordingly, Jacques Stern was not entitled to any termination or severance benefits of any kind.

Other commitments given to Jacques Stern

Compensation for loss of office

Jacques Stern would only have been entitled to termination benefits had he been forced to stand down as Chairman and Chief Executive Officer following a change of strategy or control or had his appointment been terminated other than as a result of a gross professional misconduct ⁽¹⁾.

No compensation for loss of office would have been payable had, within twelve months of his departure, Jacques Stern become eligible for the basic State pension and, consequently, for pension benefits under the Company's supplementary pension plan.

The amount of the compensation for loss of office would not have exceeded the equivalent of two years' total gross annual compensation as Chairman and Chief Executive Officer, defined as:

- the fixed portion of the compensation on an annual basis as Chairman and Chief Executive Officer on the date of termination of his duties; and
- the average of the variable portion of the annual compensation as Chairman and Chief Executive Officer received or to be received for the last two years during which he served as Chairman and Chief Executive Officer, prior to the date of termination of his duties.

The compensation for loss of office would only have been payable had certain challenging performance conditions been met, as determined and assessed by the Compensation and Appointments Committee and the Board of Directors. The criteria selected by the Board concerned the Group's business and financial performance – as measured by the key indicators on which Edenred's financial communications to the market are based – and its stock market performance

As Jacques Stern resigned from office as Chairman and Chief Executive Officer and from his position under his suspended employment contract, he is not entitled to payment of any termination benefits.

Unemployment insurance (1)

From April 1, 2013 until July 31, 2015, *i.e.*, the effective date of his resignation, Jacques Stern was covered under an insured plan set up with Axa, entitling him to unemployment benefits equal to 80% of his contractual income, capped at €15,216 per month, for a period

of up to 18 months. The total annual cost of this plan for Edenred, including premiums and related payroll taxes, was €33,043.

Death/disability and health insurance (1)

Jacques Stern was covered by the death/disability and health insurance plan set up for employees, which has been extended to include the Executive Director. Premiums paid by the Company for this extended cover in 2015 amounted to €3,212.

Supplementary Pension Benefits (1)

General Supplementary Pension Plan

A supplementary pension plan has been set up for Group senior executives above certain grades whose compensation meets certain criteria (38 executives in 2015). This plan is comprised of a defined contribution plan ("Article 83") and a defined benefit plan ("Article 39"):

- under the Article 83 defined contribution plan, the Company pays an annual contribution of up to 5% of the beneficiary's compensation capped at five times the annual cap for calculating Social Security ⁽²⁾ contributions, representing a maximum amount of €9.510 in 2015 :
- under the Article 39 defined benefit plan, the Company is committed to paying an annuity to plan participants when they retire, based on principles that comply with the recommendations contained in the AFEP-MEDEF Corporate Governance Code:
 - to qualify for benefits under this top-hat plan, participants must end their career with the Group, have participated in the plan for at least five years and completed at least fifteen years' service with the Group. The pension payable under the plan is reduced by the amount of the pension payable under the defined contribution plan referred to above,
 - the reference period for the benefit calculations is the period of participation in the plan (i.e., at least five years),
 - rights to potential supplementary pension benefits are accumulated gradually by year of participation and are calculated each year based on the participants' gross annual compensation.
 - the replacement rate may not exceed the following two thresholds:
 - the replacement rate of the supplemental plan (defined contribution and defined benefit plan) is limited to 30% of the last gross annual remuneration ⁽³⁾,
 - if the final gross annual compensation represents more than 12 times the annual ceiling for calculating Social Security contributions, the overall replacement rate represented by all benefits paid under compulsory plans and Edenred

⁽¹⁾ Related-party agreement authorized at the Board of Directors' meeting of February 11, 2014, approved by the Shareholders Meeting of May 13, 2014 and reviewed by the Board at its meetings of February 11, 2015 and February 10, 2016 in accordance with Article L.225-40-1 of the French Commercial Code.

⁽²⁾ The annual cap for calculating Social Security contributions represented €38,040 in 2015.

⁽³⁾ Gross annual compensation corresponds to the participant's salary and bonus, excluding any exceptional bonuses.

5.4 Executive Director's compensation, directors' and managers' interests

supplementary pension plans is capped at 35% of the average reference compensation for the best three years out of the participant's last ten years before retirement.

As Jacques Stern left the Group before claiming his benefits under the general plan, he has lost his rights under the defined benefit plan and retains only those relating to the defined contribution plan.

Application of the supplementary pension plan to Jacques Stern, Executive Director

In his capacity as Chairman and Chief Executive Officer, Jacques Stern participated in the Group's supplementary pension plan until July 31, 2015, in the same way as the other plan participants, as described above.

The supplementary pension entitlement was taken into account in determining his overall compensation package.

Edenred's annual contribution to the Article 83 defined contribution plan on his behalf represented 0.4% of his gross annual compensation paid in 2015. His rights to potential supplementary pension benefits under the Article 39 defined benefit plan have corresponded on average to 1% of his gross annual compensation since he joined the plan in 2005. His rights are limited by the two replacement rate caps described in the section presenting the general supplementary pension plan.

Summary table of Jacques Stern's compensation in his capacity as Executive Director until July 31, 2015

Table 1: Compensation, stock options and performance shares awarded to Jacques Stern (in €)

Jacques Stern	2015	2014	2013
Compensation for the year (see Table 2 for details)	901,778	1,409,000	1,295,000
Value of long-term incentives awarded during the year	0	0	0
Value of stock options granted during the year (see Table 4 section 5.4.1.6.2 for details)	0	0	0
Value of performance share rights awarded during the year (see Table 6 of section 5.4.1.6.2 for details)	0 *	931,920	985,997
TOTAL	901,778	2,340,920	2,280,997

^{*} As Jacques Stern resigned during the year, he has lost the benefit of the performance shares awarded in 2014 and the benefit of the performance shares awarded in 2015. The value of the shares awarded during the year was therefore nil at December 31, 2015.

Table 2: Compensation paid to Jacques Stern (in €)

	201	2015 2014 2013		2014		3
Jacques Stern	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Fixed salary	437,500	437,500	700,000	700,000	700,000	700,000
Annual bonus	450,000	1,159,000	709,000	595,000	595,000	700,000
Long-term incentive	0	0	0	0	0	0
Exceptional bonus	0	0	0	0	0	0
Directors' fees	0	0	0	0	0	0
Benefits-in-kind	14,278 *	14,278 *		0	0	0
Vacation pay under the employment contract	0	0	0	0	0	0
TOTAL	901,778	1,610,778	1,409,000	1,295,000	1,295,000	1,400,000

^{*} Corresponds to unemployment insurance.

Table 11: commitments made to Jacques Stern until July 31, 2015

	Employment	contract	Supplen pensi	nentary on plan	of to	or benefit n the case ermination ge of office		compete demnity
Executive Director until July 31, 2015	YES	NO	YES	NO	YES	NO	YES	NO
Jacques Stern,	Х							
Chairman and	(suspended		X		V			V
Chief Executive Officer	since June 29,		٨		Х			^
	2010)							

5.4.1.3 Compensation paid to Nadra Moussalem, Chairman and Chief Executive Officer from August 1 to October 25, 2015

Fixed and variable compensation

2015

Following Jacques Stern's resignation, the Board of Directors meeting of July 30, 2015 appointed Nadra Moussalem as acting Chairman and Chief Executive Officer for an interim period. At the proposal of the Compensation and Appointments Committee, the Board decided to grant him the same fixed salary as previously granted to his predecessor, *i.e.*, €750,000 a year. At the proposal of the Compensation and Appointments Committee, the Board also duly noted that Nadra Moussalem would not receive any variable compensation in respect of his office during the interim period, or any other component of compensation.

The amount of fixed salary paid to Nadra Moussalem for the period August 1, 2015 to October 25, 2015 was €174,031.

Long-term incentive plans

As acting Chairman and Chief Executive Officer, Nadra Moussalem did not benefit from the Group's long-term incentive plan.

Shares held at December 31, 2015

Nadra Moussalem held 500 Edenred shares at December 31, 2015.

Employment contract

Nadra Moussalem does not have an employment contract with Edenred SA or any of its subsidiaries or companies in which it has an equity interest.

Other commitments given to Nadra Moussalem

No other commitments have been given to Nadra Moussalem.

Summary table of Nadra Moussalem's compensation in his capacity as Executive Director from August 1 to October 25, 2015

Table 1: Compensation, stock options and performance shares awarded to Nadra Moussalem (in €)

Nadra Moussalem	2015	2014	2013
Compensation for the year (see Table 2 for details)	174,031	n/a	n/a
Value of long-term incentives awarded during the year	0	n/a	n/a
Value of stock options granted during the year	0	n/a	n/a
Value of performance shares granted during the year	0	n/a	n/a
TOTAL	174,031	N/A	N/A

Table 2: Compensation paid to Nadra Moussalem (in €)

	201	2015		2014		3
Nadra Moussalem	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Fixed salary	174,031	174,031	n/a	n/a	n/a	n/a
Annual bonus	0	0	n/a	n/a	n/a	n/a
Long-term incentive	0	0	n/a	n/a	n/a	n/a
Exceptional bonus	0	0	n/a	n/a	n/a	n/a
Directors' fees *	0	0	n/a	n/a	n/a	n/a
Benefits-in-kind	0	0	n/a	n/a	n/a	n/a
Vacation pay under the employment contract	0	0	n/a	n/a	n/a	n/a
TOTAL	174,031	174,031	N/A	N/A	N/A	N/A

^{*} In accordance with the Board of Directors' Internal Regulations, Nadra Moussalem did not receive any directors' fees for the period during which he was an Executive Director.

Table 11: Commitments given to Nadra Moussalem

		oloyment contract		Supplementary pension plan		Compensation or benefit payable in the case of termination or change of office		Non-compete indemnity	
Executive Director	YES	NO	YES	NO	YES	NO	YES	NO	
Nadra Moussalem		Χ		Χ		Χ		Χ	

5.4.1.4 Compensation paid to Bertrand Dumazy, Chairman and Chief Executive Officer as of October 26, 2015

Fixed and variable compensation

2015

At its meeting of September 10, 2015, the Board of Directors appointed Bertrand Dumazy as Chairman and Chief Executive Officer of Edenred SA, effective October 26, 2015.

On the recommendation of the Compensation and Appointments Committee, the Board of Directors also approved the financial conditions relating to this appointment and decided to grant Bertrand Dumazy the components of compensation described below.

In order to align the interests of the Chairman and Chief Executive Officer to those of the shareholders and to compensate for certain benefits to which Bertrand Dumazy would have been entitled had he remained in his previous position, the Board of Directors, at

the proposal of the Compensation and Appointments Committee, authorized:

- the establishment of an exceptional long-term incentive plan comprising performance shares with a monetary value of equivalent to 300% of his fixed annual salary, as described below;
- payment of a gross signing-on compensation €500,000, which was paid in the month Bertrand Dumazy took up his position;
- payment of an additional gross compensation of €500,000, which was paid in March 2016.

The Compensation and Appointments Committee proposed to retain the same principles underlying the Chairman and Chief Executive Officer's compensation *i.e.*, competitiveness, attractiveness and retention. On September 10, 2015, the Board of Directors therefore decided to award Bertrand Dumazy an annual fixed salary of €750,000, payable on a ratable basis as of October 26, 2015.

At that same meeting, the Board also defined the criteria to be used to determine Bertrand Dumazy's annual bonus, to be capped at a percentage of his fixed salary. For 2015, the amount of the bonus can range from 0% to 120% of fixed salary depending on the percentage achievement of the qualitative targets related to his taking up office, including knowledge of the Company's strategic projects and implementation of a process to hire a new Chief Financial Officer. These qualitative targets cannot give rise to an outperformance bonus in 2015.

2016

At the Board meeting of February 10, 2016, on the recommendation of the Compensation and Appointments Committee and having duly noted that the qualitative targets set by the Board on September 10, 2015 had been fully achieved, the Board of Directors evaluated the amount of the annual bonus due and awarded to Bertrand Dumazy 120% of his fixed salary on a ratable basis, *i.e.*, €165,000.

The Board also decided, on the recommendation of the Compensation and Appointments Committee, to maintain Bertrand Dumazy's fixed salary for 2016 at €750,000 and set the criteria for determining his annual bonus for 2016 based on new targets while keeping the same structure as that set for Jacques Stern in 2015.

The annual bonus can range from 0% to 120% of fixed salary, with a maximum of 180% if the financial and operational targets are exceeded, weighted as follows:

- up to 65% of annual fixed salary if the quantitative financial targets set in the budget as approved by the Board of Directors are achieved. If the targets are exceeded, the bonus may represent up to a maximum of 105% of fixed salary;
- up to 30% of annual fixed salary if the quantitative operational targets set in the budget as approved by the Board of Directors are achieved. If the targets are exceeded, the bonus may represent up to a maximum of 50% of fixed salary;
- up to 25% of annual fixed salary relating to qualitative management targets.

Detailed information concerning the Chairman and Chief Executive Officer's compensation for 2016 will be available in the 2016 Registration Document. In accordance with the "Say on Pay" principle, the Board of Directors will consult the shareholders on these issues at the Shareholders Meeting held in 2017.

Long-term incentive plans

Exceptional long-term incentive plan:

An initial award of performance shares in a value equivalent to 150% of annual fixed salary was made on December 9, 2015 and a second award will be made during 2016.

The first award under this exceptional long-term incentive plan comprised 137,363 performance shares representing a value of €1,125,000.

Shares held at 31 December 2015

Bertrand Dumazy held 500 Edenred shares at 31 December 2015.

Employment contract

Bertrand Dumazy does not have an employment contract with Edenred SA or any of its subsidiaries or companies in which it has an equity interest.

Other commitments given to the Bertrand Dumazy

Compensation for loss of office (1)

On the recommendation of the Compensation and Appointments Committee, the Board of Directors decided to entitle Bertrand Dumazy to termination benefits in the event of a forced departure whatever the reason. The benefits may not exceed the equivalent of two years' fixed and variable compensation and payment is contingent on the achievement of serious, challenging performance conditions. No termination benefits will be payable if, within twelve months of his departure, Bertrand Dumazy becomes eligible for the basic State pension and, consequently, for pension benefits under the Company's supplementary pension plan.

The benefits payable will not exceed the equivalent of two years' total gross annual compensation as Chairman and Chief Executive Officer, defined as the sum of:

- the fixed portion of annual compensation as Chairman and Chief Executive Officer on the date of termination; and
- the average of the variable portion of annual compensation as Chairman and Chief Executive Officer received or to be received for the last two years during which he served as Chairman and Chief Executive Officer, prior to the date of termination.

Payment of the termination benefits is contingent on the achievement of certain serious, challenging performance criteria. The criteria selected by the Board concern the Group's business and financial performance – as measured by the key indicators on which the Group's financial communications to the market are based – and its stock market performance. Performance will be measured over a three-year period, taking into account the Group's long-term historical performance and the external risks to which it is exposed, as described in section 3 of the 2015 Registration Document, page 56.

⁽¹⁾ Related-party agreement authorized at the Board of Directors' meeting of February 10, 2016 to be submitted for approval at the Shareholders' Meeting of May 4, 2016.

5.4 Executive Director's compensation, directors' and managers' interests

The performance conditions are as follows:

- 5% like-for-like growth in issue volume compared with the previous year;
- 2% like-for-like growth in operating revenue compared with the previous year;
- 5% like-for-like growth in funds from operations compared with the previous year;
- increase in the Company's share price at least equal to 85% of the increase in the Euronext Paris SBF 120 index over the Reference Period or, if the index falls over the Reference Period, decline in the Company's share price of no more than 125% of that of the index over the Reference Period.

Achievement of each of these four criteria will be measured over the three years preceding the year in which his appointment as Chairman and Chief Executive Officer was terminated (the "Reference Period"). Each of the first three criteria will be deemed to have been met if the related objective was achieved in at least two of the three years in the Reference Period. In the event of departure after the third year, the index performance before the date on which he took up office will not be taken into account.

Payment of the maximum termination benefits will depend on at least three of these four performance criteria being met, as observed by the Board of Directors on the basis prescribed by the laws in force when his appointment as Chairman and Chief Executive Officer is terminated. If only two of the criteria are met, 50% of the maximum termination benefits office will be paid; if one or none of the criteria are met, no benefits will be paid.

The amount of termination benefits paid to Bertrand Dumazy may, under no circumstances, exceed two years' total gross annual compensation.

In addition, if Bertrand Dumazy is forced to stand down as Chairman and Chief Executive Officer before two full years have elapsed, he will be entitled to receive a settlement, in exchange for his waiving any rights of recourse, in an amount equal to two years' fixed salary and target variable compensation.

If he is forced to stand down more than two years but less than three years after his appointment, the reference period used to determine whether the performance conditions referred to above have been met will be reduced to the last two elapsed years.

Opening case

The Board of Directors has decided not to apply the provisions of the AFEP-MEDEF Code, which links forced departure to a change of control or strategy. The Board considers that in Edenred SA's particular case, applying this provision would make the commitment to pay the Chairman and Chief Executive Officer termination benefits meaningless as a change of Group strategy appears to be highly improbable in the short- to medium-term, as witnessed by Edenred's recent alliance in the field of Expense Management in Brazil with Embratec with a view to bringing together their fuel card management businesses.

In this respect, the Board of Directors considers that the condition relating to a change of strategy or control is not appropriate for Edenred SA's particular circumstances.

Unemployment insurance (1)

Bertrand Dumazy is covered under an insured plan set up with Association GSC, entitling him to unemployment benefits equal to 70% of his contractual income, capped at €15,850 per month, for a period of up to 18 months. The total annual cost of this plan for Edenred, including premiums and related payroll taxes, is €23,331.

Death/disability and health insurance (1)

The Chairman and Chief Executive Officer is covered by the death/ disability and health insurance plan set up for employees, which has been extended to include the Executive Director. Premiums paid by the Company for this extended cover in 2015 amounted to €992.

Supplementary Pension Benefits (2)

General Supplementary Pension Plan

A supplementary pension plan has been set up for Group senior executives above certain grades whose compensation meets certain criteria. This plan is comprised of a defined contribution plan ("Article 83") and a defined benefit plan ("Article 39"):

- under the Article 83 defined contribution plan, the Company pays an annual contribution representing up to 5% of five times the annual ceiling for calculating Social Security contributions ⁽³⁾;
- under the Article 39 defined benefit plan (17 persons in 2015), the Company is committed to paying an annuity to plan participants when they retire, based on principles that comply with the recommendations contained in the AFEP-MEDEF Corporate Governance Code dated November 2015:
 - to qualify for benefits under this top-hat plan, participants
 must end their career with the Group, have participated in the
 plan for at least five years and completed at least fifteen years'
 service with the Group. The pension payable under the plan
 is reduced by the amount of the pension payable under the
 defined contribution plan referred to above,
 - the reference period for the benefit calculations is the period of participation in the plan (i.e., at least five years),

⁽¹⁾ Related-party agreement authorized at the Board of Directors' meeting of September 10, 2015 to be submitted for approval at the Shareholders' Meeting of May 4, 2016.

⁽²⁾ Related-party agreement authorized at the Board of Directors' meeting of February 10, 2016 to be submitted for approval at the Shareholders' Meeting of May 4, 2016.

⁽³⁾ The annual cap for calculating Social Security contributions represented €38,040 in 2015.

- rights to potential supplementary pension benefits are accumulated gradually by year of participation and are calculated each year based on the participants' gross annual compensation,
- the replacement rate may not exceed the following two thresholds:
- the replacement rate of the supplemental plan (defined contribution and defined benefit plan) is limited to 30% of the last gross annual remuneration ⁽¹⁾,
- if the final gross annual compensation represents more than 12 times the annual ceiling for calculating Social Security contributions, the overall replacement rate represented by all benefits paid under compulsory plans and Edenred supplementary pension plans is capped at 35% of the average reference compensation for the best three years out of the participant's last ten years before retirement.

Participants who leave the Group before claiming the pension under the general plan lose their rights under the defined benefit plan and retain only those relating to the defined contribution plan.

Application of the supplementary pension plan to the Executive Director

The Chairman and Chief Executive Officer participates in the supplementary pension plan in the same way as the other plan participants, as described above. However, in accordance with the provisions of Article L.225-42-1 of the French Commercial Code as amended by Article 229 of Act no. 2015-990 of August 6, 2015 ("Macron Act"), the Board of Directors' meeting of February 10, 2016 indirectly made payment of the Article 39 pension contingent on the achievement of the targets set to determine the Chairman and Chief Executive Officer's variable compensation. He will receive 100% of the Article 39 pension benefit if the targets set for determining his variable compensation are at least 60% met. If they are not 60% met, he will not receive any Article 39 pension benefit in respect of that year.

The supplementary pension entitlement is taken into account in determining his overall compensation package.

In 2015, no sum was paid by the Company in respect of these supplementary pension plans for Bertrand Dumazy. A waiting period of one year from the date of appointment is required before an Executive Director is entitled to Article 83 benefits and a period of six months for the Article 39 benefits.

Summary table of Bertrand Dumazy's compensation

Table 1: Compensation, stock options and performance shares awarded to Bertrand Dumazy, Executive Director as of October 26, 2015 (in €)

Bertrand Dumazy	2015	2014	2013
Compensation for the year (see Table 2 for details)	804,170	n/a	n/a
Value of long-term incentives awarded during the year	0	n/a	n/a
Value of stock options granted during the year	0	n/a	n/a
Value of performance shares awarded during the year (see Table 6 of section 5.4.1.6.2 for details)	1,125,000	n/a	n/a
TOTAL	1,929,170	N/A	N/A

(1) Gross annual compensation corresponds to the participant's salary and bonus, excluding any exceptional bonuses.

Table 2: Compensation paid to Bertrand Dumazy, Executive Director as of October 26, 2015 (in €)

	201	2015		4	2013	
Bertrand Dumazy	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Fixed salary	138,470	138,470	n/a	n/a	n/a	n/a
Annual bonus	165,000	0	n/a	n/a	n/a	n/a
Long-term incentive	0	0	n/a	n/a	n/a	n/a
Exceptional bonus	500,000	500,000	n/a	n/a	n/a	n/a
Directors' fees	0	0	n/a	n/a	n/a	n/a
Benefits-in-kind	700 *	700 *	n/a	n/a	n/a	n/a
Vacation pay under the employment contract	0	0	n/a	n/a	n/a	n/a
TOTAL	804,170	639,170	N/A	N/A	N/A	N/A

Company car.

Table 11: Commitments made to Bertrand Dumazy, Executive Director as of October 26, 2015

		loyment contract		ementary sion plan	of te	or benefit n the case ermination e of office		compete demnity
Executive Director	YES	NO	YES	NO	YES	NO	YES	NO
Bertrand Dumazy,		Х	Х		Х			Х

5.4.1.5 **Directors' fees**

The Shareholders Meeting of May 10, 2010 set the total annual fees payable to directors at €500,000. This amount is allocated by the Board of Directors among its members based on the recommendation of the Compensation and Appointments Committee.

The principles governing the allocation of total directors' fees for 2015 among the members of the Board of Directors, as decided at the Board meeting of February 10, 2016 comply with the recommendations of the AFEP-MEDEF Corporate Governance Code. The allocation comprises:

- a variable portion (representing the largest part of each director's fee) that takes into account directors' attendance at Board meetings;
- an additional amount allocated to members of the Board Committees:
- an amount that reflects the level of responsibility assumed and time spent.

In accordance with the above principles:

- no fees were allocated to the Chairman and Chief Executive Officer;
- a fixed fee of €10,000 was allocated to the Vice-Chairman of the Board;
- all Board members were allocated a fixed fee of €1,131 per meeting, plus a fee of €1,382 for each meeting attended during the year (including by videoconference);
- the chairmen of specialized Board Committees were allocated a fixed fee of €5,000;
- all members of specialized Board Committees were allocated a fixed fee of €2,090 per meeting plus a fee of €2,555 per meeting attended during the year (including by videoconference).

5.4 Executive Director's compensation, directors' and managers' interests

Table 3: Directors' fees and other compensation paid to Non-Executive Directors

Board of Directors (in €)	Fees payable for 2015	Fees paid in 2015 in respect of 2014	Fees paid in 2014
Jean-Paul Bailly	61,599	52,706	51,305
Sébastien Bazin (1)	n/a	n/a	27,967
Anne Bouverot	36,556	48,424	41,633
Philippe Citerne	85,576	97,174	84,452
Gabriele Galateri di Genola	53,279	60,812	47,695
Maëlle Gavet	23,369	17,382	n/a
Françoise Gri	57,833	48,424	45,475
Jean-Romain Lhomme (2)	40,333	44,467	16,378
Bertrand Meheut	32,120	33,284	31,170
Nadra Moussalem (2) (3)	63,785	61,341	52,793
Roberto Oliveira de Lima (4)	5,115	34,639	37,791
TOTAL	459,565	498,654	436,657

⁽¹⁾ Resigned from the Board on October 2, 2013.

5.4.1.6 Directors' and managers' interests

5.4.1.6.1 Stock option plans

Details of stock option plans

Pursuant to the authorization given by the Shareholders Meeting of May 10, 2010, the Board of Directors' meetings of February 23, 2011 and February 22, 2012 defined the terms and conditions of three stock option plans for certain Group employees and Executive Directors and granted stock options as summarized in the table below. The number of options granted may not be exercisable for shares representing more than 7% of the Company's share capital.

⁽²⁾ The fees shown in the table are paid to Colony Capital.

⁽³⁾ No directors' fees were paid to Nadra Moussalem for the period August 1 to October 25, 2015.

⁽⁴⁾ Resigned from the Board on May 18, 2015.

Table 8: Details of stock option plans currently in progress

INFORMATION ABOUT STOCK OPTIONS

	2015 Plan	2014 Plan	2013 Plan	2012 Plan	2011 Plan	2010 Plan
Grant date	None	None	None	February 27, 2012 (1)	March 11, 2011 (2)	August 6, 2010 ⁽³⁾
Total options, of which options granted to				382,800	611,700	4,235,500
Jacques Stern (4)				66,000	72,000	240,000
Nadra Moussalem (5)				n/a	n/a	n/a
Bertrand Dumazy (6)				n/a	n/a	n/a
Start of exercise period				February 28, 2016	March 12, 2015	August 7, 2014
Expiry date				February 27, 2020	March 11, 2019	August 6, 2018
Exercise price (in €)				19.03	18.81	13.69
Options exercised as of December 31, 2015				0	106,300	2,529,232
Cumulative number of options canceled or forfeited				12,000	10,350	427,500
Options outstanding at the year-end				370,800	495,050	1,278,768
TOTAL				382,800	611,700	4,235,500

- (1) Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 22, 2012.
- (2) Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 23, 2011.
- (3) Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of June 29, 2010.
- (4) Resigned on July 31, 2015.
- (5) Appointed from August 1 to October 25, 2015.
- (6) Appointed on October 26, 2015.

2015

No stock options were granted to Group employees or Executive Directors in 2015. The Board of Directors was not granted any authorizations by the Shareholders Meeting for the issue of stock options.

In 2015, stock options granted to or exercised by the Executive Directors of Edenred and the top ten grantees other than the Executive Directors were as follows:

Executive Directors

Table 4: Stock options granted during the year to the Executive Directors by Edenred SA or any other Group company

None.

Table 5: Stock options exercised during the year by the Executive Directors

Executive Director	Plan no. and date	Number of options exercised during the year	Exercise price
Jacques Stern			
(from January 1 to July 31)	2010 Plan	153,287	13.69
Nadra Moussalem			
(From August 1 to October 25)	n/a	n/a	
Bertrand Dumazy			
(As of October 26)	n/a	n/a	
TOTAL		153,287	

Shares representing 40% of the net gain realized on exercise of the options must be held in registered form by the Chairman and Chief Executive Officer for as long as he remains in office.

The Company does not allow the Executive Director and members of the Executive Committee who receive stock options to hedge the related equity risk upon exercise of stock options until the end of the lock-up period set by the Board of Directors.

Employees other than Executive Directors

Table 9: Stock options granted to and exercised by the top ten grantees other than the Executive Directors

	Total options granted/ exercised	Exercise price (in €)
Options granted during the year to the ten employees other than the Executive Directors		
who received the largest number of options (aggregate information)	None	
Options exercised during the year by the ten employees other than the Executive Director	194,400	13.69
who exercised the largest number of options (aggregate information)	36,300	18.81
TOTAL	230,700	

5.4.1.6.2 Performance share plans

Details of performance share plans

Pursuant to the authorizations given by the Shareholders Meeting of May 10, 2010, May 24, 2013 and April 30, 2015, the

Board of Directors' meetings of February 23, 2011, February 22, 2012, February 12, 2013, February 11, 2015 and December 9, 2015, defined the terms and conditions of six plans and granted performance shares to certain Group employees and Executive Directors as summarized in the table below.

Table 10: Details of performance share plans currently in progress

INFORMATION ABOUT PERFORMANCE SHARES

	Plan 2015 (Chairman & CEO)	2015 Plan	2014 Plan	2013 Plan	2012 Plan	2011 Plan
Grant date	December 9, 2015	February 20, 2015 (1)	February 17, 2014 (2)	February 18, 2013 (3)	February 27, 2012 (4)	March 11, 2011 ⁽⁵⁾
Total number of performance shares awarded, of which shares awarded to:	S	800,000	824,000	845,900	867,575	805,025
Jacques Stern (6)		64,000	66,000	50,000	38,500	42,000
Bertrand Dumazy	137,363	,	,	,	,	•
Vesting date (7)	December 10, 2018	Feb. 21, 2018 or Feb. 21, 2020	Feb. 18, 2017 or Feb. 18, 2019	Feb. 19, 2016 or Feb. 19, 2018	Feb. 28, 2015 or Feb. 28, 2017	March 12, 2014 or March 12, 2016
End of lock-up period ⁽⁸⁾	December 10, 2020	February 21, 2020	February 18, 2019	February 19, 2018	February 27, 2017	March 11, 2016
Performance conditions	Like-for-like growth in issue volume and funds from operations * (FFO) and Edenred TSR** vs. SBF 120 TSR	Like-for-like growth in issue volume and funds from operations * (FFO) and Edenred TSR** vs. SBF 120 TSR	Like-for-like growth in issue volume and funds from operations * (FFO) and Edenred TSR** vs. SBF 120 TSR	Like-for-like growth in issue volume and funds from operations * (FFO) and Edenred TSR** vs. SBF 120 TSR	Like-for-like growth in issue volume and funds from operations * (FFO)	Like-for-like growth in issue volume and funds from operations * (FFO)
Number of vested shares at December 31, 2015	5 0	0	600	500	259,716	245,800
Cumulative number of canceled and forfeited performance shares		102,650	133,192	90,522	80,918	57,712
Performance shares outstanding at December 31, 2014		697,350	690,208	754,878	526,941	501,513
TOTAL	137,363	800,000	824,000	845,900	867,575	805,025

^{*} Before non-recurring items.

^{**} Total Shareholder Return.

⁽¹⁾ Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 11, 2015.

⁽²⁾ Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 11, 2014.

⁽³⁾ Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 12, 2013.

 ⁽⁴⁾ Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 22, 2012.
 (5) Decision of the Chairman and Chief Executive Officer pursuant to the Board authorization of February 23, 2011.

⁽⁶⁾ Jacques Stern resigned from office on July 31, 2015.

⁽⁷⁾ Three-year vesting period for French tax residents and non-residents subject to the French social security system and a five-year vesting period for tax residents of other countries who are not subject to the French social security system.

⁽⁸⁾ The lock-up period only applies to French tax residents and non-residents subject to the French social security system.

In accordance with the AFEP-MEDEF Code, the performance share awards are made at the same time every year, after the annual results have been published, save for the exceptional long-term incentive plan awarded to Bertrand Dumazy upon his appointment as Chairman and Chief Executive Officer as of October 26, 2015. Performance share rights are not awarded systematically to a given category of employees, but are designed to reward personal performance, measured in terms of the results obtained, individual achievements and potential.

2015

The Shareholders Meeting of May 24, 2013 authorized the Board of Directors to grant performance shares. According to the terms of this authorization, the number of performance shares rights awarded during the 26-month authorization period may not exceed 1.5% of the capital and the aggregate par value of any resulting share issues will be deducted from the total maximum amount provided for in the second paragraph of the 13th resolution of the Shareholders Meeting of May 15, 2012 or, if applicable, the total maximum amount set in any new resolution to the same effect adopted while this authorization is in force. In addition, the number of performance share rights awarded in a single year may not exceed 1% of the capital.

Pursuant to this authorization, no more than 8% of the performance share rights may be granted to the Executive Director and no more than 25% may be granted to the members of the Executive Committee.

The plan period is five years. Performance share rights awarded to French tax residents are subject to a three-year vesting period followed by a two-year lock-up period and rights awarded to residents of other countries are subject to a five-year vesting period with no lock-up period.

Under the performance share plan set up in February 2013 pursuant to this authorization, 800,000 performance share rights were awarded to 457 grantees in some forty countries (Executive

Directors, members of the Executive Committee, senior executives), representing 0.35% dilution.

The Shareholders Meeting of April 30, 2015 authorized the Board of Directors to grant performance shares. According to the terms of this authorization, the number of performance share rights awarded during the 26-month authorization period may not exceed 1.5% of the capital and the aggregate par value of any resulting share issues will be deducted from the total maximum amount provided for in the second paragraph of the seventeenth resolution of the Shareholders Meeting of May 13, 2014 or, if applicable, the total maximum amount set in any new resolution to the same effect adopted while this authorization is in force.

The Executive Director may not be awarded more than 0.06% of the total number of performance shares awarded in the fiscal year.

Pursuant to the authorization given by the Shareholders Meeting of April 30, 2015, the Board of Directors set up a performance share plan for the new Chairman and Chief Executive Officer in December 2015 and made an award of 137,363 performance shares, representing 0.05% dilution.

Under this plan, three performance criteria will apply measured over a period of three consecutive fiscal years, and the performance shares will vest as follows:

- 37.5% if the target for like-for-like issue volume growth is met;
- 37.5% if the target for like-for-like growth in funds from operations (FFO) is met;
- 25% if the stock market performance target is met, corresponding to Edenred's total shareholder return (TSR) compared with the average TSR for companies included in the SBF 120 index.

The two operating performance targets above are specific to the Group's business and correspond to the issue volume and FFO growth objectives announced to the market when the 2010-2016 strategy was presented (see section 1 page 24). The purpose of the stock market performance criterion is to align management and shareholder interests, and raise managers' awareness of the specific challenges faced by a listed company.

5.4 Executive Director's compensation, directors' and managers' interests

The Board of Directors set the performance ranges (lower and upper limits) for each criterion based on the recommendation of the Compensation and Appointments Committee. These performance ranges are as follows:

Like-for-like issue volume growth over three years

Like-for-like issue volume growth of less than 8%	0%
Like-for-like issue volume growth of 8-9%	50%
Like-for-like issue volume growth of 9-10%	75%
Like-for-like issue volume growth of 10-12%	100%
Like-for-like issue volume growth of 12% or more	125%
Like-for-like growth in FFO over three years	
Like-for-like growth in FFO of less than 8%	0%
Like-for-like growth in FFO of 8-10%	50%
Like-for-like growth in FFO of 10-12%	75%
Like-for-like growth in FFO of 12-14%	100%
Like-for-like growth in FFO of 14% or more	125%
Edenred TSR/SBF 120 TSR	
Edenred TSR less than 100% of SBF 120 TSR	0%
Edenred TSR between 100% and 102.5% of SBF 120 TSR	50%
Edenred TSR between 102.5% and 105% of SBF 120 TSR	75%
Edenred TSR between 105% and 107.5% of SBF 120 TSR	100%
Edenred TSR more than 107.5% of SBF 120 TSR	125%

Edenred's TSR measures the total return for shareholders, taking into account share price appreciation and the dividends paid to shareholders.

The SBF 120 TSR will be calculated based on the TSR of each SBF 120 company.

The level of achievement of the performance targets will be assessed based on the information provided by Edenred's Finance Department.

The Board of Directors will determine each year's actual performance against the targets at the meeting held to approve the annual financial statements, after consulting the Compensation and Appointments Committee.

For information, the following performance criteria were achieved in 2015. However, performance will only be finally measured after a period of three fiscal years.

Criteria	2015 performance
Like-for-like issue volume growth	+8.7%
Like-for-like growth in FFO	+12.5%
TSR	Edenred TSR <tsr sbf120<="" td=""></tsr>

Executive Directors

The Company does not allow Executive Directors and Executive Committee members who receive performance shares to hedge the related equity risk until the end of the lock-up period set by the Board of Directors.

1. Jacques Stern (Chairman and Chief Executive Officer until July 31, 2015)

A total of 64,000 performance shares were granted to Jacques Stern, in line with the decision of the Board of Directors on February 11, 2015 based on the recommendation of the Compensation and Appointments Committee. The shares are subject to the same performance conditions as for the other grantees.

5.4 Executive Director's compensation, directors' and managers' interests

Table 6: performance shares awarded to Jacques Stern, Executive Director until July 31, 2015

Performance share rights awarded during the year to each of the Executive Directors by the Company or any other Group entity	Plan no. and date	shares awarded	Value based on the method used in the consolidated financial statements (1)	Vesting date	End of lock-up period	Performance
Jacques Stern	2015	64,000	0	n/a	n/a	Like-for-like growth
	Date:					in issue volume
	February					and funds from
	20, 2015					operations * (FFO)
						and Edenred TSR**
						vs. SBF 120 TSR

TOTAL

- Before non-recurring items.
- ** Total Shareholder Return.

Table 7: Performance share rights available to Jacques Stern, Executive Director up to July 31, 2015

Performance share rights available to the Executive Director during the year	Plan no. and date	Number of performance share rights exercisable during the year	Performance conditions
Jacques Stern	Plan no. 1 2010	60,000	2010 = consolidated EBIT and like-for-like growth in issue volume
			2011 and 2012 = like-for-like growth in issue volume and funds from operations (FFO) *
TOTAL		60,000	nom operations (i i o)

Before non-recurring items.

Table 7: Performance share rights acquired by Jacques Stern, Executive Director up to July 31, 2015

Performance shares held by	Plan no.	Number of performance shares that vested	
vested during the year	and date	during the year	Performance conditions
Jacques Stern	2012 Plan	38,500	Like-for-like growth in issue volume and funds from operations * (FFO)
TOTAL		38,500	

^{*} Before non-recurring items.

Jacques Stern, in his capacity as Chairman and Chief Executive Officer, was required to hold fifteen percent of his performance shares in registered form for as long as he remained in office, *i.e.*, until July 31, 2015.

2. Nadra Moussalem (Chairman and Chief Executive Officer from August 1 to October 25, 2015)

Member of the Board of Directors since 2010, Nadra Moussalem was appointed acting Chairman and Chief Executive Officer following Jacques Stern's resignation until the arrival of his successor Bertrand Dumazy. He has not been awarded any performance shares.

3. Bertrand Dumazy (Chairman and Chief Executive Officer as of October 26, 2015)

A total of 137,363 performance shares were granted to Bertrand Dumazy at the decision of the Board of Directors on December 9, 2015 based on the recommendation of the Compensation and Appointments Committee. The shares are subject to the same performance conditions as for the other grantees, in accordance with the authorization given in the eighth resolution at the Shareholders' Meeting of April 30, 2015.

⁽¹⁾ As Jacques Stern resigned from the Company during the year, he has lost the benefit of the performance shares awarded during the year and their value at 31 December 2015 is therefore nil.

5.4 Executive Director's compensation, directors' and managers' interests

Table 6: performance shares awarded to Bertrand Dumazy, Executive Director as of October 26, 2015

Plan no. and date	shares awarded		Vesting date	End of lock-up period	Performance conditions
Plan 2015	137.363	1.125.000	December 10.	December 10.	Like-for-like growth
(no. 7	,	.,,	2018	2020	in issue volume
- Chairman					and funds from
& CEO)					operations * (FFO)
Date:					and Edenred TSR
December					vs. SBF 120 TSR
9, 2015					
	and date Plan 2015 (no. 7 - Chairman & CEO) Date: December	Plan no. and date Plan 2015 (no. 7 - Chairman & CEO) Date: December	Plan no. and date Plan 2015 137,363 1,125,000 (no. 7 - Chairman & CEO) Date: December	Plan no. and date Plan 2015 137,363 1,125,000 December 10, 2018 - Chairman & CEO) Date: December	Plan no. and date Plan por 137,363 Plan por (no. 7) Plan 2015 Plan por (no. 7) Plan 2016 Plan por (no. 7) Plan 2016 Plan 2016 Plan por (no. 7) Plan 2016 Plan por (no. 7) Plan 2016 Plan 2016 Plan por (no. 7) Plan 2016 Plan 2016 Plan por (no. 7) Plan 2016 Plan 201

TOTAL

Bertrand Dumazy, in his capacity as Chairman and Chief Executive Officer, is required to hold 15% of his performance shares in registered form for as long as he remains in office.

Table 7: Performance share rights available to Bertrand Dumazy, Executive Director from October 26, 2015

None.

Table 7 *bis*: Performance share rights acquired by Bertrand Dumazy, Executive Director from October 26, 2015

None.

Employees other than Executive Directors

Table 9 *bis*: Performance shares granted to the top ten employees other than the Executive Directors and vested performances shares

	Number of performance share rights granted/ shares vested	Fair value (in €)
Performance shares granted in 2015 to the ten employees other than the Executive Directors who received the largest number of performance shares (aggregate		
information)	187,000	2,988260
Performance shares that vested during the year for the ten employees other than the		
Executive Directors who received the largest number of vested shares during the year		
(aggregate information)	182,450	2,434,451

Before non-recurring items.

⁽¹⁾ Performance shares are measured at their theoretical value at the grant date determined using the Black & Scholes option pricing model, in accordance with AFEP-MEDEF guidelines, rather than at the value of the compensation received. Performance shares are forfeited if the grantee leaves the Group before the vesting date or if the performance conditions are not met.

5.4 Executive Director's compensation, directors' and managers' interests

5.4.1.6.3 Directors' dealings in the Company's shares

Table: Summary of transactions in the Company's shares

Schedule of transactions involving shares of the Company carried out during the past fiscal year, within the meaning of Article L.621-18-2 of the French Monetary and Financial Code.

Directors concerned:	Transaction date	Type of transaction	Number of shares	Transaction date (in €)
	Feb. 16, 2015	Exercise of stock options	5,000	68,450
	Feb. 16, 2015	Sale of shares	5,000	120,500
	Feb. 18, 2015	Exercise of stock options	5,000	68,450
	Feb. 18, 2015	Sale of shares	5,000	122,500
	Feb. 23, 2015	Exercise of stock options	5,000	68,450
	Feb. 23, 2015	Sale of shares	5,000	120,000
	Feb. 24, 2015	Exercise of stock options	5,000	68,450
	Feb. 24, 2015	Sale of shares	5,000	121,587
	March 5, 2015	Exercise of stock options	5,000	68,450
	March 5, 2015	Sale of shares	1,421	34,814
	March 5, 2015	Sale of shares	5,000	122,625
	March 6, 2015	Exercise of stock options	10,000	136,900
	March 6, 2015	Sale of shares	10,000	247,500
	March 11, 2015	Exercise of stock options	18,287	250,350
	March 12, 2015	Exercise of stock options	10,000	136,900
	March 12, 2015	Sale of shares	10,000	244,020
	March 13, 2015	Exercise of stock options	5,000	68,450
	March 13, 2015	Sale of shares	5,000	123,750
Jacques Stern Chairman and Chief Executive Officer until	April 16, 2015	Exercise of stock options	5,000	68,450
July 31, 2015	April 16, 2015	Sale of shares	5,000	123,450
	April 16, 2015	Exercise of stock options	10,000	136,900
	April 16, 2015	Sale of shares	10,000	247,500
	April 17, 2015	Exercise of stock options	10,000	136,900
	April 17, 2015	Sale of shares	10,000	252,000
	April 17, 2015	Exercise of stock options	10,000	136,900
	April 17, 2015	Sale of shares	10,000	249,000
	April 20, 2015	Exercise of stock options	10,000	136,900
	April 20, 2015	Sale of shares	10,000	245,000
	April 21, 2015	Exercise of stock options	1,521	20,822
	April 21, 2015	Sale of shares	8,479	210,703
	April 21, 2015	Exercise of stock options	1,521	37,797
	April 21, 2015	Exercise of stock options	8,479	116,078
	April 21, 2015	Exercise of stock options	10,000	136,900
	April 21, 2015	Sale of shares	10,000	246,500
	May 04, 2015	Exercise of stock options	10,000	136,900
	May 04, 2015	Sale of shares	10,000	245,000
	July 27, 2015	Exercise of stock options	10,000	136,900
	July 27, 2015	Sale of shares	10,000	232,914

 $5.4\quad {\sf Executive\, Director's\, compensation, directors'\, and\, managers'\, interests}$

Directors concerned:	Transaction date	Type of transaction	Number of shares	Transaction date (in €)
Bertrand Dumazy Chairman and Chief Executive Officer as of October 26, 2015	Dec. 18, 2015	Purchase of shares	500	8,400
	Feb. 18, 2015	Purchase of shares	500	11,022
Anne Bouverot	Feb. 18, 2015	Purchase of shares	500	8,857
Director	June 08, 2015	Purchase of shares	12	251
	Feb. 16, 2015	Exercise of stock options	4,000	54,760
	Feb. 16, 2015	Sale of shares	4,000	96,400
	Feb. 23, 2015	Exercise of stock options	3,000	41,070
	Feb. 23, 2015	Sale of shares	3,000	71,670
Gilles Coccoli	March 5, 2015	Exercise of stock options	3,000	41,070
Member of the Executive Committee	March 5, 2015	Sale of shares	3,000	73,734
	April 16, 2015	Exercise of stock options	4,000	54,760
	April 16, 2015	Sale of shares	4,000	99,297
	June 09, 2015	Exercise of stock options	3,500	47,915
	June 09, 2015	Sale of shares	3,500	80,167
	April 17, 2015	Exercise of stock options	10,600	145,114
Laurent Delmas	April 17, 2015	Sale of shares	10,600	263,357
Member of the Executive Committee	June 15, 2015	Exercise of stock options	9,800	134,162
	April 30, 2015	Exercise of stock options	7,550	103,359
Philippe Dufour	June 08, 2015	Purchase of shares	140	2,935
Member of the Executive Committee	August 25, 2015	Exercise of stock options	3,678	50,351
Antoine Dumurgier				
Member of the Executive Committee	June 08, 2015	Purchase of shares	148	3,103
Arnaud Erulin	August 28, 2015	Sale of shares	10,000	188,550
Member of the Executive Committee	Nov. 30, 2015	Sale of shares	12,500	245,000
	Feb. 19, 2015	Sale of shares	7,500	183,750
	May 04, 2015	Exercise of stock options	10,000	188,100
	May 04, 2015	Sale of shares	10,000	245,000
Loïc Jenouvrier	July 27, 2015	Sale of shares	10,000	229,146
Member of the Executive Committee	August 03, 2015	Sale of shares	10,000	227,834
	August 10, 2015	Sale of shares	10,000	224,290
	August 17, 2015	Sale of shares	10,000	215,065
	March 12, 2015	Exercise of stock options	27,000	507,870
Laurent Pellet	March 12, 2015	Sale of shares	27,000	657,146
Member of the Executive Committee	August 7, 2015	Sale of shares	22,500	517,500
	Feb. 16, 2015	Exercise of stock options	7,500	102,675
	Feb. 16, 2015	Sale of shares	7,500	180,262
Dhillian a Dalland Daywood	March 12, 2015	Exercise of stock options	6,300	118,503
Philippe Relland-Bernard Member of the Executive Committee	March 12, 2015	Sale of shares	6,300	153,562
	October 15, 2015	Sale of shares	1,300	20,956
	0010001 10, 2010	Jaie di Silaies	1,000	20,930

5.4 Executive Director's compensation, directors' and managers' interests

Directors concerned:	Transaction date	Type of transaction	Number of shares	Transaction date (in €)
	March 11, 2015	Exercise of stock options	10,000	136,900
Diego Frutos	March 11, 2015	Sale of shares	10,000	239,493
Member of the Executive Committee	August 06, 2015	Exercise of stock options	5,700	107,217
	August 06, 2015	Sale of shares	5,700	130,957
Graziella Gavezotti	March 12, 2015	Exercise of stock options	50,000	684,500
Member of the Executive Committee	March 12, 2015	Sale of shares	50,000	1,208,896

5.4.2 STATUTORY AND DISCRETIONARY PROFIT-SHARING PLANS

Information about statutory and discretionary profit-sharing plans is provided in section 4 "Corporate Social Responsibility", page 72, part 4.1.2.2 Employee motivation, e) Compensation and benefits.

5.5 Report of the Chairman of the Board of Directors to the Annual Shareholders Meeting on the preparation and organization of Board of Directors' meetings and internal control procedures

5.5 REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS TO THE ANNUAL SHAREHOLDERS MEETING ON THE PREPARATION AND ORGANIZATION OF BOARD OF DIRECTORS' MEETINGS AND INTERNAL CONTROL PROCEDURES

This report to shareholders for the year ended December 31, 2015 on the preparation and organization of Board of Directors' meetings and on internal control procedures has been drawn up in compliance with Article L.225-37 of the French Commercial Code.

It was reviewed by the Audit and Risks Committee on February 5, 2016 and approved by the Board of Directors on February 10, 2016. It is based on the document entitled "The Internal Control System Reference Framework" issued by the Working Group set up by French securities regulator Autorité des marchés financiers. The following description of the Company's internal control procedures is organized in line with the template provided in the Reference Framework.

The report, to be presented at the Shareholders Meeting of May 4, 2016, is made up of this section, section 5.1 "Corporate governance", section 5.2 "Administrative, management and supervisory bodies", section 5.3 "Shareholders Meetings", and section 5.4 "Executive Director's compensation, directors' and managers' interests".

which includes a summary of directors' transactions in Edenred shares, and of directors' and employees' interests in the Company's capital (presentation of stock option plans, performance share plans, statutory and discretionary profit-sharing plans).

The report refers to the disclosure of information in the Management Report in compliance with Article L.225-100-3 of the French Commercial Code on the Company's capital structure and items that could have an impact in the event of a public tender offer for the Company's shares.

Edenred complies with the Corporate Governance Code for Listed Companies published by Association française des entreprises privées (AFEP) and Mouvement des entreprises de France (MEDEF), revised in November 2015, save for certain recommendations for the reasons given in the section on "Executive Director's Compensation". The Corporate Governance Code is available from the MEDEF website (www.medef.com) and on request from AFEP, MEDEF and the Company's headquarters.

5.5.1 ORGANIZATION AND PROCEDURES OF THE BOARD OF DIRECTORS

Organization

The framework for the preparation and organization of Board meetings results from French company law and the related regulations, from the Company's bylaws and from the Board of Directors' Internal Regulations, amended on February 11, 2015 which also describe the procedures of the Committees of the Board (see the section "Board of Directors' Internal Regulations").

Of the ten members, seven are men and three are women, representing 30% of the Board members as required by the French Act no. 2011-103 of January 27, 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards, and on gender equality in the workplace. Its membership therefore complies with the applicable laws and regulations. At the next Shareholders' Meeting, the Board of Directors will propose a new female candidate, a brazilian citizen, for ratification of the cooption to the Board, which if approved, would bring the number up to four of eleven, *i.e.*, 36%. Non-compliance with the provisions of the AFEP-MEDEF Code is mainly due to the governance changes that took place during the year and which led the Compensation and

Appointments Committee and the Board of Directors to focus on the search for and selection of a new Chairman and Chief Executive Officer. The process of selecting a new female director resumed at the end of 2015 and are continuing.

The Board of Directors includes one non-French member (Italian) and four members with extensive professional experience outside France (US, Russia, UK, Italy and Netherlands), enhancing Edenred's international vision.

Each Board member is required to comply with the Director's Charter, which is also presented in this Registration Document.

Procedures

The Board of Directors met ten times in 2015. Calls to meeting are sent by e-mail and/or by mail, with the agenda, generally eight days before the meeting date. The directors receive all necessary information on a timely basis to enable them to fulfill their duties. Background information about agenda items are sent to them sufficiently well in advance to allow them to make an informed

5.5 Report of the Chairman of the Board of Directors to the Annual Shareholders Meeting on the preparation and organization of Board of Directors' meetings and internal control procedures

contribution to the Board's discussions. They are kept regularly informed of the financial position, cash position and commitments of the Company and the Group as well as the Group's strategy and main policies in the areas of Human Resources, organization and information systems, and discuss these strategies and policies at periodic intervals. The Board members are also informed on a regular basis of the Company's financial communications strategy. Presentations commented by the Group's senior management may be held and additional documents may be provided, if necessary. In the period between two meetings, directors are kept regularly informed of significant events and transactions involving the Group and are sent copies of all press releases issued by the Company.

The Board meetings lasted two hours on average and the average attendance rate was 82%.

Work carried out in 2015

At the Board of Directors meetings held in 2015, the Board of Directors dealt with the following matters:

- approval of the financial statements for the year ended December 31, 2014;
- the financial communication processes;
- the 2015 budget and financing plan;
- the Group's strategy;
- the Annual Shareholders Meeting of April 30, 2015 and the resolutions to be tabled at the meeting;
- notifications received under disclosure threshold rules and monitoring of the changes in the Company's shareholding structure;
- the review of the interim financial statements and the preparation of the interim Management Report;
- appointment of a new Chairman and Chief Executive Officer;
- the Chairman and Chief Executive Officer's compensation;
- arrangements for interim stewardship of the Company;
- the allocation of performance shares;
- the breakdown of directors' fees;
- the proposed re-election of three directors;
- proposed appointment of a new director;
- Executive Management organization;
- the renewal of the term of office of Committee members;
- the independence criteria applied to directors and the specific financial and other expertise of the members of the Audit and Risks Committee;
- the authorizations given to the Chairman and Chief Executive Officer to carry out bond issues and undertakings, avals and guarantees;

- the implementation of the share buyback program;
- Edenred's development projects;
- review of related-party agreements that remained in effect during the year and the signature of new agreements with the Chairman and Chief Executive Officer;
- reduction and increase of the Company's capital pursuant to the 2010 and 2011 stock option plans and the award of performance shares to non-French tax residents.

Part of each meeting was devoted to discussing the Group's business, strategy, results, cash position, capital expenditure and acquisition projects.

Assessment

Pursuant to Article 10 of the AFEP-MEDEF Corporate Governance Code, the Board is required to assess its ability to meet the needs of shareholders, which have entrusted it with the Company's management. This self-assessment entails a regular review of its membership, organization, practices and procedures. In accordance with Article 1.2 of the Internal Regulations, the Board of Directors conducts a self-assessment of its procedures, with a view to identifying opportunities to improve its efficiency, at least once a year, and a formal self-assessment with the assistance of an outside consultant, at least once every three years.

In the second half of 2015, the Board carried out a self-assessment of its performance and the practices of its committees, and devoted part of one of its meetings to discussing the assessment results, with a view to identifying opportunities to improve its efficiency. This assessment conducted by the Vice-Chairman of the Board was based on an anonymous questionnaire specific to Edenred that was sent to all of the directors and mainly addressed the following:

- balanced membership on the Board of Directors;
- · operating procedures of the Board of Directors;
- frequency of Board meetings and directors' attendance;
- preparation and discussion of key issues;
- expertise of directors and their contribution to the Board's activities;
- efficiency of the Board's Committees.

The discussion enabled the directors to share their observations and they concluded that the membership, organization and procedures of the Board and its committees were satisfactory. The independence of most of the directors and their continued freedom of expression led to a constructive contribution to the Board's work. The use of electronic communications has greatly improved the flow and speed of information, thereby facilitating Board meetings.

During 2016, the Board will focus more on selecting new directors in order to find a satisfactory balance in terms of both expertise and experience and to better anticipate the Company's strategic and legal milestones.

5

CORPORATE GOVERNANCE

5.5 Report of the Chairman of the Board of Directors to the Annual Shareholders Meeting on the preparation and organization of Board of Directors' meetings and internal control procedures

Vice-Chairman

In the interest of sound governance, in its Internal Regulations, amended on February 11, 2015, the Board of Directors confirmed its decision to appoint a senior independent director if the positions of Chairman of the Board of Directors and Chief Executive Officer are not separated, thereby strengthening the role of Philippe Citerne, as Vice-Chairman of the Board and senior independent director.

As well as participating in the assessment of the Board's practices and procedures, Philippe Citerne, Vice-Chairman of the Board and lead director, organizes meetings of the independent directors to discuss various issues such as how to protect the interests of shareholders not represented on the Board of Directors, how shareholders are represented by the independent directors, the Group's results and dividend policy, and its growth outlook. He also approved the annual summary of strategic issues to be included on the agenda of Board meetings, as submitted to him by the Chairman and Chief Executive Officer.

He was not called upon to deal with any conflicts of interest within the Board of Directors in 2015.

Committees of the Board

Board discussions and decisions in some areas are prepared by specialized Board Committees made up of directors appointed by the Board for the duration of their term as director. These committees examine matters falling within their terms of reference, as well as any matters referred to them for consideration by the Chairman of the Board. They report regularly to the Board on their work, and inform the Board of their observations, opinions, proposals or recommendations.

To assist them in their work, the Board Committees may commission technical reports from management or from external consultants, at the Company's expense. In both cases, the Chairman of the Board or the Board of Directors is notified in advance and the Committees report to the Board of Directors. They may also arrange meetings with members of Company management responsible for the areas under review, with or without the Executive Director being present. In this case also, the Chairman of the Board or the Chief Executive Officer is informed in advance.

There are three standing Board Committees:

- the Audit and Risks Committee;
- the Commitments Committee;
- the Compensation and Appointments Committee.

The Board can also set up one or several ad hoc committees.

Each Committee is chaired by one of its members, designated by the Board on the recommendation of the Compensation and Appointments Committee.

The Committees may invite the Chief Executive Officer to attend any and all their meetings, except for the part of the Compensation and Appointments Committee meetings during which agenda items concerning him personally are discussed.

After consulting with the Board of Directors, the Committee Chairman appoints a person (who need not be a committee member or a director) to act as Secretary.

The Chairman of each Committee may ask for the Committee to be consulted on any matters falling within its terms of reference that have not been referred to it.

Each Committee periodically reviews its rules of procedure and proposes to the Board any changes that are considered necessary or that will improve their procedures.

The Board Committees do not have any decision-making authority and can, under no circumstances, replace the Board of Directors which has sole decision-making authority.

The Audit and Risks Committee met four times in 2015, to prepare the Board's review and approval of the annual financial statements of the Company, the interim and annual consolidated financial statements and the annual budget, in line with its terms of reference as set out in the Board of Directors' Internal Regulations. The work of the Audit and Risks Committee focused on reviewing (i) the annual financial statements for the year ended December 31, 2014 and the financial statements for the six months ended June 30, 2015 (ii) the proper application of accounting principles (iii) the financial communication process (iv) audit and internal control matters, (v) tax and legal risks, and (vi) policies governing the investment of available cash. Audit and Risks Committee meetings are attended not only by its members but also by the Chairman and Chief Executive Officer, the Chief Financial Officer and the Statutory Auditors. The Board Secretary, the Vice-President, Group Management Control, the Vice-President, Consolidation and Financial Control, the head of Internal Audit, the Vice-President, Tax, the Head of Information Systems Security and the Group Treasurer may also be invited to attend. During 2015, the Audit and Risks Committee reviewed proposed acquisitions (UTA and ProWeb CE) and disposals (Benefits business in China, Fruitbox business in Finland) and reviewed the performance of Repom, a leading Brazilian "freight" company in which Edenred SA has a majority interest.

The Audit and Risks Committee has four members with the expert knowledge of financial and accounting matters needed to fulfill the Committee's duties. It is chaired by the Vice-Chairman, who is also the senior independent director. Three of the Committee's four members (75%) are qualified by the Board of Directors as independent directors.

Committee meetings lasted one and three quarter hours on average and the average attendance rate was 93.75%.

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The **Commitments Committee** met three times in 2015, in line with its terms of reference as set out in the Board of Directors' Internal Regulations, to prepare the Board of Director's decisions on the following matters:

- transactions that have a material impact on the Group's strategy or lead to a material change in the Group's business base;
- · mergers, demergers or significant asset transfers;
- changes to the Company's corporate purpose;
- financial commitments in excess of €50 million per transaction;
- bilateral or syndicated borrowings representing €250 million or more.

During 2015, the Commitments Committee examined the alliance with Ebratec, a leading business expenses management company in Brazil.

The Commitments Committee has three members, two of whom are qualified by the Board of Directors as independent directors, *i.e.*, 66%.

The Committee's meetings lasted one hour and fifteen minutes on average and the average attendance rate was 69%.

The Compensation and Appointments Committee, which met seven times in 2015, drew up recommendations to the Board on the determination of the Executive Director's compensation and

benefits and the Group's policy with respect to stock option plans or performance share plans. It also participated in preparing senior management succession plans, in line with its terms of reference as set out in the Board of Directors' Internal Regulations.

During 2015, the Compensation and Appointments Committee drew up recommendations on the Chairman and Chief Executive Officer's variable compensation for 2014; his fixed salary and the performance conditions for his variable compensation for 2015; the selection process and appointment of a new Chairman and Chief Executive Officer and management of the interim period between Jacques Stern and Bertrand Dumazy; the award of performance shares; and the allocation of 2014 directors' fees. The Committee also made recommendations about the establishment of "Say on Pay" procedures concerning the compensation due or awarded to the Chairman and Chief Executive Officer in respect of 2014, and on the new related-party agreements entered into with the Chairman and Chief Executive Officer in 2015.. The Committee also reviewed the specific skills of the Audit and Risks Committee members, and the ratio of men and women on the Board of Directors.

The Compensation and Appointments Committee has four members, three of whom are qualified by the Board of Directors as independent directors, *i.e.*, 75%. It is chaired by an independent director.

The Committee's meetings lasted one hour and forty-five minutes on average and the average attendance rate was 96%.

5.5.2 CONDITIONS AND PROCEDURES FOR PARTICIPATING IN SHAREHOLDERS MEETINGS

The conditions and procedures for participating in Shareholders Meetings are set out in Article 24 of the Company's bylaws.

A summary is provided in the section 7 "Information about the Company and its capital", page 254.

5.5.3 RESTRICTIONS ON THE POWERS OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

As allowed by French law and the Company's bylaws, the Board of Directors confirmed its decision not to separate the positions of Chairman of the Board of Directors and Chief Executive Officer, first at its meeting of July 23, 2015 held to appoint an acting Chairman and Chief Executive Officer, and again on September 10, 2015 when the Board appointed Bertrand Dumazy.

Consequently, the Chairman of the Board of Directors is responsible for the executive management the Company, represents the Company in its dealings with third parties and has the broadest powers to act on behalf of the Company in all circumstances

within the scope of the powers ascribed to the Board by law or by regulations and vested in it under its Internal Regulations.

In accordance with the Internal Regulations, amended on February 11, 2015, the Board of Directors deals with all matters falling within the powers vested in it under the applicable laws and regulations, including:

- calling the Shareholders Meeting and setting the meeting agenda;
- approving the annual budget and financing plan and the multi-year plan presented by the Chief Executive Officer and any changes in the budget;

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- preparing the Company's financial statements and consolidated financial statements as well as the Management Report;
- authorizing the related-party agreements and commitments governed by Articles L.225-38 et seq. of the French Commercial Code:
- choosing the organization of the Company's Executive Management in accordance with Article 17 of the bylaws;
- appointing or removing the Chairman of the Board, the Vice-Chairman of the Board, the Chief Executive Officer and the Chief Operating Officers;
- determining the powers of the Chief Executive Officer and, with the latter's agreement, the powers of the Chief Operating Officers;
- · appointing directors;
- setting the compensation of the Chairman of the Board, the Chief Executive Officer and the Chief Operating Officers;
- appointing the members of the Committees created in accordance with the law, the bylaws and the Board of Director's Internal Regulations;
- allocating directors' fees to directors in accordance with the Internal Regulations;
- approving the Chairman's Report on the Board of Directors' procedures, internal control and risk management;
- deciding to issue debt securities not giving access to capital under Article L.228-40 of the French Commercial Code;
- deciding on the compensation to be paid to observers;
- authorizing the Chief Executive Officer, with the right of delegation, to grant undertakings, avals and guarantees in accordance with Article L.225-35 of the French Commercial Code;
- deciding every year on the Company's gender and salary equality policy in accordance with Article L.225-37-1 of the French Commercial Code.

In addition, the Board of Directors performs any and all controls and verifications it considers appropriate.

More generally, the Board of Directors:

- ensures that shareholders are properly informed, based on information received from senior management; and
- ensures that the Company has identification, assessment and risk management procedures, including off-balance sheet procedures, as well as an appropriate internal control system.

In addition to the powers vested in it by law or regulations, the Board of Directors:

- a) reviews and approves the Group's overall strategy, at least once a year, in accordance with Article 1.2 of the Internal Regulations;
- b) reviews the interim financial statements and approves the interim Management Report in accordance with Article 451-1-2 of the French Monetary and Financial Code;

- c) systematically authorizes in advance the following decisions and transactions:
 - any and all immediate or deferred financial commitments of the Company or a Group company representing more than €50 million per transaction. "Financial commitments" are defined as:
 - acquisitions or disposals of business units, assets or majority or minority interests in non-controlled entities by the Company or a Group company within the meaning of Article L.233-3 I and II of the French Commercial Code; in the latter case, the entity's enterprise value is used as a basis for determining the amount of the commitment.
 - any and all direct investments, for example for the creation of a business, business unit, subsidiary or expenditure on technological developments,
 - lease commitments, measured on the basis of the market value of the leased asset,
 - loans, advances or capital increases in non-controlled entities by the Company or a Group company within the meaning of Article L.233-3 I and II of the French Commercial Code,
 - any and all bilateral or syndicated bank loans.

However, taking out bank loans of up to €250 million per year is not subject to approval, provided that the commitment is consistent with, and complies with, the Group's annual financing strategy as previously approved by the Board of Directors. In this case, the Chairman and Chief Executive Officer informs the Board of Directors of the commitments after they have been made.

The Board's prior approval is also not required for borrowings due in less than one year, whatever the amount borrowed;

- Any transactions that have a material impact on the Group's strategy or lead to a material change in the Group's business base (mainly entry in a new business or withdrawal from an existing business), or not in line with the Company's stated strategy, whatever the amount of the commitment.
 - The Chief Executive Officer or any other person duly empowered to implement the transactions assesses, under its responsibility, the transactions that are significant;
- d) sets, each year, the total amount up to which the Chairman is authorized to issue undertakings, avals and guarantees, which may not exceed €250 million per year, with the Chairman and Chief Executive Officer being required to report to the Board of Directors each year on the amount and nature of the undertakings, avals and guarantees issued under the authorization. These items should be included in a note to the minutes recording the Board's decision. The Board of Directors can authorize the Chairman and Chief Executive Officer to issue tax and customs undertakings, avals and guarantees for unlimited amounts as provided for by law

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5.5.4 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

5.5.4.1 Internal control definition and objectives

The Edenred Group observes the highest standards in terms of internal control and financial information. Internal control is a process defined and implemented by the Board of Directors, management and employees to provide reasonable assurance regarding the achievement of objectives in the following areas:

- application of the instructions and directional guidelines fixed by Executive Management;
- compliance with the applicable laws and regulations, and adherence to the Group's corporate values;
- prevention and control of operational risks, financial risks and the risks of error or fraud;
- optimization of internal processes to guarantee operational efficiency and efficient use of resources;
- production of high quality, fairly stated accounting, financial and management information.

To fulfill each of these objectives, the Group has defined and implemented the main principles of internal control, based to a large extent on the Internal Control Framework defined in the report of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), as last updated in 2013, and on the AMF's Internal Control Reference Framework and related recommendations, as last updated in 2010.

These principles are underpinned by:

- management policies that foster the development of an internal control culture and promote integrity;
- the identification and analysis of risk factors that may prevent the Group from meeting its objectives;
- an organization and procedures designed to ensure that the strategies defined by Executive Management are implemented;
- periodic reviews of control activities to seek out potential areas of improvement;
- procedures for the communication of information about internal control

By helping to anticipate and control the risks involved in not meeting the objectives the Company has set for itself, the internal control system plays a key role in conducting and monitoring its various activities. However, internal control cannot provide absolute assurance that the Company's objectives will be met.

One of the objectives of the internal control system is therefore to anticipate and control the risks arising in the course of the Company's business, as well as the risk of errors or fraud, particularly in the areas of accounting and finance. However, as stated in the AMF's Internal Control Reference Framework, internal control procedures cannot provide absolute assurance that the Company's objectives will be met, no matter how well the system is designed or how well the procedures are applied.

The following description of the Company's internal control systems was prepared based on the AMF's Internal Control Reference Framework and its application guide.

5.5.4.2 Summary description of internal control procedures

The internal control system described below covers the parent company and all of its consolidated subsidiaries, which are responsible for implementing the instructions and directional guidelines fixed by Executive Management, including internal control objectives. Each subsidiary's internal control system includes both the procedures defined at Group level and business-specific procedures that take account of the subsidiary's organization, culture, risk factors and specific operating environment. As the parent company, Edenred SA is responsible for ensuring that adequate internal controls exist and are applied, in particular to the accounting, financial and operating procedures of the subsidiaries included in the scope of consolidation.

5.5.4.3 Main participants in the system of internal control

Internal control procedures are part of the policies defined by the Board of Directors and are implemented under the direct responsibility of the heads of the operating divisions and corporate functions. Internal control is everyone's responsibility, from corporate officers to front-line employees.

The main structures responsible for overseeing the internal control system are as follows:

Executive Management

In accordance with the law and the Company's bylaws, the Chairman and Chief Executive Officer represents the Company in its dealings with third parties and has the broadest powers to act on behalf of the Company in all circumstances. The situations where exercise of the Chairman and Chief Executive Officer's powers is subject to the prior approval of the Board of Directors are described in section 3 of this report.

For the purpose of carrying out his duties, the Chairman and Chief Executive Officer has set up an Executive Committee comprising representatives from all of the operating divisions and corporate functions. The Executive Committee members are:

Representing the regions and countries:

- Chief Operating Officer, Hispanic and North America;
- · Chief Operating Officer, France;
- Chief Operating Officer, Central Europe and Scandinavia;
- · Chief Operating Officer, Southern Europe;
- Chief Operating Officer, Brazil;

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- · Chief Operating Officer, Asia-Pacific and Middle East;
- Chief Operating Officer, Northern Europe and Africa;

Representing the corporate functions:

- Executive Vice-President, Strategy and Development;
- Executive Vice-President, Alternative Investments;
- · Executive Vice-President, Finance;
- Executive Vice-President, Legal Affairs, Insurance, Tax and Compliance;
- Executive Vice-President, Information Systems and Technology;
- Executive Vice-President, Human Resources and Corporate Social Responsibility.

Group Finance

The Executive Vice-President, Finance is responsible for implementing the Group's financial policies, in particular by communicating to the subsidiaries the accounting principles and standards used to prepare the consolidated financial statements.

Group Finance is organized around the following departments:

- Group Treasury, Financing and Credit Management;
- Group Management Control, responsible for overseeing the following units:
 - Consolidation and Financial Control,
 - · Group Accounting,
 - Group Financial Information Systems;
- · Corporate Finance, Mergers and Acquisitions;
- Financial Communications,
- Group Internal Audit, which includes the Operational Internal Audit teams and Internal Information Systems Audit teams.

The Financial Controllers for the different operating regions report directly to the Chief Financial Officer, working closely and regularly with the Regional Chief Operating Officers.

Group Finance maintains regular contact with the Statutory Auditors, who audit the financial statements of the Company and the Group in accordance with the applicable laws and regulations.

Group Internal Audit and Information Systems Audit

Reporting to the Chief Financial Officer, the Group Internal Audit and Information Systems Audit Department is one of the cornerstones of the internal control system, responsible for helping to develop internal control tools and standards, and for performing audits based on the annual audit program approved by the Audit and Risks Committee of the Board of Directors.

Internal Audit is defined in professional standards as "an independent, objective assurance and consulting activity designed to add value and improve an organization's operations and information systems. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes." The internal auditors help the Group to meet its objectives by assessing its risk management, control and governance processes according to a systematic and methodical approach, and making proposals to improve their efficiency.

The Internal Audit Department's procedures are fully aligned with this definition. Its methods and procedures for reporting on its work are described in the Internal Audit Charter. This charter defines the framework for Internal Audit activities within the Group, based on the professional guidelines issued by IFACI, an IIA affiliate, and other bodies that require internal auditors to observe the highest ethical standards. It is signed by the Chairman and Chief Executive Officer, the Chief Financial Officer and the head of Group Internal Audit, and approved by the Group's Audit Committee.

Group Internal Audit coordinates its audit plans with the Statutory Auditors' work plans. In 2015, the Group Internal Audit team comprised the head of department and eight auditors (six operations auditors and two information systems auditors).

Group Treasury, Financing and Credit Management

This department is responsible for the tracking, security, transparency and efficiency of the Group's cash management and financing transactions. Its activities include:

- managing financial resources to preserve the Group's liquidity position, in agreement with the Chief Financial Officer;
- managing cash positions;
- quantifying and hedging financial risks (particularly currency and interest rate risks);
- · managing banking relationships;
- supporting subsidiaries in their management choices and assisting Executive Management in arranging financing for new projects.

Group Management control

This department supervises the Consolidation and Group Financial Control units, the Group Financial Information Systems Department and the Group Accounting Department.

Consolidation and Group Financial Control

Role of the Financial Control unit: Group Financial Control is responsible for producing monthly, quarterly and annual consolidated income statements. The items in the income statements of the subsidiaries and the corporate functions are tracked and analyzed by means of physical and financial indicators, which are compared

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at monthly intervals with the budget and prior year actual results. The unit also produces the data for the Group's published quarterly revenue reports.

This work serves as the basis for the preparation and transmission to the Executive Committee of management reports, supported by variance analyses and analyses of material trends identified from the subsidiaries' monthly management reporting packages.

The Executive Committee attaches considerable importance to the Group's planning process, leading to the preparation of the annual budget that rolls down the Group's strategy into operational action plans. It is the responsibility of Group Financial Control to issue appropriate instructions and guidelines for the teams involved in preparing the budgets.

It coordinates the planning and budget control system, which is backed by an instruction manual describing the management rules to be applied by all entities, as well as the budgeting, forecasting and management reporting procedures.

Role of the Consolidation unit: The consolidation process consists of consolidating Group companies at the level of the ultimate parent company, Edenred SA, which owns all of these companies either directly or indirectly. Each consolidated subsidiary produces a consolidation package in accordance with Group accounting policies and IFRSs, based on accounting data generated by their local information systems.

The Consolidation unit issues instructions prior to each period-end, setting out the reporting deadlines and describing any changes in standards, rules or principles that will apply for the first time. It also provides regular training on consolidation tools and standards. On receipt of the packages, the Consolidation unit performs the customary checks and controls before launching the consolidation process. The package reviews are an opportunity to check the accounting treatment applied to recognize and measure significant, unusual and non-recurring transactions.

To help improve the quality of financial information reported by consolidated subsidiaries, the Chief Executive Officer and the Finance Director of each consolidated or non-consolidated subsidiary are required to issue to the Group a representation letter at each half-yearly and annual close, certifying that (i) the financial statements comply with Group accounting policies and principles, (ii) internal controls over the preparation and processing of the financial statements are effective and (iii) there have been no irregularities involving employees or management. The subsidiaries' management also provide additional Human Resources information for the calculation of pension obligations, as well as comments on material events for the period and a description of any items that – individually or cumulatively – have a material impact on the understanding and measurement of the subsidiary's financial statements.

The Consolidation team also produces the financial statements and notes published in the Group's Annual Reports.

Group Financial Information Systems

The Group's accounting and financial information system is designed to ensure the security, reliability, timeliness and traceability of financial information.

It is based on two systems:

- a Group accounting system, to be deployed in the main subsidiaries;
- a reporting and consolidation system that covers all of the Group's operations, thereby ensuring consistency of accounting data at Company and Group levels.

A specifically designed user manual has been prepared and issued to the employees concerned, in order to guarantee that the systems are correctly used and that the information obtained is appropriate and relevant.

The Group has also set up processes to ensure the security of the accounting and financial information system, as well as the integrity of the data involved. These include regular back-ups and programmed controls that trigger warnings in the event of incorrect data entries.

The accounting and financial information system is regularly updated to keep pace with changes in the Group's specific needs.

The network and all centralized applications are tested periodically to ensure that they are adequately protected against intrusion risk, and regular security audits are also performed.

Legal Department in charge of Tax, Compliance, Insurance and Risk Management

The Group Legal Department is responsible for ensuring that the Group complies with all applicable laws and regulations in all of its host countries, protecting the Group's assets and businesses as a whole and defending the interests of the Group, as well as the professional interests of its directors and employees.

It contributes to internal control in four main areas:

- by drafting and updating standard contracts and contract templates for the most common transactions (purchases of IT and other goods and services, general conditions of sale, product claims, etc.), along with procedures for their use;
- by making proposals to the Executive Committee regarding the rules to be applied for delegations of authority and for the distribution and protection of confidential information, introducing these rules and monitoring their correct application worldwide;
- by selecting external legal advisors, monitoring their services and performance, and tracking their billings in liaison with the Management Control Department;
- by transposing international standards and guidelines into Group operational requirements.

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The Group Legal Department's Insurance unit is tasked with purchasing adequate insurance cover for the Group's risk exposures. The Group determines its insurance policy on a global, consolidated basis as well as on a local basis. Global insurance programs have been set up with pools of leading insurers and specific additional cover is purchased locally when required.

The Group Risk manager in charge of the Insurance unit is responsible for mapping the Group's major risks with input from the Internal Audit and Information Systems Audit teams.

The Group Tax Department's responsibilities in the area of internal control are to ensure that the Group fulfills its obligations and complies with the applicable tax rules. They include:

- identifying the Group's risk exposures and implementing policies and procedures to address and attenuate tax risks;
- monitoring material tax disputes and tax audits of Group entities;
- aligning the tax practices of the various Group entities and checking with the Group's tax advisors that major transactions comply with the applicable tax laws;
- selecting tax advisors for all Edenred geographies and monitoring their services and related billings.

A Compliance Department was created in 2015, reporting to the Legal Affairs Department. Its role is to:

- monitor the regulations referred to in section 1.8.2 (payment services, electronic money, interchange, etc.) that may have an impact on Edenred's programs;
- provide the Group's subsidiaries with the support required to obtain a good understanding of these regulations and their impacts on programs and organization structures.

Financial Communications

The Financial Communications Department is responsible for providing the market and the financial community with clear, accurate information about the Company's results, strategy and outlook.

It organizes and conducts ongoing dialogue with shareholders, investors and analysts through press releases, meetings, telephone conference calls, and the Company's website.

The Financial Communications Department complies strictly with the applicable regulatory framework, in particular that of the Autorité des marchés financiers (AMF), and adheres to the principle of equal treatment between all investors. With the support of Legal Affairs and Group Management Control, it is also responsible for reporting all regulated information (periodical and regular), which must meet transparency, accuracy and regularity requirements.

All financial press releases and published results are signed off by the Board of Directors and the Audit Committee prior to publication.

5.5.4.4 Internal communication of information and procedures related to accounting and financial information

The Group ensures that relevant information is communicated in a timely manner to all persons concerned by the system of internal control so that they can perform their duties in accordance with the Group's standards. To this end, a set of procedures describing best practices and reporting processes has been circulated internally.

Internal controls over accounting and financial information are designed to provide assurance that (i) the financial information produced by consolidated subsidiaries is reliable, (ii) the financial information published by the Group is fairly stated and complies with the true and fair view principle and (iii) adequate safeguards are in place to protect against the risk of errors, inaccuracies or omissions in the Group's financial statements. Edenred refers to the AMF's Internal Control Reference Framework and the guide to its application to internal controls over accounting and financial information.

Corporate values and principles

The Group's internal control system forms part of the corporate values expressed by the Board of Directors and Executive Management and communicated to all employees. Rules of conduct and integrity have been drawn up covering the areas of employee behavior and relations with customers, shareholders, business partners and competitors.

The Internal Audit Charter aims to provide a Group-level cross-functional view of Internal Audit resources and methodologies, as well as the methods used to communicate the results of Internal Audits. It defines the framework for Internal Audit activities within the Group, based on the professional guidelines issued by IFACI and other bodies that require internal auditors to observe the highest ethical standards. The Internal Audit Charter is signed by the Group's Chairman and Chief Executive Officer, the Chief Financial Officer, the head of Group Internal Audit, and the members of the Executive Committee whose names and responsibilities are presented in the Registration Document.

Procedure manuals and accounting principles

A Finance Manual is issued to all Group Finance Departments, describing the closing process for the monthly management accounts and setting out the Group's charts of accounts, consolidation principles, accounting standards and policies. The Manual also includes the Treasury Charter, which describes cash management procedures, the principles to be followed concerning the holding of payment instruments and the approval of expenditures, as well as the role and organization of cash pooling systems.

In addition, a presentation of International Accounting Standards/ International Financial Reporting Standards has been prepared by the Group Management Control Department and made available to all Group employees concerned.

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Lastly, consolidation instructions detailing the financial reporting schedule and specific adjustments to be made to the subsidiaries' local financial statements are issued every six months to the various Finance Directors and consolidation teams, and are archived on the Finance Intranet.

The subsidiaries' consolidation packages, including adjustments to comply with Group policies, are prepared by the local accounting teams using as a reference the Group Finance Manual which describes the accounting recognition and measurement rules. The manual presents the basic concepts applied for the preparation of the financial statements, such as the going concern, accounting period and reliability concepts. It is regularly updated to reflect changes in French laws and regulations governing the preparation of consolidated financial statements.

The Finance Manual also describes in detail Group principles for the recognition, measurement and presentation of the main financial statement items, including:

- descriptions and definitions of income statement items, and the consistency tests to be performed such as the tax proof;
- rules governing the recognition and presentation of balance sheet and off-balance sheet items;
- rules governing the measurement of certain items based on estimates:
- accounting and reporting principles for intra-group transactions.

Reporting procedure

Group Financial Control is responsible for overseeing the reporting procedure described in the Finance Manual. This procedure requires local teams to submit monthly reporting packages comprising an analysis of key business indicators and the main components of income, in the format prescribed by the Group. All reporting data submitted by local subsidiaries must be analyzable by nature, function and solution.

The reporting procedure is designed to provide a detailed analysis of monthly changes in consolidated financial and operating results, to support resource allocation decisions and measure the efficiency of the various organizations. Reported data are compared to the budget and to prior year actuals, to detect any emerging trends or unexplained variances.

Internal Audit Reports

A draft report is prepared after each Internal Audit, setting out the auditors' findings, identified risks and related recommendations. This report is sent to the management of the audited entity, which prepares an action plan. A summarized version of this draft report may also be sent on request to the members of the Executive Committee.

The final report, which includes the action plan prepared by the audited entity, is then sent to the members of the Group Executive Committee in charge of overseeing operational and financial matters for the entity concerned.

The Audit and Risks Committee receives a half-yearly summary from the Group Internal Audit Department of the Internal Audits carried out during the period, including a status report on the annual audit plan, an assessment of the quality of internal control in the audited entities, the internal auditors' main observations, and action plans decided on by the parties concerned.

5.5.4.5 Identifying and analyzing risks

The Group identifies and analyzes the key risks that, if they occurred, would affect its ability to fulfill its objectives. It takes the appropriate measures to limit the probability of these risks occurring and the consequences if they do.

Identifying risks

The Group is exposed to a number of risks in the normal course of business.

These risks, together with the related control procedures, are described in the "Risk Factors" section 3 of this Registration Document. They include liquidity risks, counterparty risks, currency and interest rate risks, business risks and legal risks (including litigation and arbitration risks). The "Risk Factors" section also includes a description of the Group's insurance policy.

Internal control procedures are implemented under the direct responsibility of the heads of the operating divisions and corporate functions and Group Internal Audit, and form part of an on-going process of identifying, assessing and managing risks.

In line with this overall process the Group has developed internal control self-assessments, based on analyzing the internal control risks inherent in each business and identifying key control issues.

Internal control self-assessments

The Group places considerable emphasis on preparing, issuing and monitoring internal control self-assessment procedures alongside existing internal control standards and processes. The self-assessment procedures are implemented by all Edenred entities that sell prepaid vouchers and cards. Data obtained from the internal control self-assessment process are centralized annually at country level, with the assistance of the Group Internal Audit team. The results are analyzed by Group Internal Audit, which prepares an annual executive summary for the Group Executive Committee and the Audit and Risks Committee.



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Internal Audit programs for entities where the self-assessment system has been deployed include a quantitative measurement, *via* a rating system, of the gap between the self-assessment and the internal auditors' assessment of the level of internal control. By analyzing these gaps, it is possible to evaluate the quality of the self-assessment procedures implemented by the entity manager.

Internal control risk mapping

Internal control risk maps are prepared based on the results of Internal Audits and the above-mentioned self-assessments. These maps, which highlight issues that require priority action, are included in the relevant Internal Audit reports and are periodically presented in summary form to the Executive Committee and the Audit and Risks Committee.

A mapping system covering all internal and external risk factors is in the process of being developed by the Risk Management unit, which is part of the Legal Affairs Department, assisted by Group Internal Audit and Group Information Systems Audit. The system will provide data in a standard form concerning each entity's perceived level of risk exposure, to be used to prepare any necessary action plans.

The Risk Management unit of the Legal Department supports the operating divisions in implementing the corrective measures in order to mitigate the major identified risks.

Group risk mapping

The Risk Management unit of the Legal Department is responsible for implementing procedures in association with the Executive Committee that anticipate and appropriately address the Group's risk exposures, with the support of the operating divisions and corporate functions.

The unit's approach consists of (i) developing tools to monitor risk trends and prioritize the Group's main risks, and (ii) devising a risk prevention strategy aimed at reducing the frequency and seriousness of identified risks.

The Risk Management unit, which is part of the Legal Affairs Department, is responsible for financing Group risks, in particular by setting up appropriate insurance cover.

Information systems security

The Information Systems Security Department advises and assists Group management in defining its IT security policy. It is also responsible for ensuring that the policy is properly implemented and applied, by identifying, organizing, coordinating and leading security programs, prevention programs and corrective measures in all of the Group's host countries.

5.5.4.6 **Control activities**

To improve control of identified risks, the Group has set up control procedures that comply with its standards and cover both operating and financial information processes.

Preparing and controlling the consolidated financial statements

The consolidated financial statements are prepared by the Management Control Department of Group Finance based on information reported by the entities' Chief Executive Officers and Finance Directors. The format of the consolidation packages is determined by the Group.

The entities are responsible for the information contained in their consolidation packages and are required to make formal representations to Group Finance about the fairness of reporting data and its conformity with Group accounting standards and policies.

The Consolidation unit carries out systematic controls of the consolidation packages submitted by the entities. A detailed schedule for reviewing the packages is prepared and sent to the employees concerned.

In connection with their audit of the consolidated financial statements, the Statutory Auditors review the consolidation packages transmitted by the entities included in the scope of their audit. Group Internal Audit also reviews from time to time the proper application of Group accounting standards and policies by the entities, and reports to Group Finance any issues identified during the review.

The consolidated financial statements are examined by the Chief Financial Officer prior to their review by the Audit and Risks Committee in preparation for approval by the Board of Directors.

Group Internal Audit and Information Systems Audit assignments

Group Internal Audit carries out its audit assignments based on an audit program validated by the Executive Committee and the Audit and Risks Committee. The main types of assignments, as described in the Internal Audit Charter, are as follows:

- operations audits, which are aimed at evaluating the reliability and
 effectiveness of the operating entities' internal control systems,
 as well as ensuring that they comply with Group standards.
 These audits mainly include checking that the internal control
 self-assessments have been properly and regularly performed
 by the operating entities. Comparing the results of the Internal
 Audits with the results of the self-assessments serves to close
 the internal control loop:
- organizational and procedural audits, which are aimed at helping the divisions to optimize and adapt their procedures and operating

5.5 Report of the Chairman of the Board of Directors to the Annual Shareholders Meeting on the preparation and organization of Board of Directors' meetings and internal control procedures

processes, notably when rolling out cross-functional projects that lead to a change in organization structures;

- specific audits: review assignments are referred to as specific audits when they comply with the professional standards applicable to internal auditors and fall within their remit. They can concern issues applicable to one or more operating entities or to a particular country, function or process;
- IT function audits, which are performed by the two specialized information systems auditors to ensure that best practices are applied in relation to the organization and management of the audited entities' information systems;
- audits of applications and processes, which are aimed at ensuring that the manual and automated checks in place provide an appropriate level of internal control in view of the operations covered by the applications concerned;
- project management audits, which are designed to validate the implementation of best IT project management practices;
- acquisition audits, which are conducted as part of the decision-making process for Group acquisitions when the target's business has highly technological components. Their scope depends on the underlying objectives of the acquisition, but their general aim is to identify any risks relating to the Group's ability to maintain and develop the target's information systems.

Internal Audit plans are determined based on the internal control risk map and self-assessment questionnaires. The objective is for each entity to be audited at least once every three or four years. The duration of each Internal Audit depends on the context, but they generally involve three auditors spending two weeks on-site. A report is drawn up at the end of each audit, describing the organization of each process and the auditors' recommendations.

Copies of the report are given to the audited entity, the manager responsible for the entity, the members of the Executive Committee and the Chairman and Chief Executive Officer. Measures are taken by the management of the audited entities to eliminate the identified internal control weaknesses and make any necessary improvements. Where necessary, the Group Internal Audit team performs a follow-up visit within the next twelve months, to check that the action plans have been duly implemented.

The head of Group Internal Audit prepares half-yearly and yearly summaries of the Internal Audits carried out by his teams during the year for presentation to the Executive Committee and to the Audit and Risks Committee, which checks that the department has the necessary resources and makes any observations or recommendations that it considers necessary.

They are primarily performed by the Information Systems Security Department, which reports to Group Information Systems, but they may also fall within the scope of assignments carried out by the Information Systems Audit team.

5.5.4.7 **Monitoring internal control**

Internal control procedures are regularly reviewed to ensure that they are appropriate and aligned with the Group's objectives, particularly in view of the risks specific to each business and the costs of performing the controls.

The main structures responsible for overseeing the internal control system are as follows:

The Audit and Risks Committee

The Board of Directors' Internal Regulations define the Audit and Risks Committee's membership, terms of reference and procedures. The Audit and Risks Committee is responsible for ensuring that the accounting policies applied for the preparation of the financial statements of the Company and the Group are appropriate and applied consistently from one period to the next. Its terms of reference also include monitoring the process for the preparation of financial information and checking that internal reporting and control procedures provide adequate assurance concerning the reliability and completeness of financial information and the control of Group risk exposure. It assists the Board of Directors in ensuring that the financial statements of the Company and the Group are accurate, fairly stated and reliable. The Committee makes proposals and recommendations to the Board in the areas described below. To this end, the Committee:

- reviews the interim and annual consolidated financial statements and the annual financial statements of the Company, prior to their examination by the Board of Directors. This includes assessing the monitoring of the processes involved in drawing up the financial statements and the appropriateness of the methods used to account for material transactions;
- reviews the procedures for preparing information provided to shareholders and to the market and Company press releases relating to accounting and financial information;
- reviews the scope of consolidation and the reasons for excluding any entities;
- reviews the Group's risk management policy and ensures that effective systems are in place;
- assesses the Group's risk exposures and material off-balance sheet commitments, as well as the effectiveness of the risk management system, and receives a copy of the Chief Financial Officer's detailed report on these matters;
- obtains assurance concerning the effectiveness of the Group's system of internal control by reviewing the methods used to identify risks and the organizational principles and procedures of the Internal Audit Department. It is also informed of the Internal Audit program and of the results of the Internal Audits carried out since the last presentation;



5.5 Report of the Chairman of the Board of Directors to the Annual Shareholders Meeting on the preparation and organization of Board of Directors' meetings and internal control procedures

- reviews the Statutory Auditors' audit plan and the results of their audits. It receives a copy of the Statutory Auditors' post-audit letter setting out the main issues identified during their audit and describing the main accounting options selected;
- when the Statutory Auditors' appointment is due to expire, oversees the Statutory Auditor selection procedure and reviews the proposals submitted by the various candidates, expresses an opinion on the proposed fee budgets for statutory audit work and makes recommendations to the Board of Directors on the choice of Statutory Auditor;
- ensures compliance with the rules governing the Statutory Auditors' independence;
- validates the categories of additional audit-related work that the Statutory Auditors and the members of their networks may be asked to perform in accordance with the applicable laws and regulations:
- is informed, at the end of each year, of the fees paid by Group companies to the Statutory Auditors and the members of their networks during the year, including a detailed breakdown by type of engagement, and reports to the Board of Directors on these fees, as well as on its assessment of the Statutory Auditors' level of independence.

The Audit and Risks Committee has between three and five members. At least one member has expert knowledge of financial and accounting matters and at least two-thirds of the members are qualified by the Board of Directors as independent directors.

It is chaired by an independent director.

The Audit and Risks Committee meets at least three times a year and whenever necessary, including prior to Board meetings whose agenda includes matters within its purview. One meeting attended by the head of Internal Audit is devoted to reviewing the effectiveness of the internal control system.

The Committee may make regular enquiries of the directors, the Chief Executive Officer, the head of Internal Audit, the Statutory Auditors and the Group's senior management (i.e., persons in charge of preparing the financial statements of the Company and the Group, risk management, internal control, legal and tax affairs, treasury

and finance) without the Executive Director being present, after first notifying the Chairman of the Board or the Chief Executive Officer.

Calls to meeting are made by the Committee Chairman and include the meeting agenda.

Meetings to review the interim and annual financial statements are held at least three days prior to the Board meeting called to approve the financial statements. The members of the Audit and Risks Committee must receive all necessary documents on a timely basis. When members are first appointed to the Committee, they are given detailed information about accounting, financial and operational issues that are specific to the Group.

The Chairman of the Board, the Chief Executive Officer, the Vice-President, Finance, and the Statutory Auditors can be invited to attend Audit and Risks Committee meetings.

5.6 Statutory auditors' report on the report prepared by the chairman of the board of directors

5.6 STATUTORY AUDITORS' REPORT ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

Statutory Auditors' report, prepared in accordance with article L.225-235 of the French Commercial Code on the report prepared by the Chairman of the Board of Directors

(Year ended December 31, 2015)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Edenred and in accordance with Article L.225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your Company in accordance with Article L.225-37 of the French Commercial Code for the year ended December 31, 2015.

It is the Chairman's responsibility to prepare and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L.225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you our observations on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to attest that the report sets out the other information required by Article L.225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board's report, prepared in accordance with Article L.225-37 of the French Commercial Code.

Other information

We attest that the Chairman's report sets out the other information required by Article L.225-37 of the French Commercial Code.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

FINANCIAL STATEMENTS

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6.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders.

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying consolidated financial statements of Edenred;
- the justification of our assessments;
- · the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements, based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial

statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2015 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L.823-9 of French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Note 3.5 "Change of the Bolivar Fuerte exchange rate" of the consolidated financial statements sets out the method used by your group for translating financial statements of its subsidiaries located in Venezuela for the year ended December 31, 2015. Our work consisted in assessing the appropriateness of the procedures referred to above, to review their correct application and to ensure that the notes to the consolidated financial statements provide an appropriate level of information.
- Edenred performs impairment tests on goodwill and intangible assets with indefinite useful lives at least once a year and whenever there is an indication that an asset may be impaired, in accordance with the method set out in Note 5.5 to the consolidated financial statements "Impairment tests". We have reviewed the method used to perform such impairment tests and the overall consistency of the assumptions used and ensured that Note 5.5 provides appropriate information.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

6.2 Consolidated financial statements and notes

6.2 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

6.2.1 CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	December 2015	December 2014
Operating revenue with IV	4.2	848	843
Operating revenue w/o IV	4.2	152	115
Financial revenue	4.2	69	76
Total revenue	4.2	1,069	1,034
Operating expenses	4.3	(681)	(653)
Depreciation, amortization and provisions	5.1	(47)	(38)
EBIT	4.2	341	343
Net financial expense	6.1	(47)	(46)
Share of associates net profit	2.1	9	(0)
Operating profit before tax and non-recurring items		303	297
Other income and expenses	10.1	(23)	(30)
Profit before tax		280	267
Income tax expense	7.1	(98)	(99)
NET PROFIT		182	168
Net Profit, Group Share		177	164
Net Profit, Non-controlling interests	8.3	5	4
Weighted average number of shares outstanding (in thousands)	8.2	227,773	224,601
Earnings per share, Group share (in €)	8.2	0.78	0.73
Diluted earnings per share (in €)	8.2	0.76	0.72

6.2.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	December 2015	December 2014
Net profit	182	168
Items that may be subsequently reclassified to profit or loss		
Currency translation adjustement	(114)	(89)
Change in fair value of financial instruments	(15)	2
Tax on items that may be subsequently reclassified to profit or loss	5	(1)
Items that will not be reclassified to profit or loss		
Actuarial gains and losses on defined benefit plans	8	(2)
Tax on items that will not be reclassified to profit or loss	(3)	0
Other comprehensive income, net of tax	(119)	(90)
TOTAL COMPREHENSIVE INCOME	63	78
Comprehensive income, Group share	61	81
Comprehensive income, Non-controlling interests	2	(3)

6.2.3 CONSOLIDATED BALANCE SHEET

Consolidated assets

(in € millions)	Notes	December 2015	December 2014
Goodwill	5.2/5.5	575	570
Intangible assets	5.3/5.5	182	160
Property, plant and equipment	5.4/5.5	37	44
Invesments in associates	2.1	150	0
Non-current financial assets	6.2	32	21
Deferred tax assets	7.2	67	70
TOTAL NON-CURRENT ASSETS		1,043	865
Trade receivables	4.6	973	1,035
Inventories, other receivables and accruals	4.6	291	286
Restricted cash	4.5	858	797
Current financial assets	6.2	40	51
Other marketable securities	6.3/6.5	478	665
Cash and cash equivalents	6.3/6.5	467	425
TOTAL CURRENT ASSETS		3,107	3,259
TOTAL ASSETS		4,150	4,124

Consolidated liabilities

(in € millions)	Notes	December 2015	December 2014
Issued capital	8.1	462	458
Treasury shares	8.1	(56)	(47)
Consolidated retained earnings		(1,781)	(1,766)
Cumulative compensation costs - share-based payments		76	64
Cumulative fair value adjustments of financial instruments		(14)	(4)
Cumulative actuarial gains (losses) on defined benefit plans		(2)	(7)
Currency translation reserve		(316)	(205)
Net profit, Group share		177	164
Equity attributable to owners of the parent company		(1,454)	(1,343)
Non-controlling interests	8.3	12	23
Total Equity		(1,442)	(1,320)
Non-current debt	6.4/6.5	1,476	1,307
Other non-current financial liabilities	6.4/6.5	38	46
Non-current provisions	10.2	33	32
Deferred tax liabilities	7.2	84	96
TOTAL NON-CURRENT LIABILITIES		1,631	1,481
Current debt	6.4/6.5	2	2
Other current financial liabilities	6.4/6.5	45	26
Current provisions	10.2	22	40
Funds in circulation	4.5	3,564	3,615
Trade payables	4.5	82	67
Current tax liabilities	4.6	13	16
Other payables	4.6	172	169
Bank overdrafts	6.4/6.5	61	28
TOTAL CURRENT LIABILITIES		3,961	3,963
TOTAL EQUITY AND LIABILITIES		4,150	4,124

6.2.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	Notes	December 2015	December 2014
+ EBITDA		387	381
- Net financial expense (1)	6.1	(46)	(46)
- Income tax paid		(104)	(95)
- Elimination of non-cash revenue and expenses included in EBITDA		19	19
- Elimination of provision movements included in net financial expense and income tax		1	2
+ Dividends received from investment in associates (2)		23	-
= FUNDS FROM OPERATIONS BEFORE NON RECURRING ITEMS (FFO)	4.4	280	261
+ Decrease (increase) in working capital	4.5	129	160
+ Recurring decrease (increase) in restricted cash	4.5	(41)	(36)
= NET CASH FROM OPERATING ACTIVITIES		368	385
+ Non-recurring gains (losses) (including restructuring costs) received/paid		(31)	(31)
+ Non-recurring decrease (increase) in restricted cash	4.5	(0)	(1)
= Net cash from operating activities including non-recurring transactions (A)		337	353
- Recurring expenditure		(57)	(50)
- External acquisition expenditure		(240)	(72)
+ Proceeds from disposals of assets		(18)	5
= Net cash from (used in) investing activities (B)		(315)	(117)
+ Shares issues by subsidiaries		56	83
- Dividends paid (3)		(199)	(193)
+ (Purchases) sales of treasury shares		(48)	(42)
+ Increase (Decrease) in debt (4)		217	(79)
= Net cash from (used in) financing activities (C)		26	(231)
- Net foreign exchange difference and fair value adjustment (D)		(39)	(1)
= Net increase (decrease) in cash and cash equivalents (E) = (A) + (B) + (C) + (D)	6.5	9	4
+ Cash and cash equivalents at beginning of period		397	393
- Cash and cash equivalents at end of period		406	397
= NET CHANGE IN CASH AND CASH EQUIVALENTS	6.5	9	4

⁽¹⁾ Including €(31) million of financial interests effectively paid in 2015. No dividends have been received from external companies.

Cash and cash equivalents at end of the period can be analysed as follows:

	Notes	December 2015	December 2014
+	Cash and cash equivalents 5.3	467	425
-	Bank overdrafts 5.4	(61)	(28)
=	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	406	397

⁽²⁾ Including €11 million related to previous year.

⁽³⁾ Including €(5) millions of tax on dividends in 2015.

⁽⁴⁾ Net debt (Note 6.5), excluding Net Cash.

6.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € millions)	Currency transla- tion reserve (1)	gains (losses) on defined benefit	adjust- ments of	Cumulative compensa- tion costs share based payments	Trea- sury	and net profit for the	changes in consoli- dation	Equity attribu- table to owners of the parent company	Total non- control- ling interests	Total equity
December 31, 2013	(123)	(5)	(5)	43	(47)	(1,079)	(97)	(1,313)	23	(1,290)
Issue of share capital										
• in cash	-	-	-	-		-	-	-	(0)	(0)
cancellation of treasury shares	-	-	-	-		(37)	-	(37)		(37)
option exercised	-	-	-	-		22	-	22		22
dividends reinvested in new shares	-	-	-	-	-	61	-	61	-	61
Dividends paid	-	-	-	-	-	(185)	-	(185)	(4)	(189)
Effect of changes in consolidation scope Compensation costs for the period	_	_	_	-		- (7)	19	19	7	26
share-based payments				21		(7)	-	14	-	14
(Acquisitions)/ disposals of treasury shares	- (00)	- (0)	<u>-</u>	-	0	(5)	-	(5)	-	(5)
Other comprehensive income	(82)	(2)	1	-	-	-	-	(83)	(7)	(90)
Net profit for the period	(2.2)	-	-	-	-	164	-	164	4	168
TOTAL COMPREHENSIVE INCOME	(82)	(2)	1	-	<u>-</u>	164	<u>-</u>	81	(3)	78
December 31, 2014	(205)	(7)	(4)	64	(47)	(1,066)	(78)	(1,343)	23	(1,320)
Increase (decrease) in share capital	-	-	-	-	-	-	-	-	-	
• in cash	-	-	-	-	-	-	-	-	-	
cancellation of treasury shares	-	-	-	-	-	(34)	-	(35)	-	(35)
option exercised	-	-	-	-	-	14	-	14	-	14
dividends reinvested in new shares	-	-	-	-	-	42	-	43	-	43
Dividends paid (3)	-	-	-	-	-	(191)	-	(191)	(3)	(194)
Effect of changes in consolidation scope $^{(4)}$ Compensation costs for the period -	-				_		(1)	(1)	(10)	(11)
share-based payments (Acquisitions)/ disposals	-	-	-	12	-	-	-	12	-	12
of treasury shares (5)	-	-	-	-	(9)	(5)	-	(14)	-	(14)
Other comprehensive income	(111)	5	(10)	-		-	-	(116)	(3)	(119)
Net profit for the period	_	_	_		-	177	_	177	5	182
TOTAL COMPREHENSIVE INCOME	(111)	5	(10)	-	_	177	-	61	2	63
December 31, 2015	(316)	(2)	(14)	76	(56)	(1,063)	(79)	(1,454)	12	(1,442)

⁽¹⁾ The €(111) million unfavorable net exchange difference on foreign operations between December 31, 2014 and December 31, 2015 was mainly due to the depreciation of the Brazilian real €(94) million against the euro.

Euro exchange rates used to translate foreign operations in the consolidated financial statements were as follows:

	GBP	BRL	MXN	ARS	SEK	VEF	USD
December 31, 2014	0.78	3.22	17.87	10.28	9.39	60.69	1.21
December 31, 2015	0.73	4.31	18.91	14.08	9.19	216.32	1.09

⁽²⁾ This amount includes the impact of acquiring Edenred entities owned by Accor that was deducted from equity for €(1,894) million following the demerger in June 2010, refers Note 8 "Shareholders' equity for further information regarding the negative situation of retained earnings.

⁽³⁾ Shareholders at the Annual Meeting on April 30, 2015, approved a dividend in respect of 2014 year amounting to €0.84 per share with the option of reinvesting 50% of this dividend in new shares. The dividends were paid in cash for €149 million and distributed in new shares for €42 million for 2015 as of December 31, 2015.

⁽⁴⁾ Including €(11) millions from 38% of non-controlling interests following the ProwebCE transaction.

⁽⁵⁾ The movement in treasury shares reflects €(48) million in the buyback of own shares, €(1) million in liquidity contract transaction compensated by cancellation of owned shares for €35 million and the delivery of performance shares for €5 million.

6.2.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6.2 Consolidated financial statements and notes

PREAMBLE

On July 1, 2015, the Financial Market Authority published a "guide on the relevance, the consistency and the readability of financial statements". The purpose of this guide is to assist companies in their preparation of financial statements, in making them more intelligible and relevant.

In the light of this, this guide contains a number of ideas for consideration organized around to three main issues:

- Make the presented information more relevant by giving more detailed and specific information for the most sensitive and important items and by eliminating, if need be, the information related to irrelevant topics;
- 2) Improve the consistency of the presented information with the one communicated to the market. The purpose is to emphasize the same topics in consolidated accounts as in the presentation to financial analysts and press releases;

3) Make the information more intelligible by reorganising the structure of the notes to the consolidated financial statements and using a number of principles used in financial communication.

In order to participate to this drive for improvement, Edenred undertook to reorganize its financial document notes and to simplify it.

Furthermore, the accounting rules and methods previous single note has been split at the beginning of each specific note it was related to. The notes have been joined together by topic in order to enable the reader to have a global vision of the topics. Finally, in order to provide a quicker reading, visuals have been added as a way to identify the topics among each section.



This icon highlights an IFRS standard issue.



This icon highlights a definition specific to the Edenred Group.



This icon highlights the use of estimates or judgement. In the absence of standards or interpretations applicable to a specific transaction, the Management of Edenred uses judgement to define and apply the accounting methods that will provide relevant and reliable information, so that the financial statements present a true and fair view of the financial situation, the financial performance and the Group cash flows, and show the economic reality of transactions.



This icon highlights the figures of the Group for the current year as well as the comparative period.

In order to facilitate the readability of this new presentation reconciliation table between the old combined nomenclature of notes and the new combined nomenclature of note is presented hereby:

Old combined nomenclature of notes	New combined nomenclature of notes
Note 1: Group presentation	Note 1. Basis of preparation of financial statements
Note 2: Scope of consolidation	Note 3. Changes in consolidation scope and significant events Note 36. Main consolidated companies
Note 3: Significant events	Note 3. Changes in consolidation scope and significant events Note 35. Subsequent events
Note 4: Operational buisiness	Note 2. Accounting policies Note 4. Segment information Note 5. Change in issue volume, revenue and EBIT Note 6. Operating expenses Note 16. Receivables and payables Note 26. Reconciliation of funds from operations Note 27. Working capital, Service vouchers in circulation and restricted cash
Note 5: Non current assets	Note 2. Accounting policies Note 7. Depreciation, amortization and provisions Note 12. Goodwill Note 13. Intangible assets Note 14. Proprety, plant and equipment Note 15. Impairment tests Note 28. Capital expenditure
Note 6: Financial elements	Note 2. Accounting policies Note 8. Net financial expense Note 20. Current financial assets Note 21. Cash and cash equivalent and other marketable securities Note 22. Debt and other financial liabilities Note 23. Financial instruments and market risk management Note 24. Net debt and net cash
Note 7: Taxes	Note 2. Accounting policies Note 10. Income tax
Note 8: Shareholders' equity	Note 2. Accounting policies Note 11. Earnings per share Note 17. Shareholder's equity Note 19. Non-controlling interests
Note 9: Social benefits	Note 2. Accounting policies Note 18. Potential ordinary shares Note 25. Provisions
Note 10: Other provisions and obligations	Note 2. Accounting policies Note 9. Other income and expenses Note 25. Provisions Note 29. Claims and litigation
Note 11: Additional information	Note 30. Off-balance sheet commitments Note 31. Additional information about jointly controlled entities Note 32. Related parties transactions Note 33. Compensation paid to corporate officers Note 34. Auditor's fees
Note 12: Update on accounting standards	Note 1. Basis of preparation of financial statements
Note 13: Glossary	Note 2. Accounting policies

6.2 Consolidated financial statements and notes

NOTE 1 GROUP PRESENTATION

1.1 Business description

Edenred, which invented the *Ticket Restaurant*® meal voucher and is the world leader in prepaid corporate services, designs and manages solutions that improve the efficiency of organizations and purchasing power to individuals.

By ensuring that allocated funds are used specifically as intended, these solutions enable companies to more effectively manage their:

- employee benefits (Ticket Restaurant®, Ticket Alimentación®, Ticket CESU. Childcare Vouchers®, etc.):
- expense management process (Ticket Car®, Ticket Clean Way®, Repom®, etc.);
- incentive and rewards programs (Ticket Compliments®, Ticket Kadéos®, etc.)

The Group also supports public institutions in managing their social programs.

1.2 Management of the Group's capital structure

The Group's main capital management objective is to maintain a satisfactory credit rating and robust capital ratios in order to facilitate business operations and maximize shareholder value.

Its capital structure is optimized to keep pace with changes in economic conditions by adjusting dividends, returning capital to shareholders or issuing new shares. Capital management policies and procedures were unchanged for the two periods presented.

1.3 Information about Edenred SA

Registered name: Edenred SA

Registered office: Immeuble Colombus, 166-180 Boulevard Gabriel Péri. 92245 Malakoff - France

Société anonyme with a Board of Directors. Share capital: €461.633.696

Registered in Nanterre: R.C.S. 493 322 978

NAF code: 6420Z

These financial statements closed on December 31, 2015 were approved for publication by the Board of Directors of Edenred on February 10, 2016. They will be submitted for shareholders' approbation during the general assembly on May 4, 2016.

1.4 Foreign currency translation



The presentation currency is the Euro.

In accordance with IAS 21 – Effects of Changes in Foreign Exchange Rates, the balance sheets of foreign subsidiaries are translated into euros at the exchange rate on the balance sheet date (closing exchange rate), and their income statements are translated at the average rate for the period. Differences arising from translation are recorded as a separate component of equity and recognized in profit on disposal or closing of the business.

1.5 Basis of preparation of financial statements



As required by European Commission regulation 1606/2002/EC dated July 19, 2002, the Edenred consolidated financial statements for the year ended December 31, 2015, have been prepared in accordance with the International Financial Reporting Standards (IFRSs) adopted by the European Union as of that date. They include comparative financial information for the year 2014, prepared in accordance with the same principles and conventions and the same standards.

IFRS are downloadable from the European Commission's website:

http://www.ec.europa.eu/internal_market/accounting/ias/index_en.htm

At December 31, 2015, the accounting standards and interpretations adopted by the European Union were the same as the International Financial Reporting Standards (including IFRSs, IASs and Interpretations) published by the International Accounting Standards Board ("IASB"), with the exception of IAS 39, which was only partially adopted.

The difference between the standard as published by the IASB and as adopted by the European Union does not have a material impact on the Edenred consolidated financial statements because the currently unadopted provisions of IAS 39 will have no impact on the Group's financial statements when they are adopted by the European Union and become applicable by the Group.

As a result, the Group's consolidated financial statements have been prepared in accordance with International Financing Reporting Standards as published by the IASB.

NOTE 2 SCOPE OF CONSOLIDATION



In accordance with IFRS 10 – Consolidated Financial Statements, control over an entity has been determined based on a review of the criteria specified in the standard, which is not limited to the voting power held in the entity (more than 50%); an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the year following the acquisition of a consolidated company, fair value adjustments are made to the identifiable assets and liabilities acquired. For this purpose, fair values are determined in the new subsidiary's local currency. In subsequent years, these fair value adjustments follow the same accounting treatment as the items to which they relate.

5.2 Consolidated financial statements and notes



2.1 Non-controlling interests



In accordance with IFRS 12 – Disclosures of Interests in Other Equities, an entity must provide the information that enables users of financial statements to evaluate:

(a) the nature of, and risks associated with, its interests in other entities;

(b) the effects of those interests on its financial position, financial performance and cash flows.

Since February 2015, Edenred holds an investment of 34% interest in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe. The transaction, of around €150 million of enterprise value, is a unique opportunity to accelerate the Group's development on the expense management market.

At December 31, 2015 the shares owned by Edenred gives a significant influence in UTA, which is being consolidated as investment in associates.

Impact of UTA integration on investments in associates in Group consolidated financial statements



Statement of income from investments in associates

(in € millions)	December 2015	December 2014
Share of Income (loss) from investments in associates	9	-
TOTAL SHARE OF INCOME (LOSS) FROM INVESTMENTS IN ASSOCIATES	9	-



Statement of financial position from investments in associates

(in € millions)	December 2015	December 2014
Investment in associates	150	-
TOTAL INVESTMENT IN ASSOCIATES	150	-



Changes in investments in associates

(in € millions)	December 2015	December 2014
INVESTMENT IN ASSOCIATES BEGINNING OF PERIOD	-	-
Acquisition of share in associates	164	-
Share of Income (loss) from investments in associates	9	-
Dividends received from investments in associates	(23)	-
INVESTMENT IN ASSOCIATES END OF PERIOD	150	

FINANCIAL STATEMENTS 6.2 Consolidated financial statements and notes

Aggregated financial information of Group's share in associates



Statement of income information

(in € millions)	Amount before proportionalization and intercompany elimination	Amount after fair value adjustments linked to the acquisition	Amount of intercompanies eliminations		Calculation of share in investment in associate according to percentage of ownership *
Issue volume	2,602	2,602	-	2,602	885
Revenue	68	68	-	68	23
EBIT	20	13	-	13	4
Net result before tax	33	26	-	26	9
NET INCOME	31	25		25	9
COMPREHENSIVE INCOME	31	25	-	25	9

^{*} Amounting to 34% of UTA for each aggregate disclosed.



Statement of financial position information

(in € millions)	Amount before proportionalization and intercompany elimination	Amount after fair value adjustments linked to the acquisition	Amount of intercompanies eliminations	Amounts before proportionalization	Calculation of share in investment in associate according to percentage of ownership *
Non current assets	28	157	-	157	53
Current Assets	326	326	-	326	111
TOTAL ASSETS	354	483	-	483	164
Total equity	35	164	-	164	56
Non current liabilities	0	0	-	0	0
Current liabilities	319	319	-	319	108
TOTAL LIABILITIES	354	483	-	483	164

^{*} Amounting to 34% of UTA for each aggregate disclosed.

2.2 Main acquisitions



Since January 1, 2010, following the adoption of IFRS 3 (revised) – Business Combinations and IAS 27 (revised) – Consolidated and Separate Financial Statements, the Group has accounted for business combinations and changes in percentage ownership in accordance with the new standards.

As part of certain acquisitions and/or business combinations, the Group has granted commitments to buy back minority shareholders' holdings. The exercise price of these options can be fixed or calculated following a predefined formula, and they can be exercised at any time or at a set date.

IAS 27 (revised) states that all equity security transactions between controlling and non-controlling shareholders not involving a loss of control must be recognized directly in equity.

The Group records a financial liability at its present value for the puts granted to the minority shareholders of the concerned entities. Subsequent changes to the commitment's value are recognized with adjustments to the equity attributable to owners of the parent company.

Main acquisitions and developments 2015

On February 27, 2015, Edenred has completed the acquisition of a 34% interest in Union Tank Eckstein (UTA), a leading issuer of fuel cards for heavy vehicle fleets in Europe. The transaction represents an investment of €150 million enterprise value. UTA is consolidated by the equity method for the period. The transaction is accompanied by an option to purchase an additional 17% interest, exercisable between 2017 and 2019, which will enable Edenred to increase its stake to 51%.

The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been allocated mainly to trademark and customer list (before deferred tax) for €46 million, the residual difference of €93 million being allocated to the goodwill.

Share result of equity consolidated company is amounting €9 million as of end of December 2015.

In March 2015, Edenred and the ProwebCE management team joined forces to acquire 100% of the capital of ProwebCE, the French leader in solutions for works councils. As a result of the deal, Edenred holds a 62% stake in the holding company. This transaction of €50 million enterprise will enable Edenred to pursue its growth in France's employee benefits market and expand its offering for beneficiaries. The total difference between the cost of the business combination and the estimated acquisition date fair value of the net assets acquired has been provisionally allocated (before deferred tax) for €14 million, the residual difference of €49 million being allocated to the goodwill.

In July 2015, Edenred has joined forces with the Daimler Group in Brazil. With more than 25 years of experience in Brazil's fuel card market *via* Ticket Car®, its flagship solution, Edenred partners with the Daimler Group to launch MercedesServiceCard, a service card co-branded with Ticket Car®., and intended for the Brazilian road transportation market. The Daimler Group is a major leading player in the heavy vehicle market in Brazil, with around 450,000 Mercedes-Benz trucks currently on the roads and more than 30,000 new vehicles registered in 2014. The Group expects the transaction to contribute an additional 2% to 3% approximately to total issue volume in Brazil in 2016, with the contribution set to accelerate in subsequent years.

Main acquisitions and developments 2014

In January 2014, Edenred acquired for €25 million Nets Prepaid, the leader of benefit market in Finland. Nets Prepaid offers meal benefits and recreational benefits for more than 10,000 clients and 120,000 beneficiaries.

In May 2014, Edenred announced that it has acquired a 50% interest in C3 CARD, a payroll card company in the United Arab Emirates. As a key player in the payroll card market in the United Arab Emirates, C3 CARD manages solutions for more than 2,000 clients (businesses and financial institutions). C3 CARD's payroll cards offer a simple, secure solution for paying employees who do not have a bank account, while allowing client businesses to comply with the local Wage Protection System, which requires wages traceability. Founded in 2007, C3 CARD has enjoyed very fast growth, recording business volume of more than €1 billion and revenue of nearly €5 million in 2013.

In July 2014, Edenred is teaming up with American Express to offer a unique joint fuel card solution for Mexico. American Express will now offer its clients a solution combining the specific features of the Ticket Car® fuel card and American Express financing and credit facilities.

In October 2014, Edenred has acquired a 70% stake in Cardtrend in Malaysia, a provider of fuel card management software solutions. Cardtrend operates white-label fuel card programs on behalf of key oil & gas industry players that are based in Southeast Asia. Cardtrend provides its customers with customized software solutions allowing them to manage the fuel cards that they issue and distribute, as well as their loyalty programs.

In October 2014, Edenred has also acquired 50% of Daripodarki, the leading player in Russia's mono-brand gift card resale market. Leveraging its unique offering of mono-brand gift cards for over 150 major brands, Daripodarki enables over 1,300 companies to reward their partners and employees on special occasions or during incentive campaigns. Some 450,000 Russian employees benefit from Daripodarki's gift card solutions.

NOTE 3 SIGNIFICANT EVENTS

3.1 Debt tender offer (€290 million) and €500 million new bond issue

On February 24, 2015, Edenred announced the launch of an offer to repurchase part of its bond issue due in October 2017 for cash. The operation has been followed by a new bond issue in euros.

On March 10, 2015, Edenred placed a €500 million 10-years 1.375% bond issue.

This new bond issue has enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to 5.5 years.

3.2 Payment of the 2014 dividend

At the Annual Meeting on **April 30, 2015**, Edenred shareholders approved the payment of a 2014 dividend of €0.84 per share, with the option of reinvesting 50% of the dividend in new shares.

The reinvestment period, which ran from May 12, 2015 to May 28, 2015, led to the issue of 2,005,302 new shares of Edenred common stock, representing 0.87% of the share capital, which have been

settled and traded on the NYSE Euronext Paris stock market on June 8, 2015.

The new shares carry dividend rights from January 1, 2015 and rank *pari passu* with existing shares of Edenred common stock. Following the issue, the Company's share capital comprises 230,869,823 shares

The total cash dividend, which amounts to €149 million, has been paid on June 8, 2015. This corresponds to 50% of directly cash paid dividend (amounting to €96 millions) and €53 million paid to shareholders who decided to not reinvest.

To sum up, the dividend for 2014 has been paid cash for a total amount for €149 million and paid in new shares of Edenred common stock for a total amount of €42 million.

3.3 Change in governance

On May 18, 2015 Jacques Stern, Edenred's Chairman and Chief Executive Officer since July 2010, has informed the Board of Directors of his decision to leave the Group on July 31, 2015 in order to start another chapter of his career.

On September 11, 2015 the Board of Directors of Edenred announces the appointment of Bertrand Dumazy as the Group's Chairman and Chief Executive Officer.

3.4 Change of the bolivar fuerte exchange rate in 2014

Significant events of the year

In January 2014, the Venezuelan government stated that the official exchange rate was unchanged at VEF 6.3 to the dollar, under CADIVI system, and that the SICAD auctions would be stepped up. Companies allocated dollars in the SICAD auctions will be authorized to use these funds to settle transactions and to pay license and management fees. The exchange rate for the Central Bank's most recent auction was announced as being VEF 11.36 to the dollar.

On March 24, 2014, the Venezuelan government introduced a new flexible exchange rate system, called SICAD II. The Venezuelan Central Bank is publishing since the SICAD II exchange rates on a daily basis. This system is available for both individuals and companies wishing to obtain US dollars. The first published exchange rate was of 51.86 Bolivar Fuerte for 1 US dollar. The latest published exchange rates fluctuated around 49.9 Bolivar Fuerte for 1 US dollar. The total daily granted amount is estimated around 40 to 45 million US dollars. Edenred managed to obtain almost 1 million of US dollars at an average exchange rate of 50.41 Bolivar Fuerte for 1 US dollar.

Edenred's position

The financial statements of **Edenred**'s Venezuelan subsidiaries are translated as follows:



- average exchange rate: average of all exchange rates of Bolivar Fuerte against the US dollar published since the implementation by the Venezuelan government of SICAD II system, retroactive from January 1, 2014, translated to EUR, i.e. VEF 66.35 to euro;
- closing exchange rate: last SICAD II exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of December, translated to EUR, i.e. VEF 60.69 to euro.

The impact of translating 2013 financial statements of the Venezuelan subsidiaries presented in bolivars at selected exchange rates for conversion of 2014 financial statement is as follows:



- issue volume: €(753) million, i.e. -4.4%;
- total revenue: €(43) million, i.e. -4.2%;
- EBIT: €(25) million, i.e. -7.4%;
- net profit: €(18) million, i.e. -11.2%;
- net debt: €+133 million.

3.5 Change of the bolivar fuerte exchange rate in 2015

Significant events of the year

In February 2015, the Venezuelan government amended exchange rate regulation by setting up a new foreign currency exchange rate system, SIMADI. The new law merged SICAD I and SICAD II system, and created a new system SIMADI. Currency control has now 3 official exchange rates: CADIVI, SICAD and SIMADI. SIMADI

substitutes SICAD II and is intended to compete with the black market by establishing a legal trading system based on supply and demand. This system is available to all companies and individuals willing to obtain dollars.

SIMADI first exchange rate was VEF 170 to the dollar and fluctuates on a daily basis. The official exchange rate is unchanged at VEF 6.3 to the dollar, under CADIVI system. Under SICAD exchange rate is at least VEF 12 to the dollar and fluctuates according to auctions, no official details have been communicated by public authorities regarding first auction under merged SICAD and its way of operating.

As of **December 31, 2015** officially adopted rates per exchange rate system were:

- rate through CADIVI was set up at VEF 6.3 to the dollar;
- rate through SICAD was set up at VEF 12 to the dollar, no public communication has been published;

 through SIMADI, floating exchange rate VEF to the dollar are negotiated on a daily basis.

Since the settlement of SIMADI, Edenred has been able to get an unsignificant amount of bolivar fuerte with an average exchange rate at VEF 196.5 to the euro.

Edenred's position

Since SICAD II has no longer legal existence since February 12, 2015, the Group has chosen to apply rates under SIMADI system, which are the most conservative ones.

The financial statements of Edenred's Venezuelan subsidiaries are translated as follows:



- average exchange rate: average of all exchange rates of Bolivar Fuerte against the US dollar of SICAD II until February 11, 2015 and the average of all exchange rates under SIMADI since the system had been set up (February 12, 2015), translated to EUR, i.e. VEF 198.24 to euro;
- closing exchange rate: last SIMADI exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of December, translated to EUR, i.e. VEF 216.32 to euro.

The impact of translating 2014 financial statements of the Venezuelan subsidiaries presented in bolivars at selected exchange rates is as follows:



- issue volume: €(190) million, i.e. -1.1%;
- total revenue: €(12) million, i.e. -1.2%;
- EBIT: €(7) million, i.e. -2.2%;
- net profit: €(5) million, i.e. -3.4%;
- net debt:+€44 million.

3.6 Subsequent events

On January 12, 2016 Edenred has announce the signature of an agreement with the Brazilian Group Embratec whereby both companies will combine their Expense Management assets in a joint-

venture 65% owned by Edenred and 35% by Embratec's founding shareholders. This transaction will give shape to a major player in the Brazilian Expense Management market.

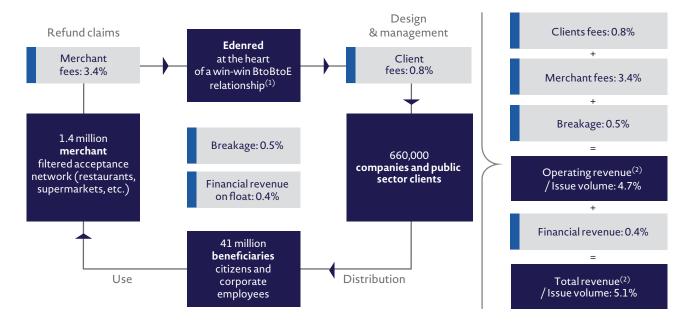
NOTE 4 OPERATIONAL BUSINESS

4.1 The business model



The presentation below Edenred business model is simplified

A unique business model



- (1) Business to Business to Employees
- (2) with issue volume

4.2 Segment information



The presented segments are thus an aggregation of operating segments performed in accordance with IFRS 8 principles. The operating segments must reflect the groupings made by "the chief operating decision maker" when he allocates the resources and assesses the performance of the consolidated group.

In addition to the similarity of long-term economic characteristics, IFRS 8 lists five aggregation criteria:

- a) the nature of the products and services;
- b) the nature of the production processes;
- c) the type or class of customer for their products and services;
- d) the methods used to distribute their products or provide their services; and
- e) if applicable, the nature of the regulatory environment, for example, banking, insurance or public utilities.

Chief operating decision maker



Edenred's chief operating decision maker is the Chief Executive Officer assisted by the Executive Management makes decisions about resources to be allocated to the operating segments and assesses their performances.

Executive Management decisions are based on data produced by the Group's internal reporting system. The internal reporting system presents information at country level. As a matter of fact, Edenred's activity is multi-located with operational decision taken at each homogenous geographic area level.

In the Group's internal reporting system, country-level information is aggregated into four geographical areas:

- France;
- · Rest of Europe;
- Latin America;
- · Rest of the World.

Except France, the presented segments are thus an aggregation of operating segments. These aggregations correspond to how Edenred's management treats operations.

Aggregation



The "Rest of Europe" and "Latin America" aggregations meet all the criteria mentioned above.

The "Rest of the World" segment aggregates the countries that are not included in "France", "Rest of Europe" and "Latin America".

Finally, the "Worldwide structures" include the Edenred SA holding company, regional headquarters and companies with no operating activity.

Transactions between segments are not material.

Condensed financial statements

2015 information



Income statement

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Eliminations	December 2015
ISSUE VOLUME	3,010	5,653	8,852	758	-	-	18,273
Operating revenue with issue volume	132	283	395	38	-	-	848
Other operating revenue	50	45	23	34	-	-	152
Financial Revenue	13	19	33	4	-	-	69
Total external Revenue	195	347	451	76	-	-	1,069
Inter-segment revenue	-	5	-	_	-	(5)	-
TOTAL REVENUE FROM OPERATING SEGMENTS	195	352	451	76		(5)	1,069
EBIT FROM OPERATING SEGMENTS	42	108	202	12	(23)	-	341

FINANCIAL STATEMENTS

6

6.2 Consolidated financial statements and notes



Balance sheet

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Eliminations	December 2015
Goodwill	142	194	191	48	-	-	575
Intangible assets	59	44	51	10	18	-	182
Property, plant and equipment	3	10	16	6	2	-	37
Non-current financial assets	2	152	4	2	22	-	182
Deferred tax assets	2	23	16	2	25	-	68
Non-current assets	208	423	278	68	67	-	1,044
Current assets	817	852	1,089	189	160	-	3,107
TOTAL ASSETS	1,025	1,275	1,367	257	227	-	4,151
Equity and non-controlling interests	242	653	413	77	(2,830)	-	(1,445)
Non-current liabilities	18	72	32	6	1,507	-	1,635
Current liabilities	764	550	921	174	1,552	-	3,961
TOTAL EQUITY AND LIABILITIES	1,024	1,275	1,366	257	229	-	4,151

2014 information



Income statement

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structure	Eliminations	December 2014
ISSUE VOLUME	2,880	5,342	8,851	640	-	-	17,713
Operating revenue generated by issue volume	127	270	413	33	-	-	843
Other operating revenue	21	45	24	25	-	-	115
Financial Revenue	17	20	35	4	-	-	76
Total external Revenue	165	335	472	62	-	-	1,034
Inter-segment revenue	-	5	-	-	-	(5)	-
TOTAL REVENUE FROM OPERATING SEGMENTS	165	340	472	62	-	(5)	1,034
EBIT FROM OPERATING SEGMENTS	40	100	213	9	(19)	-	343



Balance sheet

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Eliminations	December 2014
Goodwill	92	191	242	45	-	-	570
Intangible assets	31	47	58	11	13	-	160
Property, plant and equipment	4	15	19	4	2	-	44
Non-current financial assets	(1)	1	3	2	16	-	21
Deferred tax assets	2	22	19	1	26	-	70
Non-current assets	128	276	341	63	57	-	865
Current assets	791	773	1,316	181	198	-	3,259
TOTAL ASSETS	919	1,049	1,657	244	255	-	4,124
Equity and non-controlling							
interests	245	649	531	50	(2,795)	-	(1,320)
Non-current liabilities	9	72	38	11	1,351	-	1,481
Current liabilities	665	328	1,088	183	1,699	-	3,963
TOTAL EQUITY AND LIABILITIES	919	1,049	1,657	244	255	-	4,124

Change in issue volume, revenue and EBIT



The organic growth corresponds to the like-for-like growth that is at constant scope of consolidation and exchange rates. This indicator represents the Group's commercial performance.



Changes in issue volume, revenue and EBIT between 2015 and 2014 break down as follows:

			Δ December 2015 / December 2014							
			Changes in consolidation Organic growth scope		Currency effect		Total change			
(in € millions)	December 2015	December 2014	In €M	In %	In €M	In %	In €M	In %	In €M	In %
ISSUE VOLUME	18,273	17,713	+1,533	+8.7%	+164	+0.9%	(1,137)	(6.4)%	+560	+3.2%
Operating revenue generated by issue volume	848	843	+62	+7.4%	+5	+0.5%	(62)	(7.3)%	+5	+0.5%
Other operating revenue	152	115	+5	+4.3%	+31	+27.2%	+1	+0.7%	+37	+32.2%
Financial revenue - <i>Unrestricted</i> float	59	62	+4	+5.8%	+0	+0.4%	(7)	(11.1)%	(3)	(4.8)%
Financial revenue - Restricted cash	10	14	(4)	(29.9)%	(0)	(0.1)%	-	+0.0%	(4)	(29.9)%
Financial Revenue	69	76	(0)	(0.5)%	+0	+0.3%	(7)	(9.1)%	(7)	(9.3)%
TOTAL REVENUE	1,069	1,034	+67	+6.4%	+36	+3.5%	(68)	(6.6)%	+35	+3.3%
EBIT	341	343	+33	+9.7%	+6	+1.5%	(41)	(11.9)%	(2)	(0.6)%

Segment information by indicator

Change in issue volume



Issue volume corresponds to the face value of prepaid vouchers issued during the period plus the amount loaded on prepaid cards.

Issue Volume is tracked for all vouchers and cards in circulation that are managed by Edenred.

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Total
2015 Issue volume	3,010	5,653	8,852	758	-	18,273
2014 Issue volume	2,880	5,342	8,851	640	-	17,713
Change	+130	+311	+1	+118	-	+560
Reported change in %	+4.5%	+5.8%	+0.0%	+18.5%	-	3.2%
LIKE-FOR-LIKE CHANGE *	+108	+235	+1,095	+95	-	+1,533
LIKE-FOR-LIKE CHANGE IN %	+3.7%	+4.4%	+12.4%	+14.8%	-	+8.7%

^{*} Cf. Note 13 "Glossary for like-for-like growth definition".

Change in revenues



Total revenue

Total revenue is split by the revenue with IV, the revenue without IV and financial revenue.

In accordance with IAS 18 – Revenue, operating revenue corresponds to the value of goods and services sold in the ordinary course of business by fully consolidated companies.

It is measured at the fair value of the consideration received or receivable, net of all discounts and rebates, VAT and other sales taxes, in compliance with IAS 18.

Operating revenue is recognized when it is probable that future economic benefits will flow to the Group and these benefits can be measured reliably. If there is significant uncertainty about the collectability of revenue, it is not recognized until the uncertainty is removed.

		D		D		
(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Total
2015 Total external revenue	195	347	451	76	-	1,069
2014 Total external revenue	165	335	472	62	-	1,034
Change	+30	+12	(21)	+14	-	+35
Reported change in %	+17.9%	+3.4%	(4.5)%	+23.6%	-	3.3%
LIKE-FOR-LIKE CHANGE	(4)	+7	+58	+6	-	+67
LIKE-FOR-LIKE CHANGE IN %	(2.5)%	+2.0%	+12.2%	+10.1%		+6.4%

^{*} Cf. "Note 13 "Glossary for like-for-like growth definition".



Operating revenue with issue volume

Operating revenue generated by issue volume corresponds to operating revenue generated by prepaid vouchers managed by Edenred.

For all of these products, recognized revenue comprises:

- commissions received from client companies net of granted discounts on the sale of prepaid vouchers and cards and all related amounts billed to clients such as delivery costs, card sales and voucher customization costs. These amounts are recognized in revenue when the prepaid vouchers and cards are issued and delivered to clients;
- affiliate contributions ("Network fees"), corresponding to the margin deducted from the amount reimbursed to the affiliate that provides the service, and any related billings such as up-front

payments, monthly subscription fees and electronic payment terminal sales or rentals. These contributions and billings are recognized in revenue when the vouchers or cards are issued to the extent that the processing transaction cannot be dissociated from the issuance transaction, and an accrual is booked for the future processing costs;

- profits on vouchers and cards that expire without being reimbursed. To take into account commercial practices in each country (refunds of expired service vouchers and other commercial gestures), these profits are recognized gradually once the vouchers have expired;
- revenue from advertisements printed on vouchers and cards. This
 revenue is recognized on the billing date to the advertiser.

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Total
2015 Operating revenue with IV	132	283	395	38	-	848
2014 Operating revenue with IV	127	270	413	33	-	843
Change	+5	+13	(18)	+5	-	+5
Reported change in %	+3.9%	+4.5%	(4.3)%	+15.4%	-	0.5%
LIKE-FOR-LIKE CHANGE	+0	+9	+49	+4	-	+62
LIKE-FOR-LIKE CHANGE IN %	+0.2%	+3.3%	+11.9%	+11.8%	-	+7.4%

^{*} Cf. Note 13 "Glossary for like-for-like growth definition".



Other operating revenue without issue volume

Other operating revenue corresponds essentially to revenue from value-added services such as incentive programs, human services

and event-related services. The corresponding revenue is the amount billed to the client and is recognized on delivery of the solutions.

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Total
2015 Operating revenue w/o IV	50	45	23	34	-	152
2014 Operating revenue w/o IV	21	45	24	25	-	115
Change	+29	+0	(1)	+9	-	+37
Reported change in %	+136.9%	+1.1%	(2.7)%	+34.3%	-	32.2%
LIKE-FOR-LIKE CHANGE	(0)	(1)	+4	+2	-	+5
LIKE-FOR-LIKE CHANGE IN %	(2.1)%	(10.9)%	+18.0%	+6.3%	-	+4.3%

^{*} Cf. Note 13 "Glossary for like-for-like growth definition".

Financial revenue



This is interest generated by investing cash over the period between:

- the issue date and the reimbursement date for vouchers, and
- the loading date and the redeeming date for cards.

The interest represents a component of operating revenue and as such is included in the determination of revenue.

(in € millions)	France	Rest of Europe	Latin America	Rest of the World	Worldwide Structures	Total
2015 Financial revenue	13	19	33	4	-	69
2014 Financial revenue	17	20	35	4	-	76
Change	(4)	(1)	(2)	+0	-	(7)
Reported change in %	(22.9)%	(6.6)%	(7.5)%	+23.7%	+0.0%	(9.3)%
LIKE-FOR-LIKE CHANGE	(4)	(1)	+5	+0	-	(0)
LIKE-FOR-LIKE CHANGE IN %	(22.9)%	(84.9)%	+12.6%	+20.7%	+0.0%	(5.0)%

Cf. Note 13 "Glossary for like-for-like growth definition".

Change in EBIT



EBIT corresponds to EBITDA after the operating costs of holding mainly non-tangible assets. It is used as the benchmark for determining senior management and other executive compensation, as it reflects the economic performance of the business. It is also the basis for calculating operating margin (EBIT/Issue volume ratio).

		Rest of		Rest of	Worldwide	
(in € millions)	France	Europe	Latin America	the World	Structures	TOTAL
2015 EBIT	42	108	202	12	(23)	341
2014 EBIT	40	100	213	9	(19)	343
Change	+2	+8	(11)	+3	(4)	(2)
Reported change in %	+3.9%	+7.4%	(5.2)%	+35.6%	+16.7%	(0.6)%
LIKE-FOR-LIKE CHANGE	(6)	+7	+32	+3	(3)	+33
LIKE-FOR-LIKE CHANGE IN %	(15.2)%	+6.6%	+15.0%	+29.7%	+9.8%	+9.7%

^{*} Cf. Note 13 "Glossary for like-for-like growth definition".

4.3 Operating expenses

(in € millions)	December 2015	December 2014
Employee benefit expense	(331)	(302)
Costs of sales	(135)	(132)
Buisness taxes	(30)	(31)
Rental expenses	(20)	(18)
Other operating expenses	(165)	(170)
TOTAL OPERATNG EXPENSES (1)	(681)	(653)

⁽¹⁾ As of December 31, 2015 the currency effect impact the operating expenses for €26 million and €(23) million of scope impact.

4.4 Reconciliation of funds from operations

(in € millions)	December 2015	December 2014
Net profit, Group Share	177	164
Non-controlling interests	5	4
Shares from associates investments	(9)	(0)
Depreciation, amortization and provision expenses	52	41
Deferred taxes	(9)	(8)
Change in financial provisions	2	2
Writte-off	-	2
Expenses related to share-based payments	14	15
Non cash impact of the other income and expenses	(2)	(1)
Difference between income tax paid and income tax expense	2	11
Divindes from associates	23	0
FUNDS FROM OPERATIONS INCLUDING NON-RECURRING ITEMS	255	230
(Gains) losses on disposals of assets, net	(2)	1
(Gains) losses on non-recurring transactions (including restructuring costs)	27	30
FUNDS FROM OPERATIONS	280	261

4.5 Net change in working capital

Considering Edenred's operations, net working capital mainly analysed components are service funds in circulation and restricted cash. These two aggregates are key indicators for managing the business.

Funds to be redeemed



Funds to be redeemed are booked in current liabilities. They correspond to the face value of digital funds loaded on accounts but not yet used.

			Change December 2015/
(in € millions)	December 2015	December 2014	December 2014
Inventories, net	19	14	5
Trade receivables, net	973	1,035	(62)
Other receivables and accruals, net	272	272	-
Working capital requirements - assets	1,264	1,321	(57)
Trade payables	82	67	15
Other payables	172	169	3
Vouchers in circulation	3,564	3,615	(51)
Working capital requirements - liabilities	3,818	3,851	(33)
NEGATIVE WORKING CAPITAL	2,554	2,530	24
Corporate tax liabilities	13	16	(3)
NEGATIVE WORKING CAPITAL (INCL. CORPORATE TAX LIABILITIES)	2,567	2,546	21

(in € millions)	December 2015
Working capital at beginning of period	2,530
Change in working capital (1)	129
Development Expenditure	12
Disposals	(17)
Provisions	4
Currency translation adjustment	(104)
Reclassification to other balance sheet items	-
Net change in working capital	24
WORKING CAPITAL AT END OF PERIOD	2,554

⁽¹⁾ See Statement of Cash Flows table 1.4.

Restricted cash



Restricted cash corresponds to service voucher reserve funds. These funds, which are equal to the face value of service vouchers in circulation, are subject to specific regulations in some countries such as France for the products Ticket Restaurant® and Ticket CESU®, United Kingdom and Romania. In particular, use of the funds is restricted and they must be clearly segregated from the Group's other cash. The funds remain Edenred's property and are invested in interest-bearing financial instruments.

The accreditation package submitted by our company in Brazil, Ticket Servicos, to the Brazilian Central Bank ("BACEN") is currently in the process of validation. As soon as the certification will occur, which is expected by end of 2016 or beginning of 2017, BACEN regulation could make compulsory the reclassification of 40% of the float of the benefits business to restricted cash. And this funds

segregation could increase to 60% in 2017, 80% in 2018 and 100% in 2019.

Restricted cash corresponds mainly to service voucher reserved funds which use is regulated. In the following countries France (€599 million), United Kingdom (€165 million), Romania (€43 million), United-States (€21 million) and India (€12 millions).

			Change December 2015/
(in € millions)	December 2015	December 2014	December 2014
RESTRICTED CASH	858	797	61

(in € millions)	December 2015
Restricted cash at beginning of period	(797)
Like-for-like change for the period (1)	(41)
Other variations	(12)
Currency translation adjustment	(8)
Net change in restricted cash	(61)
RESTRICTED CASH AT END OF PERIOD	(858)

⁽¹⁾ See Statement of Cash Flows table 1.4.

4.6 Trade and other receivables and payables

Trade receivables



Details of trade receivables and related depreciation

Trade and other receivables are initially recognized at fair value. They are subsequently measured at amortized cost, net of any impairment losses recorded in the income statement. An impairment loss is recognized when the total amount of the receivable is not recoverable in accordance with the originally agreed terms.

(in € millions)	December 2015	December 2014
Gross	1,004	1,063
Provisions	(31)	(28)
TRADE RECEIVABLES, NET	973	1,035

Inventories, other receivables and accruals



Details of inventories

Inventories are measured at the lower of cost and net realizable value, in accordance with IAS 2 – Inventories. Cost is determined by the weighted average cost method.



For Edenred, stocks are mainly including card and paper for vouchers printing.

(in € millions)	December 2015	December 2014
Inventories	19	15
VAT recoverable	89	58
Employee advances and prepaid payroll taxes	3	4
Other prepaid and recoverable taxes	10	23
Other receivables	161	177
Other prepaid expenses	11	12
GROSS VALUE	293	289
Provisions	(2)	(3)
INVENTORIES AND OTHER RECEIVABLES AND ACCRUALS, NET	291	286

Details of other payables and accruals

(in € millions)	Decer	nber 2015	December 2014
VAT payable		29	24
Wages and salaries and payroll taxes payable		56	54
Other taxes payable		8	11
Deferred income		14	7
Other payables		65	73
TOTAL OTHER PAYABLES		172	169
Current tax liabilities		13	16
OTHER PAYABLES AND ACCRUALS		185	185

NOTE 5 NON CURRENT ASSETS

5.1 depreciation, amortization and provisions



Depreciation, amortization and provision expenses reflect the operating costs of assets owned by Edenred.

(in € millions)	December 2015	December 2014
Amortization	(47)	(38)
Provisions and depreciations	0	0
TOTAL	(47)	(38)

5.2 Goodwill



In the year following the acquisition of a consolidated company, fair value adjustments are made to the identifiable assets and liabilities acquired. For this purpose, fair values are determined in the new subsidiary's local currency.

Positive goodwill

Goodwill, representing the excess of the cost of a business combination over the Group's interest in the net fair value of the identifiable assets and liabilities acquired at the acquisition date, is recognized in assets under "Goodwill". Goodwill mainly results from the expected synergies and other benefits arising from the business combination.

In accordance with IFRS 3 (revised) "Business combinations", which is applicable to business combinations carried out on or after January 1, 2010, each time it acquires a less than 100% interest in an entity, the Group must choose whether to measure the non-controlling interest at fair value or as the non-controlling interest's proportionate share of the acquiree's identifiable net assets (with no change possible later in the event of an additional interest being acquired that does not transfer control). If the business is measured at its total fair value including non-controlling interests, goodwill attributable to non-controlling interests is also recognized.

Goodwill arising on the acquisition of associates – corresponding to companies over which the Group exercises significant influence – is included in the carrying amount of the associate concerned.

Goodwill arising on the acquisition of subsidiaries is reported separately.

In accordance with IFRS 3 – Business Combinations, goodwill is not amortized but is tested for impairment at least once a year and more frequently if there is any indication that it may be impaired. If the carrying amount of goodwill exceeds its recoverable amount, an irreversible impairment loss is recognized in profit.

Negative goodwill

Negative goodwill, representing the excess of the Group's interest in the net fair value of the identifiable assets and liabilities acquired at the acquisition date over the cost of the business combination, is recognized immediately in profit during the acquisition period.

(in € millions)	December 2015	December 2014
Goodwill	734	724
Less accumulated impairment losses	(159)	(154)
GOODWILL, NET	575	570

(in € millions)	December 201	5 December 2014
Brazil (including Repom)	13	1 177
France (Ticket Cadeaux)	9	1 91
France ProwebCE	4	9 -
Mexico	4	9 53
United Kingdom (including Prepay Technologies)	53	3 50
Italy	4	6 46
Romania	33	2 32
Finland	19	9 19
Sweden	19	9 19
Japan	19	9 17
USA	1:	5 13
Czech Republic	1:	2 12
Dubaï		9 8
Colombia		5 7
Portugal		6
Other (individually representing less than €5 million)	20	20
GOODWILL, NET	579	5 570



Changes in the carrying amount of goodwill during the periods presented were as follows:

(in € millions)	December 2015	December 2014
NET GOODWILL AT BEGINNING OF PERIOD	570	574
Goodwill recognized on acquisitions for the period and other increases *	49	39
France (ProwebCE acquisition)	49	-
Finland (Nets Prepaid 's customer list acquisition)	-	19
Mexico	-	8
Dubai (C3 Card acquisition)	-	8
Malaysia (Cardtrend acquisition)	-	3
Other acquisitions	-	1
Goodwill written off on disposals for the period	-	-
Impairment losses	(2)	-
Currency translation adjustement	(42)	(40)
Put options on non-controlling interests recognized/remeasured during the period		
and other	(0)	(2)
Reclassification and other movements	(0)	(1)
NET GOODWILL AT END OF PERIOD	575	570

^{*} Cf. Note 2 for further details.

5.3 Intangible assets



Intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses, in accordance with IAS 38 – Intangible Assets.



The Group's main brands are considered as having indefinite useful lives and are therefore not amortized. Their carrying amount is reviewed at least once a year and more frequently if there is any indication that they may be impaired. If their recoverable amount determined according to the criteria applied at the acquisition date is less than their carrying amount, an impairment loss is recognized.

Other intangible assets (software, licenses and customer lists) are considered as having finite useful lives. They are amortized on a straight-line basis over their useful lives, as follows:



· licenses: life of the license:

customer list: 3 to 15 years;

• software: 2 to 7 years.

Identifiable intangible assets recognized in a business combination are initially recognized at amounts determined by independent valuations, performed using relevant criteria for the business concerned that can be applied for the subsequent measurement of the assets. Identifiable brands are measured based on multiple criteria, taking into account both brand equity and their contribution to profit. Customer lists are measured based on the cost of acquiring new customers.



Most brands have been qualified as having an indefinite useful life because the Group considers that there is no foreseeable limit to the period in which they can be used.

(in € millions)	December 2015	December 2014
COST		
Kadéos brand	19	19
Other brands	26	21
Contractual customer relationships	119	111
Licenses and software	186	156
Other	66	56
TOTAL COST	416	363
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES		
Brands	(10)	(10)
Contractual customer relationships	(66)	(58)
Licenses and software	(112)	(93)
Other	(46)	(42)
TOTAL ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES	(234)	(203)
INTANGIBLE ASSETS, CARRYING VALUE	182	160



Changes in the carrying amount of intangible assets over the period were as follows:

(in € millions)	December 2015	December 2014
CARRYING VALUE OF INTANGIBLE ASSETS AT BEGINNING OF PERIOD	160	132
Intangible assets of newly-consolidated companies	26	12
Internally-generated assets	40	34
Additions	-	13
Amortization for the period	(32)	(25)
Impairment losses for the period	(1)	(7)
Disposals	(0)	(0)
Currency translation adjustement	(11)	(0)
Reclassifications	-	1
CARRYING VALUE OF INTANGIBLE ASSETS AT END OF PERIOD	182	160



Net value of main intangible assets considered as having an indefinite useful life is the following:

(in € millions)	December 2015	December 2014
Kadéos brand	19	19
Rikskuponger brand	3	3
Prepay brand	2	2

5.4 Property, plant and equipment



Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, in accordance with IAS 16 – Property, Plant and Equipment. Assets under construction are measured at cost less any accumulated impairment losses. They are depreciated from the date when they are put in service.

In accordance with IAS 40 – Investment property, investment properties are properties held to earn rentals or for capital appreciation. Investment properties are measured at cost and net of cumulated depreciation and potential impairment.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, determined by the components method, from the date when they are put in service. The main depreciation periods applied are as follows:



- building improvements, fixtures and fittings: 5 to 15 years;
- equipment and furniture: 4 to 7 years.

Investment properties are depreciated on a straight-line basis over their estimated useful lives, determined by the components method. Buildings are depreciated over 40 years. Other components are depreciated over the same periods as other property, plant and equipment.

(in € millions)	December 2015	December 2014
Land	0	0
Buildings	4	7
Fixtures	26	23
Equipment and furniture	105	102
Assets under construction	0	4
COST	135	136

(in € millions)	December 2015	December 2014
Buildings	(1)	(1)
Fixtures	(15)	(14)
Equipment and furniture	(82)	(77)
ACCUMULATED DEPRECIATION	(98)	(92)
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	(98)	(92)

(in € millions)	December 2015	December 2014
Land	0	0
Buildings	3	6
Fixtures	11	9
Equipment and furniture	23	25
Assets under construction	0	4
PROPERTY, PLANT AND EQUIPMENT, NET	37	44



Changes in the carrying amount of property, plant and equipment during the period were as follows:

(in € millions)	December 2015	December 2014
NET PROPERTY, PLANT AND EQUIPMENT AT BEGINNING OF PERIOD	44	58
Property, plant and equipment of newly-consolidated companies	0	2
Additions	17	15
Disposals	(1)	(0)
Depreciation for the period	(14)	(13)
Impairment losses for the period	(2)	(0)
Currency translation adjustement	(7)	(17)
Reclassifications	(0)	(1)
NET PROPERTY, PLANT AND EQUIPMENT AT END OF PERIOD	37	44

5.5 Impairment tests



Recoverable amount of assets

In accordance with IAS 36 – Impairment of Assets, the carrying amounts of goodwill, intangible assets, property, plant and equipment, and investment properties are tested for impairment when there is any indication that they may be impaired. Assets with an indefinite useful life – corresponding solely to goodwill and brands – are tested at least once a year.

Reversal of impairment losses

In accordance with IAS 36 – Impairment of Assets, impairment losses on goodwill as well as on intangible assets with a finite useful life, such as licenses and software, are irreversible. Impairment losses on property, plant and equipment and on intangible assets with an indefinite useful life, such as brands, are reversible in the case of a change in estimates used to determine their recoverable amount.

Impairment tests are performed at the level of the Cash-Generating Unit (CGU).

Cash-Generating Units

CGUs are homogeneous groups of assets whose continuous use generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

All intangible assets, including goodwill, and all items of property, plant and equipment are allocated to CGUs.

Indications of impairment are as follows:



- a 15% drop in like-for-like operating revenue; or
- a 20% drop in like-for-like EBITDA; or
- any event or change in the economic environment indicating a current risk of impairment.

CGUs are identified by country. For the main countries, they are identified by type of solution (Employee Benefits, Expense Management and Incentive & Rewards) if there are very different activities with separated commercial teams and customer portfolios.

Methods used to determine recoverable amounts

Impairment tests consist in comparing the carrying amount of a CGU with its recoverable amount.

Carrying amount corresponds to carrying value of capital employed.

FINANCIAL STATEMENTS

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6.2 Consolidated financial statements and notes

For Edenred they include:



- goodwill;
- tangible and intangible assets;
- working capital excluding float but including current tax liability.

Float corresponds to operating working capital requirement, *i.e.* vouchers in circulation to be redeemed less trade receivables.

The method consists firstly in calculating the fair value (as per below), and then compare it to the carrying amount. The Group considers that a difference higher than 20% between the fair value and the

carrying amount means a potential loss in value. When a loss in value is identified using this method or in case of changes in economic context of the country or related to local business, a test based on discounted cash flows method is applied in order to validate the potential loss in value compared with the carrying amount



Method used is the following:

STep 1: Fair value at selling costs

Valuation by the EBITDA multiple method:

This process is a method of fair value calculation less selling costs, and allow to get the best estimate of the price at which a CGU could be sold on the market on the valuation date.

This method consists in calculating the CGU's average EBITDA for the last two years and applying a multiple based on the CGU's geographic location and the specific country risk.

The multiples applied correspond to the average of transactions occuring on the market and within a range of multiples comparable to Edenred group valuation.

If the recoverable amount is less than the carrying amount, it is recalculated using the discounted cash flows method (Step 2).

STep 2*: Value in use

Valuation by the discounted cash flows method

The projection period is limited to five years. Cash flows are discounted at a rate corresponding to the year-end *Group WACC* (weighted average cost of capital), splited by geographic zone. The perpetuity growth rate is aligned with the economic outlook in each of the countries concerned.

- * Only in two cases:
 - 1) If the first step demonstrates loss of value.
 - 2) If the country or the subsidiary is under specific economic circumstances.

If as a result of this test the recoverable amount is less than the carrying amount, an impairment loss is recognized in an amount corresponding to the value in use method. Impairment losses are recognized in the income statement under "Other income and expenses" and it is irreversible.



The following CGU have been tested with the value in use method during the period 2015:

 $Brazil\ (Repom),\ United-Kingdom\ (Prepay\ Technologies),\ Finland,\ Sweden,\ Japan,\ Colombia\ and\ Portugal.$

The following CGU have been tested with the value in use method during the period 2014:

Brazil (Repom), United-Kingdom (Prepay Technologies), Romania and Sweden.

Impairment losses

Cumulative impairment losses on property, plant and equipment and intangible assets amounted to €(173) million at December 31, 2015 (€(190) million at December 31, 2014). An impairment loss amounting to €(2) million was recognized during the year (cf. Note 10.1) (€(4) million in 2014).

CGUs impacted by cumulated impairment losses are detailed as follows:

	December 2015											
		France - I	Kadéos			Other co	untries			Total		
(in € millions)	Gross value	Accumula- ted depreciation			Gross value	Accumula- ted depreciation	Accumu- lated impairment losses		Gross value	Accumula- ted depreciation	Accumu- lated impairment losses	
Goodwill	196	-	(105)	91	538	-	(54)	484	734	-	(159)	575
Brands	19	-	-	19	26	(5)	(5)	16	45	(5)	(5)	35
Customer lists	21	(8)	(13)	-	98	(37)	(8)	53	119	(58)	(8)	53
Other intangible assets	46	(27)	(8)	11	206	(123)	-	83	252	(157)	(1)	94
Tangible assets	21	(17)	-	4	114	(81)	-	33	135	(98)	-	37
TOTAL	303	(59)	(119)	125	982	(259)	(54)	669	1,285	(318)	(173)	794

						Decembe	er 2014					
	France - Kadéos					Other countries				Total		
(in € millions)	Gross value	Accumu- lated depreciation			Gross value	Accumu- lated depreciation	Accumu- lated impairment losses		Gross value	Accumu- lated depreciation	Accumu- lated impairment losses	
Goodwill	196	-	(105)	91	528	-	(49)	479	724	-	(154)	570
Brands	19	-	-	19	21	(5)	(5)	10	40	(5)	(5)	30
Customer lists	21	(8)	(13)	-	90	(29)	(8)	53	111	(37)	(21)	53
Other intangible assets	25	(17)	(8)	-	187	(108)	(2)	77	212	(125)	(10)	77
Tangible assets	3	(3)	-	-	133	(89)	-	44	136	(92)	-	44
TOTAL	264	(28)	(126)	110	959	(231)	(64)	664	1,223	(259)	(190)	774

Key assumptions



In 2015, the discount rate applied is based on the Group WACC (Weighted Average Cost of Capital) of 9.4% (9.2% in 2014).

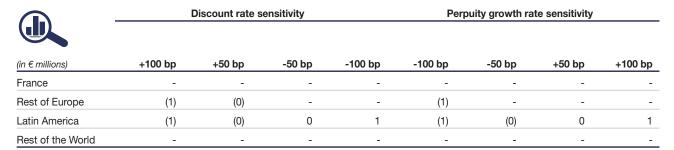
As the Group has operations in a very large number of countries, Edenred calculated an average rate for the Group and estimated a discount rate for each CGU in order to make the impairment test using the value in use method.

	Discoun	nt rates	Perpetuity growth rates		
	2015	2014	2015 *	2014	
Rest of Europe	7.8% - 9.5%	8.1% - 9.8%	1.7% - 2.0%	2.0%	
Latin America	13.2% - 18.6%	16.6%	3.0% - 4.6%	4.0%	
Rest of the World	10.40%	N/A	1.2%	N/A	

^{*} Source: IMF inflation forecast for 2020.

Sensitivity analysis

Rate sensitivity



At December 31, 2015 variation upon WACC (Weighted Average Cost of Capital) and perpuity growth rate would have had an impact only on Rest of Europe and Latin America.

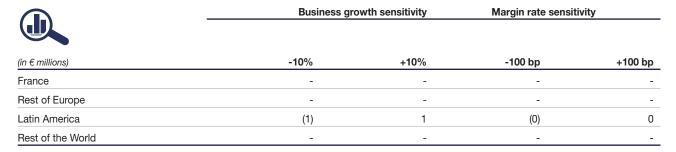
Regarding WACC, impacts upon recognized impairments losses:

- 50- bps increase in the discount rate would have increased the recognized impairment losses by an amount less than €1 million on both zones;
- 100- bps increase in the discount rate would have increased the recognized impairment losses by an amount about €1 million on both zones:
- 50- bps decrease in the discount rate would have decreased the recognized impairment losses by an amount less than €1 million on Latin America:
- 100- bps decrease in the discount rate would have decreased the recognized impairment losses by an amount about €1 million on Latin America.

Regarding perpetuity growth, impacts upon recognized impairments losses:

- 50- bps increase in the discount rate would have decreased the recognized impairment losses by an amount less than €1 million on Latin America;
- 100- bps increase in the discount rate would have decreased the recognized impairment losses by an amount about €1 million on both zones;
- 50- bps decrease in the discount rate would have increased the recognized impairment losses by an amount less than €1 million on Latin America;
- 100- bps decrease in the discount rate would have increased the recognized impairment losses by an amount about €1 million on both zones.

Flow sensitivity



At December 31, 2015, a 10% fall in the rate of business growth would have decreased the recognized impairment losses by about €1 million.

A 100-bps fall in the margin rate would have decreased the recognized impairment losses by about less than €1 million.

NOTE 6 FINANCIAL ELEMENTS

6.1 Net financial result



Net financial includes:

- interest expense or income on borrowings, other financial liabilities and loans and receivables;
- exchange gains and losses on financial transactions;
- movements on financial provisions.

(in € millions)	December 2015	December 2014
Gross borrowing cost	(42)	(47)
Hedging instruments	10	6
Interests income from short term bank deposits and equivalent	0	0
Net borrowing cost	(32)	(41)
Net foreign exchange gains/(losses)	-	1
Other financial income and expenses, net	(15)	(6)
NET FINANCIAL EXPENSE	(47)	(46)

6.2 Current financial assets



Financial assets and liabilities are recognized and measured in accordance with IAS 39 – Financial Instruments, Recognition and Measurement, and its amendments.

Financial assets and liabilities are recognized in the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified between the three main categories defined in IAS 39, as follows:

"Loans and receivables" mainly include term deposits and loans to non-consolidated companies. They are initially recognized at fair value and are subsequently measured at amortized cost at each balance-sheet date. If there is an objective indication of impairment, an impairment loss is recognized at the balance-sheet date. The impairment loss - corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of expected cash flows discounted using the original effective interest rate) - is recognized in the income statement. It may be reversed if the recoverable amount increases in a subsequent period.

"Held-to-maturity investments" mainly include bonds and other marketable securities intended to be held to maturity. They are initially recognized at fair value and are subsequently measured at amortized cost at each balance-sheet date. If there is an objective indication of impairment, an impairment loss is recognized at the balance-sheet date. The impairment loss – corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of expected cash flows discounted using the original effective interest rate) – is recognized in the income statement. It may be reversed if the recoverable amount increases in a subsequent period.

For these two categories, initial fair value is equivalent to acquisition cost, because no material transaction costs are incurred.

"Available-for-sale financial assets" mainly include investments in non-consolidated companies, mutual fund units and money market securities. These assets are measured at fair value, with changes in fair value recognized in equity. The fair value of listed securities corresponds to market price (level 1 valuation technique) and that of mutual funds corresponds to their published net asset value (level 2 valuation technique). For unlisted securities, fair value is estimated based on the most appropriate criteria applicable to each individual investment using valuation techniques that are not based on observable data (level 3 valuation technique). Securities that are not traded on an active market, for which fair value cannot be reliably estimated, are carried in the balance sheet at historical cost plus any transaction expenses. When there is objective evidence of a significant or prolonged decline in value, the cumulative unrealized loss recorded in equity is reclassified to the income statement.

	December 2015			December 2014			
(in € millions)	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value	
Other current financial assets	4	(1)	3	5	(1)	4	
Receivables on disposal of assets	-	-	-	-	-	-	
Derivatives	37	-	37	47	-	47	
CURRENT FINANCIAL ASSETS	41	(1)	40	52	(1)	51	

6.3 Cash and cash equivalent and other marketable securities



Cash and cash equivalents

"Cash and cash equivalents" include bank balances, and short-term investments in money market instruments. These instruments mainly correspond to bank time deposits risk free and interest-bearing demand deposits. They have initial maturities of three months or less, are readily convertible into known amounts of cash, and are subject to an insignificant risk of changes in value.

In accordance with IAS 39, marketable securities are measured at fair value, with changes in fair value recognized in profit under "Net financial expenses".

Other marketable securities

Instruments that have initial maturities of more than three months and less than one year are reported under "Marketable securities". These instruments are highly liquid and are subject to an insignificant risk of changes in value due to interest rate and foreign exchange rate changes. However, they are no longer classified as cash and cash equivalents in line with the guidance of IAS 39. This line item also includes restricted cash, corresponding to cash and cash equivalents subject to restrictions due to regulations that are specific to a country (such as exchange rate control).



Both "Cash and cash equivalents" and "Marketable securities" are taken into account for the calculation of net debt.

	December 2015			December 2014			
(in € millions)	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value	
Cash at bank and on hand	174	-	174	129	-	129	
Term deposits less than 3 months	272	-	272	288	-	288	
Bonds and other negociable debt securities	-	-	-	-	-	-	
Interest-bearing bank accounts	-	-	-	-	-	-	
Mutual fund units in cash less than 3 months	21	_	21	8	-	8	
CASH AND CASH EQUIVALENTS	467	-	467	425	-	425	
Term deposits more than 3 months	476	(3)	473	664	(3)	661	
Bonds and other negociable debt securities	2	-	2	4	-	4	
Interest-bearing bank accounts	-	-	-	-	-	-	
Mutual fund units in cash more than 3 months	3	-	3	-	-	-	
OTHER MARKETABLE SECURITIES	481	(3)	478	668	(3)	665	
TOTAL CASH AND CASH EQUIVALENTS AND OTHER MARKETABLE SECURITIES	948	(3)	945	1,093	(3)	1,090	

Other marketable securities include €30 million in investments denominated in Venezuelan bolivar fuerte (at the closing exchange rate of 198.7 bolivar fuerte per US dollar), of which €26 million are

balanced in the liability side by the structural working capital of the Venezuelan subsidiaries.

6.4. Debt and other financial liabilities



Debt

Bonds and bank borrowings set up as interest-bearing lines of credit and bank overdrafts are recognized for the amounts received, net of direct issuing costs.

Other financial liabilities

Other financial liabilities are measured at amortized cost. Amortized cost is determined by the effective interest method, taking into account the costs of the issue and any issue or redemption premiums.

	December 2015			December 2014		
(in € millions)	Non courant	Courant	Total	Non-current	Current	Total
Bonds	1,476	-	1,476	1,307	-	1,307
Bank borrowings	_	2	2	-	2	2
DEBT	1,476	2	1,478	1,307	2	1,309
BANK OVERDRAFTS	-	61	61	-	28	28
Deposits	9	3	12	12	1	13
Purchase commitments	26	1	27	32	9	41
Derivatives	-	30	30	-	10	10
Other	3	11	14	2	6	8
OTHER FINANCIAL LIABILITIES	38	45	83	46	26	72
DEBT AND OTHER FINANCIAL LIABILITIES	1,514	108	1,622	1,353	56	1,409

The contractual documents for financial debt and other financial liabilities do not include any particular covenants or clauses that could significantly change the terms.

Financial Debts

1) Bonds

As of December, 31, 2015 the Group gross outstanding bound position amounts to €1,485 million with the following breakdown:

Issue date	Amounts in €M	Annual coupon	Maturity
			10 years
03/10/2015	500	1.375%	03/10/2025
			7 years
10/30/2013	250	2.625%	10/30/2020
			10 years
05/23/2012	225	3.750%	05/23/2022
			7 years
10/06/2010	510	3.625%	10/06/2017
GROSS OUTSTANDING BOND POSITION	1,485		

In February 2015, Edenred has proceeded to repurchase part of its bond issue due to October 2017 (annual coupon of 3.625%) for an amount of €290 million cash.

On March 2015, this repurchase has been followed by a new €500 million 10-year 1.375% bond issue (maturity to 03/10/2025).

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to 5,5 years.

2) Bank borrowings



After the repayment of €200 million occurred in the fourth quarter of 2014 paid out of the Group €900 million term loan set up in June 2010, the Group has an outstanding bank debt position amounting to €2 million as of December 31, 2015.

Ageing analysis

1) Maturities of debt analysis

a. At December 31, 2015

(in € millions)	2016	2017	2018	2019	2020	2021 and beyond	December 2015
Total debt and other							
financial liabilities	108	535	15	5	261	698	1,622
TOTAL	108	535	15	5	261	698	1,622

b. At December 31, 2014

						2020 and	
(in € millions)	2015	2016	2017	2018	2019	beyond	2014
Total debt and other							
financial liabilities	56	12	823	20	5	493	1,409
TOTAL	56	12	823	20	5	493	1,409

2) Credit facility

As of December 31, 2015 Edenred had €700 million outstanding confirmed credit facilities expiring on June 2019. This facility will be used for general corporate purposes and to support group activities.

6.5 Net debt and net cash

(in € millions)	December 2015	December 2014
Non-current debt	1,476	1,307
Other non-current financial liabilities	38	46
Current debt	2	2
Other current financial liabilities	45	26
Bank overdrafts	61	28
TOTAL DEBT AND OTHER FINANCIAL LIABILITIES	1,622	1,409
Current financial assets	(40)	(51)
Other marketable securities	(478)	(665)
Cash and cash equivalents	(467)	(425)
TOTAL CASH AND CASH EQUIVALENTS AND OTHER CURRENT FINANCIAL ASSETS	(985)	(1,141)
NET DEBT	637	268



(in € millions)	December 2015	December 2014
Net debt at beginning of period	268	276
Increase (decrease) in non-current debt	169	(155)
Increase (decrease) in other non-current financial liabilities	(8)	(21)
Decrease (increase) in other marketable securities	187	218
Decrease (increase) in cash and cash equivalents, net of bank overdrafts	(9)	(4)
Increase (decrease) in other financial assets and liabilities	30	(46)
Increase (decrease) in net debt	369	(8)
NET DEBT AT END OF PERIOD	637	268

6.6 financial instruments and market risk management



The Group uses derivative financial instruments to hedge its exposure to risks arising in the course of its business. Hedged risks are currency and interest rate risks.

In accordance with IAS 39, derivatives are initially recognized at cost. They are subsequently measured at fair value at each period-end. The intended use of the derivatives determines the IFRS designation and therefor the accounting treatment of changes in fair value.

Most interest rate and foreign currency derivatives used by Edenred are designated as hedging instruments. In accordance with IAS 39, hedge accounting is applicable in particular if, and only if:

- at the time of setting up the hedge, there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship can be demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

Financial instruments designated as hedging instruments

When derivatives are designated as hedging instruments, their accounting treatment varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognized firm commitment; or
- a cash-flow hedge.

Fair value hedge

Cash-flow hedge

A fair value hedge is a hedge of the exposure to changes in the fair value of a financial asset, a financial liability or an unrecognised firm commitment.

The gain or loss from remeasurement at fair value of the hedging instrument is recognized in profit on a symmetrical basis with the loss or gain from remeasurement at fair value of the hedged item. These two remeasurements offset each other within the same line items in the income statement, except for the ineffective portion of the hedge.

A cash flow hedge is a hedge of the exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction.

The effective portion of the gain or loss from remeasurement at fair value of the hedging instrument is recognized in equity and the ineffective portion is recognized in the income statement for the period.

Cumulative gains or losses in equity are recycled to the income statement in the period when the hedged item affects profit.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss carried in equity at the time remains in equity and is recognized in the income statement when the forecast transaction is ultimately recognized in the income statement.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss carried in equity is immediately transferred to the income statement.

Rate risk: Analysis fixe/variable interest rate

1) Hedging impact

Before hedging

Debt without hedging breaks down as follows:

	De	December 2015			December 2014		
(in € millions)	Amount	Rate	% of total debt	Amount	Rate	% of total debt	
Fixed rate debt (1)	1,476	2.73%	100%	1,307	3.40%	100%	
Variable rate debt	2	9.08%	0%	2	7.60%	0%	
TOTAL DEBT	1,478	2.74%	100%	1,309	3.41%	100%	

⁽¹⁾ The rates mentioned for the fixed rate debt correspond to the contractual rates (that are 3.625%, 3.75%, 2.625% and 1.375%) applied among exact days of the year divided by 360.

After hedging

Debt after interest rate hedging breaks down as follows:

	De	cember 2015		December 2014		
(in € millions)	Amount	Rate	% of total debt	Amount	Rate	% of total debt
Fixed rate debt	442	1.95%	30%	436	3.21%	33%
Variable rate debt	1,037	1.96%	70%	873	2.41%	67%
TOTAL DEBT	1,478	1.96%	100%	1,309	2.68%	100%

2) Interest rate hedges

At December 31, 2015, a \in 1,365 million notional amount in interest rate hedges is outstanding, including \in 1,080 million for initially fixed rate debt hedge, \in 50 million for variables rate debt hedge and \in 235 million for initially variable rate investment hedge.



(in € millions)	Notional amount	Fair value	2016	2017	2018	2019	2020 and beyond
BRL: Receiving							
fixed-rate swaps (1)	235	(19)	61	93	58	23	
EUR: Paying							
fixed-rate swaps	50	(1)	-	-	-	-	50
EUR: Paying							
variable-rate swaps	1,080	27	-	500	-	_	580
TOTAL	1,365	7	61	593	58	23	630

^{(1) 1015} million of Brazilian real (BRL) equivalent of \in 235 million.

3) Interest rate risk sensitivity analysis

Edenred is exposed to the risk of fluctuations in interest rates, given:



- the cash flows related to variable rate debt, after hedge accounting; and
- derivative financial instruments eligible for cash flow hedge accounting for the ineffective portion of the hedging relationships.

However, changes in the effective value portion of derivatives eligible for cash flow hedge accounting are recognized directly in equity and have no effect on profit or loss.

The analysis below has been prepared assuming that the amount of the debt and the notional amounts of derivative instruments at December 31, 2015 remains constant over one year.

A 100-basis point change in interest rates (mainly the 3-month Euribor) would have the following impacts on equity and pre-tax income at year-end:

	Resi	ult	Equity		
(in € millions)	decrease in interest rates of 100 bp *	increase in interest rates of 100 bp	decrease in interest rates of 100 bp *	increase in interest rates of 100 bp	
Debt at variable rate after hedge accounting	9	(9)	-	-	
Derivatives	-	-	-	-	
TOTAL	9	(9)	-	-	

¹⁰⁰⁻bps fall in interest rates or fall to 0% if less (no sensitivity tests based on negative rates).

Foreign exchange risk: Currency analysis

Hedging impact

Before hedging

Debt without hedging breaks down as follows:

	December 2015			December 2014			
(in € millions)	Amount	Rate	% of total debt	Amount	Rate	% of total debt	
EUR	1,476	2.73%	100%	1,307	3.40%	100%	
Other currencies	2	9.21%	0%	2	7.69%	0%	
TOTAL DEBT	1,478	2.74%	100%	1,309	3.16%	100%	

After hedging

Debt after interest rate hedging breaks down as follows:

	De	cember 2015		December 2014			
(in € millions)	Amount	Rate	% of total debt	Amount	Rate	% of total debt	
EUR	1,470	1.93%	99%	1,302	2.65%	99%	
Other currencies	8	6.91%	1%	7	6.68%	1%	
TOTAL DEBT	1,478	1.96%	100%	1,309	2.68%	100%	

2) Currency hedges



For each currency, the "Notional amount" corresponds to the amount of currency sold or purchased forward. Fair value corresponds to the difference between the amount of the currency sold (purchased) and the amount of the currency purchased (sold), converted in both cases at the period-end forward exchange rate.

All currency transactions carried out by the Group, as listed below, are hedging transactions. They consist of designated hedges of intragroup loans and borrowings in foreign currencies and correspond to documented fair value hedging relationships.

At December 31, 2015, currency derivatives had an aggregate negative fair value of €(1) million, as:



(in € millions)	Notional amount	Fair value	2016	2017	2018	2019	2020	2021 and beyond
GBP	209	(1)	209	-	-	-	-	-
SEK	4	0	4	-	-	-	-	-
CZK	38	(0)	38	-	-	-	-	-
MXN	55	(1)	55	-	-	-	-	-
JPY	17	1	17	-	-	-	-	-
Other	17	(0)	17	-	-	-	-	-
FORWARD PURCHASES AND CURRENCY SWAPS	340	(1)	340	-	-	-	_	-
ZAR	3	(0)	3	-	-	-	-	-
USD	1	0	1	-	-	-	-	-
RUB	1	0	1	-	-	-	-	-
HKD	1	(0)	1	-	-	-	-	-
FOWARD SALES AND CURRENCY SWAPS	6	-	6	-	-	-	-	-
TOTAL	346	(1)	346	-	-	-	-	-

Foreign exchange risk sensitivity analysis

A change of 10% in currency exchange rates of the major currencies would have the following impact on the EBIT: Brazil (BRL) €15 million, Mexico (MXN) €3 million and Venezuela (VEF) €1 million.

Liquidity risk

The tables below show the repayment schedule of debt, interest included.



Future cash flows relating to interest are calculated using market interest rates at December 31, 2015. Variable rates are estimated by reference to forecast rates and fixed rates are known in advance. Future cash flows represented by debt repayments are estimated based on the assumption that the facilities will not be rolled over at maturity.

At December 31, 2015

(in € millions)	December 2015 Carrying amount	Contractual flows	2016	2017	2018	2019	2020	2021 and beyond
Bonds	1,476	1,476	-	522	-	-	261	693
Bank borrowings	2	2	2	-	-	-	-	-
Future interests	N/A	182	40	36	22	22	21	41
DEBT	1,478	1,660	43	558	22	22	282	733
Bank overdrafts	61	61	61	-	-	-	-	-
Other financial liabilities	83	82	45	12	15	5	-	5
Future interests	N/A	(26)	(12)	(11)	(5)	(4)	(2)	8
BANK OVERDRAFTS AND OTHER FINANCIAL LIABILITIES	144	117	94	2	9	1	(2)	13
TOTAL DEBT AND OTHER FINANCIAL LIABILITIES	1,622	1,777	137	560	31	23	280	746

At December 31, 2014

(in € millions)	December 2014 Carrying amount	Contractual flows	2015	2016	2017	2018	2019	2020 and beyond
Bonds	1,307	1,307	-	-	821	-	-	486
Bank borrowings	2	2	2	-	-	-	-	-
Future interests	N/A	181	44	44	37	15	15	26
DEBT	1,309	1,490	46	44	858	15	15	512
Bank overdrafts	28	28	28	-	-	-	-	-
Other financial liabilities	72	72	26	12	2	20	5	7
Future interests	N/A	(39)	(9)	(10)	(8)	(4)	(3)	(5)
BANK OVERDRAFTS AND OTHER FINANCIAL LIABILITIES	100	61	45	2	(6)	16	2	2
TOTAL DEBT AND OTHER FINANCIAL LIABILITIES	1,409	1,551	91	46	852	31	17	514

Credit and counterparty risk



In the normal course of business, the Group is exposed to the risk of counterparties being unable to honor their contractual obligations.

For example, the Group is exposed to credit risk in the event of default by its customers and to counterparty risk in respect of its investments of cash and its purchases of derivative instruments.

With several tens of thousands of corporate and public authority customers at December 31, 2015, the Group has a highly diversified customer base. Moreover, they include all types of entities, ranging from large and medium-sized corporates to national, regional and local public authorities.

As a result, default by a single customer would have a very limited impact on the Group.

The Group diversifies its exposure to financial counterparties by investing available cash with a variety of leading financial institutions. About 80% of investments are with institutions rated investment grade.

Its maximum exposure to a single financial counterparty represented less than 15% of the total funds invested at the closing date.

Financial instruments

Fair value of financial instruments

(in € millions)	Carrying value December 2015	Fair value	Financial assets at fair value through profit and loss	Available- for-sale financial assets	Financial assets carried	Financial liabilities at amortized cost	Loans and receivables	Derivative instruments
ASSETS								
Non-current financial assets	32	32	-	-	-	-	32	-
Trade receivables, net	973	973	-	-	-	-	973	-
Employee advances and prepaid payroll taxes	3	3	-	-	-	-	3	-
Other receivables, net	22	22	-	-	-	-	22	-
Other prepaid expenses	11	11	-	-	-	-	11	-
Restricted cash	858	858	-	-	858	-	-	-
Current financial assets	40	-	-	-	-	-	3	37
Other marketable securities	478	478	3	-	475	-	-	-
Cash and cash equivalents	467	467	21	-	272	-	174	-
TOTAL	2,884	2,844	24	-	1,605	-	1,218	37
LIABILITIES								
Non-current debt	1,476	1,485	-	-	-	1,485	-	
Other non-current financial liabilities	38	38	-	-	-	38	-	_
Current debt	2	2	-	-	-	2	-	
Bank overdrafts	61	61	-	-	-	61	-	-
Other current financial liabilities	45	45	-	-	-	15	-	30
Vouchers in circulation	3,564	3,564	-	-	-	-	3,564	-
Trade payables	82	82	-	-	-	-	82	
Wages and salaries and payroll taxes payable	56	56				-	56	
Other payables	39	39	-	-	-	-	39	-
Deferred income	14	14	_	-	-	-	14	-
TOTAL	5,377	5,386	-	-	-	1,601	3,755	30

Fair value analysis of financial assets and liabilities

(unobservable inputs).



The fair value hierarchy comprises the following levels:

Level 1: fair value assessed by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities; **Level 2:** fair value assessed by reference to quoted prices included within Level 1 that are observable for the asset or liability,

either directly (i.e. as prices) or indirectly (i.e. derived from prices); **Level 3:** fair value assessed by reference to inputs related to the asset or liability that is not based on market data

	Fair value			
(in € millions)	December 2015	Level 1	Level 2	Level 3
ASSETS				
Current financial assets	37	-	37	-
Other marketable securities	-	-	-	-
Cash and cash equivalents	21	21	-	-
TOTAL	58	21	37	
LIABILITIES				
Non-current debt	-	-	-	-
Other non-current financial liabilities	-	-	-	-
Current debt	-	-	-	-
Bank overdrafts	-	-	-	-
Other current financial liabilities	30	-	30	-
TOTAL	30	-	30	-

Derivative financial instruments

		De	cember 2015		December 2014		
(in € millions)	IFRS classification	Fair value	Notional amount	Face value	Fair value	Notional amount	Face value
Derivative financial instruments - asset position							
Interest rate instruments	Fair Value Hedge	29	800	-	34	850	-
Interest rate instruments	Trading	4	50	-	4	50	-
Currency intruments	Fair Value Hedge	4	-	105	8	-	240
Currency intruments	Net Investment Hedge	-	-	-	1	-	39
Currency intruments	Trading	-	-	-	-	-	_
Derivative financial instruments - liability position							
Interest rate instruments	Cash-Flow Hedge	(19)	235	-	(8)	415	_
Interest rate instruments	Fair Value Hedge	(6)	230	-	-	-	-
Interest rate instruments	Trading	(1)	50	-	-	50	-
Currency intruments	Fair Value Hedge	(5)	-	241	(1)	-	69
NET DERIVATIVE FINANCIAL INSTRUMENTS		6	1,365	346	38	1,365	348



Derivative instruments were measured at December 31, 2015 by applying a Credit Valuation Adjustment (CVA) in accordance with IFRS 13.

The CVA for a given counterparty is calculated by calculating the result of: Exposure (i.e. the market value of the derivative instruments purchased from the counterparty, if positive) x Probability of Default x Loss Given Default. Credit Valuation Adjustments at December 31, 2015 were not material.

Cumulative fair value of financial instruments

Changes in retained earnings related to fair value of financial instruments are detailed in the table below:

			Change in Fair	P&L recycling	
(in € millions)	December 2014	New operations	Value change	result	December 2015
Financial instruments in Cash-Flow					
Hedge (after tax)	(4)	-	(7)	(3)	(14)

NOTE 7 TAXES

7.1 income tax and normative rate



The income tax is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

In accordance with IAS 12 – Income Taxes, deferred taxes are recognized for temporary differences between the carrying amount of assets and liabilities and their tax base using the liability method. This method consists of adjusting deferred taxes at each period-end, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The effects of changes in tax rates (and tax laws) are recognized in the income statement for the period in which the change is announced.



Edenred decided that french CVAE had characteristics of an income tax. Therefore, income tax expense includes also expense amount related to French CVAE.

Income tax expense for the period

(in € millions)	December 2015	December 2014
Current taxes	(112)	(110)
Provisions for tax risks	4	3
SUB-TOTAL: CURRENT TAXES	(108)	(107)
Deferred taxes on temporary differences arising or reversing during the period	7	9
Deferred taxes arising from changes in tax rates or rules	3	(1)
SUB-TOTAL: DEFERRED TAXES	10	8
TOTAL INCOME TAX ENPENSE	(98)	(99)

In 2015:

- income tax expense includes the 3% surtax on distributed earnings, for €(5) million;
- income tax expense includes €(2) million related to French CVAE.
- following ongoing litigations, provisions for fiscal risk have been used and released for an amount of €4 million.

Tax proof

(in € millions)	December 2015	December 2014
Operating profit before tax	267	267
Share of associate net profit	9	(0)
OPERATING PROFIT BEFORE TAX WITHOUT SHARE OF ASSOCIATE NET PROFIT (a)	271	267
Non-deductible impairment losses	2	1
Elimination of intercompany capital gains	-	
Other	11	12
TOTAL PERMANENT DIFFERENCES (NON-DEDUCTIBLES EXPENSES) (b)	13	13
UNTAXED PROFIT AND PROFIT TAXED AT A REDUCED RATE (c)	10	(11)
PROFIT TAXABLE AT THE STANDARD RATE (d) = (a) + (b) + (c)	294	269
STANDARD TAX RATE IN FRANCE (e)	34.43%	34.43%
THEORETICAL TAX AT STANDARD RATE (f) = (d) x (e)	(101)	(93)
Adjustments for:		
Differences in foreign tax rates	14	10
Unrecognized tax losses for the period	(2)	(2)
Utilisation of previously unrecognised tax losses	3	
Effect of changes in future tax rates	3	(1)
Net change in provision for tax risks	4	(1)
Other items	(17)	(10)
TOTAL ADJUSTMENTS (g)	5	(4)
Actual tax at standard rate (h) = (f) + (g)	(96)	(97)
Tax at reduced rate (i)	(2)	(2)
INCOME TAX EXPENSE (j) = (h) + (i)	(98)	(99)

Normative tax rate

(in € millions)	December 2015	December 2014
Operating profit before tax	271	267
Adjustment related to the other income and expenses	23	30
Operating profit before tax and other income and expenses	294	297
Income tax expense	(98)	(99)
Tax adjustement related to the other income and expenses	(5)	(8)
Adjustment of other unusual items (1)	7	8
Standard Group Income tax expense	(96)	(99)
STANDARD INCOME TAX	32.8%	33.2%

 $^{(1) \}quad \textit{Including} \ \& 4 \ \textit{million released provisions for tax risks with related cash out and} \ \& (5) \ \textit{million in tax on distributed earnings}.$

7.2 Deferred taxes



Deferred taxes are recognized for all temporary differences, except when the difference arises from the initial recognition of non-deductible goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither accounting profit nor taxable profit.

A deferred tax liability is recognized for all taxable temporary differences associated with investments in subsidiaries, associates and joint ventures except when:

- the Group is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognized for ordinary and evergreen tax loss carry forwards only when it is probable that the asset will be recovered in the foreseeable future. Deferred taxes are normally recognized in the income statement. However, when the underlying transaction is recognized in equity, the related deferred tax is also recorded in equity. Since January 1, 2010, adjustments to deferred tax assets acquired in a business combination are recognized in profit or loss without a corresponding adjustment to goodwill.

In accordance with IAS 12, deferred taxes are not discounted.

An entity shall offset deferred tax assets and deferred tax liabilities if, and only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority

Details of recognized deferred tax assets and liabilities

(in € millions)	December 2015	December 2014
Temporary differences between taxable and book profit of the individual entities	20	18
Temporary differences arising from consolidation adjustments	11	20
Recognized deferred tax assets on tax losses	36	32
SUB-TOTAL: DEFERRED TAX ASSETS	67	70
Temporary differences between taxable and book profit of the individual entities	14	18
Temporary differences arising from consolidation adjustments	71	78
SUB-TOTAL: DEFERRED TAX LIABILITIES	84	96
NET DEFERRED TAX ASSET (LIABILITY)	(17)	(26)

Unrecognized deferred tax assets at December 31, 2015 amounted to €23 million, in which €11 million related to Worldwilde structures (Edenred SA), €2 million related to UK and €2 million related to Singapour.

In December 31, 2015, unrecognized deferred tax assets corresponded to tax losses in the amount of €23 million, including

€3 million expiring between N+1 and N+4, €2 million expiring N+5 and beyond and €18 million without temporal limit.

In December 31, 2014, unrecognized deferred tax assets amounted to $\ensuremath{\mathfrak{C}}$ 32 million.

NOTE 8 SHAREHOLDERS' EQUITY

Preamble regarding negative value of Group retained earnings



As of December 31, 2015, consolidated retained earning amount to €(1.454) million, this negative value is mainly due to the inheritage of restated accounts established for the demerger on July 2010.

In the pro forma financial statements, equity represented a negative amount of €1,137 million at December 31, 2008, €1,187 million at December 31, 2009 and €1,044 million at December 31, 2010. This was due to the recognition of assets contributed or sold by Accor in Contribution-Demerger transactions at their historical cost.

None of the legal restructuring operations, whether consisting of asset contributions or sales by Accor in favor of Edenred, qualify as business combinations under IFRS 3. Whatever the legal method used to create the Edenred Group, the transactions would have not changed Edenred scope as defined in the consolidated financial statements. Consequently, the contributions are analyzed as an internal restructuring of Edenred without any effect on Edenred's consolidated financial statements, to the extent that all the contributed entities were already included in the scope of the consolidated financial statements. Similarly, the legal sale transactions between Accor and Edenred did not constitute acquisitions from Edenred; because all of the sold entities were already included in the scope

of Edenred combined financial statements prior to the legal sale transactions. However, in Edenred's accounts, the sales lead to an outflow of cash to the shareholder, Accor, without any benefit being received in return. The cash outflow should therefore be recognized when it occurs as a distribution of reserves by Edenred, giving rise to a reduction in equity.

8.1 Shareholder's equity

Share capital

At December 31, 2015, the Company's capital was made up of 230,816,848 shares with a par value of €2 (two) each, all fully paid.

The 230,816,848 shares are ordinary shares with rights to all distributions of interim and final dividends, reserves or equivalent amounts.

Change in capital in number of shares

(in € millions)	December 2015	December 2014
AT JANUARY, 1 ST	228,811,546	225,897,396
Capital increase linked to the dividends payments	2,005,302	2,914,150
Shares issued on conversion of performance share rights	602,422	-
Shares issued on exercise of stock options	1,010,261	1,622,871
Shares cancelled during the period	(1,612,683)	(1,622,871)
AT DECEMBER, 31 ST	230,816,848	228,811,546

Treasury stock

Edenred shares held by the Group are recorded as a deduction from consolidated equity at purchase cost. Capital gains/losses on disposal of Edenred shares are recognized directly in equity and do not affect profit for the financial year.

(in shares number)	December 2015	December 2014
Detentions at the opening	2,187,913	2,056,264
Shares purchases		
Repurchase agreements	2,600,542	1,874,177
Liquidity contracts *	91,000	124,743
Shares Sales		
Disposals	-	-
Purchase option exercise, bonus shares and capital allocations	(258,716)	(244,400)
Shares cancellation	(1,612,683)	(1,622,871)
DETENTIONS AT THE CLOSING	3,008,056	2,187,913

^{*} Cf. Detail of numbers bought and sold below.

Edenred SA shares held by the Company are measured at cost and recorded as a deduction from equity under "Treasury stock". As of December 31, 2015, a total of 3,008,056 shares were held in treasury,

including 250,000 shares purchased under the liquidity contract. At December 31, 2014, a total of 2,187,913 shares were held in treasury, including 159,000 shares purchased under the liquidity contract.

			20	15			20	14	
Entity whom the custody		So	ld	Purch	ased	So	ld	Purch	ased
of the liquidity contract has been assigned	Period	Nb	Total €M						
Oddo Corporate Finance	Since 11/03/2014	6,074,561	139	6,165,561	142	1,273,573	30	1,432,573	33
Exane BNP Paribas	11/2011 - 11/03/2014					1,762,230	39	1,727,973	39

⁽¹⁾ In accordance with the code of ethics published by the Association française des marchés financiers (AMAFI) on March 8, 2011 and is recognized by France's securities regulator, Autorité des marchés financiers on March 21, 2011.

The funds allocated to the liquidity contract but not invested in Edenred shares represent liquid assets and are classified as "Cash and cash equivalents".

Dividends

2015 dividends

At the Edenred Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2015, the Board of Directors recommended paying a dividend of €0.84 per share, representing a total pay-out of €191 million.

Subject to approval by the Shareholders' Meeting, this dividend will be granted during the first half of 2016. The dividend was not recognized under liabilities in the financial statements at December 31, 2015 as these financial statements are presented before appropriation of profit.

8.2 Earnings per share



Net earnings per share

Basic earnings per share are calculated by dividing net profit (Group share) by the weighted average number of shares outstanding during the year (adjusted to exclude shares held in treasury stock during the year).

Diluted earnings per share

Diluted earnings per share are calculated based on the average number of outstanding shares, as adjusted to include the weighted average number of shares that would result from the exercise, during the year, of existing stock options and any other dilutive instruments.

Diluted earnings per share are based on the average number of outstanding shares that is adjusted with the effect of the potential ordinary shares.

Net earnings per share



At December 31, 2015, the Company's share capital was made up of 230,816,848 ordinary shares. At December 31, 2015, the average number of ordinary shares outstanding breaks down as follows:

(in shares)	December 2015	December 2014
EDENRED'S SHARE CAPITAL AT CLOSING	230,816,848	228,811,546
Outstanding shares at beginning of period	226,623,633	223,841,132
Number of shares issued for dividend paid	2,005,302	2,914,150
Number of shares issued from performance plans	602,422	-
Number of shares from exercised of stock-options plans	1,010,261	1,622,871
Number of shares cancelled	(1,612,683)	(1,622,871)
Issued shares at period-end	2,005,302	2,914,150
Treasury shares not related to the liquidity contract (1)	(729,143)	(6,906)
Treasury shares under the liquidity contract	(91,000)	(124,743)
Treasury shares	(820,143)	(131,649)
OUTSTANDING SHARES AT PERIOD-END	227,808,792	226,623,633
Adjustment to calculate weighted average number of issued shares	(873,543)	(1,333,323)
Adjustment to calculate weighted average number of treasury shares	837,286	(689,497)
Total weighted average adjustment	(36,257)	(2,022,821)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING DURING THE PERIOD	227,772,535	224,600,812

(1) During the period, a total of 2,600,542 own shares were bought back at an average price of \in 18.25 per share.

In addition, stock options representing 2,144,618 ordinary shares and 3,308,253 performance shares were granted to employees between 2010 and 2015. Conversion of all of these potential shares would increase the number of shares outstanding to 233,261,663.

Based on the above number of potential shares and the average Edenred share price calculated:

• from January 1, 2015 to December 31, 2015 for Plans 1, 2, 3, 4 et 5 (€18.50); and

- from February 20, 2015 to December 31, 2015 for Plan 6 (€20.65); and
- From December 9, 2015 to December 31, 2015 for Plan 7 (€17.10).

The diluted weighted average number of shares outstanding at December 31, 2015 was 231,605,943.

(in € millions)	December 2015	December 2014
Net Profit - Group share (in € millions)	177	164
Weighted average number of issued shares (in thousands)	229,944	227,478
Weighted average number of shares held in treasury (in thousands)	(2,171)	(2,877)
Number of shares used to calculate basis earnings per share (in thousands)	227,773	224,601
BASIC EARNINGS PER SHARE (in€)	0.78	0.73
Number of shares resulting from the exercise of stock options (in thousands)	1,284	1,611
Number of shares resulting from performance shares grants (in thousands)	2,549	2,828
Number of shares used to calculate diluted earnings per share (in thousands)	231,606	229,040
DILUTED EARNINGS PER SHARE (in €)	0.76	0.72

Recurring profit after tax



Recurring profit after tax corresponds to:

- operating profit before tax and non-recurring items; and
- tax adjustment of the period related to the other income and expenses. It is stated net of minority interests.



The recurring profit after tax and the recurring profit after tax per share break down as follows:

	December 2015	December 2014
Net profit (in € millions)	182	168
Other income and expenses adjustment, net (in € millions)	22	30
Net Profit, Non-controlling interests adjustment (in € millions)	(5)	(4)
Recurring profit after tax, Group share (in € millions)	199	194
Number of shares used to calculate basic earnings per share (in thousands)	227,773	224,601
RECURRING PROFIT AFTER TAX. GROUPE SHARE PER SHARE (in ϵ)	0.87	0.86

FINANCIAL STATEMENTS

6.2 Consolidated financial statements and notes

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8.3 Non-controlling interests



(in € millions)

At December 31, 2013	23
Non-controlling interests in profit for the period	4
Dividends paid to non-controlling interests	(4)
Capital increase by issued shares	(0)
Currency translation adjustment	(7)
Changes in consolidation scope	7
At December 31, 2014	23
Non-controlling interests in profit for the period	5
Dividends paid to non-controlling interests	(3)
Capital increase by issued shares	0
Currency translation adjustment	(3)
Changes in consolidation scope	(10)
AT DECEMBER 31, 2015	12

As separate items, non-controlling interests are not material for consolidating entity.

NOTE 9 SOCIAL BENEFITS

9.1 Share based payments

Stock option plans



The fair value of the options is recognized on a straight-line basis over the vesting period for the relevant plan. The cost is included in employee benefit expense, with a corresponding adjustment to equity. When the option is exercised, the cash amount received by the Group in settlement of the exercise price is booked in cash and cash equivalents, with a corresponding adjustment to equity.



IFRS 2 – Share-based Payment applies to the stock option plans set up by the Board of Directors on August 6, 2010, March 11, 2011 and February 27, 2012. These plans do not have any specific vesting conditions except for the requirement for grantees to continue to be employed by the Group at the end of the vesting period.

The fair value of services received as consideration for the stock options is measured by reference to the fair value of the options at the grant date. The fair value of the options is determined using the Black & Scholes option pricing model. The grant date is defined as

the date when the plan's terms and conditions are communicated to Group employees: it corresponds to the date on which the Board of Directors approved the plan.



The main characteristics of the current stock option plan at December 31, 2015 are summarized in the table below:

	Plan 1	Plan 2	Plan 3
Date of Shareholders' Meeting authorization	May 10, 2010	May 10, 2010	May 10, 2010
Grant date by the Board of Directors	August 6, 2010	March 11, 2011	February 27, 2012
Duration of the plan	8 years	8 years	8 years
Starting date of the exercise period	August 7, 2014	March 12, 2015	February 28, 2016
Expiry date of the exercise period	August 6, 2018	March 11, 2019	February 27, 2020
Expected life of the options	2.7 years	3.3 years	4.3 years
Exercise price	€13.69	€18.81	€19.03
Number of grantees at the grant date	455	58	18
Number of options at the grant date	4,235,500	611,700	382,800



The fair value of the options at the grant date has been determined using the Black & Scholes option-pricing model. The main data and assumptions used for the fair value calculations are as follows:

	Plan 1	Plan 2	Plan 3
Grant date by the Board of Directors	August 6, 2010	March 11, 2011	February 27, 2012
Data at the grant date			
Number of options	4,235,500	611,700	382,800
Edenred share price	€13.45	€20.04	€20.36
Exercise price	€13.69	€18.81	€19.03
Duration of the plan	8 years	8 years	8 years
Expected volatility	27.20%	28.8%	26.5%
Risk-free interest rate	1.79%	2.73%	1.72%
Expected dividend yield	2.55%	2.43%	2.81%
OPTION FAIR VALUE	€2.62	€5.07	€4.25
PLAN FAIR VALUE	€11.1M	€3.1M	€1.6M

Maturity of stock options



The Group has decided to base the assumed exercise dates of stock options on observed exercise dates under previous plans in the Accor Group. The schedule that is applied is as follows:

- 35% of options exercised after 4 years;
- 20% of options exercised after 5 years;
- 35% of options exercised after 6 years;
- 5% of options exercised after 7 years;
- 5% of options exercised after 8 years.

Maturities of stock options correspond to the options' expected lives.

Share price volatility

Edenred's volatility assumptions are based on the period covered by its liquidity contract.

However, as the options have an eight-year life, the Group Edenred also calculated the historical volatility over eight years for three companies operating in the same business segment. Average volatility for these companies was consistent with the rate used for the Group Edenred.

Risk-free interest rate

The risk-free interest rate is the implied yield available on zero-coupon issues by the French Government at the grant date.



Movements in 2015 of stock option subscription plans as of December 31, 2015 are detailed below:

	December 2	2015	December 2014			
	Number of options	Average exercise price	Number of options	Average exercise price		
OPTIONS OUTSTANDING AT THE BEGINNING OF PERIOD	3,155,279	15.30	4,857,525	€14.74		
Options granted	-	-	-	-		
Options cancelled or expired	-	-	(79,375)	€14.03		
Options exercised	(1,010,261)	€14.23	(1,622,871)	€13.69		
Correction from last year	(400)	-	-	-		
OPTIONS OUTSTANDING AT THE BEGINNING OF PERIOD	2,144,618	€15.79	3,155,279	€15.30		
OPTIONS EXERCISABLE AT THE END OF PERIOD	1,773,818	€15.11	2,183,129	€13.69		



Weighted average exercise price is €15.79 in 2015 and was €15.30 in 2014.

(in € millions)	2010	2011	2012	2013	2014	2015
THE TOTAL COST ACCOUNTED * FOR SHARE-BASED PAYMENTS GRANTED						
TO THE EDENRED EMPLOYEES	2.80	3.30	3.70	1.10	1.20	0.50

^{*} With balancing entry in equity.

Performance share plans



IFRS 2 "Share-based Payment" also applies to the performance share plans set up by the Board of Directors on August 6, 2010, March 11, 2011, February 27, 2012, February 18, 2013, February 17, 2014, February 20, 2015 and December 9, 2015.

The recognition principles are the same as those applied to stock option plans.

The number of performance shares is reviewed annually based on changes in the probability of the performance objectives being met.

Main characteristics

Edenred's Boards Directors of August 6, 2010, March 11, 2011, February 27, 2012, February 18, 2013 and February 17, 2014 and February 20, 2015 and December 9, 2015 carried to the conditional attribution of performance shares.

Performance shares granted to French tax residents are subject to a three-year vesting period followed by a two-year lock-up and

shares granted to residents of other countries are subject to fiveyear vesting period without any lock-up. During the two-year lockup, shares cannot be disposed. Performance share are granted definitively after the vesting period on a *prorata temporis* basis even in the event of a departure within the vesting period. Those shares definitively acquired can't exceed 100% of the initial amount granted.

Depending on the actual percentage of fulfilment of each of the plan's three performance conditions, this proportion will be reduced or increased, by up to 1.25 times the initial grant for the objective concerned.

The performance objectives are as follows:

	Plan 1 Plan 2 Plan 3		Plan 3	Plan 4				
Augus	t 6, 2010 plan	March 1	1, 2011 plan	February	27, 2012 plan	Februa	ary 18, 2013 plan	
912,	912,875 Shares		25 Shares	867,5	75 shares	84	5,900 shares	
Weight	Conditions	Weight	Conditions	Weight	Conditions	Weight	Conditions	
50% of the shares granted	Like-for-like growth in issue volume for the years 2010, 2011 and 2012	50% of the shares	Like-for-like growth in issue	50% of the shares granted for	Like-for-like growth in issue volume for	80% of	Two internal performance targets, they concern like-for-like growth in Issue	
33% of the shares granted	Like-for-like 201 growth in funds plar	granted for 2011 & 2012 plan	volume for the years 2011, 2012 and 2013.	2011 & 2012 the years 2012, plan 2013 and 2014.		the shares granted	volume and funds from operations before non- recurring items (FFO).	
17% of the shares granted	The 2010 consolidated EBIT target	50% of the shares granted for 2011 & 2012 plan	like-for-like growth in funds from operations for the years 2011, 2012 and 2013.	50% of the shares granted for 2011 & 2012 plan	Like-for-like growth in funds from operations for the years 2012, 2013 and 2014.	20% of the shares granted	One market performance target, which concerns Edenred's total shareholder return (TSR) compared with the average TSR of the companies included in the SBF 120 index.	
Performance objectives were met for Plan 1.		Performance objectives were met for Plan 2.		Performance of met for Plan 3	objectives were	Performance objectives were partially met for Plan 4.		

F	Plan 5	Р	lan 6	Plan 7			
February	17, 2014 plan	February	20, 2015 plan	Decembe	er 9, 2015 plan		
824,0	00 shares	800,00	00 shares	137,3	63 shares		
Weight	Conditions	Weight	Conditions	Weight	Conditions		
80% of the shares granted	Two internal performance targets, they concern like-for-like growth in Issue volume and funds from operations before non-recurring items (FFO).	80% of the shares granted	Two internal performance targets, they concern like-for-like growth in Issue volume and funds from operations before non-recurring items (FFO).	75% of the shares granted	Two internal performance targets, they concern like-for-like growth in Issue volume and funds from operations before non-recurring items (FFO).		
20% of the shares granted	One market performance target, which concerns Edenred's total shareholder return (TSR) compared with the average TSR of the companies included in the SBF 120 index.	20% of the shares granted	One market performance target, which concerns Edenred's total shareholder return (TSR) compared with the average TSR of the companies included in the SBF 120 index.	25% of the shares granted	One market performance target, which concerns Edenred's total shareholder return (TSR) compared with the average TSR of the companies included in the SBF 120 index.		
Performance objectives were met for year 2014 and partially for year 2015 for Plan 5.		Performance objecti met for year 2015 fo		Performance objectives were partially met for year 2015 for Plan 7.			

Fair value of performance share plans



The fair value of performance shares corresponds to the share price on the day of the granting, net of the expected dividends payment during the vesting period. For French tax residents the two-year lock-up period lead to a valuation of an illiquidity risk based on a loan to employee interest rate. The latest is equal to the interest rate applied by a credit institution to a private client with average financial capacities. For 2015 plan the discounting rate amounts to 10.92%.

The fair value of performance shares is recognized on a straight-line basis over the vesting period in employee benefit expense, with a corresponding adjustment to equity.

(in € millions)	2011	2012	2013	2014	2015
Fair value of benefits for french residents	18.65	18.69	19.72	14.12	16.08
Fair value of benefits for non residents	17.78	17.61	19.18	14.58	15.91
Costs * in € millions related to performance share plans recognized	4.30	9.10	9.80	13.40	11.20

^{*} With balancing entry in equity.

9.2 Provisions for pensions and other post-employment benefits



IAS 19R:

The Group's obligation is determined by the projected unit credit method based on actuarial assumptions related to future salary levels, retirement age, mortality, staff turnover and discount rates. These assumptions take into account the macroeconomic situation and other specific circumstances in each country where the Group has an activity.

The fair value of the plan asset intended to hedge retirement obligation and other long-term employee benefits is used in order to evaluate the amount of the liability related to them.

Pension and other retirement benefit obligation recognized in the balance sheet correspond to the discounted present value of the defined benefit obligation less the fair value of plan assets. Any surpluses, corresponding to the excess of the fair value of plan assets over the projected benefit obligation, are recognized only when they represent future economic benefits available for the Group, for instance in the form of refunds from the plan or reductions in future contributions to the plan.

The net defined benefit obligation is recognized in the balance sheet under "Long-term provisions".

For defined benefit plans, current and past service costs are recognized in "Operating expenses".

Plan curtailments or settlements: interest costs and income on the liability and the asset are fully recognized in "Net financial expense".

For post-employment benefits, actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognized immediately in equity.

However, actuarial gains and losses related to current employees' long-term benefits, particularly long-service awards and loyalty bonuses, are recognized immediately in "Net financial expense".



Group employees receive 3 kinds of advantages:

- short-term benefits: paid vacation, paid sick leave and profitshares:
- long-term benefits: long-service awards, long-term disability benefits, loyalty bonuses and seniority bonuses;

3) post-employment benefits

- a. provided under defined contribution: Obligations under these plans are funded by periodic contributions to external organizations that are responsible for the administrative and financial management of the plans. The external organization is responsible for all benefit payments and the Group has no liability beyond the payment of contributions. Examples of defined contribution plans include the government-sponsored basic pension and supplementary pension (ARRCO/AGIRC) schemes in France and defined contribution pension schemes in other countries.
 - Contributions to these plans are recognized in the period to which they relate.
- b. defined benefit plans (end-of-career compensation, pension funds). For defined benefits plans, the Group evaluates its obligation following IAS 19R Employee Benefits "standards". These plans are characterized by the employer obligation toward the employees. If there are not entirely pre-funded, they must be provided for.

For Edenred, the main post-employment defined benefit plans concern:

- length-of-service awards in the Worldwide Structures (19% of the obligation at December 31, 2015) and in France (7% of the obligation at December 31, 2015 including 3% due to the entry of ProwebCE in the scope of consolidation):
 - these are lump-sum payments made to employees on retirement they are determined by reference to the employee's years of service and final salary,
 - the calculation is based on parameters defined by Corporate Finance and Human Resources of each year,
 - the related obligation is covered by a provision in the balance sheet:
- length-of-service awards in Italy (5% of the obligation in 2015):
 - these are lump-sum payments made to employees when they retire, resign or are laid off. They are determined by reference to the employee's years of service and final salary,
 - the related obligation is covered by a provision in the balance sheet;
- pensions: the main defined benefit pension plans are for employees in the United Kingdom (39% of the obligation in 2015), in the Worldwide Structures (10% of the obligation in 2015) and in Belgium (15% of the obligation in 2015). Pension benefit obligations are determined by reference to employees' years of service and final salary. They are funded by payments to external organizations that are legally separate from Edenred;

• the Edenred Group's pension obligations are funded under insured plans or by external funds. Plan assets therefore consist mainly in

the classes of assets held in insurers' general portfolios managed according to conservative investment strategies.

Actuarial assumptions

Actuarial valuations are based on a certain number of long-term parameters supplied by the Group, which are reviewed each year.

	-	Re	est of Europe			
2015	France	United Kingdom	Belgium	Italy	Worldwide Structures	Other countries
Rate of futur salary increase	3.0%	5.0%	3.0%	2.0%	3.0%	2% - 3.6%
Discount rate	2.0%	3.9%	2.0%	2.0%	2.0%	2% - 7%

	_	H6				
2014	France	United Kingdom	Belgium	Italy	Worldwide Structures	Other countries
Rate of futur salary increase	3.0%	4.0%	3.0%	2.0%	3.0%	2% - 7%
Discount rate	2.0%	4.0%	2.0%	2.0%	2.0%	2% - 5%

Funded status of post-employment defined benefit plans and long-term employee benefits

In order to make the reading of the tables easier, Edenred decided to present only the non-zero and/or significant aggregates.

At December 31, 2015

(in € millions)	Pension plans	Other defined benefit plans *	Total
Present value of funded obligation	22	-	22
Fair value of plan assets	(17)	-	(17)
Surplus/(Deficit)	5	-	5
Present value of unfunded obligation	-	17	17
LIABILITIES RECOGNIZED IN THE BALANCE SHEET	5	17	22

^{*} Including lenght-of-service awards and loyalty bonuses.

At December 31, 2014



(in € millions)	Pension plans	Other defined benefit plans *	Total	
Present value of funded obligation	20	-	20	
Fair value of plan assets	(14)	-	(14)	
Surplus/(Deficit)	6	-	6	
Present value of unfunded obligation	-	26	26	
LIABILITIES RECOGNIZED IN THE BALANCE SHEET	6	26	32	

^{*} Including lenght-of-service awards and loyalty bonuses.

Funded status of post-employment defined benefit plans by region

		Pension plans								
				2015					2015	2014
	Rest of Europe				_					
(in € millions)	France	United Kingdom	Belgium	Italy	Worldwide Structures *	Other countries	Total	Other plans	Total	Total
Projected benefit obligation at beginning of period	2	13	5	3	18	2	43	4	47	40
Service costs	-	-	0	-	1	-	1	-	1	3
Interest costs	-	1	-	-	0	-	1	-	1	1
Past service costs	-	-	-	-	-	-	-	-	-	0
Acquisitions/(Disposals)	1	-	-	-	-	-	1	-	1	0
Benefits paid	-	-	(0)	(1)	(0)	-	(1)	(1)	(2)	(1)
Acturial (gains) losses	-	0	-	-	(8)	-	(8)	-	(8)	3
Currency translation adjustment	-	1	-	-	-	-	1	(1)	-	1
Total other	-	-	-	-	-	-	(0)	1	1	(0)
PROJECTED BENEFIT OBLIGATION AT END OF PERIOD	3	15	5	2	11	2	39	3	42	47

^{*} Impact on actuariel gains and losses mainly due to experience effect due to change in governance.

		Rest of Europe								
(in € millions)	France	United Kingdom	Belgium	Italy	Worldwide Structures	Other countries	Total	Other plans	Total 2015	Total 2014
Fair value of plan assets at beginning of period	-	8	4	-	-	1	13	-	13	13
Financial income	_	1	0	-	-	-	1	-	1	0
Actual return on plan assets	-	1	0	-	-	-	1	-	1	0
Employer contributions	-	1	1	-	-	-	2	-	2	2
Benefits paid	-	0	(0)	1	-	-	1	-	1	(1)
Currency translation adjustment	-	1	-	-	-	-	1	-	1	(1)
FAIR VALUE OF PLAN ASSETS AT END OF PERIOD	-	11	5	1		1	18	_	18	13

	Rest of Europe				_					
(in € millions)	France	United Kingdom	Belgium	Italy	Worldwide Structures	Other countries	Total	Other plans	Total 2015	Total 2014
Plan deficit at beginning of period *	2	4	1	3	18	-	28	4	32	28
Provision at end of period	3	4	1	2	11	1	22	2	24	32
PLAN DEFICIT AT END OF PERIOD	3	4	1	2	11	1	22	2	24	32

^{*} Including retirement benefits and loyalties bonus.

		Rest of Europe								
(in € millions)	France	United Kingdom	Belgium	Italy	Worldwide Structures	Other countries	Total	Other plans	Total 2015	Total 2014
Service costs	0	0	0	0	1	0	1	-	1	2
Net interest income	-	0	-	-	1	-	1	-	1	1
COST OF THE PERIOD	0	0	0	0	2	0	2	-	2	3
Actuarial gains and losses recognized in equity	-	-	-	(0)	(8)	-	(8)	-	(8)	2

Charges in pension liabilities between January 1, 2014 and December 31, 2015



(in € millions)	Amount
Liability at January 1, 2014	28
Cost for the year	3
Benefits paid	(1)
Actuarial gains and losses for the period recognized in equity	2
Effect of changes in consolidation scope	-
Currency translation adjustment	-
Liability at December 31, 2014	32
Cost for the year	2
Benefits paid	(1)
Actuarial gains and losses for the period recognized in equity	(8)
Effect of changes in consolidation scope	-
Currency translation adjustment	(0)
Liability at December 31, 2015	24

Actuarial gains and losses arising from changes in assumptions and experience adjustments

(in € millions)	December 2015	December 2014
Actuarial (gains) and losses - experience adjustments	(8)	(2)
Actuarial (gains) and losses - changes in demographical assumptions	(0)	1
Actuarial (gains) and losses - changes in financial assumptions	0	3
Fair value of plan assets	(8)	2

Sensitivity analysis

At December 31, 2015, a 0.5-point increase (decrease) in the discount rate would lead to a €2 million decrease (increase) in the projected benefit obligation.

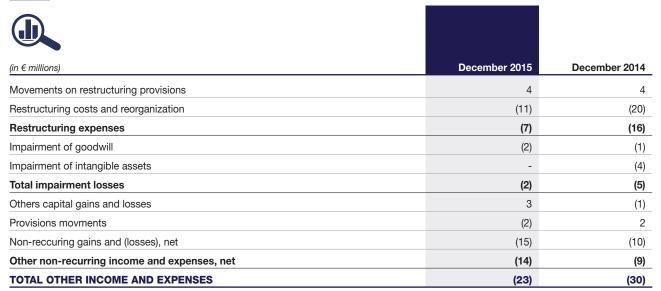
NOTE 10 OTHER PROVISIONS AND OBLIGATIONS

10.1 Other income and expenses

The transactions concerned are not directly related to the management of continuing operations.



Other income and expenses can be analysed as follows:



Restructuring costs

Restructuring costs correspond to all the costs incurred in connection with Group restructuring operations.

Restructuring costs in 2015 correspond mainly to reorganization costs in several subsidiaries.

Impairment losses

Impairment losses are recorded in this section in accordance with IAS 36 - Impairment of Assets.

In 2015, impairment of Goodwills corresponds for €(2) million to impairment of Big Pass (Colombia).

Other non-recurring income and expenses

Other non-recurring income and expenses were as follows:

- in 2015, mainly development fees for €(5) million, write-off of intangible assets for €(2) million and other non-recurring costs in subsidiaries;
- in 2014, mainly development fees for €(3) million, write-off of intangible assets for €(2) million and other non-recurring costs in subsidiaries.

10.2 Provisions



In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a provision is recognized when the Group has a present obligation (legal, contractual or implicit) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined based on the best estimate of the expenditure required to settle the obligation.

Provisions for restructuring costs are recorded when the Group has a detailed formal plan for the restructuring and the plan's main features have been announced to those affected by it.



Provisions for losses due to voucher theft are calculated for reported thefts based on a percentage of the stolen vouchers' aggregate face value corresponding to the Group's best estimate of the proportion of those vouchers that will be cashed in.

Provisions at December 31, 2015

Movements in non-current provisions between January 1, 2015 and December 31, 2015 can be analysed as follows:

(in € millions)	December 2014	Impact on equity	Additions	Utilizations	Reversals of unused amounts	Currency translation adjustment	Reclassifi- cations and changes in scope	December 2015
Provisions for pensions and loyalty bonuses	32	(8)	3	(2)	(1)	-	(0)	24
Provisions for claims and litigation and other contingencies *	n -	-	3	(0)	(1)	(3)	9	10
TOTAL NON-CURRENT PROVISIONS	32	(8)	6	(2)	(2)	(3)	9	34

^{*} Including provision for non-current fiscal litigations.

Movements in current provisions between January 1, 2015 and December 31, 2015 can be analysed as follows:

(in € millions)	December 2014	Impact on equity	Additions	Utilizations	Reversals of unused amounts	Currency translation adjustment	Reclassifi- cations and changes in scope	December 2015
Provisions for tax litigations	15	-	0	(8)	(0)	(0)	(6)	1
Restructuring provisions	5	-	1	(4)	(0)	-	-	1
Provisions for claims and litigation and other contingencies	20	-	6	(3)	(1)	0	(3)	20
TOTAL CURRENT PROVISIONS	40	-	7	(15)	(1)	(0)	(10)	22

Taken individually, there is no significant litigation, with the exception of those presented in the Note 10.3 "Claims and litigations".

Net provision expense – corresponding to increases in provisions less reversals of used and unused provisions set up in prior periods - is reported under the following income statement captions:

(in € millions)	December 2015	December 2014
EBIT	(0)	(0)
Net financial expense	(1)	(1)
Restructuring costs and impairment losses	5	6
Income tax provisions	4	3
TOTAL	7	8

10.3 Claims and litigation

Tax litigation in France

Following a tax audit of the 2003 and 2004 accounts of Edenred France (previously Accor Services France), the French tax authorities imposed various fines on the Company related to VAT payments and failure to produce a schedule tracking capital gains subject to tax deferral.

After the tax authorities issued a collection notice, the fines – which totaled €21.8 million – were paid by the Company in April 2008 and recognized as an expense in the 2008 financial statements.

On December 10, 2009, the Company applied to the Montreuil Administrative Tribunal for a ruling on the matter.

The application was rejected by the Montreuil Administrative Tribunal on December 2, 2010.

On February 16, 2011, the Company appealed the decision before the Versailles Administrative Court of Appeal.

On March 6, 2014, the Versailles Administrative Court of Appeal handed down a judgment partially giving effect to the Company's motion. Indeed, the Court ordered a tax break of VAT-related penalties for a principal amount of €2.3 million and nevertheless maintained in the Company's responsibility the fine for failure to produce the monitoring of the capital gains subject to tax deferral.

Given the lack of suspensory effect of the appeal, the Company beneficiated furthermore of the payment of €3.1 million (including interests for €0.7 million) booked as a profit after administration's withdrawal of its appeal. The Company thus decided to appeal the decision in cassation before the Council of State against the Court's sentence maintaining the fine for failure to produce the monitoring of the capital gains subject to tax deferral.

The case is currently pending.

Dispute with PPR (which has been substituted for Fnac in the procedure) and Conforama

Edenred France (which is Accentiv' Kadéos successor in interest) is involved in disputes with Fnac and Conforama, two members of its gift solution acceptance and distribution network, as a result of their alleged failure to fulfil certain contractual obligations, particularly the obligation to exclusively distribute the Kadéos card up until December 31, 2011. The dispute arose as Fnac and Conforama created their own single-brand cards that they distribute through their respective store networks, leading Edenred to apply for court orders requiring Fnac and Conforama to stop distributing their own cards immediately.

The three steps of legal proceedings of this litigation are: emergency hearing, proceedings on the merits and arbitration proceedings.

Accentiv' Kadéos requested and obtained a court order from the Paris Court of Appeals on December 1, 2010, and a subsequent ruling from the Supreme Court of Appeals (Cour de Cassation) on November 15, 2011, requiring Fnac to stop distributing its single-brand card immediately or suffer a penalty. A similar order was issued to Conforama on December 3, 2010.

The related procedures are still ongoing, pending a ruling on the merits of the cases. Consequently, the cash compensation received to date in relation to the cases has not yet been recognized in the income statement.

Concerning the merits of the cases, on January 28, 2011, Accentiv' Kadéos was summoned before the Paris Commercial Court following an application lodged by Fnac and Conforama to obtain retroactive removal of the exclusivity obligations as well as compensation for losses suffered as a result of the continued existence of those obligations, estimated by the two groups at around €11.7 million. On June 22, 2012, without commenting on the merits, the Paris Commercial Court ruled that it was not competent to hear the case. Referring to the arbitration clause contained in the Kadéos share purchase agreement, the Court stated that the parties should submit their disputes to arbitration. Accentiv' Kadéos brought an action against this ruling. After a decision of the Paris Court of Appeals stating that it was not competent to hear the case, against which PPR and Conforama appealed in cassation. On February 12, 2014, the Cassation Court rejected the appeal in cassation of PPR and Conforama: the Paris Commercial Court is competent to hear the case.

At the same time, referring to the Paris Commercial Court's ruling of June 22, 2012, Kering (ex.PPR which has been substituted for Fnac in the procedure) and Conforama applied to the International Chamber of Commerce to initiate arbitration proceedings. Each party has appointed its own arbitrator.

Given the decision of the Court of Cassation on February 12, 2014, the arbitrational Court ruled on April 15, 2014 that it was not competent to hear the case. The arbitration proceeding is now closed.

As a consequence, the Commercial Court was seized to rule about the merits of the dispute. The hearing took place at the beginning of January 2016 and the parties are awaiting notification of the Court's decision.

Edenred believes that Fnac and Conforama's claims are without merit. Consequently, no related provision has been set aside in the financial statements.

Antitrust disputes (France)

On October 9th, 2015, the French company Octoplus referred to the Competition Authority to lodge a complaint against several French companies specialized in the meal voucher digital, including Edenred France. The instruction is currently ongoing and the Competition Authority is expected to deliver its decision in the first half of 2016.

ICSID dispute

Due to a change in the regulatory and tax framework in Hungary related to the emission conditions of Meal & Food Vouchers, in August 2013, Edenred filed a claim for arbitration against the Hungarian government before the International Center for Settlement of Investment Disputes (ICSID). The Court is expected to deliver its decision in the second half of 2016.

Tax audit and tax litigation in Italy

In October 2011, the Italian tax authorities notified several Accor and Edenred subsidiaries of a €27.4 million tax reassessment concerning registration duties. The reassessment is based on the requalification of a number of transactions carried out as part of the reorganization of Accor's Services division in Italy between 2006 and 2010.

The Accor and Edenred companies concerned filed a complaint to the Italian authorities on December 16, 2011 contesting the reassessments.

The reassessment notices required settlement of the tax deficiencies within 60 days and the companies concerned therefore paid the amounts claimed on December 16, 2011. The cost was shared equally between Accor and Edenred.

The dispute has been brought before the jurisdiction of the relevant court in Milan that ruled in favor of Edenred and Accord on March 25, 2014. The administration appealed the decision.

The Regional Court of Milan has confirmed the first instance judgement by a ruling issued on the 9th of September 2015. This decision has become final as no appeal was filed by the administration.

The disputed amount was refunded (\in 13,7 million for the part related to Edenred) along with \in 0, 8 million as interests. The latter has been booked as a profit in the Group profit and loss account.

Tax litigation in Brazil

Municipal tax

In December 2011, the City of São Paulo notified Brazilian subsidiary Ticket Serviços of a municipal tax (ISS Imposto Sobre Serviços) reassessment in respect of the period April to December 2006. Ticket Serviços had already paid this tax to the City of Alphaville.

The reassessment amounts to BRL 7.7 million, and Ticket Serviços also faces claims for late interests, fines and inflation adjustments estimated at BRL 55.4 million at December 31, 2015.

In November 2012, Ticket Serviços was notified of the corresponding amounts for the period January 2007 to March 2009.

For this second period, the reassessment amounts to BRL 28.1 million, and the late interest, fines and inflation adjustments represent an estimated at BRL 198.5 million at December 31, 2015. The Company's motion before the Brazilian courts was denied in the first instance and is now the subject of an appeal.

The Company's motion before the Administrative chamber of appeal was denied on September 23, 2014. This decision has been appealed by the company.

On August the 11th 2015, the appeal has been rejected and terminated the administrative process.

On November the 10th 2015, the company has brought the case on the judicial level before the First instance tribunal of the State of Sao Paolo and asked the dismissal of the reassessments.

Based on the opinion of its tax advisors, Edenred believes that the probability of a favorable outcome is high. Consequently, no related provision has been set aside in the financial statements.

The company requested also a suspension of the tax collection which has been granted by the Tribunal on November the 12th. The latter has been appealed.

As requested by the Tribunal, the company presented a bail bond issued by Munich Re as a guarantee.

Tax allowance for goodwill amortization

In January 2012, the Brazilian federal tax administration notified Ticket Serviços of a proposed reassessment of corporate income tax and the IRPJ and CSLL surtaxes for the years 2007 to 2010. The reassessment amounts to BRL 81.7 million, and Ticket Serviços also faces claims for late interests, fines and inflation adjustments estimated at BRL 198.4 million at December 31, 2015.

The reassessment is based on the tax administration's decision to disallow amortization of the goodwill recognized on the buyout of minority interests in Ticket Serviços. The company applied to the tax court to have the reassessment overturned. Its request was rejected in the second instance. The Company received the official notification of the decision on August the 14th and filed a request for clarification.

After consulting its tax advisors, Ticket Serviços believes that the probability of a favorable outcome is high. No income statement effect has been recorded in Edenred's financial statements in respect of this dispute.

The Group is also involved or may be involved in the future in various claims or legal proceedings in the normal course of business. As of the date of this report, to the best of the Company's knowledge, there are no claims or legal proceedings in progress, pending or threatened against the Company or its subsidiaries that could have a material effect on the Group's business, results or financial position.

NOTE 11 ADDITIONAL INFORMATION

11.1 additional information about jointly controlled entities

Nothing.

11.2 related parties transactions

For the purpose of applying IAS 24, the Group has identified the following related parties:

- all fully or investment in associates;
- all members of the Executive Committee and the members of their direct families:
- all companies in which a member of the Executive Committee holds material voting rights;
- Accor S.A.

All fully or accounted for by the equity method

Transactions between the parent company and its subsidiaries (fully consolidated) constitute related party transactions that are eliminated in consolidation. Hence, they are not disclosed in these notes. Relations between the parent company and its associates are presented on a dedicated line in group consolidated income statement and financial position. In line with IFRS 12, Note 2.1 disclosed further details regarding the main entity consolidated by the equity method.

Members of the Executive Committee

Transactions with members of the Executive Committee are disclosed in full in Note 11.3.

Members of the Board of Directors

The only wages paid to the members of the Board of Directors as compensation are the attendance fees. The total amount of attendance fees paid to the members of the Board of Directors for 2015 period amounts to €5 million. Chief Executive Officer and Interim Chief Executive Officer do not receive any attendance fees, their wages being disclosed in Note 11.3.

Companies in which a member of the Executive Committee of Edenred holds material voting rights

All transactions with companies in which a member of the Executive Committee holds material voting rights represent transactions carried out in the normal course of business on arm's length terms and are not material.

Accor S.A.

Transactions with Accor S.A. during each of the two periods presented were not material.

11.3 Compensation paid to corporate officers

(in € millions)	December 2015	December 2014
Short-term benefits	13	11
Post-employment benefits	-	0
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	4	4
TOTAL COMPENSATION	18	15

11.4 Auditor's fees

The table below shows the total fees billed by the Auditors that were recognized in the income statement for the periods presented:

		Didier Kling & Associés						
	Amo	Amount		%		Amount		0
(in € millions)	December 2015					December 2014	December 2015	December 2014
Audit								
Statutory audit, certification, consolidated and individual statement audit								
• Issuer	(0.6)	(0.5)	16%	17%	(0.2)	(0.2)	100%	100%
Fully consolidated subsidiaries	(2.1)	(2.1)	61%	67%	-	-	-	
Other work and services directly related to the statutory audit								
• Issuer	(0.3)	(0.0)	9%	0%	-	-	-	_
Fully consolidated subsidiaries	(0.1)	(0.1)	3%	4%	-	-	-	_
SUB-TOTAL	(3.1)	(2.8)	88%	88%	(0.2)	(0.2)	100%	100%
Other services provided by the network to the fully consolidated subsidiaries								
Legal, tax and social matters	(0.1)	(0.1)	3%	1%	-	-	-	-
Other	(0.3)	(0.3)	9%	11%	-	-	-	-
SUB-TOTAL	(0.4)	(0.4)	12%	12%	-	-	-	_
TOTAL	(3.5)	(3.3)	100%	100%	(0.2)	(0.2)	100%	100%

11.5 Off balance-sheet commitments

Granted off balance-sheet commitments

Off-balance sheet commitments granted to third parties amount to €161 million as of December 31, 2015 and to €94 million as of December 31, 2014.

December 31, 2015 amount breaks down as follows:

		Decembe	er 2015		
(in € millions)	< 1 year	> 1 year < 5 years	> 5 years	Total	December 2014
Voucher sale guarantees given to public sector	31	5	6	42	50
Bank bonds issued in Brazil	15	0	4	19	11
Bail bond issued within tax litigation on municipal tax in Brasil (ISS)	-	-	71	71	-
Capital commitments given to the Partech VI investment fund	4	5	0	9	9
Buying commitment	0	0	10	10	6
Bid bond issued in Venezuela	1	0	0	1	4
SUB-TOTAL	51	10	91	152	80
Ohters *	4	12	-7	10	14
TOTAL COMMITMENT GIVEN	55	22	84	161	94

Mainly including rental commitment and deposits.

To the best of the Group's knowledge and in accordance with generally accepted accounting principles, no commitments given have been omitted from the above list.

Off balance-sheet commitments received

Off-balance sheet commitments received from third parties as of December 31, 2015 amounted to €4 million. They consisted mainly in guarantees received from clients in Brazil in exchange for post-payment facilities granted by Repom for the same amount.

NOTE 12 UPDATE ON ACCOUNTING STANDARDS

12.1 Standards, amendments and interpretations adopted in the european union and mandatory from January 1, 2015

Standards, amendments and interpretations adopted by the European Union with mandatory application on January 1, 2014 came into effect on January 1, 2015 and were adopted for use in the European Union as of that date.

Standards		Applicable for annual periods beginning on or after	Description	Impacts on Edenred's consolidated financial statements in the first year of application
Annual IFRS improvements	2011-2013 cycle	July 1, 2014	The improvements make amendments to the following standards: IFRS 1 – "First adoption of IFRS" The amendment precises that in its first IFRS financial statement, the entity has the choice, but is not mandatory to apply standard which early application are allowed.	No material impact expected.
			IFRS 3R – "Business combination" The amendment excludes from the scope of application joint ventures and joint operations. It also precises that the exclusion is only related to financial statements of both kinds of partnership.	
			IFRS 13 – "Fair value measurement" The amendment precises the ability to measure financial assets and liabilities fair value on a net basis, applied to all contracts in the scope of IFRS 9 and IAS 39 without any obligation of being in the scope of IAS 32.	
			IAS 40 – "Investing property" The amendment precises that the IFRS 3R should be applied independently of the application of IAS 40 for investing property acquisitions.	
IFRIC 21	Taxes	January 1, 2014	IFRIC 21 – "Levies" The interpretation precises how to account for taxes excluded from IAS 12 scope of application. It precises that their treatment should be done according to trigger event occurrence as defined into IAS 37. Expected impacts relate to half-year period.	Investigations allow us to conclude that the application of the interpretation would have no significant impact on half-year and thus yearly accounts.

12.2 Standards, amendments and interpretations adopted in the european union that are applicable in future periods

Edenred has not chosen to early adopt the following standards, amendments and interpretations that had been adopted by the European Union as of December 31, 2014 and are applicable for annual periods beginning after January 1, 2014:

		Applicable for annual periods beginning on or after	Description	Impacts on Edenred's consolidated financial statements in the first year of application
Annual IFRS Improvements	2010-2012 cycle	July 1, 2014	The improvements make amendments to the following standards: IFRS 2 – "Share based payment" The amendment specifies the definition of "vesting conditions" as it creates two sub notions of "performance condition" and "service condition". IFRS 3 – "Business combination" The amendment specifies that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.	No material impact identified.
			IFRS 8 – "Operating segments" The amendment requires companies to: a) Disclose the judgements made by management in applying aggregation criteria to operating segments b) Reconcile the total of the reportable segments's assets to the entity's assets.	
			IFRS 13 – "Fair value measurement" The amendment completes the issuing of this standard by explaining that amendment upon IAS 39 and IFRS 9 did not remove the ability to measure short term receivables and payables with not stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial.	
			IAS 16 – "Property plant and equipment and IAS 38" – Intangible assets Amendments are related to the gross carrying amount revaluation method and precise method to determine amounts of cumulated depreciation.	
			IAS 24 – "Related party disclosure" The amendment precises that when an entity provides key management services to the reporting entity, the related party corresponding is the entity. Therefore, amounts to be disclosed are fees paid and not compensation given to key management officers.	
IAS 19	IAS 19 - Amendment "Employees contributions"	July 1, 2014	IAS 19 – "Employees contributions" The amendment applies to employee's contributions for defined benefits plans.	Enhanced practices are consistent with our treatment.
IAS 1	IAS 1 - Amendment by "Disclosure initiative"	January 1, 2016	 IAS 1 – "Disclosure initiative" – Principles of disclosure The amendment is intended to clarify the note provisions regarding: a) The concept of materiality: it is specified that it should be applied to financial statements including detailed notes. Also it indicates that disclosure of non-significant information could be harmful for their understanding. b) Application of professional judgment: it modifies to a little extent some formulation considered as too prescriptive and so inconsistent with judgmental decisions. 	The Group took into consideration the clarifications within its project of redesigning notes to financial statements.

12.3 Standards, amendments and interpretations not adopted yet in the european union

As of December 31, 2015, standards in the process of being adopted by the European Union:

Standards		Applicable for annual periods beginning on or after	Description	Potential impact on Edenred's consolidated financial statements in the first year of application
IFRS 9	Financial instruments – classification and measurement	January 1, 2018	IFRS 9 finalised the first of the three steps in IASB project related to financial instruments to replace IAS 39 – "Financial instruments: recognition and measurement".	No material impact expected.
IFRS 14	Regulatory deferral accounts	January 1, 2016	IFRS 14 has the objective to improve comparison of financial information for entities who provides good or services to customers at a price or rate that is subject to rate regulation. This standard allows rate-regulated entities adopting IFRS for the first-time, to keep recognizing their amounts in respect of regulatory deferral accounts applying their former accounting policies. However in order to improve the comparison with entities already applying IFRS standards, who do not recognize those amounts, the standard indicates that the impact of the rate regulation must be disclosed separately. Two illustrative examples are given.	Since the Group already apply IFRS standards it is not in the scope of IFRS 14.
IFRS 15	Revenue from ordinary activities from contracts with customers	January 1, 2018	IFRS 15 introduces a single model of revenue recognition from customer's contracts. By contrast with previous standards upon revenues (IAS 11, IAS 18, IFRIC 13, IFRIC 18 & SIC 31), it is based on the core principle of control transfer, and not anymore risk & rewards transfer. This single model allows two way recognition model which are over the time or point of time. The five analytic steps are: • identify the contract with the customer; • identify the performance obligations in the contract; • determine the transaction price; • allocate the transaction price to the performance obligations in the contract; • recognize revenue when (or as) the entity satisfies a performance obligation.	The Group has started the analysis of the standard in order to define an action plan able to reach requirements and challenges. For now, potential impacts are not identified.
	2012-2014 Cycle	January 1, 2016	IFRS 5 – "Non-current assets held for sale" The amendment adds specific guidance for method of disposal considered. It particularly modifies how to account for assets held-for-distribution to owners. IFRS 7 – "Financial instruments: disclosure" The amendment clarifies how to determine interaction with servicing contract, and specify how to apply this to condensed interim financial statements.	No material impact expected
			IAS 19 – "Employee benefits" The amendment clarifies, for the high quality corporate bonds, which discounted rate should be used. It also specifies that it should be assessed at currency level and not country level. IAS 34 – "Interim financial reporting" The amendment clarifies the meaning of "elsewhere in the interim report" and requires a cross-reference to allow user to find the information.	

Amendments		Applicable for annual periods beginning on or after Description		Potential impact on Edenred's consolidated financial statements in the first year of application	
IFRS 11	Accounting for acquisition of interests in a joint operations	January 1, 2016 *	This amendment defines how to account for an interest acquisition in a joint operation in which activity constitutes a business, as defined in IFRS 3 – "Business combinations".	No material impact identified	
IAS 16 & IAS 38	Clarification of acceptable methods of depreciation and amortisation	January 1, 2016 *	The amendment precises that a depreciation method that is based on revenue is not appropriate.	Non applicable to Edenred	
IAS 16 & IAS 41	"Bearer plants"	January 1, 2016	Those amendments modify financial information for bearer plants such as vines, rubbers and palm oil plantations.	Non applicable to Edenred	
IAS 27	Application of equity method in separate financial statements	January 1, 2016 *	This amendment allows an entity to account for investment in subsidiaries using equity method as described in IAS 28.	No material impact identified	
IFRS 10 & IAS 28	Sale or contribution of assets between an investor and its associate or Joint venture	January 1, 2016 *	The amendment narrows the discrepancy between the two standards and clarifies that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business as defined in IFRS 3R.	Non applicable to Edenred	

^{*} These standards, amendments or interpretations are not applicable until they have been adopted by the European Union.

NOTE 13 GLOSSARY

13.1 Operating profit before tax



Operating profit before tax corresponds to profit after income and expenses that are unusual in terms of their amount and frequency that do not relate directly to the Group's ordinary activities.

13.2 Operating profit before tax and non recurring items



Operating profit before tax and non-recurring items corresponds to the results of operations of the Group's businesses less the related financing cost. Net financial expense represents an integral part of operating profit before tax and non-recurring items, as it contributes to the performance indicator used by Edenred in its investor communications.

13.3 Statement of cash flows



The statement of cash flows is presented on the same basis as the management reporting schedules used internally to manage the business. It shows cash flows from operating, investing and financing activities.

Cash flows from operating activities include:

- funds from ordinary activities, before non-recurring items;
- cash received and paid on non-recurring transactions;
- · changes in working capital;
- · changes in restricted cash.

Cash flows from investing activities comprise:

 recurring expenditure to maintain in a good state of repair operating assets held at January 1 of each year;

- development expenditure, including the fixed assets and working capital of newly consolidated subsidiaries and additions to fixed assets of existing subsidiaries;
- proceeds from disposals of assets.

Cash flows from financing activities include:

- · changes in equity;
- changes in debt;
- · dividend payments;
- · purchases/sales of treasury shares;
- · acquisition of non-controlling interests.

13.4 Current assets and liabilities



Current assets and liabilities are assets and liabilities that the Group expects to recover or settle:

- in the normal course of business; or
- within twelve months of the period-end.

13.5 Other non-current financial assets



Investments in non-consolidated companies are classified as "Available-for-sale financial assets" and are therefore measured at fair value. If their fair value can be reliably estimated, they are measured at fair value through equity.

If no reliable estimate can be made, they are measured at historical cost, corresponding to the acquisition price plus transaction costs.

When there is objective evidence that the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognized in the income statement. If the recoverable amount subsequently represents more than the carrying amount, the impairment loss may be reversed.

13.6 Like-for-like growth



The organic growth corresponds to the like-for-like growth that is at constant scope of consolidation and exchange rates. This indicator represents the Group's commercial performance.

6.3 Statutory Auditors' report on the financial statements

6.3 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. This report also includes information relating to the specific verification of information given in the management report. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Edenred;
- the justification of our assessments;
- the specific verifications and disclosures required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L.823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matter:

 Investments have been valued in accordance with the accounting methods described in Note 1.2 to the Company's financial statements "Summary of significant accounting policies – Investments". As part of our audit, we have reviewed the appropriateness of the methods used and assessed the assumptions used.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion expressed in the first part of this report.

III. SPECIFIC VERIFICATIONS AND DISCLOSURES

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L.225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

Pursuant to the law, we have verified that the management's report contains the appropriate disclosures as to the acquisition of equity and controlling interests and the identity of and percentage interests and votes held by shareholders.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

6.4 PARENT COMPANY FINANCIAL STATEMENTS AND NOTES

6.4.1 BALANCE SHEET AT DECEMBER 31, 2015

Assets

(in € millions)	Notes	December 2015	December 2014
Fixed assets			
Intangible assets			
Licenses, trademarks and rights of use	(2-3)	2	3
Other intangible assets	(2-3)	50	45
TOTAL INTANGIBLE ASSETS		52	48
Property and equipment			
Machinery and equipment			
Other property and equipment	(2-3)	1	1
Assets under construction			
TOTAL PROPERTY AND EQUIPMENT		1	1
Investments			
Shares in subsidiaries and affiliates	(2-6-7-17-24)	2,302	2,332
Loans and advances to subsidiaries and affiliates	(2-5-7-16-17)	1,712	1,463
Other investments	(2)	27	30
TOTAL INVESTMENTS		4,041	3,825
TOTAL FIXED ASSETS		4,094	3,874
Current assets			
Inventories			
Prepayments to suppliers			
Receivables			
Trade receivables	(4-7-16-17)	9	9
Other receivables		25	142
Cash and cash equivalents			
Marketable securities	(8)	74	114
Cash and cash equivalents		51	25
TOTAL CURRENT ASSETS		159	290
Accruals and other assets			
Prepaid expenses	(9-16)	1	11
Deferred charges	(9)	31	6
Bond redemption premiums	(9)	6	2
Conversion differences	(10)	39	39
TOTAL ACCRUALS AND OTHER ASSETS	77	48	
TOTAL ASSETS	(1)	4,330	4,212

Liabilities and shareholders' equity

(in € millions)	Notes	December 2015	December 2014
Shareholders' equity			
Share capital	(13)	462	458
Additional paid-in capital	(13)	655	638
Legal reserve	(13)	46	45
Untaxed reserves	(13)		
Others reserves	(13)		
Retained earmings	(13)	208	359
Net profit for the year	(13)	137	41
Untaxed provisions	(13)	1	
TOTAL SHAREHOLDERS' EQUITY		1,509	1,541
Provisions			
Provisions for contingencies	(7)	26	41
Provisions for charges	(7)	20	33
TOTAL PROVISIONS		46	74
Liabilities			
Bonds	(15)	1,494	1,283
Bank borrowings	(15)	5	13
Other borrowings	(15-17)	1,241	1,269
Trade payables	(15)	6	4
Accrued taxes and payroll costs	(15)	10	10
Due to suppliers of fixed assets	(15)		
Other liabilities	(15)	2	1
TOTAL LIABILITIES	(15)	2,758	2,580
Accruals and other liabilities			
Deferred income	(15)	1	
Conversion differences	(10)	16	17
TOTAL ACCRUALS AND OTHER LIABILITIES		17	17
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	(1)	4,330	4,212

6.4.2 INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

(in € millions)	Notes	December 2015	December 2014
Operating revenue			
Sales of goods and services		30	29
Net revenue	(18)	30	29
Own work capitalized		6	5
Reversals of depreciation, amortization and provisions and expense transfers		51	13
Other income		30	27
TOTAL OPERATING INCOME		117	74
Operating expenses			
Purchases of goods for resale			-
Purchases of raw materials and supplies			-
Other purchases and external charges		74	39
Taxes other than on income		4	5
Wages and salaries		22	19
Payroll taxes		17	15
Depreciation, amortization and provision expense			
Depreciation and amortization of fixed assets	(3)	3	2
Additions to provisions for impairment of fixed assets	(7)		
Additions to provisions for impairment of current assets	(7)	4	2
Additions to provisions for contingencies and charges	(7)	11	15
Other expenses	(7)	1	1
TOTAL OPERATING EXPENSES		136	98
OPERATING LOSS		(19)	(24)
Financial income	(20)		
Income from investments in subsidiaries and affiliates	(17)	239	141
Income from investment securities and long-term loans			
Other interest income	(17)	8	9
Financial provision reversals and expense transfers		66	51
Foreign exchange gains		1	2
TOTAL FINANCIAL INCOME	(20)	314	203
Financial expenses			
Additions to financial amortization and provisions		59	70
Interest expense	(17)	61	70
Foreign exchange losses		4	1
TOTAL FINANCIAL EXPENSES	(20)	124	141
NET FINANCIAL INCOME		190	62
RECURRING PROFIT BEFORE TAX		171	38
Non-recurring income			
Non-recurring income on revenue transactions			-
Non-recurring income on capital transactions		19	1
Non-recurring provision reversals and expense transfers		10	6
TOTAL NON-RECURRING INCOME		29	7

6.4 Parent company financial statements and notes

		B 0045	B 1 0044
(in € millions)	Notes	December 2015	December 2014
Non-recurring expenses			
Non-recurring expense on revenue transactions			-
Non-recurring expense on capital transactions		60	7
Non-recurring additions to depreciation, amortization and provisions		2	2
TOTAL NON-RECURRING EXPENSES		62	9
NET NON-RECURRING INCOME	(21)	(33)	(2)
Income tax	(22)	1	(5)
TOTAL INCOME		460	284
TOTAL EXPENSES		323	243
NET PROFIT		137	41

Financial statements are presented in million euros.

The notes below relate to the balance sheet as of December 31, 2015 before appropriation of profit for the year, which shows total assets of €4,330 million, and to the 2015 income statement, which shows net profit for the year of €137 million.

The financial statements cover the 12-month period from January 1 to December 31, 2015.

Edenred SA's individual financial statements are included in the consolidated financial statements of the Edenred Group.

The preparation of financial statements requires the use of estimates and assumptions that can affect the carrying amount of certain assets and liabilities, income and expenses, and the information disclosed in the notes to the financial statements. Management reviews these estimates and assumptions on a regular basis to ensure that they are appropriate based on past experience and the current economic situation. Items in future financial statements may differ from current estimates as a result of changes in these assumptions.

The main estimates and judgments used by management in the preparation of these financial statements concern the valuation and useful lives of intangible assets, property and equipment, and investments, as well as the amount of provisions for claims, litigation and contingencies and the assumptions underlying the calculation of pension obligations.

The main assumptions applied by the Company are presented in the relevant notes to the financial statements.

Significant events

Payment of the 2014 dividend

At the Annual Meeting on April 30, 2015, Edenred shareholders approved the payment of a 2014 dividend of €0.84 per share, with the option of reinvesting 50% of the dividend in new shares.

The open period for exercising the option of reinvesting 50% of the dividend in new shares ran from May 12 to May 28, 2015.

This led to the issue of 2,005,302 new shares of Edenred common stock, representing 0.87% of the share capital, which were settled and traded on the Euronext Paris stock market on June 8, 2015.

The total cash dividend, which amounts to €149 million, has been paid on June 8, 2015. This corresponds to 50% of directly cash paid dividend (amounting to €96 millions) and €53 million paid to shareholders who decided to not reinvest.

To sum up, the dividend for 2014 has been paid cash for a total amount for €149 million and paid in new shares of Edenred common stock for a total amount of €42 million.

Bond buy back operation

On February 24, 2015, Edenred announced the launch of an offer to repurchase part of its bond issue due in October 2017 for cash. The operation has been followed by a new bond issue in euros.

On March 3, 2015, Edenred placed a €500 million 10-years 1.375% bond issue.

This new bond issue has enabled the Group to repurchase €290 million of its 3.625% outstanding bonds due in October 2017, representing 36% of the aggregate nominal value.

As a result, Edenred has refinanced part of its bond issue due in 2017 before the maturity date, and has significantly increased the average life of its debt to 6 years.

As of December 31, 2015 the gross debt amount to €1485 million.

Change of the bolivar fuerte exchange rate in 2015

On February 13, 2013, the Venezuelan government devalued the bolivar fuerte (VEF) and announced the withdrawal of the SITME rate which, at VEF 5.3 to the dollar, was the less favourable official

rate. The new exchange rate with the US dollar was established at VEF 6.3 per dollar, which represents a devaluation of 19%.

On December 23, 2013, the Venezuelan government published a new official exchange rate of VEF 11.3 to the dollar for transactions carried out by non-resident individuals, with an annual ceiling of US dollar 10,000.

The financial statements of Edenred's Venezuelan subsidiaries were translated as follows:

- at the rate of VEF 5.3 to the dollar for the year ended December 31, 2012;
- at the rate of VEF 6.3 to the dollar for all periods between January 1 and September 30, 2013.

Given the economic situation, the Group has therefore decided to translate the financial statements of its Venezuelan subsidiaries for the year ended December 31, 2013 at the least favourable rate (VEF 11.3 to the dollar).

On March 24, 2014, the Venezuelan government introduced a new flexible exchange rate system, called SICAD II. This system is available for both individuals and companies wishing to obtain US dollars. The first published exchange rate was 51.86 Bolivar Fuerte for 1 US dollar. The latest published exchange rates fluctuated at around 49.9 Bolivar Fuerte for 1 US dollar.

In February 2015, the Venezuelan government amended exchange rate regulation by setting up a new foreign currency exchange rate system, SIMADI. The new law merged SICAD I and SICAD II system, and created a new system SIMADI.

Since SICAD II has no longer legal existence since February 12, 2015, the Group has chosen to apply rates under SIMADI system, which are the most conservative ones.

The Cash-on-hand and receivables held in Venezuelan subsidiaries are translated by applying SIMADI to their financial statements. As od December 31, 2015, closing exchange rate applied is exchange rate of Bolivar Fuerte to the US dollar, published before the end of the month of December, translated to EUR, *i.e.* VEF 216.3232 to dollar.

6.4.3 NOTES TO THE FINANCIAL STATEMENTS

Note 1	Summary of significant accounting policies
Note 2	Fixed assets at December 31, 2015
Note 3	Amortization and depreciation at December 31, 2015
Note 4	Receivables at December 31, 2015
Note 5	Loans and advances to subsidiaries and affiliates at December 31, 2015
Note 6	Change in investments in subsidiaries and affiliates
Note 7	Provisions and asset impairments at December 31, 2015
Note 8	Marketable securities portfolio
Note 9	Accruals and other assets at December 31, 2015
Note 10	Conversion differences
Note 11	Accrued income
Note 12	Accrued expenses
Note 13	Changes in shareholders' equity
Note 14	Stock option and performance share plans
Note 15	Maturities of debt and payables at December 31, 2015
Note 16	Maturities of receivables at December 31, 2015
Note 17	Related party transactions
Note 18	Breakdown of net revenue
Note 19	Management compensation and employee information
Note 20	Net financial income
Note 21	Non-recurring items
Note 22	Income tax and consolidation
Note 23	Off-Balance sheet commitments given and received
Note 24	Main subsidiaries and affiliates at December 31, 2015
Note 25	Five-year financial summary

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with ANC Regulation No. 2014-03. There has been no change in accounting methods for the periods presented compared with the previous year.

The significant accounting policies used are as follows:

1.1 Intangible assets and property and equipment

Intangible assets and property and equipment are stated at cost (including incidental expenses) or contributed value.

They are amortized or depreciated on a straight-line basis over their estimated useful lives, as follows:

- software is amortized over two to five years;
- · licenses are amortized over three to five years;
- office and computer equipment are depreciated over three to ten years.

Software development costs are recognized as intangible assets in accordance with the recommended method (PCG, art. 361-1). They are amortized over their period of use, ranging from 5 to 10 years, depending on the number of Group units that use the application. Complementary amortization due to fiscal declining balance method is accounting by way of derogation as a non-reccurring expense.

1.2 Investments

Shares in subsidiaries and affiliates are stated at cost or contributed value. Transaction costs on these assets are recorded in the income statement

At each year-end, the Company determines whether there are any indications that the investments are impaired. The main indications are:

- below-budget performance;
- a steep fall in revenue or profit.

Where necessary, investments are written down to their present value, corresponding to the higher of fair value and value in use. Value in use takes into account the investee's current and forecast earning's performance and the value of the Company's share of net assets. When a business plan has been drawn up for impairment tests carried out for the consolidated financial statements, enterprise value is used.

An impairment loss is recognized if value in use is less than cost.

Additional provisions may be recorded to write down loans and advances to the investee and, where necessary, a provision for

contingencies is also recorded to cover the Company's share of the investee's negative net worth.

Impairment losses may be reversed in subsequent periods if the investee's financial position improves, provided that this does not have the effect of increasing the carrying amount to above cost.

In the case of sale of part of a portfolio of securities carrying the same rights, the acquisition cost of the retained securities is estimated by the weighted average cost method or by the FIFO method which assumes that the retained securities were acquired after those that were sold.

1.3 Receivables

Receivables are stated at nominal value. They are written down when it is probable that their carrying amount will not be recovered in full.

1.4 Marketable securities

Marketable securities are stated at the lower of cost and market value.

1.5 Revenue

Revenues correspond to fees invoiced to subsidiaries under the Master Services Agreement. Other service revenues correspond to fees invoiced to subsidiaries for the secondment of staff and for loan guarantees.

1.6 Other income

Other income corresponds to brand license fees invoiced to subsidiaries.

1.7 Provisions

Managers and employees are paid a length-of-service award on retirement and various long-service awards during their career with the Company.

A provision is recorded for the Company's liability for these awards, based on the vested rights of managers and employees at the balance sheet date, in accordance with CNC recommendation 2013 R-02

The provision is determined by the projected unit credit method and includes payroll taxes.

Actuarial gains and losses on retirement benefit obligations are recognized directly in the income statement.

1.8 Borrowings

Debt issuance costs are initially recognized in deferred charges and are amortized over the life of the debt by the effective interest method. Debt issue premiums are also amortized over the life of the debt.

If all or part of the debt is repaid early, the issue premiums are written off on an accelerated basis.

1.9 Foreign currency transactions

Income and expenses in foreign currencies are converted into euros at the exchange rate prevailing on the transaction date.

Foreign currency receivables, payables and cash balances are converted at the year-end rate.

Conversion differences are recognized in assets or liabilities.

A provision is recorded for conversion losses that are not hedged.

1.10 Currency risks

Currency risks arising on the conversion of euro cash reserves into foreign currencies to meet part of the financing needs of foreign subsidiaries are hedged by swaps with the same maturities as the loans to subsidiaries Unrealized exchange gains and losses are recorded in the balance sheet under "Conversion differences".

1.11 Stock option plans, performance share plans and stock grants

Stock option plans

In application of France's Plan Comptable Général statutory chart of accounts, the Company recognizes a liability covering the amount of the probable outflow of economic resources when obligations under the plan will be satisfied by allocating existing shares. As newly issued shares are allocated under these plans, no cost is recognized.

Performance share plans

In 2013, Edenred SA bought back on the market the number of shares to be allocated to employees under each stock grant plan. A provision for the cost of the plans was recorded in the financial statements at December 31, 2015.

1.12 Non-recurring income and expenses

This item corresponds mainly to:

- restructuring costs, i.e. costs arising on restructuring operations initiated by the Company;
- gains and losses on disposals of fixed assets, and non-operating provisions, gains and losses.

Non-recurring items are items that are not directly related to the Company's ordinary operations.

1.13 Income tax

Edenred SA pays taxes under the Group relief system introduced in the French Act of December 31, 1987, which allows the tax losses of tax group members to be set off against the taxable profits of other members in certain circumstances. The applicable tax rules are set out in Articles 223 A et seq of the French General Tax Code.

Under this system, each tax group member records the tax that it would have paid if it had been taxed on a stand-alone basis. The benefit or expense arising from applying the Group relief system is recorded in full in the accounts of Edenred SA.

NOTE 2 FIXED ASSETS AT DECEMBER 31, 2015

Items (in € millions)	Cost at December 31, 2014	Acquisitions and inter-item transfers	Retirements and disposals and inter-item transfers	Other	Cost at December 31, 2015
Intangible assets					
Trademarks and rights of use	0				-
Licences, purchased software	19		(1)		18
Other intangible assets (1)	43	3	2		48
Intangible assets in process	3	4	(2)		5
TOTAL INTANGIBLE ASSETS	65	7	(1)	-	71
Property and equipment					
Machinery and equipment	-				-
Other property and equipment	3	1			4
Assets under construction	-				-
Prepayments	-				-
TOTAL PROPERTY AND EQUIPMENT	3	1	-	-	4
Investments					
Shares in subsidiaries and affiliates (2) (3)	2,480	34	(51)		2,463
Loans and advances to subsidiaries and affiliates (4)	1,465	249			1,714
Other investment securities (5)	9	4			13
Other loans					-
Other investments (6)	23	28	(35)		16
TOTAL INVESTMENTS	3,977	315	(86)	-	4,206
TOTAL FIXED ASSETS	4,045	323	(87)	-	4,281

⁽¹⁾ Including €36 million corresponding to technical loss from merger, of which €5 million concerning ASH merger and €31 million on the Edenred Participations merger.

⁽²⁾ See Note 6 for details.

⁽³⁾ Including €22 million increase following the capital increase of Edenred Singapor and €44 million decrease, due to disposals of 3 chinese consolidated subsidiaries for €30 millions and the disposal of Accentiv' Travel, which has been transferred to Edenred France, for €14 millions.

⁽⁴⁾ See Note 5 for details.

⁽⁵⁾ Related to investment in Partech VI and Partech II investment fund.

⁽⁶⁾ The Company holds 812,253 of its own shares (not including shares assigned to the liquidity contract or to specific share-based payment plans).

NOTE 3 AMORTIZATION AND DEPRECIATION AT DECEMBER 31, 2015

Items (in € millions)	Cost at December 31, 2014	Increase	Decrease	Cost at December 31, 2015
Intangible assets				
Trademarks and rights of use	-			-
Licenses, purchased software	15.5	1.9	(1.0)	16.4
Other intangible assets	1.0	2.0		3.0
TOTAL AMORTIZATION	16.5	3.9	(1.0)	19.4
Property and equipment				
Machinery and equipment				-
Other property and equipment	2.0	0.5		2.5
TOTAL DEPRECIATION	2.0	0.5	-	2.5
TOTAL AMORTIZATION				
AND DEPRECIATION	18.5	4.4	(1.0)	21.9

NOTE 4 RECEIVABLES AT DECEMBER 31, 2015

(in € millions)	Cost at December 31, 2015	Cost at December 31, 2014
Prepayments to suppliers		
Trade receivables	9	9
Other receivables	26	151
Supplier-related receivables		
Recoverable VAT and other taxes	3	4
Currrent accounts with subsidiaries	20	144
Other	3	3
TOTAL	35	160

NOTE 5 LOANS AND ADVANCES TO SUBSIDIARIES AND AFFILIATES AT DECEMBER 31, 2015

(in € millions)	Cost at December 31, 2014	Increase	Decrease	Other	Cost at December 31, 2015
Edenred España	65				65
Edenred Belgium	664				664
Edenred France	435	32			467
Edenred Italia	295				295
Edenred South Africa	3				3
Edenred Takkarten		168			168
PWC participation	-	48			48
C3 Card		-			1
Daripodarki		-			1
Surgold	1	1			2
TOTAL	1,465	249	-	-	1,714

NOTE 6 CHANGE IN INVESTMENTS IN SUBSIDIARIES AND AFFILIATES

	At Dece	mber 31,		Business acc and purchase issued shares	s of newly	Disposa	als	At Dece	ember 31, 2	2015	
Company	Number of shares	Amount (in €	% interest	Number of shares	Amount (in €	Number of	Amount (in €	Number of	Amount (in €	% interest	Provisions (in €
Company Servicarte SAS	39,998	millions)	interest 100.00%	snares	millions)	shares	millions)	shares 39,998	millions)	interest 100.00%	,
Accentiv' Travel	•		100.00%			(1 600 000)	(1.1)	39,990		100.00%	
Edenred France	1,600,000	14	100.00%			(1,600,000)	(14)	<u> </u>	<u> </u>		
SAS	29,060,432	642	100.00%					29,060,432	642	100.00%	22
Veninvest Quattro	644,380	7	100.00%					644,380	7	100.00%	4
Veninvest Cinq	738,131	7	100.00%					738,131	7	100.00%	7
Veninvest Huit	678,947	7	100.00%					678,947	7	100.00%	5
GABC	600	1	100.00%					600	1	100.00%	
LCCC	831	1	44.32%					831	1	44.32%	
ASM	19,141,709	306	100.00%					19,141,709	306	100.00%	
Saminvest	12,000	277	60.00%					12,000	277	60.00%	
Veninvest Neuf	559,366	6	100.00%					559,366	6	100.00%	4
Veninvest Onze	548,487	5	100.00%					548,487	5	100.00%	4
Veninvest Douze	945,388	9	100.00%					945,388	9	100.00%	6
Veninvest Quinze	456,953	5	100.00%					456,953	5	100.00%	5
Veninvest Seize	1,091,299	11	100.00%	147,492	1			1,238,791	12	100.00%	11
Veninvest Quatorze	456,953	5	100.00%					456,953	5	100.00%	3
Zen Chef				12,176	2			12,176	2	15.27%	
Edenred Austria GmbH (Austria)	15,677	2	100.00%					15,677	2	100.00%	
Edenred Belgium	3,538,030	865	100.00%					3,538,030	865	100.00%	
Edenred Portugal SA	101,477,495	7	50.00%			106		101,477,601	7	50.00%	2
Edenred Deutschland GMBH (Germany)	16,662,810	27	100.00%					16,662,810	27	100.00%	
Edenred Espana SA (Spain)	90,526	53	99.99%					90,526	53	99.99%	
Edenred Bulgaria AD (Bulgaria)	16,960	1	50.00%					16,960	1	50.00%	
Westwell Group SA (Uruguay)	1,864,040	2	100.00%					1,864,040	2	100.00%	
Edenred Finland OY	101	7	33.56%					101	7	33.56%	
Edenred Peru SA (Peru)	603,000	1	67.00%		0			603,000	1	67.00%	2
Edenred Panama SA	1,250,000	1	100.00%					1,250,000	1	100.00%	1
Shanghai Yagao Meal Service Card Company (China)	8,250,000	6	100.00%			(8,250,000)	(6)	_	_		
Beijing Yagao Meal Service Card Company (China)	1,775,000	2	88.75%			(1,775,000)	(2)	-	-		

	At Dece	mber 31,		Business acc and purchase issued shares	s of newly	Disposa	als	At Dece	ember 31, 2	2015	
		Amount			Amount		Amount		Amount		Provisions
Company	Number of shares	(in € millions)	% interest	Number of shares	(in € millions)	Number of shares	(in € millions)	Number of shares	(in € millions)	% interest	(in € millions)
Edenred India PVT LTD (India)	23,358,174	14	94.90%	<u> </u>		0.1.0.0		23,358,174	14	94.90%	4
Edenred Singapore Pte Ltd (Singapor)	6,392,151	15	100.00%	32,200,438	22			38,592,589	37	100.00%	33
Edenred S.A.L. (Lebanon)	2,599,997	1	80.00%					2,599,997	1	80.00%	1
Surgold India PVT LVD	1,589,860	8	100.00%	20,000,000	3			21,589,860	11	100.00%	10
Accentiv' Shanghai Company (China)	650,000	1	100.00%					650,000	1	100.00%	
Edenred Colombia SA	2,115,968	2	96.70%	200,000	1			2,315,968	3	96.70%	2
Cestaticket Services C.A. (Venezuela)	3,420,000	16	57.00%					3,420,000	16	57.00%	
Inversiones Dix Venezuela SA	3,885,514	19	100.00%		1			3,885,514	20	100.00%	18
Big Pass (Colombia)	151,444	13	100.00%					151,444	13	100.00%	6
Edenred Brasil Participacoes SA (Brazil)	228,718	3	7.04%					228,718	3	7.04%	
Edenred Suisse SA	2,500	3	100.00%					2,500	3	100.00%	1
Edenred China	190,000,000	22	100.00%			(190,000,000)	(22)	-	-		
Barclay Vouchers CO LTD	10,100	30	100.00%					10,100	30	100.00%	
Edenred Polska SP ZO.O	18,183	4	5.00%					18,183	4	5.00%	4
SavInstar	1,098,443	4	10.80%					1,098,443	4	6.88%	
Izicard	34,000	0	35.33%	14,800	0			48,800	1	41.27%	
Launchap	1,949	0	11.10%	740	0			2,689	1	11.10%	
Edenred Partners Capital	50,000		10.00%	510	3			50,510	3	10.00%	
Edenred Italia SRL	101,300	17	1.70%					101,300	17	1.70%	1
Edenred UK Group Limited	227,692	3	1.70%					227,692	3	1.70%	
Edenred Sweden AB	1,696	1	1.70%					1,696	1	1.70%	0
Edenred Mexico	1,772,729	3	1.70%			(1,772,729)	(3)	-	-		
Edenred Romania SRL	11,411	5	1.70%					11,411	5	1.70%	3
Edenred Servicos Participacoes AS	1,965,553	10	1.70%					1,965,553	10	1.70%	
Edenred CZ	230	1	1.70%					230	1	1.70%	
Prowebclub	2,820,014	3	9.95%			(2,820,014)	(3)	-	-		
Other investments (1) (less than 1 million)	2,227,350	2		67,006	1	(335,689)	(1)	1,958,667	3		2
TOTAL	436,254,089	2,480		52,643,162	34	(206,553,326)	(51)	282,343,925	2,464		161

⁽¹⁾ Corresponding to all shares in associations whose values are individually amounting to less than 1 million.

NOTE 7 PROVISIONS AND ASSET IMPAIRMENTS AT DECEMBER 31, 2015

		-	Decreases		
Items (in € millions)	At December 31, 2014	Increases	Surplus provisions	Utilized provisions	At December 31, 2015
Untaxed provisions					
Excess tax depreciation		1			1
TOTAL UNTAXED PROVISIONS	-	1	-	-	1
Provisions for contingencies					
Claims and litigation	3			(3)	-
Foreign exchange losses (1)	23	2		(2)	23
Other (2)	15	2		(14)	3
TOTAL PROVISIONS FOR CONTINGENCIES	41	4	-	(19)	26
Provisions for charges (3)					
Pension and other post-retirement benefit					
obligations	18	1	(8)		11
Taxes	4			(4)	-
Other	11	10	(4)	(6)	11
TOTAL PROVISIONS FOR CHARGES	33	11	(12)	(10)	22
TOTAL PROVISIONS	74	15	(12)	(29)	48
Impairments					
Intangible assets	-	1			1
Property and equipment	-				_
Investments *(4)	152	54	(13)	(28)	165
Trade receivables	-				-
Other receivables *	9		(8)		1
TOTAL IMPAIRMENTS	161	55	(21)	(28)	167
TOTAL PROVISIONS AND IMPAIRMENTS	235	71	(33)	(57)	216

Income statement impact of movements in provisions	Increases	Decreases
Operating income and expenses	11	(21)
Financial income and expenses	58	(65)
Non-recurring income and expenses	2	(4)
Movements with no income statement impact		
TOTAL	71	(90)

^{*} Set up in accordance with the method described in Note 1.2.

⁽¹⁾ The provision for foreign exchange losses mainly concerns the devaluation of the bolivar fuerte (see "Significant Events").

⁽²⁾ The balance of other provisions for contingencies consist mainly of provisions for the losses of subsidiaries for €2 million, including Edenred Portugal (€1 million) and Edenred Maroc (€1 million). The decrease corresponds to reversal of provisions as part of Shanghai Yagao Meal (€11 million) and Beijing Yagoo Meal (€2 million) subsidiaries' disposal.

⁽³⁾ The balance of provisions for expenses include provisions for pension and other post-retirement benefit obligations for €11 million and provisions for employee share-based payment plans for €10 million. The €10 million increase over the year mainly comprised additions to provisions for employee share-based payment plans for €9 million. The €22 million decrease corresponded to withdrawall of the plan expired on February 2015, to the reversal of 2014 provision balance in order to be revaluated as of December 31, 2015, to the cancellation of 2014 plan shares and to the withdrawal of €8 millions provision for pension due to change in governance.

⁽⁴⁾ Asset impairments mainly concern shares in subsidiaries and affiliates, including for the most representative Surfgold Singapor (€33 millions), Edenred France (€22 millions), Inversiones 10 Venezuela SA (€17 million), Veninvest Seize Venezuela (€10 million) and Surfgold India (€10 million).

Movements for the year were as follows:

- €54 million in impairment losses on shares in subsidiaries and affiliates, including €22 million related to Edenred France and €18 million related to Surfgold Singapor;
- €41 million in reversals of impairment losses on shares in subsidiaries and affiliates, consisting mainly of Shanghai Yagao Meal (€6 million), Edenred China (€8 million) and Beijing Yagoo Meal (€2 million) subsidiaries' disposal, reversal of impairment reversal on Accentiv travel shares (€12 million) and BArcalys vouchers (€7 million).

Pension and other post-employment benefit obligations and underlying actuarial assumptions

	At December 31, 2015
Discount rate	2.0%
Mortality tables	TGH -TGF05
Rate of future salary increases	3%
Retirement age	65
Voluntary or compulsory retirement	Voluntary
Payroll tax rate	46%

	At December 31, 2015
Provisions for pensions and other post-retirement benefit obligations at December 31, 2014	17.3
Service cost	1.1
Interest cost	0.4
Benefit payments for the period	(0.2)
Actuarial (gains)/losses	(8.0)
Plan amendments	-
Provisions for pensions and other post-retirement benefit obligations at December 31, 2015	10.6

NOTE 8 MARKETABLE SECURITIES PORTFOLIO

(in € millions)	At Decer	mber 31, 2015 costs	At December 31, 2014 costs
Term deposits		5	80
Term accounts			
Retail certificates of deposit		25	3
Money market funds – Liquidity contract		5	6
Edenred SA shares – Liquidity contract		39	25
Accrued interest			
TOTAL		74	114

Term deposits, accounts and retail certificates of deposit are classified as held-to-maturity investments.

The fair value of money market funds corresponds to their net asset value.

The €39 million balance of Edenred SA shares includes €5 million worth of shares held under the liquidity contract and €35 million in shares acquired for employees' stock option plans. During 2015,

Edenred SA bought back 1,552,349 shares on the market for employee share-based payment plans.

No impairments were recorded on these shares because they are specifically intended for allocation to employees.

A provision for contingencies related to the share buyback plan was recorded as of December 31 (see Note 7).

NOTE 9 ACCRUALS AND OTHER ASSETS AT DECEMBER 31, 2015

		_	_	
(in € millions)	At December 31, 2014 net	Increases	Decreases	At December 31, 2015 net
Deferred charges				
Debt issuance costs	-			-
Bond issuance costs (1)	6	30	(5)	31
TOTAL	6	30	(5)	31
Bond issue premiums				
Issue premiums	2	5	(1)	6
TOTAL	2	5	(1)	6
Prepaid expenses				
IT maintenance fees – Insurance				
premiums – Other fees	1			1
TOTAL	1	-	-	1

⁽¹⁾ The increase concerns costs related to March 3, 2015 new €500 million bond issue. The decrease of bond issuance costs corresponds to the amortization over the period and to the acceleration of the amortization due to repurchase part of its bond issue on October 6, 2010 for an amount of €290 million cash.

NOTE 10 CONVERSION DIFFERENCES

(in € millions)	At December 31, 2015	At December 31, 2014
Assets		
Decrease in receivables (1)	35	33
Increase in payables (2)	4	6
TOTAL	39	39
Conversion differences in liabilities		
Increase in receivables (2)	11	16
Decrease in payables (2)	6	1
TOTAL	17	17

⁽¹⁾ Translation differences on currency swaps and bank balances following the devaluation of the bolivar fuerte (see Significant Events).

⁽²⁾ Translation differences on loans and borrowings with foreign subsidiaries, bank balances and currency swaps.

NOTE 11 ACCRUED INCOME

Accrued income is included in the following balance sheet items (in € millions)	At December 31, 2015	At December 31, 2014
Loans and advances to subsidiaries and affiliates	-	
Trade receivables	1	2
Marketable securities	-	
Cash	1	2
TOTAL	2	4

NOTE 12 ACCRUED EXPENSES

Accrued expenses are included in the following balance sheet items (in € millions)	At December 31, 2015	At December 31, 2014
Bonds	9	7
Bank borrowings	1	
Other borrowings	7	11
Trade payables	4	3
Accrued taxes and payroll costs	7	7
Other liabilities	1	1
TOTAL	29	29

NOTE 13 CHANGES IN SHAREHOLDERS' EQUITY

Items (in € millions)	At December 31, 2014	Appropriation of 2014 net profit	Shares issued/ (canceled)	Other	2015 Net profit	At December 31, 2015
Number of shares outstanding (1)	228,811,546		2,005,302			230,816,848
Share capital	458		4			462
Additional paid-in capital	638		17			655
Legal reserve	45	1				46
Untaxed reserves	-					-
Other reserves	-					-
Retained earnings	359	(151)				208
Net profit for the year	41	(41)			137	137
Untaxed provisions	-			1		1
TOTAL SHAREHOLDERS' EQUITY	1,541	(191) ⁽²⁾	21	1	137	1,509

⁽¹⁾ Shares with a par value of €2. At December 31, 2015, Edenred SA held 3,008,056 of its own shares, representing 1.3% of the capital, directly (see Note 2). and under the liquidity contract (see Note 8).

⁽²⁾ Dividends of €191 million were paid on June 18, 2015.

NOTE 14 STOCK OPTION AND PERFORMANCE SHARE PLANS

							2015 plan
Stock option plan	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 plan	(CEO)
Grant date	August 6, 2010	March 11, 2011	Feb. 27, 2012	-	-	-	-
Vesting date	August 7, 2014	March 12, 2015	Feb. 28, 2016	-	-	-	-
Expiry date	August 6, 2018	March 11, 2019	Feb. 27, 2020	-	-	-	-
Exercise price (in euros)	13.69	18.81	19.03	-	-	-	-
Value used for calculating the 10% contribution sociale							
surtax (in euros)	2.62	5.07	4.25	-	-	-	-
Vesting conditions	Continued presence within the Group as of	Continued presence within the Group as of	Continued presence within the Group as of				
	August 6, 2014	March 11, 2015	February 27, 2016				
	(except in the	(except in the	(except in the				
	specific	specific	specific				
	circumstances	circumstances	circumstances				
	provided for in the	provided for in the	provided for in the				
	plan rules)	plan rules)	plan rules)	-	-	-	-
Number of options granted at the plan launch	4,235,500	611,700	382,800	-	-	-	-
Number of options cancelled since the plan launch	427,500	10,350	12,000	-	-	-	-
Number of options exercised since the plan launch	2,529,232	106,300	-	-	-	-	-
Number of options outstanding at December 31	1,278,768	495,050	370,800	-	-	-	-

Performance share							2015 Plan
plans	2010 Plan	2011 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan	(CEO)
	August 6,	March 11,	Feb. 27,	Feb. 18,	Feb. 17,	Feb. 21,	Dec. 9,
Grant date	2010	2011	2012	2013	2014	2015	2015
	August 7,	March 12,	Feb. 28,	Feb. 19,	Feb. 18,	Feb. 21,	Dec. 10,
Vesting date	2013 (1)	2014 (2)	2015 ⁽³⁾	2016 (4)	2017 (5)	2018 (6)	2018
IFRS 2 fair value for							
French tax residents							
(in euros)	12.46	18.65	18.69	19.72	14.12	16.08	8.19
IFRS 2 fair value for non							
French tax residents							
(in euros)	11.82	17.78	17.61	19.18	14.58	15.91	-
Vesting conditions	1/3 based on	1/3 based on	1/3 based on				
· ·	2010 EBIT and	2011 FFO and	2012 FFO and				
	issue volume	issue volume	issue volume				
	targets	targets	targets	40% FFO	40% FFO	40% FFO	37.5% FFO
	1/3 based on	1/3 based on	1/3 based on	2013-2015,	2014-2016,	2015-2017,	2015-2017,
	2011 FFO and	2012 FFO and	2013 FFO and	40% Issue	40% Issue	40% Issue	37.5% Issue
	issue volume	issue volume	issue volume	volume	volume	volume	volume
	targets	targets	targets	2013-2015,	2014-2016,	2015-2017,	2015-2017,
	1/3 based on	1/3 based on	1/3 based on	20% TSR	20% TSR	20% TSR	25% TSR
	2012 FFO and	2013 FFO and	2014 FFO and	relative	relative	relative	relative
	issue volume	issue volume	issue volume	performance	performance	performance	performance
	targets	targets	targets	2013-2015	2014-2016	2015-2017	2015-2017
Number of performance shares granted at							
the plan launch	912,875	805,025	867,575	845,900	824,000	800,000	137,363
•	012,070	000,020	001,010	040,000	024,000	000,000	107,000
Number of performance							
shares vested since	057.000	045 000	050.716	F00	600		
the plan launch	857,988	245,800	259,716	500	600	-	-
Number of performance							
shares cancelled	E4.65=	F7 - 10	00.015	00.500	100 100	400.050	
since the plan launch	54,887	57,712	80,918	90,522	133,192	102,650	=
Number of performance							
shares outstanding							
at December 31	-	501,513	526,941	754,878	690,208	697,350	137,363

⁽¹⁾ Delivery of the shares on August 7, 2013 for French tax residents and August 7, 2015 for non-residents.

⁽²⁾ Delivery of the shares on March 12, 2014 for French tax residents and March 12, 2016 for non-residents.

⁽³⁾ Delivery of the shares on February 28, 2015 for French tax residents and February 28, 2017 for non-residents.

⁽⁴⁾ Delivery of the shares on February 19, 2016 for French tax residents and February 19, 2018 for non-residents.

⁽⁵⁾ Delivery of the shares on February 18, 2017 for French tax residents and February 18, 2019 for non-residents.

⁽⁶⁾ Delivery of the shares on February 21, 2018 for French tax residents and February 21, 2020 for non-residents.

NOTE 15 MATURITIES OF DEBT AND PAYABLES AT DECEMBER 31, 2015

(in € millions)	Total	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Financial debts				
Bonds (1) (3)	1,494	9	510	975
Bank borrowings (1) (3)	5	5		
Other borrowings (2) (3)	1,241	978	263	
Operating payables				
Trade payables (3)	6	6		
Other payables				
Accrued taxes and payroll costs (3)	10	10		
Due to suppliers of fixed assets				
Other liabilities (3)	1	1		
Deferred income (3)	1		1	
TOTAL	2,758	1,009	774	975

^{(1) 2010, 2012, 2013}and 2015 bond issues (gross amount).

Debt repaid during the year (gross amount): €290 million; debt issued during the year (gross amount): €500 million.

Debt by currency

TOTAL	2,758
other currencies	1
SGD	4
CHF	4
RON	5
USD	8
HUF	9
SEK	11
JPY	22
CZK	40
MXN	84
GBP	206
EUR	2,364

⁽²⁾ Current account advances and loans from subsidiaries

⁽³⁾ Breakdown by currency (in € millions):

NOTE 16 MATURITIES OF RECEIVABLES AT DECEMBER 31, 2015

(in € millions)	Total	Due within 1 year	Due beyond 1 year
Receivables included in fixed assets			
Loans and advances to subsidiaries and affiliates	1,714	6	1,708
Other loans			
Other investments	29	27	2
Receivables included in current assets			
Trade receivables	10	10	
Other receivables	26	26	
Accrued expenses	1	1	
TOTAL	1,780	70	1,710

Breakdown by currency (in € millions):

Receivables by currency

8
<u> </u>
E
2
1,765

NOTE 17 RELATED PARTY TRANSACTIONS (1)

(in € millions)	2015	2014
Assets		
Shares in subsidiaries and affiliate	2,477	2,470
Loans and advances to subsidiaries and affiliates	1,714	1,465
Other investment securities	3	3
Trade receivables	10	10
Other receivables	22	142
Liabilities		
Other borrowings	1,239	1,269
Trade payables	2	1
Income and expenses		
Income from investments in subsidiaries and affiliates	239	141
Other financial income	1	2
Financial expenses	26	26

⁽¹⁾ Companies that are fully consolidated in the Edenred Group consolidated financial statements are deemed to be related parties

NOTE 18 BREAKDOWN OF NET REVENUE

(in € millions)	2015	2014
France	7	7
TOTAL FRANCE	7	7
International	23	22
TOTAL INTERNATIONAL	23	22
TOTAL NET REVENUE	30	29

NOTE 19 MANAGEMENT COMPENSATION AND EMPLOYEE INFORMATION

Compensation paid to members of the Company's administrative and supervisory bodies

(in € millions)	2015	2014
(in entimotis)	2013	2014
Members of the Executive Committee (excluding payroll taxes) and the Board of Directors	7	6
Number of employees		
Employee category		
Managers	179	183
Supervisors	6	7
Administrative staff (interns)	10	13
Apprentices	5	4
TOTAL	199	207

The Company has a total of 199 employees, including 6 seconded to subsidiaries.

French tax credit for competitiveness "CICE" has been recognized for a total amount of €75 thousand, its corresponds to 2015 civil year remunerations which are eligible. In accordance with Recommendation issued by the Task Force of the French National

Accounting Board, this amount has been recorded into account "649 – Personal costs". Gains from CICE for this period, for the own company, compensates cost of goods sold and is set off from company income taxes for this period.

This tax credit has been used for financing a hiring with a new job position.

NOTE 20 NET FINANCIAL INCOME

(in C milliona)	2015	2014
(in € millions)		
Income from investments in subsidiaries and affiliates	239	141
Dividends received from subsidiaries	194	97
Interest received on intra-group loans and receivables	45	44
Other interest income	8	9
Interest income on current accounts advances	1	2
Interest income on interest rate and currency swaps	5	3
Other interest income	2	4
Reversals of provisions for financial items	66	51
Reversals of provisions for impairment of shares in subsidiaries and affiliates	41	37
Reversals of provisions for impairment of other receivables	8	
Reversals of provisions for contingencies and charges	17	14
Foreign exchange gains	1	2
FINANCIAL INCOME	314	203
Interest expense	(61)	(70)
Interest paid on bonds	(41)	(44)
Interest paid on bank borrowings		(2)
Interest paid on other borrowings	6	(4)
Interest paid on current accounts advances	(3)	(2)
Interest paid on loans from subsidiaries	(23)	(18)
Amortization and provisions – financial assets	(59)	(70)
Additions to provisions for impairment of shares in subsidiaries and affiliates	(54)	(47)
Additions to provisions for impairment of loans		
Additions to provisions for impairment of current assets		(1)
Amortization of bond issue premiums		
Additions to provisions for contingencies and charges	(5)	(22)
Foreign exchange losses	(4)	(1)
FINANCIAL EXPENSES	(124)	(141)
NET FINANCIAL INCOME	190	62

NOTE 21 NON-RECURRING ITEMS

In 2015, total non-recurring items represented net income of €(33) million before tax, breaking down as follows:

(in Carilliana)	2015	2014
(in € millions)	2015	2014
Gains (losses) on disposals of capital operation	(36)	(6)
Gains (losses) on disposals and liquidations of investments		
Other non-reccuring gains	2	
Other non-reccuring charges	(1)	
Non -reccuring charges to financial provisions		(1)
Non-reccuring charges to provision for contingencies and charges	(2)	(1)
Additions to provisions for subsidiaries' losses		-
Reversals of provisions for contingencies and charges	4	
Reversals of provisions for risks related to subsidiaries		6
NET NON-RECURRING INCOME	(33)	(2)

NOTE 22 INCOME TAX AND CONSOLIDATION

A. Income tax expense of Edenred SA

The Company recorded a tax loss of €26 million (i.e. excluding the contribution of companies in the Edenred SA tax group).

The income tax benefit for the year breaks down as follows:

(in € millions)	2015	2014
Tax on reccuring profit	(5)	(18)
Tax on non-reccuring items	(3)	
Income tax expense (benefit)	1	(5)

⁽¹⁾ Including the 3% additional tax on distributed earnings, applicable to earnings distributed since September 15, 2015 for €5 million, tax on fiscal control amounting to €4 millions and deduction of €8 million due to tax grouping surplus.

Potential deferred taxes arising from deductible and taxable temporary differences, including tax loss carry-forward, represented a net asset of €61 million at December 31, 2015.

B. Tax group members

Edenred SA and its eligible French subsidiaries elected for the Group relief system governed by Article 223A of the French General Tax Code on March 18, 2011. The election applies as from January 1st, 2011 tax year.

A group relief agreement between Edenred sa and the other members of the tax group was also signed in 2011.

The tax group members in 2015 were:

- Saminvest
- ASM
- Edenred France
- Veninvest Quatro
- Veninvest Cinq
- Veninvest Huit
- Servicarte
- Veninvest Neuf

- Veninvest Dix
- Veninvest Onze
- Veninvest Douze
- Veninvest Quatorze
- Veninvest Quinze
- Veninvest Seize
- GABC
- Edenred payment

C. Group relief benefit

In 2015, a net group relief benefit of €8 million including tax credits was recorded in Edenred SA's accounts.

The tax group's tax loss for the year was €11 million. Without fiscal integration therorical tax due from Edenred SA would have been amounting to nil.

D. Consolidation

The role of the entity Edenred SA is to be the consolidating entity of the Group Edenred.

NOTE 23 OFF-BALANCE SHEET COMMITMENTS GIVEN AND RECEIVED

Other off-balance sheet commitments.

Off-balance sheet commitments given at December 31, 2015 break down as follows:

At December 31 (in € millions)	Within 1 year	1 to 5 years	Beyond 5 years	At December 31, 2015	At December 31, 2014
Total renovation commitments					
Guarantees given (1)	1	8		9	17
Guarantees for bank borrowings (2)	8	2	2	12	12
TOTAL GUARANTEE COMMITMENTS	9	10	2	21	29

⁽¹⁾ Corresponding to bonds given to banks on behalf of subsidiaries for €1 million and capital commitments of €6 million given to the Partech international VI and PartechII investment fund.

Hedging instruments

Currency hedges

The following tables analyze the notional amount of currency hedges by maturity and the carrying amount of these instruments in the balance sheet, corresponding to their fair value, at December 31, 2015:

(in € millions)	At December 31, 2015 Notional amount	Expiring 2016
Forward sales and currency swaps		
ZAR	2	2
USD	1	1
RUB	1	1
HKD	2	2
FORWARD SALES	6	6
Forward purchases and currency swaps		
GBP	208	208
MXN	55	55
CZK	38	38
RON	5	5
JPY	17	17
SEK	4	4
HUF	4	4
CHF	4	4
USD	4	4
FORWARD PURCHASES	339	339
TOTAL CURRENCY HEDGES	345	345

⁽²⁾ Corresponding to guarantees for bank loans given on behalf of subsidiaries.

For each currency, the notional amount corresponds to the euro equivalent of the amount of currency sold or purchased forward. Fair value corresponds to the difference between the amount of the currency sold (purchased) and the amount of the currency purchased (sold).

All the currency instruments listed above are used for hedging purposes.

They are designated and documented fair value hedges of intragroup loans and borrowings that qualify for hedge accounting.

At December 31, 2015, currency instruments had a positive fair value of €1 million.

Interest rate hedges

The following tables analyze the notional amount of interest rate hedges by maturity and the carrying amount of these instruments in the balance sheet, corresponding to their fair value, at December 31, 2015:

At December 31 (in € millions)	2015 Notional amount	2015	2016	Beyond
Interest rate swaps where Edenred is the fixed rate borrower	50	-	-	50
EUR Euribor/Fixed rate				
Interest rate collars where Edenred is the fixed rate borrower	-			
Interest rate hedges where Edenred is the variable rate borrower	1,080		500	580
EUR Euribor/Fixed rate				
TOTAL INTEREST RATE HEDGES	1,130	-	500	630

The notional amount corresponds to the amount covered by the interest rate hedge. Fair value represents the amount that would be receivable or payable if the positions were unwound on the market.

All the interest rate instruments listed above are used for hedging purposes.

At December 31, 2015, interest rate instruments had a positive fair value of €26 million.

NOTE 24 MAIN SUBSIDIARIES AND AFFILIATES AT DECEMBER 31, 2015

(in thousands of local currency units)

Carrying amount of shares

Subsidiaries and affiliates	Currency	Share capital	Reserves	% interest	Cost	Net	Provisions				
A- Subsidiaries and affiliates wi	A- Subsidiaries and affiliates with a carrying amount in excess of 1% of Edenred SA's capital										
1- Subsidiaries (at least 50%-owned)											
a) French subsidiaries	a) French subsidiaries										
Edenred France 166-180 Bld Gabriel Peri 92240 Malakoff	EUR	464,967	16,173	100.00%	641,997	619,544	22,453				
Veninvest Quattro 166 - 180 Bld Gabriel Péri 92240 Malakoff	EUR	6,444	(3,936)	100.00%	6,444	2,201	4,243				
Veninvest Cinq 166 - 180 Bld Gabriel Péri 92240 Malakoff	EUR	7,381	(5,535)	100.00%	7,381	745	6,636				
Veninvest Huit 166 - 180 Bld Gabriel Péri 92240 Malakoff	EUR	6,789	(4,951)	100.00%	6,789	1,586	5,203				
ASM 166-180 Bld Gabriel Peri 92240 Malakoff	EUR	306,267	832	100.00%	306,267	306,267					
Saminvest 166-180 Bld Gabriel Peri 92240 Malakoff	EUR	3,060	306	60.00%	276,760	276,760					
Veninvest Neuf 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	5,594	(4,091)	100.00%	5,594	1,508	4,086				
Veninvest Onze 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	5,485	(4,358)	100.00%	5,485	1,133	4,352				
Veninvest Douze 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	9,454	(7,271)	100.00%	9,454	3,288	6,166				
Veninvest Seize 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	12,388	(9,811)	100.00%	12,388	1,899	10,489				

(in € thousands) Outstanding loans and **Dividends** advances Guarantees Last reported Last reported received by granted by Edenred SA given by Edenred SA Last reported Edenred SA profit (loss) during the year Average 2015 exchange rate Last reported profit (loss) revenue (local currency) revenue (local currency) 466,742 144,059 144,059 41,530 41,530 48,689 1.00000 (311)(311)1.00000 (1,106)(1,106)1.00000 (258) (258) 1.00000 7,624 7,624 15,795 1.00000 55,808 55,808 15,317 1.00000 1.00000 (5) (5) (5) (5) 1.00000

1,084

(684)

1,084

(684)

1.00000

1.00000

(in thousands of local currency units)

Carrying amount of shares

Subsidiaries and affiliates	Currency	Share capital	Reserves	% interest	Cost	Net	Provisions	
b) Foreign subsidiaries								
Edenred Belgium								
Av Herrmann Debroux 44 1160 Bruxelles	EUR	8,608	192,270	100.00%	865,415	865,415		
	EUR	0,000	192,270	100.00%	605,415	600,410		
Edenred Portugal SA Edificio Adamastor, Torre B Av D. Joao II								
1990-077 Lisoa	EUR	2,030	6,136	50.00%	6,765	4,877	1,888	
Edenred Deutschland GmbH (Allemagne)	EUR	1,520	4,646	100.00%	26,651	26,651	-	
Edenred Espana SA (Espagne)	EUR	11,544	25,599	100.00%	53,141	53,141		
Edenred Finland OY								
Elimaenkatu15 00510 Helsinki	EUR	6,536	(4,608)	33.55%	6,502	6,502		
Edenred India PVT LTD (Inde) (1)	INR	246,131	246,422	94.90%	14,001	10,034	3,967	
Edenred Singapore Pte Ltd		210,101	2 10, 122	01.0070	1 1,001	10,001	0,007	
(Singapour)	SGD	48,000	(25,046)	100.00%	36,335	3,125	33,210	
Surgold India PVT LTD (Inde) (1)	INR	15,899	(9,306)	100.00%	10,437	-	10,437	
Cestaticket Services C.A. (Venezuela)	VEF	6,000	52,970	57.00%	16,309	16,309		
Inversiones Dix Venezuela SA	VEF	442,443	39,621	100.00%	19,728	2,237	17,491	
Big Pass (Colombie)	COP	1,514,440	742,472	100.00%	12,759	7,272	5,487	
Barclays VoucherS CO LTD 10F, Hulic Kandabashi bldg, Tokyo	JPY	1,000,000	(617,982)	100.00%	29,624	29,624	_	
2- Affiliates (10% to 50%-owned	d by Edenre		. ,		,	,		
a) French companies		•						
b) Foreign companies								
3- Other (less than 10%-owned	by Edenred	SA)						
a) French companies	.,	4						
b) Foreign companies								
Edenred Polska Sp Zo.o.	5	40.470	(0.050)	/		0.10		
(Pologne)	PLN	18,170	(2,056)	5.00%	4,682	243	4,439	
Edenred Italie SRL Via GB Pirelli 19 Milano Italia	EUR	5,959	39,965	1.70%	16,717	15,386	1,331	
Edenred Servicos E Participacoes S/A	BRL	138,261	237,953	1.70%	9,608	9,608		

(in € thous	sands)						
Outstanding loans and advances granted by Edenred SA	Guarantees given by Edenred SA	Last reported revenue (local currency)	Last reported revenue	Last reported profit (loss) (local currency)	Last reported profit (loss)	Dividends received by Edenred SA during the year	Average 2015 exchange rate
664,458		40,821	40,821	93,145	93,145	84,913	1.00000
	-	5,611	5,611	(35)	(35)	-	1.00000
05.070		10,024	10,024	18,815	18,815	- 44.047	1.00000
65,078		14,395	14,395	9,731	9,731	14,017	1.00000
		0.000	0.000	(000)	(000)		1 00000
		8,696 347,014	8,696 4,874	(390)	(390)	-	1.00000 71.19080
		347,014	4,074	31,361	444		71.19000
		8,599	5,637	(6,995)	(4,586)	-	1.52540
	-	1,914,145	26,888	(30,762)	(432)	-	71.19080
		2,097,607	10,581	910,047	4,591	1,293	198.24550
		-	-	25,962	131	-	198.24550
		10,058,710	3,304	674,220	221		3,044.40430
		666,427	4,962	32,904	245	-	134.31300
		6,628	1,585	(7,733)	(1,849)	-	4.18270
295,000		1,082,449	1,082,449	52,848	52,848	757	1.00000
		-	-	344,689	93,326	7,171	3.69340

(in thousands of local currency units)

Carrying amount of shares

Subsidiaries and affiliates	Currency	Share capital	Reserves	% interest	Cost	Net	Provisions	
B- Investments with a carrying a	amount of les	s than 1% of Ed	enred SA's cap	oital				
a) French companies								
Servicarte 166-180 Bld Gabriel Peri 92240 Malakoff	EUR	610	61	100.00%	2,799	2,799		
GABC 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	60	(35)	100.00%	760	760		
Lccc 32 Ter Bld Ornano 93200 Saint Denis	EUR	188	1,754	44.32%	1,141	1,141		
Veninvest Dix 166- 180 Bld Gabriel Péri 92240 Malakoff	EUR	15	(10)	100.00%	15	15		
Veninvest Quinze 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	4,570	(4,085)	100.00%	4,570	158	4,412	
Veninvest Quatorze 166-180 Bld Gabriel Péri 92240 Malakoff	EUR	4,570	(3,280)	100.00%	4,570	1,294	3,276	
Activitiz 4 bis rue Saint Saveur 75002 Paris (1)	EUR	49	442	9.89%	250	_	250	
Vous Avez Choisi (4)	EUR			23.24%	244	_	244	
Lucky Cart SAS	EUR	389	1,360	13.04%	475	475	-	
Finsquare (Invex)	EUR	126	1,287	9.73%	360	360	-	
Tim Talent (3)	EUR			25.03%	157	157	-	
Zen Chef	EUR	1	5,658	15.27%	2,400	2,400		
b) Foreign companies								
Edenred Austria GmbH Am Euro Platz 1, A-1120 Wien (Autriche)	EUR	1,600	44	100.00%	1,589	1,589		
Edenred North America INC	USD	15,616	13,904	100.00%	333	333		
Edenred Bulgaria AD 137 Tzarigradsko Shausse Blvd Sofia 1784, Bulgaria	BGN	3,392	(941)	50.00%	1,272	1,272	-	
Westwell Group SA José Enrique Rodo 2123, Montevideo Uruguay	USD	1,864	310	100.00%	2,209	2,209		
Edenred Peru SA (Perou)	PEN	940	-	67.00%	1,729	-	1,729	
Edenred Panama SA	PAB	1,250	(1,438)	100.00%	1,024	-	1,024	
Edenred South Africa (Proprietary) Ltd (Afrique du Sud)	ZAR	5,000	(45,525)	74.00%	424	424		

(in € thous	sands)						
Outstanding loans and advances granted by Edenred SA	Guarantees given by Edenred SA	Last reported revenue (local currency)	Last reported revenue	Last reported profit (loss) (local currency)	Last reported profit (loss)	Dividends received by Edenred SA during the year	Average 2015 exchange rate
		13,561	13,561	760	760	2,039	1.00000
				(4)	(4)		4 00000
		-	-	(4)	(4)		1.00000
		123,856	123,856	389	389	-	1.00000
				(E)	(E)		1,00000
		-	-	(5)	(5)	-	1.00000
		-	-	(329)	(329)	-	1.00000
		-	-	(5)	(5)	-	1.00000
		2,499	2,499	(462)	(463)	_	1.00000
			2,499	(463)	(403)		1.00000
		1,337	1,337	(1,026)	(1,026)		1.00000
		350	350	(882)	(882)		1.00000
			-	(**)	-		1.00000
		1,479	1,479	(1,435)	(1,435)	-	1.00000
	-	1,515	1,515	95	95	72	1.00000
	-	820	739	280	252	-	1.10990
	-	3,508	1,794	390	199	-	1.95580
	-	-	-	2,191	1,974	1,425	1.10990
	-	-	-	(467)	(132)	-	3.53330
	-	-	-	-	-	-	1.10990
2,257	-	20,694	1,462	3,998	282	-	14.15590
,			,	-,			

(in thousands of local currency units)

Carrying amount of shares

Subsidiaries and affiliates	Currency	Share capital	Reserves	% interest	Cost	Net	Provisions	
Edenred Maroc SAS 110 BD Zerktouni Casablanca	MAD	11,000	(28,649)	51.00%	496	-	496	
Edenred s.a.l (Liban) SID EL Bauchrieh Beyrouth	LBP	3,250,000	(3,810,903)	80.00%	1,559	517	1,042	
Accentiv' Shanghai Company (Chine)	CNY	7,041	(5,166)	100.00%	650	650		
Edenred Colombia S.A.S Calle 72# 10-07 Edificio Liberty Piso 2 Bogota Colombia	COP	238,818	2,378,493	96.98%	2,802	586	2,216	
Ticket ServicOS SA Alameda Tocantins 125 - Alphaville SP - Brasil	BRL	40,221	297,751	0.11%	230	230	2,210	
Edenred Bresil Participacoes SA Av. Das Nacoes Unidas, 7815 Sao Paulo Brazil	BRL	555,634	(16,756)	7.04%	3,306	3,306		
Edenred Suisse SA	CHF	2,500	(606)	100.00%	2,456	1,627	829	
Savingstar	USD	27,286	(23,320)	6.88%	3,887	3,887		
Izicard (1)	EUR	96	761	41.27%	699	699		
Launchpad (2)	GBP	0	1,628	11.10%	516	516		
Edenred Partners Capital	GBP	5	1,878	10.00%	2,677	2,677		
Edenred Magyarorszag KFT (Hongrie)	HUF	89,000	276,750	1.69%	373	-	373	
Vouchers Services SA 33 Avenue Galatsiou 11141 Athens Greece	EUR	500	167	1.70%	0	0		
Edenred UK Group Limited 50 Vauxhall Bridge Road, London SW1V 2RS UK	GBP	13,394	49,839	1.70%	3,117	3,117		
Edenred Sweden Liljeholmsstranden 3 105 40 Stockholm	SEK	9,974	18,348	1.70%	897	500	397	
Luncheon Tickets SA José Enrique Rodo 2123, Montevideo Uruguay	UYU	5,236	4,443	1.74%	231	231		
Edenred Romania SRL CAL. Serban Voda nr.133 Bucarest	RON	73,162	(3,161)	1.70%	4,426	1,878	2,548	
Edenred Slovakia (Slovaquie)	EUR	664	96	1.70%	309	309	2,0 10	
(Diovagaio)	LOIT			1.1070	000	000		

(in € thousands)								
Outstanding loans and advances granted by Edenred SA	Guarantees given by Edenred SA	Last reported revenue (local currency)	Last reported revenue	Last reported profit (loss) (local currency)	Last reported profit (loss)	Dividends received by Edenred SA during the year	Average 2015 exchange rate	
		0.000	000	(1.000)	(175)		10.01700	
	-	3,236	299	(1,892)	(175)	-	10.81720	
468	-	1,105,325	660	(128,593)	(77)	-	1,673.59950	
	-	36,012	5,163	(2,379)	(341)	-	6.97480	
	_	_	_	(1,988,617)	(653)	-	3,044.40430	
	-	1,010,333	273,551	382,660	103,606	113	3.69340	
	-	-	-	347,129	93,986	1,755	3.69340	
	-	479	448	(137)	(128)	-	1.06810	
		5,377	4,845	(5,596)	(5,042)		1.10990	
	-	10	10	(381)	(381)	-	1.00000	
		396	545	(346)	(476)		0.72620	
		441	607	151	208		0.72620	
	-	536,806	1,732	(32,259)	(104)		309.88680	
	_	6,029	6,029	2,597	2,597	34	1.00000	
	-	116,702	160,702	3,828	5,271	31	0.72620	
	_	87,742	9,380	2,734	292		9.35440	
		01,172	0,000	2,107	232		0.00440	
				,		_		
	-	-	-	154,650	5,111	85	30.25920	
		71,368	16,055	22,744	5,117		4.44520	
	-	9,964	9,964	3,257	3,257	45	1.00000	

(in thousands of local currency units)

Carrying amount of shares

Subsidiaries and affiliates	Currency	Share capital	Reserves	% interest	Cost	Net	Provisions	
Edenred Kurumsal COZ.A.S								
(Turquie)	TRY	2,980	6,659	1.70%	55	55		
G LOG Servicos DE Gestao DE								
Distribuicao LTDA (Brésil)	BRL	10	1,272	1.70%	1	1		
Ticketseg - Corretora DE Seguros								
S/A (Brésil)	BRL	2,526	229	0.43%	8	8		
Accentiv Servicos Tecnologia DA								
Informacoa S/A	BRL	21,114	1,813	0.31%	387	32	355	
Edenred CZ S.R.O Na Porici 5,								
Praha 1, Czech Republic	CZK	13,500	492,244	1.70%	725	725		
3- Other investments								
A - Subsidiaries and affiliates with a	a carrying a	mount in excess o	f 1% of Edenred	d SA's capital				
a) French subsidiaries (aggregate)					1,278,559	1,214,931	63,628	
b) Foreign subsidiaries (aggregate)					1,128,674	1,050,424	78,250	
B - Investments with a carrying am	ount of less	than 1% of Edenr	ed SA's capital					
a) French subsidiaries (aggregate) 17,741 9,559 8,182			8,182					
b) Foreign subsidiaries (aggregate)		·			38,388	27,379	11,009	
TOTAL (NOTE 24)					2,463,362	2,302,293	161,069	

Provisional unaudited balance sheet data:

⁽¹⁾ Balance sheet as of March 31, 2014.

⁽²⁾ Balance sheet as of February 28, 2015.

⁽³⁾ Created in 2015.

⁽⁴⁾ Liquidation.

 (in € thousands)							
Outstanding loans and advances granted by Edenred SA	Guarantees given by Edenred SA	Last reported revenue (local currency)	Last reported revenue	Last reported profit (loss) (local currency)	Last reported profit (loss)	Dividends received by Edenred SA during the year	Average 2015 exchange rate
		40.400		0.4.700			
	-	42,492	14,061	24,728	8,183	93	3.02200
	-	4,536	1,228	(337)	(91)	-	3.69340
	-	1,095	296	1,105	299	1	3.69340
	_	35,043	9,488	(4,568)	(1,237)		3.69340
	_	33,043	3,400	(4,500)	(1,237)		3.09340
	-	442,103	16,203	92,896	3,405	140	27.28550
 466,742	-					79,801	
1,024,536	-					108,151	
	-					2,039	
2,725	-					3,794	
1,494,003	-					193,785	

NOTE 25 FIVE-YEAR FINANCIAL SUMMARY

Description (in € millions)	2015	2014	2013	2012	2011
1 - Capital at December 31					
Share capital	462	458	452	452	452
Number of shares in issue	230,816,848	228,811,546	225,897,396	225,897,396	225,897,396
Number of convertible bonds					
2 - Results of operations					
Net revenues	30	29	31	26	24
Profit before tax, depreciation, amortization and provision expense	156	64	356	68	297
Income tax	(1)	5	8	10	13
Net profit	137	41	414	56	378
Total dividend	191	191	185	185	158
3 – Per share data (in €)					
Earnings/(loss) per share after tax, before depreciation, amortization and provision expense	0.68	0.28	1.58	0.30	1.31
Earnings/(loss) per share	0.59	0.18	1.83	0.25	1.67
Dividend per share (1)	0.83	0.84	0.82	0.82	0.70
4 - Employee information					
Number of employees (2)	195	179	174	160	148
Total payroll	(22)	(19)	(29)	(18)	(17)
Total benefits	(17)	(15)	(11)	(10)	(9)

^{(1) 2015} recommended dividend payable on 227,808,792 shares.

⁽²⁾ average number of employees as of December 31.

INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

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7.1 INFORMATION ABOUT THE COMPANY

7.1.1 COMPANY NAME

The Company's name is Edenred.

7.1.2 REGISTRATION DETAILS AND APE CODE

The Company is registered in Nanterre under no. 493 322 978. Its APE business identifier code is 6420Z.

7.1.3 INCORPORATION DATE AND TERM

The Company was incorporated on December 14, 2006 for a 99-year term as a société par actions simplifiée. It was converted into a société anonyme on April 9, 2010.

7.1.4 REGISTERED OFFICE, LEGAL FORM AND GOVERNING LAW

The Company's registered office is at 166 to 180 boulevard Gabriel Péri, 92240 Malakoff, France.

Phone: +33 (0)1 74 31 75 00.

Edenred is a société anonyme with a Board of Directors governed by the laws of France, mainly the provisions of the French Commercial Code (Code de commerce).

7.1.5 CORPORATE PURPOSE

The corporate purpose is set out in Article 3 of the bylaws, which are obtainable on request from the Company's headquarters and may be consulted at www.edenred.com/en/Finance.

The Company's corporate purpose is to engage in the following activities, in France and abroad, for its own account and on behalf of third parties:

- the design, development, promotion, marketing and management of paper and paperless service vouchers and, more generally, of all employee and public benefits, incentive and rewards, and expense management services;
- the development, promotion and operation of any and all information systems needed to support the development and implementation of the voucher and other activities described above, including related consulting services, and the management of associated financial transactions;
- the provision of consulting services, analyses and expertise in assessing the administrative, technical and financial resources needed to develop and implement service voucher policies and policies related to the above activities;
- the acquisition, by any method, of interests in any and all companies and ventures in France or abroad that have a similar or related purpose;
- the deployment of all public relations and communication initiatives related to the above service activities, including the organization of symposia, seminars, meetings, conventions, shows and other events;
- the provision of short, medium and long-term financing and cash management services for subsidiaries and sister companies. To this end, the Company may (i) obtain any and all loans in France or abroad, in euros or in foreign currencies, (ii) make loans and advances in euros or in foreign currencies, and (iii) carry out any and all treasury, short-term investment and hedging transactions;

7

7.2 Information about the Company's shares

 generally, the carrying out of any and all commercial, industrial, financial, securities and real estate transactions that are related directly or indirectly to the corporate purpose and all similar or related purposes or that facilitate the fulfillment of said purpose.

To fulfill its corporate purpose, the Company may carry out actions or transactions of any type and size and in any location, including the creation of new companies, the acquisition of shares or rights in existing companies, through a capital increase or otherwise, a

company acquisition or a merger, that (i) contribute or may contribute to, or facilitate or may facilitate the conduct of the activities defined above or (ii) directly or indirectly preserve the commercial, industrial or financial interests of the Company, its subsidiaries or its business partners.

7.2 INFORMATION ABOUT THE COMPANY'S SHARES

7.2.1 DESCRIPTION OF THE COMPANY'S SHARES

7.2.1.1 Type, class and listing – ISIN

At December 31, 2015, the Company's capital was made up of 230,816,848 shares with a par value of €2 each, all fully paid.

The 230,816,848 shares are ordinary shares with rights to all distributions of interim and final dividends, reserves or equivalent amounts.

All of the shares are listed on Euronext Paris (Compartment A) under ISIN FR0010908533 (ticker symbol: EDEN).

7.2.1.2 Governing law and competent courts

The Company's shares are governed by the laws of France.

The courts of the district where the Company has its registered office have jurisdiction over disputes where the Company is defendant. In disputes where the Company is plaintiff, the court of jurisdiction will be designated depending on the type of dispute, unless otherwise specified in France's Civil Procedure Code (Code de procédure civile).

7.2.1.3 Form of the shares and procedures for recognizing ownership

The Company's shares may be held in registered or bearer form, at the choice of the shareholder.

In application of Article L.211-3 of the French Monetary and Financial Code (Code monétaire et financier), ownership of the Company's shares is not evidenced by certificates but by an entry in a securities account kept by the Company or an authorized intermediary. The

rights of shareholders are evidenced by an entry in their name in the books kept by:

- the Company's registrar, Société Générale (32 rue du Champ-de-Tir, BP 81236 – 44312 Nantes Cedex 3, France), for registered shares;
- a bank or broker chosen by the shareholder and recognized by the Company's registrar, Société Générale (32 rue du Champ-de-Tir, BP 81236 – 44312 Nantes Cedex 3, France), for administered registered shares;
- a bank or broker chosen by the shareholder, for bearer shares.

Settlement/delivery of transactions in the Company's shares is carried out through Euroclear France, as central securities depository.

Shares are transferred by book entry and the transfer of title results from their being recorded in the buyer's securities account, in accordance with Articles L.211-15 and L.211-17 of France's Monetary and Financial Code.

Securities services are provided by the Company's registrar, Société Générale (32 rue du Champ-de-Tir, BP 81236 – 44312 Nantes Cedex 3, France).

7.2.1.4 Rights attached to the Company's shares

From the time of issue, the Company's shares are subject to all of the provisions of the Company's bylaws. Based on current French law and the Company's bylaws, the main rights attached to the shares are as follows:

Dividend rights

Each year, 5% of profit for the year, less any losses brought forward from prior years, is transferred to the legal reserve until such time as the legal reserve represents one-tenth of the share capital.

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The process resumes if, for whatever reason, the legal reserve subsequently falls to below one-tenth of the share capital.

The balance, plus any retained earnings brought forward from prior years, is available for distribution to shareholders in the form of dividends, in accordance with the applicable laws and regulations.

The Annual Shareholders Meeting called to approve the financial statements may decide to pay a dividend to all shareholders.

The Shareholders Meeting may decide to offer shareholders the option of reinvesting all or part of any interim or final dividend in shares of the Company, in accordance with the applicable laws and regulations. Dividends not claimed within five years of the payment date will be time-barred and will be paid over to the French State.

The Shareholders Meeting may decide, before paying a dividend, to deduct from distributable profit any amounts that it thinks fit to be credited to retained earnings or to one or more general or special reserve accounts to be used for any purposes decided by shareholders.

The Shareholders Meeting may also decide to distribute unrestricted reserves, as allowed by law, in which case the related resolution will specify the reserve accounts from which the dividend is to be deducted.

However, except in the case of a capital reduction, no such distribution may be made to shareholders if the Company's equity represents less than the sum of its share capital and restricted reserves, or would represent less than that amount as a result of the distribution.

Dividends paid to non-residents are subject to French withholding tax (see section 7.2.1.8, page 256).

Voting rights

The voting rights attached to shares are proportionate to the portion of capital they represent. All shares have the same par value and therefore one voting right is attached to each share.

However, as allowed under Article 24 of the Company's bylaws, paidup shares held in the name of the same holder under the registered form for at least two years have double voting rights.

In the case of a share issue paid up by capitalizing reserves, profits or additional paid-in capital, the new shares allocated in respect of shares with double voting rights also have double voting rights from the time of issue.

Registered shares converted into bearer shares or sold to a different shareholder lose their double voting rights. However, transfers through inheritance, liquidation of marital assets or an *inter vivos* transfer to a spouse or heir do not result in the loss of double voting rights or a break in the qualifying period. The merger of the Company has no impact on double voting rights, provided that the bylaws of the surviving company allow for their exercise.

Article 24 of the Company's bylaws stipulates that voting rights attached to shares held by beneficial and non-beneficial owners are exercisable at Ordinary and Extraordinary Shareholders Meetings by the beneficial owner, except that the non-beneficial owner may also vote in his or her own name when the resolution requires a unanimous vote of all of the shareholders.

Details of the number of voting rights at December 31, 2015 are presented in section 7.3.

Pre-emptive right to subscribe for securities in the same class

Under current French law, shareholders have a pre-emptive right to subscribe for any new shares issued for cash (including shares issued upon exercise of rights), proportionately to their stake in the Company's capital.

The Shareholders Meeting that decides or authorizes a share issue may decide to cancel shareholders' pre-emptive rights for the entire issue or for one or several tranches of the issue, in which case the meeting may decide as an alternative to set a fixed period during which shareholders may subscribe on a priority basis. For issues offered to the public or carried out on a private placement basis as governed by Article L.411-2-II of France's Monetary and Financial Code, without pre-emptive subscription rights for existing shareholders, the issue price must be determined in compliance with Article L.225-136 of the French Commercial Code. Any such issues may not represent more than 20% of the capital per year.

The Shareholders Meeting may decide to restrict participation in a share issue to certain named persons or to certain categories of persons with specified characteristics, in accordance with Article L.225-138 of the French Commercial Code.

The Shareholders Meeting that decides or authorizes a share issue may also decide to restrict participation to the shareholders of another company that is the target of a public stock-for-stock offer initiated by Edenred in application of Article L.225-148 of the French Commercial Code. Shares issued in payment for contributed assets are subject to the specific procedure provided for in Article L.225-147 of the French Commercial Code.

During the subscription period, the pre-emptive rights may be stripped from the underlying shares and traded separately. Alternatively, they may be sold with and on the same terms as the underlying shares. Shareholders may individually waive their pre-emptive subscription rights in application of Articles L.225-132 and L.228-91 of the French Commercial Code.

Right to a share of the Company's profits

Shareholders are entitled to a share of the Company's profits on the basis defined in Articles L.232-10 *et seq.* of the French Commercial Code.

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Right to a share of any liquidation surplus

Shares in all classes entitle their holders to a share of the Company's net assets and, if applicable, the liquidation surplus equal to the portion of the share capital that they represent, taking into account any returns of capital and any unpaid portion of the par value.

From the Company's point of view, all shares are indivisible.

Buyback clause - conversion clause

The bylaws do not include any share buyback or conversion clauses.

Identification of shareholders

The Company uses the methods provided for by French legislation to obtain information about the identity of holders of current or future rights to vote at Shareholders Meetings.

Disclosure thresholds

Any shareholder, acting alone or in concert with other shareholders, that becomes the owner of (or ceases to own) a number of shares representing a percentage of the capital or voting rights corresponding to a statutory disclosure threshold is required to notify the Company on the basis required by the applicable laws and regulations. Failure to comply with this obligation will expose the shareholder to the sanctions provided for in the applicable laws and regulations.

In addition, Article 9 of the Company's bylaws requires any shareholder or any group of shareholders acting alone or in concert, that acquires or raises its interest to 1% of the capital or voting rights to disclose its interest to the Company by registered letter with return receipt requested sent to the registered office, within four trading days of the transaction date or the signature of any agreement resulting in the disclosure threshold being crossed, whatever the date on which the shares are recorded in the holder's account. The notification must include details of the total number of shares and/or share equivalents held and the number of voting rights held.

The same disclosure rules will apply to any increase in a shareholder's interest by any multiple of 0.5% of the capital or voting rights beyond 1% and to any reduction in a shareholder's interest by any multiple of 1% of the capital or voting rights. In the case of failure to comply with the applicable disclosure rules, at the request of one or several shareholders representing at least 3% of the Company's capital or voting rights, as duly recorded in the minutes of the Shareholders Meeting, the undisclosed shares will be stripped of voting rights at all Shareholders Meetings held in the two years following the date when the omission is remedied.

In addition, as well as making the statutory disclosures, any shareholder, or group of shareholders acting in concert, that becomes the owner of a number of shares representing more than one-twentieth of the Company's capital or voting rights is required to include in its disclosure to the Company details of its intentions regarding the shares over the next twelve months, covering in particular the information referred to in Article L.233-7-VII, paragraph 2, of the French Commercial Code.

At the end of each successive twelve-month period following the initial disclosure, if the shareholder continues to hold a number of shares representing more than one-twentieth of the Company's capital or voting rights, it is required to notify the Company of its intentions for the following twelve months.

The Company will have the right to inform the public and shareholders of the said shareholder's disclosed intentions, or of the shareholder's failure to comply with this requirement.

For the application of the above disclosure provisions of the bylaws, disclosable interests include the shares or voting rights referred to in Article L.233-9-I of the French Commercial Code.

7.2.1.5 Restrictions on the sale of the shares

The bylaws do not include any restrictions on the sale of the Company's shares. A detailed description of the commitments given by the Company and some of its shareholders is provided in section 7.3.1, page 292.

7.2.1.6 French regulations governing public tender offers

The Company is subject to French laws and regulations governing compulsory public tender offers, public buyout offers and squeezeout procedures.

Compulsory public tender offers

The situations in which a public tender offer must be made for all of the shares and share equivalents of a company listed on a regulated market are specified in Article L.433-3 of the Monetary and Financial Code and Articles 234-1 *et seq.* of the General Regulation of the *Autorité des marchés financiers* (AMF).

Public buyout offer and squeeze-out procedure

The procedure for filing a buyout offer and the compulsory buyout of minority shareholders in a company whose shares are listed on a regulated market is specified in Article L.433-4 of the French Monetary and Financial Code, and Articles 236-1 *et seq.* (public buyout offer), 237-1 *et seq.* (squeeze-out procedure following a public buyout offer) and 237-14 *et seq.* (squeeze-out procedure following a public tender offer) of the AMF's General Regulation.

7.2 Information about the Company's shares

7.2.1.7 Public offer for the Company's shares made during the current or previous financial year and items that could have an impact in the event of a public tender offer

No public offer for the Company's shares has been made during the current or previous financial year.

The following items could have an impact in the event of a public tender offer for the Company's shares (information disclosed in application of Article L.225-100-3 of the French Commercial Code):

- capital structure: see section 7.3.1, page 292;
- voting right restrictions: see section 7.2 on disclosure thresholds, page 282;
- direct or indirect equity interests in the Company that have been disclosed: see section 7.3.1, page 293;
- agreements providing for the payment of compensation for loss of office or other termination benefits to members of the Board of Directors or to employees if they stand down, resign, are removed from office or terminated other than for gross misconduct or if their employment ends due to a change of control: see section 5.4, page 136;
- employee share ownership system when the employee does not exercise the control rights: in accordance with Article L.214-40 of France's Monetary and Financial Code, the decision to tender to a public purchase or exchange offer for Edenred shares held in a corporate mutual fund set up in connection with an employee share ownership system is made by the fund's Supervisory Board;
- rules for appointing and replacing members of the Board of Directors and amending the bylaws: see section 5.2.2.1, page 117. No specific rules apply to amending the bylaws;
- agreements entered into by the Company that would alter or terminate upon a change of control: bonds for a total of €1,275 million excluding accrued interest could become immediately repayable in the event of a change of control, by decision of any individual bond holder (Article 4 c Redemption at the option of the Bond Holders of the Prospectuses for the bond issues dated October 4, 2010, May 21, 2012 and October 23, 2013).

7.2.1.8 Tax regime applicable to the Company's shares

This section outlines the rules governing French withholding tax applicable to the Company's dividends, based on current French legislation. It does not take into account the effects of any international tax treaties that may apply to individual shareholders. Shareholders are encouraged to seek advice from their tax adviser concerning their specific situation. Shareholders that are not resident in France for tax purposes are required to also comply with the tax rules in force in their country of residence. French tax residents are required to comply with applicable French tax laws.

(a) Withholding tax on dividends distributed to shareholders not domiciled in France for tax purposes

In principle, dividends paid by the Company are subject to withholding tax deducted by the paying agent, when the shareholder's tax domicile or registered office is located outside France. Except as specified below, withholding tax is deducted at the rate of (i) 21% when the shareholder is an individual and is resident in a member State of the European Union or a European Economic Area country that has signed a tax treaty with France containing a clause providing for administrative assistance in combating tax fraud and evasion, (ii) 15% when the shareholder is a non-profit organization headquartered in such a country, that would be taxed under Article 206-5 of the French General Tax Code if it were headquartered in France and meets the criteria set out in paragraphs 580 et seq. of Instruction BOI-IS-CHAMP-10-50-10-40, and (iii) 30% in all other cases.

Withholding tax is not deducted from dividends distributed to foreign investment funds that are tax residents of a member State of the European Union or a country or territory that has signed a tax treaty with France containing a clause providing for administrative assistance in combating tax fraud and evasion and stipulating that the French tax authorities are entitled to obtain from the country where the fund is established the information necessary to verify that the funds (i) raise capital from a number of investors with a view to investing it in accordance with a defined investment policy for the benefit of those investors, and (ii) have similar characteristics to the French investment funds governed by section 1, paragraphs 1, 2, 3, 5 and 6 of subsection 2, subsection 3 or subsection 4 of section 2 in chapter IV, part I, book II of France's Monetary and Financial Code.

The withholding tax may be reduced or canceled in application of international tax treaties or of Article 119 *ter* of the French General Tax Code, which applies in some circumstances to corporate shareholders resident in the European Union.

In addition, provided that they meet the conditions set out in Instruction BOI-RPPM-RCM-30-30-20-40, corporate shareholders that hold at least 5% of the Company's capital may, under certain circumstances, be exempt from withholding tax if their seat of management is located in a member State of the European Union or a European Economic Area country that has signed a double taxation agreement with France containing a clause providing for administrative assistance in combating tax fraud and evasion.

However, since January 1, 2013, dividends paid by the Company are subject to 75% withholding tax, whatever the shareholder's tax residence (unless an international tax treaty applies that provides for a lower rate), if they are paid outside France to an "uncooperative country or territory" within the meaning of Article 238-0 A of the French General Tax Code. The list of uncooperative countries and territories is published by ministerial order and updated annually.

Shareholders should seek advice from their tax adviser, in order to determine whether the new legislation on uncooperative countries and territories applies to them and/or whether they qualify for withholding tax relief or exemption. Shareholders are also invited to seek advice about the procedure to be followed to apply international tax treaty provisions, in particular as provided for in Instruction BOI-INT-DG-20-20-20, which describes the standard and simplified procedures for claiming withholding tax relief or exemption.

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(b) Withholding tax on dividends distributed to individual shareholders domiciled in France for tax purposes

With some exceptions, dividends distributed by the Company to individual shareholders domiciled in France will be subject to 21% withholding tax that will be deductible from the income tax due by them for that year. If the paying agent is based in France, the withholding tax will be deducted at source. However, if the paying agent is based outside France, the shareholder will be responsible for declaring the dividend income and paying the corresponding withholding tax within 15 days of the month during which the dividend is received. If the paying agent is based in a member State of the European Union or a European Economic Area country that has signed a tax treaty with France containing a clause providing for administrative assistance in combating tax fraud and evasion, the withholding tax is paid either by the paying agent designated by the shareholder at the tax office for non-residents, or by the shareholder himself.

The withholding tax will not apply to dividends received on shares held in a French PEA personal equity plan.

Individual shareholders will be able to apply for an exemption from this withholding tax under certain conditions if they belong to a tax household (foyer fiscal) whose reference taxable income (as defined in Article 1417-IV-1 of the French General Tax Code) for the last year but one was less than €50,000 for single taxpayers or less than €75,000 for joint taxpayers.

In addition, regardless of whether the 21% withholding tax applies or not, all dividends paid to individuals domiciled in France are subject to (prélèvements sociaux) social welfare surtaxes at the aggregate rate of 15.5%. These levies are withheld at source and are in addition to the individual's personal income tax liability.

The shareholders concerned are encouraged to seek advice from their tax adviser about personal income tax rules.

Dividends are subject to personal income tax at the graduated rate, after deducting the 40% rebate. The flat-rate withholding tax is deductible from this income tax or refunded in the event of a surplus.

7.2.2 SHARE BUYBACK PROGRAM

This section presents the share buyback program in accordance with Articles 241-1 *et seq.* of the AMF's General Regulation.

7.2.2.1 Authorizations granted by the Annual Shareholders Meeting

Authorizations to buy shares

The Shareholders Meeting of April 30, 2015 gave the Board of Directors an eighteen-month authorization to buy back a number

of shares that may not exceed 10% of the total number of shares outstanding, as allowed by Articles L.225-209 *et seq*. of the French Commercial Code.

The maximum purchase price was set at €35 per share. It may be adjusted to reflect the impact of any corporate actions.

The purposes of this share buyback program are provided in the program description published on the Company's website in accordance with Articles 241-1 *et seq*. of the AMF's General Regulation.

The characteristics of the buyback program are as follows:

Type of security	Shares
Maximum percentage of capital purchased into treasury	10% (the number of Edenred shares purchased into treasury and subsequently remitted in connection with a merger, demerger or asset contribution may not exceed 5% of the Company's share capital)
Maximum number of shares that may be purchased	20,693,241 shares, representing 10% of the capital at December 31, 2014
Maximum total amount allocated to the program	€724,263,435
Maximum purchase price per share	€35
Validity	18 months until October 29, 2016

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At the Shareholders Meeting scheduled for May 4, 2016, the Board will submit a proposal to approve a new eighteen-month authorization that would override the authorization granted at the Shareholders Meeting of April 30, 2015 to buy a number of shares that may not exceed 10% of the total number of shares outstanding (i.e. 20,073,628 shares, or 8.70% of the capital at December 31, 2015, provided Edenred held 3,008,056 of its own shares at that date, representing 1.30% of the capital) at a maximum purchase price of €30 per share. The total amount allocated to this buyback program cannot exceed €602,208,840. If the authorization is approved by the Shareholders Meeting on May 4, 2016, the share buybacks will be used for the following purposes:

- to cancel all or some of the acquired shares in connection with a capital reduction decided or authorized by the Company's shareholders in an Extraordinary Meeting;
- to allocate shares upon exercise of stock options granted under plans governed by Articles L.225-177 et seq. of the French Commercial Code or any similar plan;
- to allocate shares to employees in settlement of amounts due under the statutory profit-sharing scheme or to sell shares to employees through any employee savings, stock ownership or similar plan in accordance with Articles L.3332-1 et seq. of the French Labor Code;
- to grant shares under plans governed by Articles L.225-197-1 et seq. of the French Commercial Code;
- to fulfill any obligations associated with stock option plans or other allocations of shares to employees or Executive Directors of the Company or any related company;
- to allocate shares on conversion, redemption, exchange or exercise of securities with rights to shares;
- to purchase shares for remittance in exchange, payment or otherwise in connection with external growth or restructuring transactions, including a merger, demerger, or asset contribution, conducted in accordance with market practices approved by the AMF:
- to make a market or ensure liquidity of the Company's shares under a liquidity contract entered into with an independent investment services provider that complies with the Code of Conduct recognized by the AMF;
- to implement any market practices authorized by the AMF as part
 of a share buyback program and, more generally, to carry out any
 transactions in relation to such programs that are authorized under
 the laws and regulations in force.

The program may also be used for any other purpose currently authorized or that may be authorized at a future date under the applicable laws or regulations, provided that the Company issues a press release notifying shareholders of said use.

The maximum purchase price may be adjusted as necessary to reflect the impact of any corporate actions.

The purchase, sale or transfer of shares may be carried out and settled by any method, on the basis and within the limits prescribed by the laws and regulations in force on the transaction date, in one or several transactions *via* regulated markets, multilateral trading facilities, systematic internalizers or over-the-counter, including through block purchases or sales, through public offers of purchase or exchange, through the use of options or derivatives – but excluding the sale of put options – traded *via* regulated markets, multilateral trading facilities, systematic internalizers or over-the-counter, through the allocation of shares on conversion, redemption, exchange or exercise of share equivalents or by any other means either directly or *via* an investment services provider. The entire buyback program may be implemented through a block trade.

Shares may be bought back, sold or otherwise transferred at any time for a period of 18 months from the date of the Shareholders Meeting on May 4, 2016 until November 3, 2017, except when a takeover bid for the Company is in progress, in accordance with the applicable regulations.

Authorization to cancel shares

The Shareholders Meeting of April 30, 2015 authorized the Board of Directors to cancel shares bought back under the provisions of Article L.225-209 *et seq.* of the French Commercial Code. The number of shares canceled in any given 24-month period may not exceed 10% of the total shares outstanding.

Pursuant to this authorization, the Board of Directors decided:

- on July 23, 2015, to cancel 1,532,905 shares, representing approximately 0.6% of the capital, purchased under the 2014 share buyback program authorized by the Shareholders Meeting of May 13, 2014 and set aside for cancellation;
- on December 18, 2015, to cancel 79,778 shares, representing approximately 0.03% of the capital, purchased under the 2015 share buyback program authorized by the Shareholders Meeting of April 30, 2015 and set aside for cancellation.

7.2.2.2 Implementation of the share buyback program in 2015

The authorizations given at the Annual Shareholders Meetings of May 13, 2014 and April 30, 2015 were used by the Company during 2015.

At the year-end, 3,008,056 shares, representing 1.30% of the share capital, were held directly or indirectly by the Company.

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(a) Transactions carried out excluding the liquidity contract

During 2015, the Company:

- purchased 1,048,193 Edenred shares for cancellation at an average price of €20.04 per share for a total spend of €21.007 million. This transaction was carried out by independent investment services providers acting under the Company's share buyback program;
- allocated 258,716 shares to be delivered under the performance share plan of February 27, 2012 reserved for certain employees and Executive Directors who are French tax residents;
- purchased 1,552,349 Edenred shares for allocation to stock grant plans governed by Articles L.225-197-1 et seq. of the French Commercial Code, at an average price of €17.03 per share for a total spend of €26.440 million. This transaction was carried out by independent investment services providers acting under the Company's share buyback program;
- canceled 1,612,683 Edenred shares totaling €35,005,167.79 to
 offset the stock dilution following the share issue as a result of (i)
 the exercise of options vested under stock option plans, and (ii)
 the stock grant plan of August 8, 2010 for beneficiaries who are
 not French tax residents.

(b) Transactions carried out under the liquidity contract

On November 3, 2011, the Company signed a liquidity contract with Exane BNP Paribas to maintain a liquid market for its shares on the Euronext Paris stock exchange. The contract, which complied with the AMAFI Code of Conduct approved by the AMF on March 21, 2011, ended on October 31, 2014.

On November 3, 2014, the Company signed a new liquidity contract with Oddo Corporate Finance that complies with the AMAFI Code of Conduct approved by the *Autorité des marchés financiers* on March 21, 2011. During 2015, under the liquidity contract, the Company:

- purchased 6,165,561 shares at an average price of €22.95 per share, for a total outlay of €141,521,781; and
- sold 6,074,561 shares at an average price of €22.94 per share, for total proceeds of €139,385,815.

At December 31, 2015, the Company held 250,000 shares under the liquidity contract with Oddo Corporate Finance, acquired at an average price of €18.51 per share, for a total of €4.628 million or 0.11% of the capital.

In addition, the Company's balance sheet at December 31, 2015 included €4.416 million in marketable securities held under the liquidity contract.

(c) Utilization of authorizations granted by the Annual Shareholders Meeting

Type of authorization	Maximum nominal amount authorized	Duration	Utilization in 2015
Share buyback program			
Shareholders Meeting of May 13, 2014 (15th resolution)	up to the equivalent of 10% of the capital	18 months	Purchase for allocation to performance share plans: 1,016,192 shares
	at the completion date		Purchase for cancellation: 36,162 shares
	Total amount: 790,640,865		Purchase under the Exane liquidity contract: 1,159,983 shares
	Maximum purchase price: €35		Purchase under the Oddo liquidity contract: 4,302,849 shares
Shareholders Meeting of April 30, 2015 (6th resolution)	up to the equivalent of 10% of the capital	18 months	Purchase for allocation to performance share plans: 1,552,349 shares
	at the completion date		Purchase for cancellation:
	Total amount:		1,012,031 shares
	724,263,435		Purchase under the Oddo liquidity contract:
	Maximum purchase price: €35		3,195,285 shares
Cancellation of shares			
Shareholders Meeting of May 13, 2014 (15th resolution)	up to the equivalent of 10% of the capital at the cancellation date for each 24-month period	18 months	Cancellation of 1,622,871 shares as decided by the Board of Directors on December 16, 2014
Shareholders Meeting of April 30, 2015 (7th resolution)	up to the equivalent of 10% of the capital at the cancellation date for each 24-month period	18 months	Cancellation of 1,532,905 shares as decided by the Board of Directors on July 23, 2015 Cancellation of 79,778 shares as decided by the Board of Directors on December 18, 2015

The Shareholders Meeting of May 4, 2016 will decide whether to renew the authorization to buy back the Company's shares and the authorization to reduce the capital by canceling shares, under the terms defined in section 8.1.

7.2.2.3 Overview of the share buybacks carried out in 2015

The number of shares and percentage of capital held by the Company at December 31, 2015 are summarized below (information disclosed pursuant to Instruction 2005-06 issued by the AMF on February 22, 2005):

Number of Edenred shares canceled over the last twenty-four months	3,738,670
Number of Edenred shares held in treasury at December 31, 2015, of which	3,008,056
shares bought back for cancellation	812,253
shares held for allocation under performance share plans	1,945,803
shares held under the liquidity contract with Oddo Corporate Finance	250,000
Percentage of capital held by the Company directly and indirectly at December 31, 2015	1.3%
Book value of treasury shares	€54.98 million
Market value of treasury shares at December 31, 2015	€52.491 million

The total amount of buyback transaction fees excluding tax was €0.04 million in 2015.

The Company held no open long or short positions in derivatives at December 31, 2015.

7.2.3 FINANCIAL AUTHORIZATIONS

At the Annual Shareholders Meetings of May 13, 2014 and April 30, 2015, shareholders granted the Board of Directors the following authorizations.

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The Annual Shareholders Meeting of May 4, 2016 will decide whether to renew all of the financial authorizations under similar terms to those described in the table below.

Type of authorization	Date of authorization	Nominal amount authorized	Duration and expiry date	Financial authorization proposed at the Annual Shareholders Meeting of Utilization May 4, 2016
Issue of shares				
Issue with pre-emptive subscription rights	Shareholders Meeting of May 13, 2014 17 th resolution	Equity securities: €225 million Debt securities: €2,250 million	26 months July 13, 2016	- 22 nd resolution: Equity securities: €152 million Debt securities: €1,523 million Duration: 26 months
Public offering without pre-emptive subscription rights	Shareholders Meeting of May 13, 2014 18 th resolution	Equity securities:	26 months July 13, 2016	- 23 rd resolution: Equity securities: €23 million Debt securities: €230 million These maximum amounts are deducted from the maximum amounts authorized in the 22 nd resolution Duration: 26 months
Private placement without pre-emptive subscription rights	Shareholders Meeting of May 13, 2014 19 th resolution	Equity securities:	26 months July 13, 2016	- 24 th resolution: Equity securities: €23 million Debt securities: €230 million These maximum amounts are deducted from the maximum amounts authorized in the 22 nd resolution Duration: 26 months
Increase in the amount of any issues that are oversubscribed	Shareholders Meeting of May 13, 2014 20 th resolution	15% of the amount of the initial issue	26 months July 13, 2016	- 25 th resolution: 15% of the amount of the initial issue up to the maximum amounts set in the 22 nd resolution
In payment for contributed assets	Shareholders Meeting of May 13, 2014 21st resolution	Equity securities:	26 months July 13, 2016	- 26 th resolution: Equity securities:
Issuance of new shares by capitalizing reserves, retained earnings, additional paid-in capital or any other eligible amounts	Shareholders Meeting of May 13, 2014 22 nd resolution	Equity securities: €225 million [⊚]	26 months July 13, 2016	- 27th resolution: Equity securities: €152 million This maximum amount is deducted from the maximum amount authorized in the 22nd resolution Duration: 26 months

⁽¹⁾ Maximum amount applicable to the 18th, 19th and 21st resolutions adopted at the Annual Shareholders Meeting of May 13, 2014.

⁽²⁾ Maximum amount applicable to the 18th and 19th resolutions adopted at the Annual Shareholders Meeting of May 13, 2014.

⁽³⁾ Maximum amount applicable to the 17th, 18th, 19th, 20th, 21st and 23rd resolutions adopted at the Annual Shareholders Meeting of May 13, 2014.

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Type of authorization	Date of authorization	Nominal amount authorized	Duration and expiry date	Utilization	Financial authorization proposed at the Annual Shareholders Meeting of May 4, 2016
Employee savings plans Issue without pre-emptive subscription rights reserved for members of an employee stock ownership plan	Shareholders Meeting of May 13, 2014 23 rd resolution	2% of the capital as at the close of the Shareholders Meeting of May 13, 2014	26 months July 13, 2016	-	28 th resolution: 2% of the capital as at the close of the Shareholders Meeting of May 4, 2016 This maximum amount is deducted from the maximum amount authorized in the 22 nd resolution Duration: 26 months
Stock option and perfor	mance share pl	ans			
Performance share plans	Shareholders Meeting of May 24, 2013 10 th resolution	1.5% of the capital as at the award date 8% of the number of shares granted to Executive Directors 25% of the number of shares granted to members of senior management	26 months July 24, 2015	share rights	29th resolution Maximum amount: 1.5% of the capital as at the award date Annual maximum amount of 0.1% of the capital as at the award date for the Executive Director Duration: 26 months
		1.5% of the capital as at the award date Annual maximum amount of 0.06% of the capital as at the award date for the Executive Director	26 months June 30, 2017	Board meeting of December 9, 2015 awarded 137,363 performance share rights	

In addition to these authorizations to issue shares, the Shareholders Meeting authorized the Board of Directors to cancel shares bought back by the Company. This authorization was used by the Board of Directors in 2015 (see paragraph 7.2.2.2 (c) Utilization of authorizations granted by the Annual Shareholders Meeting above).

7.2.4 SHARE EQUIVALENTS

The Company has not issued any share equivalents.

However, it should be noted that:

 up to 2,144,618 new shares may be issued upon exercise of stock options; up to 3,308,253 new or existing shares may be awarded to holders of performance share rights that have not yet vested.

Stock option plans and performance share plans are described from page 137.

7.2 Information about the Company's shares

7.2.5 SHARES NOT REPRESENTING CAPITAL

The Company has not issued any shares not representing capital. There are no other potential ordinary shares.

7.2.6 CHANGES IN CAPITAL

Table showing changes in capital as at December 31, 2015

The Company's capital has changed over the past six years as follows:

	Amount of the change in capital					
		Number	Par value	Premium	New capital	Total number
Transaction date	Transaction	of shares	(in €)	(in €)	(in €)	of shares
Dec. 14, 2006	Initial capital	370	37,000		37,000	370
April 9, 2010	Cancellation of shares	119	11,900		25,100	251
April 9, 2010	Issue of shares	119	11,900	100	37,000	370
April 9, 2010	50-for-1 stock-split	18,500	37,000		37,000	18,500
	Shares issued in payment for					
May 11, 2010	assets contributed by Accor S.A.	225,878,896	451,757,792	647,427,593.63	451,794,792	225,897,396
July 23, 2013	Cancellation of shares	259,066	518,132	4,149,941	451,276,660	225,638,330
	Issue of shares after vesting of					
Aug. 7, 2013	shares granted	259,066	518,132	(518,132)	451,794,792	225,897,396
	Issue of shares after dividend					
June 16, 2014	reinvestment	2,914,150	5,828,300	55,223,142	457,623,092	228,811,546
	Issue of shares after exercise of					
Dec. 16, 2014	stock options	1,622,871	3,245,742	18,971,362	454,377,350	227,188,675
Dec. 16, 2014	Cancellation of shares	1,622,871	3,245,742	(33,990,695)	457,623,092	228,811,546
	Issue of shares after exercise of					
Feb. 11, 2015	stock options	52,975	105,950	619,278	457,729,042	228,864,521
	Issue of shares after dividend					
June 4, 2015	reinvestment	2,005,302	4,010,604	38,040,578	461,739,646	230,869,823
July 23, 2015	Cancellation of shares	1,532,905	3,065,810	(30,222,379.86)	458,673,836	229,336,918
	Issue of shares after vesting of					
Aug. 7, 2015	shares granted	602,422	1,204,844	(1,204,844)	459,878,680	229,939,340
	Issue of shares after exercise of					
Aug. 7, 2015	stock options	877,508	1,755,016	10,708,628	461,633,696	230,816,848
	Issue of shares after exercise of					
Dec. 18, 2015	stock options	79,778	159,556	1,026,300.82	461,793,249	230,896,626
Dec. 18, 2015	Cancellation of shares	79,778	159,556	(1,557,421.93)	461,633,696	230,816,848

7.3 OWNERSHIP STRUCTURE

7.3.1 OWNERSHIP OF SHARES AND VOTING RIGHTS

In accordance with the declaration made on January 6, 2016 pursuant to Article L.233-8-II of the French Commercial Code and Article 223-16 of the General Regulation of the *Autorité des marchés financiers*, at December 31, 2015, the Company's capital was made

up of 230,819,248 shares representing a total of 254,911,110 voting rights, of which 251,903,054 were exercisable.

At December 31, 2015, the Company had 3,030 registered shareholders representing 14.6% of the Company's capital and 21.6% of exercisable voting rights.

The Company's ownership structure over the last three years was as follows:

	At November 30, 2015 (3)			At Novem	At November 30, 2014 (3)			At November 30, 2013 (3)			
	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights		
ColDay (Colony Capital)	25,848,944	11.20%	17.00%	25,506,869	11.08%	14.67%	25,506,869	11.29%	14.99%		
The Capital Group Companies, Inc. (1)	46,282,803	20.05%	18.15%	26,608,781	11.58%	10.75%	-	-	-		
Morgan Stanley IM	-	-	-	-	-	-	22,419,737	9.92%	9.25%		
Véritas AM LLP	11,307,070	4.90%	4.43%	11,307,070	4.91%	4.56%	11,307,070	5.01%	4.67%		
Other institutional investors	131,417,293	56.92%	51.53%	150,216,361	65.28%	60.67%	151,450,726	67.05%	62.70%		
Individual shareholders	12,817,382	5.55%	7.63%	12,712,005	5.52%	7.83%	13,176,373	5.83%	7.55%		
Edenred (treasury stock) (2)	3,212,834	1.39%	1.26%	3,753,784	1.63%	1.52%	2,036,621	0.90%	0.84%		
TOTAL	230,886,326	100%	100%	230,104,870	100%	100%	225,897,396	100%	100%		

Sources: Euroclear France, Edenred share register, additional survey and disclosures made to the Autorité des marchés financiers.

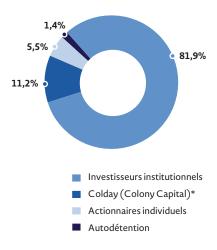
⁽¹⁾ The Capital Group Companies, Inc. has increased its interest since November 30, 2015. As at January 12, 2016 (AMF reference no. 216C0126), The Capital Group Companies, Inc. disclosed that it holds 51,180,473 shares, representing 22.17% of the share capital and 20.08% of the voting rights.

⁽²⁾ At the year-end, 3,212,834 shares, representing 1.39% of the share capital, were held by the Company. The voting rights associated with shares held in treasury are not exercisable.

⁽³⁾ Date of the most recent shareholder survey.

7.3 Ownership structure

THE COMPANY'S OWNERSHIP STRUCTURE AS OF NOVEMBER 30, 2015, IS AS FOLLOWS:



*Actionnaire de référence

The free float represents 87.4% of outstanding shares.

In the period since 2010, the following registered intermediaries and fund managers have notified the *Autorité des marchés financiers* of changes in their interests, in accordance with disclosure threshold rules:

Registered intermediary or fund manager	Disclosure date	AMF	Increase or decrease in interest	Number of shares held	%	Number of voting rights held	% voting
or rund manager	Disclosure date	reference no.	interest	neia	capital	neia	rights
Southeastern Asset Management	July 2, 2010	210C0598	Increase	14,600,878	6.46%	14,600,878	6.46%
Franklin Resources, Inc.	July 7, 2010	210C0618	Increase	12,904,219	5.71%	12,904,219	5.71%
Morgan Stanley Investment Management	July 8, 2010	210C0620	Increase	14,102,853	6.24%	14,102,853	6.24%
Caisse des Dépôts et Consignations/ Fonds Stratégique d'Investissement	July 8, 2010	210C0621	Increase	19,549,639	8.65%	19,549,639	8.65%
Franklin Resources, Inc.	August 27, 2010	210C0850	Decrease	11,253,997	4.98%	11,253,997	4.98%
Franklin Resources, Inc.	September 3, 2010	210C0868	Increase	11,381,568	5.04%	11,381,568	5.04%
Franklin Resources, Inc.	September 29, 2010	210C0979	Decrease	11,086,640	4.91%	11,086,640	4.91%
Caisse des Dépôts et Consignations/ Fonds Stratégique d'Investissement	October 11, 2010	210C1048	Decrease	2,884,974	1.28%	2,884,974	1.28%
Southeastern Asset Management	July 25, 2011	211C1338	Decrease	0	0.00%	0	0.00%
Barclays Plc	July 27, 2011	211C1363	Increase	7,023,379	3.11%	7,023,379	3.11%
Morgan Stanley Investment Management	August 3, 2011	211C1498	Increase	22,653,117	10.03%	22,653,117	10.03%
ColTime	January 16, 2012	212C0082	Decrease	0	0.00%	0	0.00%
Eurazeo SA/Legendre Holding 19	October 2, 2012	212C1293	Increase	23,251,526	10.29%	38,753,836	15.01%
ColDay SARL	October 2, 2012	212C1293	Increase	25,506,869	11.29%	36,333,586	14.07%
Legendre Holding 19	March 15, 2013	213C0348	Decrease	0	0.00%	0	0.00%
Véritas AM LLP	July 10, 2013	213C0909	Increase	11,307,070	5.01%	11,307,070	5.01%
Morgan Stanley Investment Management	October 11, 2013	213C1553	Decrease	22,419,737	9.92%	22,419,737	9.25%
The Capital Group Companies, Inc.	September 12, 2014	214C1884	Increase	12,522,526	5.45%	12,522,526	5.07%

INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

7.3 Ownership structure

Registered intermediary or fund manager	Disclosure date	AMF reference no.	Increase or decrease in interest	Number of shares held	% capital	Number of voting rights held	% voting rights
Morgan Stanley Investment Management	September 18, 2014	211C1920	Decrease	9,070,152	3.95%	9,070,152	3.67%
The Capital Group Companies, Inc.	October 24, 2014	214C2220	Increase	23,485,133	10.22%	23,485,133	9.50%
The Capital Group Companies, Inc.	October 29, 2014	214C2255	Increase	26,608,781	11.58%	26,608,781	10.76%
The Capital Group Companies, Inc.	December 17, 2014	214C2658	Increase	35,052,654	15.23%	35,052,654	14.16%
The Capital Group Companies, Inc.	December 18, 2014	214C2666	Increase	37,509,500	16.30%	37,509,500	15.15%
ColDay SARL	April 9, 2015	215C0421	Increase	25,508,736	11.13%	43,355,313	17.44%
ColDay SARL	April 9, 2015	215C0421	Increase	25,374,596	11.06%	43,355,313	17.36%
ColDay SARL	October 22, 2015	215C1482	Increase	25,848,944	11.20%	43,355,313	17.00%
The Capital Group Companies, Inc.	October 26, 2015	215C1501	Increase	46,282,803	20.05%	46,282,803	18.14%
The Capital Group Companies, Inc.	January 13, 2016	216C0126	Increase	51,180,473	22.17%	51,180,473	20.08%

Shareholders' pacts

None.

Voting rights of the main shareholders

As of December 31, 2015, each Edenred share entitled its holder to one vote.

However, Article 24 of the Company's bylaws states that, under certain circumstances, shares may be attributed double voting rights.

As a result, paid-up shares registered in the name of the same holder for at least two years have double voting rights (see section 7.2.1.4 "Voting rights", page 281).

In accordance with the declaration made on January 6, 2016 pursuant to Article L.233-8-II of the French Commercial Code and Article 223-16 of the General Regulation of the *Autorité des marchés financiers*, at December 31, 2015, the Company's capital was made up of 230,819,248 shares representing a total of 254,911,110 voting rights, of which 251,903,054 were exercisable.

Agreements that may lead to a change of control

None.

7.3.2 DIVIDENDS

Edenred made the following dividend payments in the past three years:

Year	Shares outstanding at December 31	Dividend per share (in €)	Total dividend paid (in €)	Paid on	Share price (in €) High	Share price (in €) Low	Share price (in €) Yearend	Yield based on year-end price
2014	228,864,521	0.84	191,332,462	June 08, 2015	25.10	19.27	22.96	3.66%
2013	225,897,396	0.83	185,294,847	June 18, 2014	27.10	22.50	24.33	3.41%
2012	225.897.396	0.82	185.025.201	May 31, 2013	24.79	18.31	23.30	3.52%

No interim dividend was paid during the year. Dividends are paid by Euroclear France.

Dividends not claimed within five years from the date of payment are forfeited, as provided for by law. The dividend policy set out in the bylaws is described in section 7.2.1.4.

At the Annual Shareholders Meeting of May 4, 2016, the Board of Directors will recommend setting the 2015 dividend at €0.84 per share. Shareholders will be paid half of the 2015 dividend in cash. They may opt to receive the other half of the dividend in cash or reinvest it in new shares at a 10% discount.

7.4 Market for Edenred securities

7.4 MARKET FOR EDENRED SECURITIES

MARKET FOR EDENRED SHARES

Edenred shares are traded on the Euronext Paris stock exchange (Compartment A). They are included in the following stock market indices: SBF 120, SBF 250, CAC High Dividend, CAC All-Share, Euronext 100, MSCI Standard Index Europe, FTSE4GOOD and DJSI.

The shares were initially listed at a reference price of €11.40. On the first day of trading (July 2, 2010), the shares opened at €13 and closed at €14.80.

On the last day of trading in 2015, the shares closed at €17.45, giving the Company a market capitalization of €4.0 billion.

EDENRED SHARE PRICES AND TRADING VOLUMES (ISIN: FR0010908533)

	Average closing			
(in €)	price	High	Low	Trading volume
2015				
January	23.94	27.15	21.78	12,972,396
February	24.77	25.90	23.54	11,365,141
March	23.87	24.90	22.52	13,444,100
April	24.17	25.23	22.65	13,664,540
May	23.60	24.81	22.58	10,879,825
June	22.53	23.40	21.78	13,865,013
July	22.84	24.35	21.52	14,758,954
August	21.00	23.39	17.60	20,124,125
September	16.14	18.80	14.19	30,192,922
October	16.49	17.64	14.76	26,134,126
November	17.86	19.62	16.21	19,466,731
December	17.45	19.95	16.40	17,733,859
2016				
January	16.12	17.64	14.90	23,221,045
February	15.54	17.64	14.90	29,124,511

Source: Euronext

SHAREHOLDER SERVICES

Shareholder services are provided by:

Société Générale Securities Services SGSS/SBO/CSS/BOC 32, rue du Champ-de-Tir BP 81236 – 44312 Nantes Cedex 3

ANNUAL SHAREHOLDERS MEETING

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8.1 PRESENTATION OF PROPOSED RESOLUTIONS

8.1.1 APPROVAL OF THE FINANCIAL STATEMENTS, APPROPRIATION OF PROFIT AND DIVIDEND PAYMENT

The purpose of the **first resolution** is to approve the annual financial statements of Edenred SA for the year ended December 31, 2015, which show net profit of €137,391,090.98. In application of Article 223 *quater* of the French Tax Code (Code général des impôts), the shareholders also approve the aggregate amount of non-deductible costs and expenses referred to in Article 39, paragraph 4 of said Code, which amounted to €169,134 for 2015, and the tax paid thereon, which was €59,233.

The purpose of the **second resolution** is to approve the consolidated financial statements of the Edenred Group for the year ended December 31, 2015, which show attributable net profit of €177 million, as well as the transactions reflected in the financial statements or described in the Board of Directors' Management Report.

The **third resolution** concerns the appropriation of profit and payment of a dividend. The Board of Directors recommends appropriating distributable earnings as follows:

- legal reserve: €401,060.40, which increases the total to €46,163,369.60;
- retained earnings: €(54,369,354.70), which decreases the total to €53,890,869.58;
- dividends: €191,359,385.28 (based on 227,808,792 shares carrying dividend rights at December 31, 2015).

Shareholders are invited to set the 2015 dividend at €0.84 per share, representing a payout rate of 96% of recurring net profit after tax.

Dividends per share for the previous three years were as follows:

- 2012: €0.82;
- 2013: €0.83;
- 2014: €0.84.

As was the case last year, the **fourth resolution** introduces the option of payment in new Company shares. Under this option, shareholders can choose to receive half of their 2015 dividend in Edenred shares, as follows:

- €0.42 per share in cash only; and
- €0.42 per share in cash or in new Edenred shares.

The option of payment in shares allows the Company to increase its equity capital while preserving its cash reserves. Shareholders that choose to reinvest their dividends help to finance Edenred's future investments, which in turn will contribute to driving future earnings growth.

The new shares allocated to shareholders that choose to reinvest part of their dividends will be issued at a price equal to 90% of the average of the opening prices quoted for Edenred shares over the twenty trading days preceding the May 4, 2016 Shareholders Meeting, rounded up to the nearest euro cent. They will carry the same rights as existing shares, including rights to all dividends distributed after their issue date. If the amount of dividends for which the reinvestment option is exercised does not correspond to a whole number of shares, the shareholder will receive the lower whole number of shares and the balance in cash.

The dividend reinvestment option will be exercisable between May 12 and the close of business on June 3, 2016. Shareholders that do not exercise the reinvestment option by June 3, 2016 will receive the total dividend in cash. For shareholders that do not opt to reinvest part of their dividend, the cash dividend will be paid as from June 15, 2016. For shareholders that opt to reinvest part of their dividend, the shares will be delivered as from the same date, *i.e.*, June 15, 2016.

8.1.2 RATIFICATION, ELECTION AND RE-ELECTION OF DIRECTORS

Following Jacques Stern's resignation as Chairman and Chief Executive Officer and the decision of the Board of Directors, on the recommendation of the Compensation and Appointments Committee, to appoint Bertrand Dumazy as Chairman and Chief Executive Officer, it was first decided to co-opt him as director for the remainder of Jacques Stern's term, expiring at the close of the Annual Meeting to be called to approve the financial statements

for the year ending December 31, 2017. In the **fifth resolution**, shareholders are invited to ratify the Board of Directors' decision of September 10, 2015 to co-opt Bertrand Dumazy as director.

Detailed information about Bertrand Dumazy is provided in section 5.2 page 106.

ANNUAL SHAREHOLDERS MEETING

8

8.1 Presentation of proposed resolutions

In the **sixth resolution**, shareholders are invited to ratify the Board of Directors' decision of March 23, 2016 to co-opt Sylvia Coutinho as director for the remainder of Roberto Oliveira de Lima's term, expiring at the close of the Annual Meeting to be called to approve the financial statements for the year ending December 31, 2016.

MS Sylvia Coutinho, aged 54 and Brazilian citizen, holds a degree in Engineering and a post-graduation in Economics from the University of São Paulo, and an MBA from Columbia University in New York. She started her career in 1984 at the banking group Citigroup, where she held several high-responsibility positions in Brazil and the United States. In 2003, she joined HSBC where she has been holding senior positions in the wealth and asset management divisions, and became notably Head of HSBC Retail Banking and Wealth Management divisions for Latin America and Head of Global Asset Management for the Americas. Since 2013, Ms Sylvia Coutinho serves as the Country Head of the banking group UBS in Brazil and heads UBS' Brazilian Executive Committee.

In the **seventh, eighth and ninth resolutions**, shareholders are invited to re-elect Jean-Paul Bailly, Bertrand Meheut and Nadra

Moussalem as directors for the four-year term specified in the articles of association.

Provided they are re-elected, the Board plans to confirm

- Jean-Paul Bailly's appointment as member of the Audit & Risks Committee and the Commitments Committee;
- Bertrand Meheut's appointment as member of the Commitments Committee; and
- Nadra Moussalem's appointment as Chairman of the Commitments Committee and member of the Compensation and Appointments Committee.

Jean-Paul Bailly and Bertrand Meheut are citizens of France and have been independent directors pursuant to the criteria set out in the AFEP-MEDEF Corporate Governance Code since June 29, 2010.

Nadra Moussalem, a citizen of France, is the Chairman of Colony Capital SAS, a corporate shareholder of Edenred, and as such he represents the shareholders' interests on the Board.

Detailed information about Jean-Paul Bailly, Bertrand Meheut and Nadra Moussalem is provided in section 5.2 pages 103, 113 and 114.

8.1.3 ADVISORY VOTE ON THE COMPENSATION DUE OR AWARDED TO EXECUTIVE DIRECTORS FOR 2015

The AFEP-MEDEF Corporate Governance Code (Article 24.3), to which the Company refers in accordance with Article L.225-37 of the French Commercial Code, recommends that the following components of the compensation due or awarded to each Executive Director of the Company during the year be submitted to an advisory vote by shareholders at the Annual Meeting:

- salary;
- annual performance bonus and any long-term incentive, together with details of the related objectives;
- any exceptional bonuses;
- stock options, performance shares and any other deferred compensation;

- welcome bonus or compensation for loss of office;
- supplementary pension rights;
- other benefits.

Full details of the compensation policy for Executive Directors, the process for determining this policy and the components thereof are provided in section 5.4, page 126.

In the **tenth resolution**, shareholders are invited to issue a favorable opinion on the components of the compensation due or awarded for the year ended December 31, 2015 to Jacques Stern, Chairman and Chief Executive Officer until July 31, 2015.

Compensation due or awarded to Jacques Stern, Chairman and Chief Executive Officer from January 1 to July 31, 2015, for 2015, submitted to an advisory vote by shareholders

Compensation due or awarded for the year ended December 31, 2015

Compensation components	Amount	Comments
Salary	€437,500	Gross annual salary ⁽¹⁾ of €750,000 approved by the Board of Directors on February 11, 2015 based on the recommendation of the Compensation and Appointments Committee, paid on a <i>prorated basis</i> .
Annual bonus	€450,000	 General principle The bonus may range from 0% to 120% of Mr. Stern's salary and a maximum bonus in case of outperformance of financial and operational targets may rise up to 180% of his salary, as follows: up to 50% of the salary related to financial targets based on the operating EBIT budget; in the event of outperformance, as approved by the Board of Directors, the bonus related to these targets may represent an additional 30% of the salary; up to 15% of the salary related to financial targets reflecting the recurring earning per share budget; in the event of outperformance, as approved by the Board of Directors, the bonus related to these targets may represent an additional 10% of the salary; up to 30% of the salary related to operational targets; in the event of outperformance, as approved by the Board of Directors, the bonus related to these targets may represent an additional 20% of the salary; up to 25% of the salary related to management targets. 2015 Following the resignation of Jacques Stern during his term and having noted that the interim consolidated financial statements were in line with budget, the Board of Directors decided at its meeting of July 23, 2015, on the recommendation of the Compensation and Appointments Committee, to award Jacques Stern a bonus representing 50% of his target bonus, i.e., €450,000.
Deferred compensation	€0	Jacques Stern was not awarded any deferred compensation.
Long-term incentive	€0	Jacques Stern was not awarded any long-term incentive.
Exceptional bonus	€0	Jacques Stern was not awarded any exceptional bonus.
Directors' fees	€0	Jacques Stern did not receive any directors' fees.
Stock options and/or performance shares	64,000 performance share rights awarded, valued at €0, following Jacques Stern's resignation during the year	On February 20, 2015, the Board of Directors used the authorization given at the Annual Shareholders Meeting of May 24, 2013 to award Jacques Stern rights to 64,000 performance shares. Following his resignation, effective July 31, 2015, Jacques Stern lost the rights to the 64,000 performance shares. No stock options were granted to Mr. Stern during 2015.
Other benefits	n/a	No other benefits were due or awarded to Jacques Stern

⁽¹⁾ Gross annual compensation corresponds to the participant's salary and bonus, excluding any exceptional bonuses.

8.1 Presentation of proposed resolutions

Compensation due or awarded for the year ended December 31, 2015 which will be or has already been put to the vote at the Annual Shareholders Meeting in accordance with the procedure governing related party agreements and commitments

Compensation components	Amount	Comments	
Compensation for loss of office	No benefits due or paid	The compensation payable to Mr. Stern would have been reduced, if necessary, so that the sum of (i) his termination benefits and (ii) the termination benefit payable under his employment contract did not exceed two years' salary and bonus. Said compensation was subject to performance criteria and would only be payable in the event that Mr. Stern was forced to stand down as Chairman and Chief Executive Officer following a change of strategy or control, or his appointment was terminated, other than as a result of serious misconduct or gross negligence. For further details, see page 129 of the 2015 Registration Document. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on February 11, 2014, approved by the Annual Shareholders Meeting of May 13, 2014 and reviewed by the Board of Directors on February 11, 2015 and February 10, 2016. As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, he was not entitled to payment of any termination benefits.	
Non-compete indemnity	n/a	Jacques Stern did not sign any non-compete clause.	
Supplementary pension plan	No benefits due or paid	Jacques Stern participated in the Edenred defined contribution and defined benefit pension plans on the same basis as other senior executives of the Company. Under the defined benefit plan, the Company is committed to paying an annuity to plan participants when they retire, provided that they are still on the Company's payroll at that date. Edenred's annual contribution to the Article 83 defined contribution plan on Mr. Stern's behalf represented 0.4% of his gross annual compensation for 2015 ⁽¹⁾ , i.e., €5,547. Mr. Stern's rights to potential supplementary pension benefits under the Article 39 defined benefit plan have corresponded on average to 1% of his gross annual compensation since he joined the plan in 2005. Benefits paid under the two plans may not represent a replacement rate of more than 30% of the final gross annual compensation. The overall replacement rate represented by all benefits paid under compulsory plans and Edenred supplementary pension plans is capped at 35% of the average reference compensation for the best three years out of Jacques Stern's last ten years before retirement. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on February 11, 2014, approved by the Annual Shareholders Meeting of May 13, 2014 and reviewed by the Board of Directors on February 11, 2015 and February 10, 2016. As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, he was not entitled to the payment of any benefits under these two plans.	
Death/disability and health insurance plan	No benefits due or paid	Jacques Stern was covered by the death/disability and health insurance plan set up for employees, which has been extended to include the Executive Director. Premiums paid by the Company for this extended cover in 2015 amounted to €3,211.83. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on February 11, 2014, approved by the Annual Shareholders Meeting of May 13, 2014 and reviewed by the Board of Directors on February 11, 2015 and February 10, 2016. As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, he was not entitled to payment of any benefits under this plan.	
Unemployment insurance	No benefits due or paid	Since April 1, 2013, Jacques Stern had been covered under an insured plan set up with Axa, entitling him to unemployment benefits equal to 80% of the contractual income, capped at €15,216 per month, for a period of up to 18 months. The total annual cost of this plan for Edenred, including premiums and related payroll taxes, is €33,043. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on February 11, 2014, approved by the Annual Shareholders Meeting of May 13, 2014 and reviewed by the Board of Directors on February 11, 2015 and February 10, 2016. As Jacques Stern resigned from office as Chairman and Chief Executive Officer effective July 31, 2015, he was not entitled to payment of any benefits under this plan.	

In the **eleventh resolution**, shareholders are invited to issue a favorable opinion on the components of the compensation due or awarded for the year ended December 31, 2015 to Nadra Moussalem, Chairman and Chief Executive Officer from August 1 to October 25, 2015.

Compensation due or awarded to Nadra Moussalem, Chairman and Chief Executive Officer from August 1 to October 25, 2015, for 2015, submitted to an advisory vote by shareholders

Compensation due or awarded for the year ended December 31, 2015

Compensation components	Amount	Comments	
Salary	€174,031	Gross annual salary ⁽¹⁾ of €750,000 approved by the Board of Directors on July 30, 2015 based on the recommendation of the Compensation and Appointments Committee, paid on a <i>prorated basis</i> .	
Annual bonus	€0	As Nadra Moussalem was appointed acting Chairman and Chief Executive Officer, he was not awarded a bonus for his interim role.	
Deferred compensation	€0	Nadra Moussalem was not awarded any deferred compensation.	
Long-term incentive	€0	Nadra Moussalem was not awarded any long-term incentive.	
Exceptional bonus	€0	Nadra Moussalem was not awarded any exceptional bonus.	
Directors' fees	€0	Nadra Moussalem did not receive any directors' fee during his term as acting Chairman and Chief Executive Officer.	
Stock options and/or performance shares	n/a	No performance shares or stock options were granted to Mr. Moussalem during 2015.	
Other benefits	n/a	No other benefits were due or awarded to Nadra Moussalem	

⁽¹⁾ Gross annual compensation corresponds to the participant's salary and bonus, excluding any exceptional bonuses.

Compensation due or awarded for the year ended December 31, 2015 which will be or has already been put to the vote at the Annual Shareholders Meeting in accordance with the procedure governing related party agreements and commitments

Compensation for loss of office	n/a	Nadra Moussalem was not entitled to termination benefits.
Non-compete indemnity	n/a	Nadra Moussalem did not sign any non-compete clause.
Supplementary pension plan	n/a	Nadra Moussalem was not entitled to supplementary pension benefits.
Death/disability and health insurance plan	n/a	Nadra Moussalem was not covered by a death/disability and health insurance plan.
Unemployment insurance	n/a	Nadra Moussalem was not covered by an unemployment insurance plan.

8.1 Presentation of proposed resolutions

In the **twelfth resolution**, shareholders are invited to issue a favorable opinion on the components of the compensation due or awarded for the year ended December 31, 2015 to Bertrand Dumazy, Chairman and Chief Executive Officer as of October 26, 2015.

Compensation due or awarded to Bertrand Dumazy, Chairman and Chief Executive Officer as of October 26, 2015, for 2015, submitted to an advisory vote by shareholders

Compensation due or awarded for the year ended December 31, 2015

Compensation components	Amount	Comments
Salary	€138,470	Gross annual salary ⁽¹⁾ of €750,000 approved by the Board of Directors on September 10, 2015 based on the recommendation of the Compensation and Appointments Committee, paid on a <i>prorated basis</i> .
Annual bonus	€165,000	General principle The bonus may range from 0% to 120% of Bertrand Dumazy's salary. Given that Bertrand Dumazy took up office during the fourth quarter of 2015, the bonus to which he may be entitled was only based on qualitative targets, reflecting his knowledge of the Company's strategic projects and implementation of a process to hire a new Chief Financial Officer.
		2015 At the Board meeting of February 10, 2016, based on the recommendation of the Compensation and Appointments Committee, the Board of Directors evaluated the amount of the annual bonus of Bertrand Dumazy at €165,000, corresponding to 100% of his maximum bonus payable on a prorated basis, i.e., 120% of his salary for the period of October 26 to December 31, 2015.
Deferred compensation	€0	Bertrand Dumazy has not been awarded any deferred compensation.
Long-term incentive	€0	Bertrand Dumazy has not been awarded any long-term incentive.
Exceptional bonus	€0	Bertrand Dumazy has not been awarded any exceptional bonus.
Directors' fees	€0	Bertrand Dumazy does not receive any directors' fees.
Stock options and/or performance shares	137,363 performance share rights awarded, valued at €1,125,000 based on the method used in the consolidated financial statements	Upon taking up his position and to align the interests of the Chairman and Chief Executive Officer with those of the shareholders, the Board of Directors, using the authorizations given at the Annual Shareholders Meeting of April 30, 2015, awarded Bertrand Dumazy rights to 137,363 performance shares. At least three performance criteria will apply, with performance against these criteria measured over a period of three consecutive fiscal years, and the performance shares will vest as follows: 37.5% if the target for like-for-like issue volume growth is met; 37.5% if the target for like-for-like growth in funds from operations (FFO) is met; 25% if the stock market performance target is met, corresponding to Edenred's total shareholder return (TSR) compared with the average TSR for companies included in the SBF 120 index. Fifteen percent of the performance shares granted must be held in registered form by the Chairman and Chief Executive Officer for as long as he remains in office. Executive Directors are banned by the Company from hedging the related equity risk until the end of the lock-up period for shares set by the Board of Directors. No stock options were granted to Mr. Dumazy during 2015.
Signing-on compensation	€500,000	In order to align the interests of the Chairman and Chief Executive Officer to those of the shareholders and to compensate for certain benefits to which Bertrand Dumazy would have been entitled had he remained in his previous position, the Board of Directors, at its meeting of September 10, 2015, on the recommendation of the Compensation and Appointments Committee, awarded Bertrand Dumazy a signing-on compensation of €500,000. An additional compensation of €500,000 was paid in March 2016.
Other benefits	€700	Bertrand Dumazy is entitled to a company car.

⁽¹⁾ Gross annual compensation corresponds to the participant's salary and bonus, excluding any exceptional bonuses.

Compensation due or awarded for the year ended December 31, 2015 which will be or has already been put to the vote at the Annual Shareholders Meeting in accordance with the procedure governing related party agreements and commitments

Compensation components	Amount	Comments
Compensation for loss of office	No benefits due or paid	Termination benefits would be payable to Bertrand Dumazy should he be forced to stand down for any reason whatsoever. This compensation would not exceed two years' total gross annual compensation and would be subject to performance criteria assessed over a three-year period. If Bertrand Dumazy is forced to stand down less than two years after his appointment, he would be entitled to receive a settlement in an amount equal to two years' salary and bonus. If he is forced to stand down more than two years but less than three years after his appointment, the reference period used to determine the performance criteria would be reduced to the last two elapsed years. For further details, see page 133 of the 2015 Registration Document. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on February 10, 2016, and will be submitted to shareholders for approval at the Annual Shareholders Meeting, in a separate resolution.
Non-compete indemnity	n/a	Bertrand Dumazy has not signed any non-compete clause.
Supplementary pension plan	No benefits due or paid	Bertrand Dumazy participates in the Edenred defined contribution and defined benefit pension plans on the same basis as other senior executives of the Company. Under the defined benefit plan, the Company is committed to paying an annuity to plan participants when they retire, provided that they are still on the Company's payroll at that date and the performance criteria related to the achievement of targets for the calculation of variable compensation are met. For further details, see page 142 of the 2015 Registration Document. In 2015, no sum was paid by the Company in respect of these supplementary pension plans for Bertrand Dumazy. A waiting period of one year from the date of appointment is required before an Executive Director is entitled to Article 83 benefits and a period of six months for the Article 39 benefits. Benefits paid under the two plans may not represent a replacement rate of more than 30% of the final gross annual compensation. The overall replacement rate represented by all benefits paid under compulsory plans and Edenred supplementary pension plans is capped at 35% of the average reference compensation for the best three years out of Bertrand Dumazy's last ten years before retirement. In accordance with the procedure governing related party agreements and commitments, these commitments were authorized by the Board of Directors on September 10, 2015 and February 10, 2016. They will be submitted to shareholders for approval at the Annual Shareholders Meeting, in a separate resolution.
Death/disability and health insurance plan	No benefits due or paid	Bertrand Dumazy is covered by the death/disability and health insurance plan set up for employees, which has been extended to include the Executive Director. Premiums paid by the Company for this extended cover in 2015 amounted to €992. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on September 10, 2015, and will be submitted to shareholders for approval at the Annual Shareholders Meeting, in a separate resolution.
Unemployment insurance	No benefits due or paid	Since October 26, 2015, Bertrand Dumazy has been covered under an insurance plan set up with Association GSC, entitling him to unemployment benefits equal to 70% of his contractual income for a period of up to 18 months. The cost of this plan for Edenred including premiums and related payroll taxes is €2,078. In accordance with the procedure governing related party agreements and commitments, this commitment was authorized by the Board of Directors on September 10, 2015, and will be submitted to shareholders for approval at the Annual Shareholders Meeting, in a separate resolution.

8.1 Presentation of proposed resolutions

8.1.4 RELATED PARTY AGREEMENTS AND COMMITMENTS

In the **thirteenth to seventeenth resolutions**, shareholders are invited to approve related party agreements and commitments governed by Article L.225-38 of the Commercial Code, as authorized by the Board of Directors during the year and subsequently, in favor of Bertrand Dumazy upon taking up his position as Chairman and Chief Executive Officer, relating to his termination benefits, the purchase of private unemployment insurance, the extension to him of the death/disability and health insurance plan set up for employees

and his participation in the supplementary pension plans in force in the Company. For further details, see the "Say on Pay" tables above and the section on the compensation due to Bertrand Dumazy, on page 133. This information as well as the related party agreements and commitments governed by Article L.225-38 of the Commercial Code, previously approved by the shareholders in prior years and having continuing effect during the year are covered in the Statutory Auditor's special report on page 332.

8.1.5 APPOINTMENT OF A PRINCIPAL STATUTORY AUDITOR AND ALTERNATE STATUTORY AUDITOR

Given that the terms of Didier Kling & Associés as Statutory Auditor and CREA as alternate Statutory Auditor expire at the close of the Annual Shareholders Meeting, the Audit Committee issued a call for bids in order to redefine the roles of each of the Company's Costatutory Auditors and thereby ensure that their duties are shared more equally between them.

The current principal Statutory Auditor and alternate Statutory Auditor took part in the tender process along with four other audit firms. The Board of Directors considered the participants' geographic coverage, the nature of the services offered and the amount of their fees, before selecting Ernst & Young Audit as the new principal Statutory Auditor and Auditex as the new alternate Statutory Auditor. Consequently, in the eighteenth and nineteenth resolutions and in accordance with the recommendations of the Audit Committee, shareholders are invited to approve the appointment of Ernst & Young Audit and Auditex as the new principal Statutory Auditor and alternate Statutory Auditor, respectively, for a six-year term expiring at the close of the Annual Shareholders Meeting to be called to approve the financial statements for the year ending December 31, 2021.

8.1.6 AUTHORIZATIONS GRANTED TO THE BOARD OF DIRECTORS

8.1.6.1 Authorization to trade in the Company's shares

The purpose of the **twentieth resolution** is to authorize the Board of Directors to trade in Edenred SA shares on the Company's behalf, subject to compliance with the applicable laws. This authorization is being sought for a period of 18 months from the date of the Meeting. It will supersede the authorization given by the Annual Meeting of April 30, 2015 (6th resolution).

The authorization could be used for the following purposes:

- to cancel all or some of the acquired shares in connection with a capital reduction authorized by the shareholders, either in the twenty-first resolution of this meeting or in any similar resolution that supersedes said resolution while this authorization is still valid:
- to implement a stock option plan or similar plan;
- to allocate shares to employees in settlement of amounts due under the statutory profit-sharing scheme or to sell shares to employees through any employee savings, stock ownership or similar plan;
- to grant shares under plans governed by Articles L.225-197-1 et seq. of the French Commercial Code;
- to fulfill any obligations associated with stock option plans or other allocations of shares to employees or Executive Directors of the Company or any related company;

- to purchase shares for remittance in payment, exchange or otherwise, in connection with external growth transactions;
- to allocate shares on conversion, redemption, exchange or exercise of securities with rights to shares;
- to make a market and ensure liquidity of the Company's shares under a liquidity contract entered into with an independent investment services provider that complies with the Code of Conduct recognized by the Autorité des marchés financiers;
- to implement any market practices authorized by the AMF as part of a share buyback program and, more generally, to carry out any transactions in relation to such programs that are authorized under the laws and regulations in force.

The Board of Directors may not, without prior authorization from the General Assembly, make use of this authorization as of the submission by a third party of a public bid for the company's securities and through until the end of the offer period.

Shares could not be bought back for a price of more than €30.

Pursuant to Article L.225-210 of the French Commercial Code, the number of shares held by Edenred at any moment in time cannot exceed 10% of its share capital on that date.

On December 31, 2015, Edenred held 3,008,056 of its own shares, equivalent to 1.30% of the Group's total share capital. The maximum number of its own shares that it could potentially buy back would therefore be equivalent to 8.70% of Edenred's share capital on December 31, 2015, *i.e.*, 20,073,628 Edenred shares, equivalent to a maximum purchase value of €602,208,840.

The authorizations to the same effect granted by the Shareholders on May 13, 2014 and April 30, 2015 were used by the Board of Directors during 2015 to buy back 8,766,103 shares (including purchases made as part of the liquidity contract) at an average share price of €21.56, equivalent to a total of €188,969,122. The total amount of transaction fees excluding tax was €0.04 million.

8.1.6.2 Authorization to reduce the capital by canceling shares

In the **twenty-first resolution**, the Board of Directors is seeking an authorization to reduce the Company's capital, on one or several occasions, by canceling all or some of the shares bought back or held by the Company, provided that the number of shares canceled in any 24-month period does not exceed 10% of the total shares outstanding.

This authorization would be valid for a period of 18 months and is the subject of a special report by the Statutory Auditors. It will supersede the authorization given by the Annual Meeting of April 30, 2015 (7th resolution).

The previous authorization for the same purpose granted by shareholders on April 30, 2015 was used during the year:

- 1,532,905 shares were canceled on July 23, 2015 to offset the stock dilution following the share issue as a result of (i) the exercise of options awarded under the stock option plans of August 6, 2010 and March 11, 2011, and (ii) the free share plan of August 6, 2010 for beneficiaries who are not French tax residents;
- 79,778 shares were canceled on December 18, 2015 to offset the stock dilution following the share issue as a result of the exercise of options awarded under the stock option plans of August 6, 2010 and March 11, 2011.

Over the past 24 months, Edenred has canceled 3,738,670 shares representing 1.6% of the capital on December 31, 2015.

This authorization would be valid for a period of 18 months from the Shareholders Meeting.

8.1.6.3 Authorizations to issue shares and/ or other securities with and without preferential subscription rights for existing shareholders

Shareholders are being invited to renew the authorizations given to the Board of Directors at the Annual Shareholders Meeting of May 13, 2014, which are due to expire on July 13, 2016.

Under these authorizations the Board would have full powers to decide to carry out rights issues or financial market transactions, giving it the necessary flexibility to swiftly raise the financial resources required to implement the Group's growth strategy.

If these resolutions are adopted, the Board will be authorized to issue shares and/or securities carrying immediate or deferred rights to shares in France or abroad, with or without preferential subscription rights for existing shareholders, based on the opportunities offered by the financial markets and in the best interests of the Company and its shareholders.

Their adoption would result in the cancellation, as of the date of this Meeting, of all previous shareholder authorizations to the same effect.

The **twenty-second resolution** authorizes the Board of Directors to issue shares and/or securities carrying rights to shares with preferential subscription rights for existing shareholders.

The aggregate par value of shares issued under this authorization would be capped at €152,339,000 (representing 33% of the capital as of February 10, 2016), not including the par value of any additional shares to be issued pursuant to the law to protect the rights of existing holders of securities carrying rights to shares. The amount of €152,339,000 corresponds to the blanket ceiling on the aggregate amount of share issues that could be carried out pursuant to the twenty-third (public offering without preferential subscription rights) twenty-fourth (private placement without preferential subscription rights) twenty-fifth (increase of the number of shares issued), twenty-sixth (payment for contributed assets), twenty-seventh (capitalization of reserves), twenty-eighth (employee share issues) and twenty-ninth (award of performance shares) resolutions. This blanket ceiling is in addition to any specific ceiling that may be set in each resolution.

The aggregate nominal value of debt securities that could be issued under the authorization would be capped at €1,523,390,000 or the equivalent in foreign currencies. The amount of €1,523,390,000 corresponds to the blanket ceiling on the aggregate nominal value of debt securities that could be issued pursuant to the twenty-second, twenty-third and twenty-fourth resolutions.

The **twenty-third** and **twenty-fourth resolutions** authorize the Board of Directors to issue shares and/or securities carrying rights to shares without preferential subscription rights for existing shareholders.

To be able to react quickly to any opportunity arising in the financial markets in France and abroad, the Board of Directors may swiftly arrange issues that can be placed with investors interested in certain types of financial instruments. To be able to do so, the Board needs to be in a position to offer the securities to investors without waiting for shareholders to exercise their preferential rights. In the case of a public offer, the Board of Directors would have the option of offering shareholders a priority right to subscribe for the securities that would be exercisable during the period and on the basis to be decided by the Board in accordance with the applicable laws and regulations. The Board of Directors and the Statutory Auditors would issue reports in connection with any such issues, which would be made available to shareholders in accordance with the legal requirements.

The aggregate par value of shares issued under these authorizations would be capped at €23,081,000 (representing 5% of the capital as of February 10, 2016), not including the par value of any additional shares to be issued pursuant to the law to protect the rights of existing holders of securities carrying rights to shares. The €23,081,000 ceiling is a blanket sub-ceiling applicable to issues carried out under the twenty-third, twenty-fourth, twenty-fifth and twenty-sixth resolutions.

The aggregate nominal value of bonds or other debt securities carrying rights to shares that could be issued under each of these authorizations would be capped at €230 million or the equivalent in foreign currencies.

8.1 Presentation of proposed resolutions

The previous authorizations to issue shares and/or other securities with and without preferential subscription rights granted by shareholders on May 13, 2014 were not used during the year.

These authorizations, which are described in a special report drawn up by the Statutory Auditors, are being sought for a period of 26 months from the date of this Meeting and would supersede the previous authorizations granted by shareholders for the same purpose. The Board of Directors may not, without prior authorization from the General Assembly, make use of these delegations of authority as of the submission by a third party of a public bid for the company's securities and through until the end of the offer period.

The purpose of the **twenty-fifth resolution** is to authorize the Board of Directors to increase by up to 15% the amount of any issues carried out with or without preferential subscription rights that are oversubscribed. Use of this authorization could not result in the blanket ceilings set in the twenty-second resolution of this Meeting being exceeded, or the specific ceilings set in the resolution used for the original issue.

The previous authorization for the same purpose granted by shareholders on May 13, 2014 was not used during the year.

This authorization is being sought for a period of 26 months from the date of this Meeting and would supersede the previous authorization granted by shareholders for the same purpose. The Board of Directors may not, without prior authorization from the General Assembly, make use of this delegation of authority as of the submission by a third party of a public bid for the company's securities and through until the end of the offer period.

In the **twenty-sixth resolution**, shareholders are invited to renew the authorization granted to the Board of Directors to issue shares and/ or other securities in payment for contributed assets. The aggregate amount of these issues would not result in the Company's capital being increased by more than 10%. This procedure is governed by the rules relating to contributed assets, particularly the requirement to have the assets valued by a contribution auditor. Note that the aggregate par value of shares issued under this authorization would be deducted from the €23,081,000 blanket sub-ceiling referred to above and from the blanket ceiling set in the twenty-second

The previous authorization for the same purpose granted by shareholders on May 13, 2014 was not used during the year. This authorization, which is described in a special report drawn up by the Statutory Auditors, is being sought for a period of 26 months from the date of this Meeting and would supersede the previous authorization. The Board of Directors may not, without prior authorization from the General Assembly, make use of this delegation of authority as of the submission by a third party of a public bid for the company's securities and through until the end of the offer period.

8.1.6.4 Authorization to increase the capital by capitalizing reserves, retained earnings, additional paid-in capital or any other eligible amounts

The purpose of the **twenty-seventh resolution** is to renew the authorization given to the Board of Directors to increase the capital by capitalizing reserves, retained earnings, additional paid-in capital or any other eligible amounts. The Board of Directors would be able to use this authorization in conjunction with a share issue for cash carried out under the twenty-second, twenty-third or twenty-fourth resolutions. It could be implemented by issuing bonus shares or by raising the par value of existing shares. Share issues carried out pursuant to this authorization would be deducted from the €152,339,000 blanket ceiling set in the twenty-second resolution.

The previous authorization for the same purpose granted by shareholders on May 13, 2014 was not used during the year. This authorization is being sought for a period of 26 months from the date of this Meeting and would supersede the previous authorization. The Board of Directors may not, without prior authorization from the General Assembly, make use of this delegation of authority as of the submission by a third party of a public bid for the company's securities and through until the end of the offer period.

8.1.6.5 Employee rights issue

The purpose of the **twenty-eighth resolution** is to renew the authorization previously granted to the Board of Directors to issue shares and/or securities carrying rights to shares to employees who are members of an Edenred Group employee stock ownership plan and to grant free shares or securities carrying rights to shares to employees.

The total number of shares that could be issued under this authorization would be limited to the equivalent of 2% of the Company's capital as of the date of this Meeting, unchanged from the maximum amount authorized by the Shareholders Meeting of May 13, 2014.

Share issues carried out pursuant to this authorization would be deducted from the €152,339,000 blanket ceiling set in the twenty-second resolution.

This authorization is being sought for a period of 26 months from the date of this Meeting and would supersede the previous authorization.

At December 31, 2015, shares or other securities allocated to employees pursuant to an authorization to carry out an employee rights issue represented 0.32% of the Company's capital.

8.1.6.6 Authorization to grant performance shares without preferential subscription rights for existing shareholders

The purpose of the **twenty-ninth resolution** is to authorize the Board of Directors to grant performance shares on one or several occasions to Executive Directors and/or Company employees and/or Group employees pursuant to the provisions of Article L.225-129 *et seq.* and Article L.225-197-1 *et seq.* of the French Commercial Code.

The number of performance share rights granted during the 26-month authorization period will not exceed 1.5% of the capital and the aggregate par value of the shares concerned by the rights will be deducted from the total maximum amount provided for in the twenty-second resolution of the Annual Shareholders Meeting.

At the Board of Directors' discretion, grantees may be awarded existing shares bought back for this purpose or newly issued shares. If grantees are awarded newly issued shares, the authorization will automatically entail the waiver by shareholders, in favor of the grantees, of their preferential right to subscribe for the said shares as well as their right to the portion of retained earnings, profit or additional paid-in capital that will be transferred to the capital account to pay up the vested shares, as and when the shares vest.

No more than 0.1% of the total capital on the allocation date may be granted to the Executive Director for the fiscal year.

Based on the recommendation of the Compensation and Appointments Committee, the Board of Directors will select the grantees. Any performance shares granted must be awarded on the basis of continued presence within the Group and individual/ group performance. The criteria apply to Executive Directors and Company/Group employees.

The shares would only vest at the end of at least a three-year vesting period after which, if the conditions laid out by the Board of Directors are met, the grantee becomes a shareholder.

This authorization is valid for a period of twenty-six months and supersedes the unused portion of the authorization granted to the Board of Directors at the Shareholders Meeting held on April 30, 2015

The granting of this authorization would enable the Board of Directors to introduce performance share plans for the Group's top managers in France and abroad to pursue its policy of giving them a stake in the Group's performance and development. This would help to (i) ensure that managers actively support the Group's long-term strategy and targets, (ii) retain key Human Resources and (iii) align managers' interests with those of our shareholders.

The performance share plans to be introduced on the basis of this authorization would entail shares being granted based on continued presence within the Group and 100% of performance conditions based on three criteria assessed at the end of three consecutive fiscal years, and will vest as follows:

- 37.5% if the target for like-for-like issue volume growth is met;
- 37.5% if the target for like-for-like growth in funds from operations (FFO) is met;
- 25% if the stock market performance target is met, corresponding to Edenred's total shareholder return (TSR) compared with the average TSR for companies included in the SBF 120 index.

The two operating performance targets above are specific to the Group's business and correspond to the issue volume and FFO growth objectives announced to the market when the Group strategy was presented. See section 1, page 24. The purpose of the stock market performance criterion is to align management and shareholder interests, and raise managers' awareness of the specific challenges faced by a listed company.

The Board of Directors will set the performance ranges (lower and upper limits) for each criterion based on the recommendation of the Compensation and Appointments Committee.

150%

ANNUAL SHAREHOLDERS MEETING

8.1 Presentation of proposed resolutions

Pursuant to the terms of the plans, the criteria assessed over three consecutive fiscal years starting from the launch of each plan are as follows:

Like-for-like issue volume growth over three years	
Like-for-like issue volume growth of less than 8%	0%
Like-for-like issue volume growth of 8-9%	75%
Like-for-like issue volume growth of 9-10%	100%
Like-for-like issue volume growth of 10-12%	125%
Like-for-like issue volume growth of 12% or more	150%
Like-for-like growth in FFO over three years	
Like-for-like growth in FFO of less than 8%	0%
Like-for-like growth in FFO of 8-10%	75%
Like-for-like growth in FFO of 10-12%	100%
Like-for-like growth in FFO of 12-14%	125%
Like-for-like growth in FFO of 14% or more	150%
Edenred's TSR compared with that of SBF 120 companies (into sextiles)	
1st sextile (101 to 120)	0%
2 nd sextile (81 to 100)	50%
3 rd sextile (61 to 80)	75%
4 th sextile (41 to 60)	100%
5 th sextile (21 to 40)	125%

Edenred's TSR measures the total return for shareholders, taking into account share price appreciation and the dividends paid to shareholders.

6th sextile (1 to 20)

The share price increase will then be adjusted to include the dividends paid during the period on a prorated basis, to calculate Edenred's TSR. This methodology is used to calculate the TSR of SBF 120 index companies taking into account the companies' weighting in the index. Edenred's TSR is then ranked against the TSR of SBF 120 index companies.

The level of achievement of the performance targets will be assessed based on the information provided by Edenred's Finance Department.

The Board of Directors will confirm these performance assessments after consulting the Compensation and Appointments Committee. The Board's assessment will be final and will not be subject to any right of appeal. Each grantee will be personally informed of the level of achievement of the performance criteria, by the procedure provided for in the plan rules.

The number of shares that vest based on the level of achievement of the performance criteria will not exceed 100% of the rights initially granted by the Board of Directors for each plan.

8.1.7 AUTHORIZATIONS TO CARRY OUT FORMALITIES

The purpose of the **thirtieth resolution** is to authorize the bearer of an original, extract or copy of the minutes of the Shareholders

Meeting to carry out any and all filing and other formalities required by law.

8.2 RESOLUTIONS COMING UNDER THE AUTHORITY OF THE ORDINARY GENERAL MEETING

FIRST RESOLUTION (APPROVAL OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the financial statements for the financial year ended December 31, 2015 as well as the report of the Chairman of the Board of Directors, the Management Report of the Board of Directors and the reports of the Statutory Auditors, approves the accounts for the financial year ended December 31, 2015, as well as all operations shown in these accounts or summarized in these reports and which

results in, for the said financial year, a net profit booked in the sum of €137,391,090.98.

In application of the provisions of Article 223 *quater* of France's General Tax Code, the General Meeting approves the total amount of expenses and charges referred to in paragraph 4 of Article 39 of the General Tax Code which amounted to €169,134 in the course of the past financial year, and the tax burden borne due to the said expenses and charges which amounted to €59,233.

SECOND RESOLUTION (APPROVAL OF THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the report of the Chairman of the Board of Directors, the Board of Directors' Report on management of the Group included in the Management Report in accordance with Article L.233-26 of the French Commercial Code, and the reports of the Statutory Auditors

on the consolidated accounts, approves the consolidated accounts for the year ended December 31, 2015 as they were presented, as well as the operations shown in these accounts or summarized in the report on management of the Group, and which results in, for that year, a consolidated net profit amounting to millions €177 million.

THIRD RESOLUTION (ALLOCATION OF PROFIT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015 AND SETTING OF THE DIVIDEND)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, notes that the amount of net profit for the 2015 financial year amounted to €137,391,090.98. Given the retained earnings available in the sum of €208,260,224.28, the distributable profit available for allocation is €345,651,315.26.

The General Meeting, in line with the proposal made by the Board of Directors, decides to allocate the distributable profit as follows:

dividend: €191,359,385.28 ⁽¹⁾
 legal reserve: €401,060.40
 retained earnings: €153,890,869.58

The dividend is set at €0.84 per share. The dividend will be detached from the share on May 12, 2016 and paid on or after June 15, 2016. It is specified that the dividend corresponding to the treasury shares or those which have been the subject of a cancellation on the date of payment will be allocated to the "retained earnings" account.

The General Meeting decides that if the number of shares actually conferring entitlement to a dividend on the detachment date turns out to be lower or higher than 227,808,792, the amount allocated to this dividend distribution will be adjusted downwards or upwards and the amount allocated to the "retained earnings" account will be determined based on dividends actually paid.

The amount to be distributed of €0.84 per share will be eligible for the allowance of 40% stipulated in Article 158.3.2 of the General Tax Code benefiting individuals domiciled for tax purposes in France.

(1) The total amount of the distribution described above is calculated on the basis of the number of shares conferring entitlement to a dividend on December 31, 2015, i.e. 227,808,792 shares and may vary if the number of shares actually conferring entitlement to the dividend varies between January 1, 2016 and the date of dividend detachment, depending in particular on changes in the number of treasury shares, as well as the final allocations of free shares and the exercise of options (if the beneficiary is entitled to a dividend in accordance with the provisions of the plans in question).

ANNUAL SHAREHOLDERS MEETING

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8.2 Resolutions coming under the authority of the Ordinary General Meeting

In accordance with Article 243 bis of the General Tax Code, it is recalled that the dividend payments for the last three financial years were as follows:

- June 8, 2015, a dividend of a total amount of €190,363,851, in respect of the financial year ended December 31, 2014, representing a dividend per share of €0.84;
- June 18, 2014, a dividend of a total amount of €185,294,847, in respect of the financial year ended December 31, 2013, representing a dividend per share of €0.83;
- May 31, 2013, a dividend of a total amount of €185,025,201, in respect of the financial year ended December 31, 2012, representing a dividend per share of €0.82;

Distributions in respect of the financial years ended December 31, 2012, December 31, 2013 and December 31, 2014 were eligible for

a 40% allowance benefiting individuals domiciled for tax purposes in France, under Article 158.3.2 of the General Tax Code. When paid, dividends are subject to the compulsory deduction at source of 21% (excluding social security contributions) provided for in Article 117 *quater* of the General Tax Code. Reduction at source is not applicable if the individual is part of a tax household whose reference income tax for the year before last is less than 50,000 euros (single taxpayer) or 75,000 euros (taxpayers subject to joint taxation). The waiver request must be made under the taxpayer's responsibility by November 30 of the year preceding that in which the payment is made.

Dividends received by individuals since January 1, 2013 are subject to the progressive rate of income tax (after applying the 40% allowance). The compulsory deduction can be offset against personal income tax.

FOURTH RESOLUTION (OPTION FOR PAYMENT OF THE DIVIDEND IN NEW SHARES)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the report of the Board of Directors and noting that the capital is fully paid up, decides, in accordance with Article L.232-18 et seq. of the Commercial Code and Article 26 of the articles of association, to offer each shareholder the option of payment in new Company shares of 50% of the dividend described in the third resolution and to which they are entitled. Each shareholder may opt for payment of 50% of the dividend in cash or in new Company shares pursuant to this resolution.

Should this option be taken up, the new shares will be issued at a price equal to 90% of the average opening price on the regulated market of Euronext Paris during the twenty trading days preceding the date of this General Meeting less the net amount of the dividend covered by the third resolution and rounded up to the nearest euro cent. The issued shares will bear rights as of January 1, 2016 and will rank *pari passu* with other shares comprising the capital of the Company.

Shareholders may opt for payment of 50% of the dividend in cash or for payment of 50% of the dividend in new shares between May 12, 2016 and June 3, 2016 inclusive, by sending their request to the financial intermediaries authorized to pay the said dividend or, for shareholders registered in pure registered accounts held by the Company, to its agent (Société Générale, Département des titres et bourse, CS 30812 – 44308 Nantes cedex 3). For shareholders

who have not exercised their options by June 3, 2016 inclusive, the dividend will be paid in cash only.

For shareholders who have not opted for the payment of that part of the dividend in shares, the dividend will be paid on or after June 15, 2016 after expiry of the option period. For shareholders who have opted for payment of that portion of the dividend in shares, the said shares will be issued as of the same date.

If the amount of dividends for which the option is exercised does not correspond to a whole number of shares, the shareholder may receive the immediately lower number of shares, supplemented by a balancing payment made by the Company and corresponding to the difference between the amount of dividends for which the option is exercised and the subscription price of the shares immediately below.

The General Meeting grants all powers to the Board of Directors, with the possibility of subdelegating to the Chairman of the Board under the conditions provided for in law, in order to ensure implementation of the payment of the dividend in new shares, while specifying the mode of application and implementation, to record the number of new shares issued pursuant to this resolution and make any necessary changes to the articles of association relating to the share capital and to the number of shares comprising the share capital and, more generally, to do all that is useful or necessary.

FIFTH RESOLUTION (RATIFICATION OF THE COOPTION OF MR BERTRAND DUMAZY AS DIRECTOR)

The General Meeting, voting under the quorum and majority requirements for Ordinary General Meetings, ratifies the cooption, provisionally decided by the Board of Directors in its meeting of September 10, 2015, as director of Mr Bertrand Dumazy replacing

Mr Jacques Stern, who resigned, for his remaining term of office, *i.e.* until the end of the General Meeting called to approve the accounts for the year ended December 31, 2017.

SIXTH RESOLUTION (RATIFICATION OF THE COOPTION OF MS SYLVIA COUTINHO AS DIRECTOR)

The General Meeting, voting under the quorum and majority requirements for Ordinary General Meetings, ratifies the cooption, provisionally decided by the Board of Directors in its meeting of March 23, 2016, as director of Ms Sylvia Coutinho replacing

Mr Roberto Oliveira de Lima, who resigned, for his remaining term of office, *i.e.* until the end of the General Meeting called to approve the accounts for the year ended December 31, 2016.

SEVENTH RESOLUTION (RENEWAL OF THE DIRECTORSHIP OF MR JEAN-PAUL BAILLY)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, renews the directorship of Mr Jean-Paul Bailly expiring at the end of this Meeting, for a term of four years, which will expire at the end of the meeting called to approve the financial statements for the year ended December 31, 2019.

EIGHTH RESOLUTION (RENEWAL OF THE DIRECTORSHIP OF MR BERTRAND MEHEUT)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, renews the directorship of Mr Bertrand Meheut expiring at the end of this meeting, for a term of four years, which will expire at the end of the meeting called to approve the accounts for the year ended December 31, 2019.

NINTH RESOLUTION (RENEWAL OF THE DIRECTORSHIP OF MR NADRA MOUSSALEM)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, renews the directorship of Mr Nadra Moussalem expiring at the end of this Meeting, for a term of four years, which will expire at the end of the meeting called to approve the accounts for the year ended December 31, 2019.

ANNUAL SHAREHOLDERS MEETING



8.2 Resolutions coming under the authority of the Ordinary General Meeting

TENTH RESOLUTION (OPINION ON THE COMPENSATION PACKAGE DUE OR ALLOCATED TO MR JACQUES STERN AS CHAIRMAN AND CEO FROM JANUARY 1, 2015 TO JULY 31, 2015)

The General Meeting, consulted in application of the recommendation in paragraph 24.3 of the AFEP-MEDEF Code of Corporate Governance for listed companies of November 2015, voting under the quorum and majority conditions required for Ordinary General Meetings, approves the remuneration package due or allocated to

Mr Jacques Stern, Chairman and CEO from January 1, 2015 to July 31, 2015, as presented to the meeting in the report of the Board of Directors shown on page 300 of the 2015 reference document.

ELEVENTH RESOLUTION (OPINION ON THE COMPENSATION PACKAGE DUE OR ALLOCATED TO MR. NADRA MOUSSALEM AS CHAIRMAN AND CEO FROM AUGUST 1, 2015 TO OCTOBER 25, 2015)

The General Meeting, consulted in application of the recommendation in paragraph 24.3 of the AFEP-MEDEF Code of Corporate Governance for listed companies of November 2015, voting under the quorum and majority conditions required for Ordinary General Meetings, approves the remuneration package due or allocated to

Mr Nadra Moussalem, Chairman and CEO from August 1, 2015 to October 25, 2015, as presented to the meeting in the report of the Board of Directors shown on page 302 of the 2015 reference document.

TWELFTH RESOLUTION (OPINION ON THE COMPENSATION PACKAGE DUE OR ALLOCATED TO MR. BERTRAND DUMAZY AS CHAIRMAN AND CEO AS OF OCTOBER 26, 2015)

The General Meeting, consulted in application of the recommendation in paragraph 24.3 of the AFEP-MEDEF Code of Corporate Governance for listed companies of November 2015, voting under the quorum and majority conditions required for Ordinary General Meetings, approves the remuneration package due or allocated to

Mr Bertrand Dumazy, Chairman and CEO as of October 26, 2015, as presented to the meeting in the report of the Board of Directors shown on page 303 of the reference document.

THIRTEENTH RESOLUTION (APPROVAL OF A REGULATED AGREEMENT ON THE ALLOCATION OF A TERMINATION OF SERVICE ALLOWANCE TO MR BERTRAND DUMAZY, CHAIRMAN AND CEO)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the special report of the Statutory Auditors on the agreements and undertakings covered in Articles L.225-38 et seq. of the Commercial Code and noted the conclusions of this report, approves, under the conditions of Article L.225-40 of the Commercial Code, the

agreement reached with Mr Bertrand Dumazy on the award of a termination of service allowance.

This decision is made under the condition precedent of the ratification by this meeting of the directorship of Mr Bertrand Dumazy following his cooption by the Board of Directors on September 10, 2015.

FOURTEENTH RESOLUTION (APPROVAL OF A REGULATED AGREEMENT ON THE TAKING OUT OF PRIVATE UNEMPLOYMENT INSURANCE TO THE BENEFIT OF MR BERTRAND DUMAZY, CHAIRMAN AND CEO)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the special report of the Statutory Auditors on the agreements and undertakings covered in Articles L.225-38 et seq. of the Commercial Code and noted the conclusions of this report, approves, under the conditions of Article L.225-40 of the Commercial Code, the

agreement reached with Mr Bertrand Dumazy on the taking out of private unemployment insurance.

This decision is made under the condition precedent of the ratification by this meeting of the directorship of Mr Bertrand Dumazy following his cooption by the Board of Directors on September 10, 2015.

FIFTEENTH RESOLUTION (APPROVAL OF A REGULATED AGREEMENT ON THE EXTENSION TO THE CHAIRMAN AND CEO OF THE INSURANCE AND HEALTH COST SCHEME APPLICABLE TO EMPLOYEES OF THE COMPANY)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the special report of the Statutory Auditors on the agreements and undertakings covered in Articles L.225-38 *et seq.* of the Commercial Code and noted the conclusions of this report, approves, under the conditions of Article L.225-40 of the Commercial

Code, the agreement with Mr Bertrand Dumazy on extending to the Chairman and CEO the insurance and health cost scheme applicable to employees of the Company.

This decision is made under the condition precedent of the ratification by this meeting of the directorship of Mr Bertrand Dumazy following his cooption by the Board of Directors on September 10, 2015.

SIXTEENTH RESOLUTION (APPROVAL OF A REGULATED AGREEMENT ON THE PARTICIPATION OF THE CHAIRMAN AND CEO, UNDER THE SAME CONDITIONS AS EMPLOYEES, IN THE SUPPLEMENTARY PENSION SCHEMES IN FORCE IN THE COMPANY)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the special report of the Statutory Auditors on the agreements and undertakings covered in Articles L.225-38 et seq. of the Commercial Code and noted the conclusions of this report, approves, under the conditions of Article L.225-40 of the Commercial

Code, the agreement with Mr Bertrand Dumazy on the participation of the Chairman and CEO in the supplementary pension schemes in force in the Company.

This decision is made under the condition precedent of the ratification by this meeting of the directorship of Mr Bertrand Dumazy following his cooption by the Board of Directors on September 10, 2015.

SEVENTEENTH RESOLUTION (SPECIAL REPORT OF THE STATUTORY AUDITORS: APPROVAL OF THE AGREEMENTS AND UNDERTAKINGS COVERED BY ARTICLES L.225-38 *ET SEQ*. OF THE COMMERCIAL CODE)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the special report of the Statutory Auditors on the agreements and undertakings subject to the provisions of Articles L.225-38 *et seq.*

of the Commercial Code, approves this report in all of its provisions as well as the new agreements mentioned therein, approved by the Board of Directors during the financial year ended December 31, 2015

8.2 Resolutions coming under the authority of the Ordinary General Meeting

EIGHTEENTH RESOLUTION (APPOINTMENT OF A PRINCIPAL STATUTORY AUDITOR)

On the proposal of the Board of Directors, the General Meeting, voting under the quorum and majority conditions required for ordinary general meetings, appoints as principal Statutory Auditor, for a period of six financial years, Ernst & Young Audit, whose

headquarters are located at Paris La Défense 1, 1-2 place des Saisons, 92400 Courbevoie. This term of office will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2021.

NINETEENTH RESOLUTION (APPOINTMENT OF AN ALTERNATE STATUTORY AUDITOR)

On the proposal of the Board of Directors, the General Meeting, voting under the quorum and majority conditions required for ordinary general meetings, appoints as alternate Statutory Auditor, for a period of six financial years, Auditex, whose headquarters

are located at Paris La Défense 1, 1-2 place des Saisons, 92400 Courbevoie. This term of office will expire at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2021.

TWENTIETH RESOLUTION (AUTHORISATION GIVEN TO THE BOARD TO TRADE IN THE SHARES OF THE COMPANY)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the report of the Board of Directors, authorizes the Board of Directors, with a possibility of sub-delegating as provided for in law, to purchase, have purchased, sell or transfer shares in the Company pursuant to the provisions of Articles L.225-209 et seq. of the Commercial Code, in particular with a view to the following:

- the subsequent cancellation of all or part of the shares acquired as part of a capital reduction, subject to adoption by the Extraordinary General Meeting of the twenty-first resolution below or any similar resolution that should supersede the said resolution during the period of validity of this authorization;
- the implementation of any Company stock option plan under the provisions of Articles L.225177 et seq. of the Commercial Code or any similar plan;
- the allocation or sale of shares to employees in respect of their participation in the fruits of the expansion of the business or the implementation of any company or group savings plan (or similar plan), pursuant to Articles L.3332-1 et seq. of the French Labor Code:
- the free allocation of shares under the provisions of Articles L.225-197-1 et seq. of the Commercial Code;
- in a general manner, the honoring of obligations related to stock option programs or other allocations of shares to employees or corporate officers of the Company or of a partner company;
- the allotment of shares upon the exercise of rights attached to securities conferring entitlement, through redemption, conversion, exchange, presentation of a warrant or in any other manner, to the allocation of shares in the Company;

- the subsequent allotment (as payment, exchange or otherwise) in connection with any acquisitions or restructuring operations, in accordance with market practices accepted by the AMF (French financial market authority) and, in particular, in the context of a merger, demerger or asset contribution operation;
- operations on the secondary market or to ensure the liquidity
 of the Edenred share by an investment service provider acting
 independently under liquidity agreements in conformity with the
 ethics charter recognized by the AMF;
- the implementation of any market practice that may be approved by the AMF under the share repurchase program and, more generally, the performance of any operation in accordance with current regulations for these programs.

This program is also intended to allow the Company to trade in Company shares for any other authorized purpose or which may be authorized by the law or regulations in force. In such cases, the Company will inform its shareholders through a news release.

The Board of Directors may not, without prior authorization from the General Meeting, make use of this authorization as of the submission by a third party of a public bid for the Company shares through until the end of the bid period.

The maximum purchase price is set at $\in 30$ per share (or the corresponding value of this amount on the same date in any other currency), it being specified that the maximum price is only applicable to acquisitions decided as of the date of this meeting and not to operations eventually concluded under an authorization granted by a previous General Meeting and providing for acquisitions of shares subsequent to the date of this meeting.

The General Meeting delegates to the Board of Directors, in the event of an operation affecting shareholders' equity, the authority to adjust

ANNUAL SHAREHOLDERS MEETING

8.3 Resolutions coming under the authority of the Extraordinary General Meeting

the maximum price in order to take into account the impact of such operations on the value of the share.

Pursuant to Article L.225-209 of the Commercial Code, the General Meeting decides that purchases of shares may involve a number of shares such that:

- the number of shares that the Company purchases during the repurchase program does not exceed 10% of the shares comprising the capital of the Company, i.e. as an indication, on December 31, 2015, 20,073,628 shares, it being specified that (i) the maximum number of shares acquired to be retained and subsequently allocated as part of a merger, demerger or asset contribution operation may not exceed 5% of its share capital and (ii) when the shares are purchased to favor liquidity in the conditions defined by the General Regulations of the AMF, the number of shares used for the calculation of the limit of 10% indicated in the first paragraph corresponds to the number of shares purchased, less the number of shares sold during the term of the authorization;
- the number of shares that the Company holds at any time may not exceed 10% of the shares comprising the capital of the Company at the relevant date.

The General Meeting decides that (i) the purchase, sale or transfer of shares may be carried out and paid for by any means, under the conditions and limits provided for in the regulations in force on the date of the operations in question, on one or more occasions, on regulated markets, multilateral trading systems, with systematic

internalizers or concluded over the counter, including by acquisition or sale of blocks, by public bid or exchange offer, or by use of options, derivative financial instruments (but excluding the sale of put options) traded on regulated markets, multilateral trading systems, with systematic internalizers or concluded over the counter or by allotment of shares following the issuance of securities giving rights to shares in the Company by conversion, exchange, redemption, exercise of warrants or otherwise, either directly or indirectly *via* an investment service provider, and that (ii) the maximum amount of capital that can be transferred in the form of blocks of shares may equal the total of the share repurchase program.

The total amount allocated to the above share repurchase program may not exceed 602,208,840 euros, based on the maximum unit purchase price of €30 authorized above.

The General Meeting grants all powers to the Board of Directors with the possibility of subdelegating as provided for in law, in order to implement this authorization, particularly for the placing of any orders on or off the market, concluding all agreements particularly with a view to the keeping of records of the purchase and sale of shares, carrying out all formalities and declarations to all organizations, and generally doing whatever is necessary.

The General Meeting terminates, with immediate effect, the authorization granted by the Combined General Meeting of April 30, 2015 in its sixth resolution and decides that this present authorization is granted for a period of eighteen (18) months as of the date of this General Meeting.

8.3 RESOLUTIONS COMING UNDER THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

TWENTY-FIRST RESOLUTION (AUTHORISATION TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLING SHARES)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors, and acting pursuant to Articles L.225-209 *et seq.* of the Commercial Code:

- authorizes the Board of Directors to reduce the share capital by cancelling, on one or more occasions, within the limit of 10% of the existing capital of the Company on the date of cancellation by twenty-four-month period, all or part of the Company shares acquired and held by the Company in connection with any share
- repurchase programs authorized by the twentieth resolution or before the date of this General Meeting;
- grants all powers to the Board of Directors with the possibility of sub-delegating under conditions provided for in law in order to:
 - proceed with this or these capital reductions,
 - set the final amount, define the relevant methods and record the completion,
 - charge the difference between the book value of the cancelled shares and their nominal value against any available reserves and premiums,

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8.3 Resolutions coming under the authority of the Extraordinary General Meeting

- proceed with the corresponding modification of the articles of association, carry out all formalities, all procedures and declarations with any agencies and, more generally, do whatever is necessary,
- and generally do everything necessary to implement the present authorization, amend, as a consequence, the articles of association and carry out all formalities,

all in accordance with the legal provisions in force when using this authorization.

This authorization is granted for a period of eighteen (18) months from the date of this General Meeting. It supersedes, as of that same date, the authorization granted by the Combined General Meeting of April 30, 2015 in its seventh resolution.

TWENTY-SECOND RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO CARRY OUT CAPITAL INCREASES THROUGH THE ISSUANCE, WITH PREFERENTIAL SUBSCRIPTION RIGHTS, OF SHARES AND/OR SECURITIES GRANTING ACCESS, WHETHER IMMEDIATE OR IN THE FUTURE, TO SHARES IN THE COMPANY OR SUBSIDIARIES)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the Commercial Code, in particular its Articles L.225-129-2, L.225-132, L.225-133, L.225-134 and L.228-91 to L.228-94:

- 1. delegates to the Board of Directors, with the possibility of subdelegation as provided for in law, its authority to decide to increase the share capital on one or more occasions, in France, abroad or on the international market, in the proportion and at the times it deems appropriate, in euros or any other currency or monetary unit established by reference to several currencies, with preferential subscription rights of shareholders, by issuing (i) ordinary shares in the Company (excluding preference shares) or (ii) securities issued for payment or free, governed by Articles L.228-91 et seq. of the Commercial Code, giving access by any means, immediately or in the future, to the capital of the Company (new or existing shares) or any company in which it owns directly or indirectly more than half of the capital (a "Subsidiary") or existing shares in any company in which it does not own directly or indirectly more than half of the capital, and/or entitling holders to the allotment of debt securities of the Company, any Subsidiary or any company referred to above or (iii) any securities, compound or not, giving access, by any means, immediately or in the future, to new shares in the Company or in any Subsidiary, provided that the subscription of shares and other securities may be made either in cash or by offsetting receivables;
- notes that the securities giving access or that may give access, immediately or in the future, to new shares in a Subsidiary pursuant to this delegation of authority may only be issued subject to the approval of the Extraordinary General Meeting of the Subsidiary issuing shares;

- decides to set the following limits on the amounts of issuances authorized in the event of use by the Board of Directors of this delegation of authority:
- the maximum nominal amount of capital increases likely to be made under this delegation immediately or in the future is set at 152,339,000 euros, it being specified that (i) this amount represents the maximum overall nominal ceiling for capital increases to be carried out pursuant to this delegation of authority and those granted under the 23rd, 24th, 25th, 26th, 27th, 28th and 29th resolutions referred to hereinafter and that the total nominal amount of capital increases carried out under these resolutions will count towards this overall ceiling, and (ii) this ceiling will be raised, where applicable, by the nominal amount of any additional shares to be issued in respect of adjustments in order to safeguard, in accordance with laws and regulations and, where applicable, contractual provisions providing for other adjustment cases, the rights of holders of securities or other rights giving access to capital,
- the maximum nominal amount of debt securities giving access to the capital of the Company may not exceed the ceiling of 1,523,390,000 euros or the equivalent of this amount in the event of issuance in other currencies or units of account, it being specified that this amount represents the overall nominal ceiling applicable to the debt securities of the Company that may be issued under this resolution and the delegations of authority and authorizations conferred by the 23rd and 24th resolutions referred to hereinafter, the nominal amount of debt securities issued under these resolutions will count towards this amount. This ceiling is separate and distinct from the amount of securities representing debt conferring entitlement to the allocation of debt securities and the amount of debt securities whose issuance is decided upon or authorized by the Board of Directors pursuant to Articles L.228-36-A and L.228-40 of the Commercial Code;

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- 4. decides that the Board of Directors may also make use of this delegation of authority in the case of a share capital increase reserved for a subsidiary or lower-tier subsidiary of the Company in accordance with Article L.225-138 of the Commercial Code and cancel preferential subscription rights for this purpose;
- 5. decides that the Board of Directors may not, without prior authorization from the General Meeting, make use of this delegation of authority as of the submission by a third party of a public bid for shares in the Company through until the end of the bid period;
- 6. in the event of use by the Board of Directors of this delegation:
 - decides that shareholders may exercise their preferential subscription rights to the shares of which they are entitled as of right, under the conditions provided for by law, and notes that the Board of Directors may give the shareholders the right to subscribe for shares in excess of those to which they are entitled as of right, in proportion to their subscription rights and for the amount of their requests,
 - decides that if the subscriptions as of right and, where applicable, those for excess shares have not covered the entire issuance of shares or securities as defined above, the Board of Directors may use the different options provided by law, in the order it will determine, including offering the public all or part of the shares or, in the case of securities giving access to capital, securities which are not subscribed, on the French market and/ or abroad and/or on the international market,
 - decides that issuances of warrants for the Company stock may be made by a subscription offer under the conditions described above, but also by free allocation to holders of existing shares,
 - decides that in the event of free allocation of autonomous stock warrants, the Board of Directors may decide that fractional allotment rights will not be negotiable and that the corresponding securities will be sold,
 - acknowledges that this delegation automatically entails, in favor of holders of securities giving access to the capital of the Company, the waiver by shareholders of their preferential subscription right to shares to which the securities confer entitlement:
- 7. decides that the Board of Directors shall have all powers, with the possibility of sub-delegating as provided for in law, to implement this delegation of authority, particularly to:
 - decide to increase the capital (and, where applicable, postpone such increase) and determine the securities to be issued,
 - determine the amount of the capital increase, the issue price and any premium which may be requested at the date of issue, – determine the timing and terms of the capital increase, including the form and characteristics of the securities to be issued; decide, in the event of issuance of debt securities, on their subordinated nature or otherwise (and, if applicable, their

- subordination ranking, in accordance with the provisions of Article L.228-97 of the Commercial Code), set their interest rate (particularly fixed or variable interest rate or zero coupon or indexed), the cases in which interest payments must or may be cancelled or suspended, their term (fixed or indefinite), whether the nominal amount of the securities may be reduced or increased and other terms of issuance (including whether to grant them guarantees or sureties) and amortization (including redemption by delivery of Company assets); amend, during the life of the securities concerned, the procedures specified above, in compliance with applicable formalities,
- determine the method by which the shares and/or other securities will be paid up immediately or in the future,
- determine, where appropriate, the terms and conditions for

 (i) exercising the rights attached to the shares and/or other securities, notably by setting the date which may be retroactive from which new shares will carry rights; and (ii) exercising any conversion, exchange and repayment rights, including repayment in assets such as other securities of the Company, as well as any other terms and conditions applicable to such issues,
- set the terms and conditions under which the Company may buy back or exchange the securities on the open market at any time or within specified periods, with a view to holding them or canceling them in accordance with the applicable laws, – at its sole initiative, offset the capital increase expenses against the amount of the related premiums and deduct from this amount the sums necessary to increasing the legal reserve to one tenth of the new capital after each capital increase,
- determine and make all adjustments to take into account the impact of operations on the capital of the Company, particularly in the event of a change in the nominal value of shares, a capital increase by incorporation of reserves, the free allocation of shares, a stock split or reverse stock split, distribution of reserves or any other assets, amortization of capital or any other operation affecting shareholders' equity, and set the terms according to which, if appropriate, the rights of holders of securities giving access to the capital will be safeguarded,
- record the completion of each increase in capital and make the corresponding amendments to the articles of association, and
- generally, enter into any agreements to ensure the successful completion of the planned issuances, take all measures and decisions and complete all formalities required for the issuance, listing and financial servicing of the securities issued under this delegation and the exercise of the rights attached thereto, or any formalities following capital increases;
- 8. sets at 26 months, from the date of this General Meeting, the period of validity of this delegation and notes that it supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 17th resolution.

8.3 Resolutions coming under the authority of the Extraordinary General Meeting

TWENTY-THIRD RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH CAPITAL INCREASES THROUGH THE ISSUANCE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS THROUGH A PUBLIC OFFER OF SHARES OR SECURITIES GIVING IMMEDIATE OR FUTURE RIGHTS TO SHARES IN THE COMPANY OR SUBSIDIARIES, INCLUDING WITH THE EFFECT OF REMUNERATING SECURITIES CONTRIBUTED IN THE CONTEXT OF A PUBLIC OFFERING)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the Commercial Code, in particular its Articles L.225-127, L.225-128, L.225-129, L.225-129-2, L.225-135, L.225-136, L.225-148, L.228-91 to L.228-94:

- 1. delegates to the Board of Directors, with the possibility of sub-delegating as provided for in law, its authority to decide to increase the share capital on one or more occasions, in the amounts and at the times it deems appropriate, on the French market and/or foreign markets and/or the international market, through a public offering, either in euros or any other currency or monetary unit established by reference to several currencies, through the issuance, without preferential rights of shareholders, (i) of ordinary shares or (ii) securities issued for payment or free, governed by Articles L.225-149 et seg. and L.228-91 et seg. of the Commercial Code, giving access by any means, immediately or in the future, to the capital of the Company or any Subsidiary (whether new or existing shares) or existing shares in any company in which it does not own directly or indirectly more than half of the capital, and/or entitling holders to the allotment of debt securities of the Company, any Subsidiary or any company referred to above or (iii) any securities, compound or not, giving access, by any means, immediately or in the future, to new shares to be issued by the Company or any Subsidiary, it being specified that the subscription of shares and other securities may be made either in cash or by offsetting receivables;
- notes that the securities giving access or that may give access, immediately or in the future, to new shares in a Subsidiary pursuant to this authorization may only be issued subject to the approval of the Extraordinary General Meeting of the Subsidiary issuing shares;
- 3. notes that the public offer(s) undertaken pursuant to this delegation of authority may be carried out jointly or simultaneously with one or more private placements governed by Article L.411-2 II of the French Monetary and Financial Code as provided for in the 24th resolution referred to hereinafter;
- 4. decides to set the following limits on the amounts of issuances authorized in the event of use by the Board of Directors of this delegation:

- the maximum nominal amount of capital increases likely to be made immediately or in the future under this delegation is set at 23,081,000 euros, it being specified that (i) this amount will count towards the amount of the overall ceiling provided for in paragraph 3 of the 22nd resolution above, (ii) this amount will constitute the maximum overall nominal ceiling for capital increases to be carried out without preferential subscription rights pursuant to this delegation and those granted under the 24th, 26th and 28th resolutions referred to hereinafter, subject to approval by the General Meeting, the total nominal amount of capital increases carried out under the delegations and authorizations will count towards the ceiling referred to in (i) above and (ii) this ceiling will be raised, where applicable, by the nominal amount of additional shares which may be issued in respect of adjustments in order to safeguard, in accordance with laws and regulations and, where applicable, contractual provisions providing for other adjustment cases, the rights of holders of securities or other rights giving access to capital,
- the maximum nominal amount of debt securities giving access to the capital of the Company may not exceed the ceiling of 230,810,000 euros or the equivalent value of this amount, it being specified that (i) this amount will count towards the ceiling set for securities representing debt securities, in paragraph 2 of the 22nd resolution above and (ii) this ceiling is common to the 23rd and 24th resolutions. This upper limit is separate and distinct from the amount of securities representing debt conferring entitlement to the allocation of debt securities and the amount of debt securities whose issuance is decided upon or authorized by the Board of Directors pursuant to Articles L.228-36-A and L.228-40 of the Commercial Code;
- 5. decides to cancel the preferential subscription rights of shareholders to securities covered by this resolution, while giving the Board of Directors, pursuant to Article L.225-135 paragraph 5 of the Commercial Code, the option to grant shareholders, for a period and on terms to be set in accordance with applicable legal and regulatory provisions and for all or part of an issuance performed, a priority subscription period not giving rise to the creation of negotiable rights and which must be exercised in proportion to the number of shares owned by each shareholder and may be supplemented by a reducible subscription, it being stipulated that the non-subscribed securities shall be the subject of a public offering in France and/or abroad and/or on the international market:

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- 6. decides that the Board of Directors may not, without prior authorization from the General Meeting, make use of this delegation of authority as of the submission by a third party of a public bid for shares in the Company through until the end of the bid period:
- 7. acknowledges that this delegation automatically entails, in favor of holders of securities giving access to the capital of the Company, the waiver by shareholders of their preferential subscription right to shares to which the securities confer entitlement;
- 8. decides that, in accordance with Article L.225-136 of the Commercial Code:
 - the issue price of shares issued directly will be at least the minimum amount provided for in laws and regulations in force at the time of use of this delegation,
 - the issue price of securities giving access to the capital will be, such that the sum received immediately by the Company, increased, if applicable, by that likely to be received subsequently by the Company, i.e. for each share issued as a result of the issuance of these securities, at least equal to the minimum subscription price defined in the preceding paragraph;
- 9. decides that if the subscriptions of shareholders and the public do not absorb the entire issuance of securities, the Board of Directors may use, in the order it shall determine, one and/or the other of the following options:
 - limit the issuance to the amount of subscriptions in accordance with the law in force at the time of use of this delegation,
 - freely distribute all or part of the unsubscribed securities among persons of its choice;
- 10. decides that the Board of Directors shall have all powers, with the possibility of sub-delegating as provided for in law, to implement this delegation of authority, particularly to decide to increase the capital (and, where applicable, postpone such increase) and determine the securities to be issued, and in particular to:
 - determine the amount of the capital increase, the issue price and any premium which may be requested at the date of issue, - determine the timing and terms of the capital increase, including the form and characteristics of the securities to be issued; decide, in the event of issuance of debt securities, on their subordinated nature or otherwise (and, if applicable, their subordination ranking, in accordance with the provisions of Article L.228-97 of the Commercial Code), set their interest rate (particularly fixed or variable interest rate or zero coupon or indexed) and determine, if necessary, the cases in which interest payments must or may be cancelled or suspended, stipulate their term (fixed or indefinite), whether the nominal amount of the securities may be reduced or increased and other terms of issue (including whether to grant them guarantees or sureties) and amortization (including the possibility of redemption by delivery of Company assets); amend, during

- the life of the securities concerned, the procedures specified above, in compliance with applicable formalities,
- determine the method of paying in shares or securities that give access to the Company's capital to be issued immediately or in future.
- set, where appropriate, the terms and conditions for exercising rights attached to future shares and securities that give access to the Company's capital and, in particular, set the date (which may be retroactive) from which dividend rights will be attached to the new shares, set the terms and conditions for exercising rights of conversion, exchange and reimbursement, as the case may be, including through the remittance of Company's assets such as securities already issued by the Company, as well as all other terms and conditions of the capital increase,
- set the terms and conditions under which the Company may, where appropriate, buy back or exchange in the open market, at any time or within specified periods, the securities issued or to be issued immediately or in the future, with a view to holding or cancelling them in accordance with the applicable laws, - permit the exercise of rights attached to these securities to be suspended in accordance with applicable law and regulations, - if the securities are issued in payment for another issuer's securities tendered to a public offer with an exchange component (i) draw up the list of securities tendered to the offer; (ii) set the terms and conditions of the issue, the exchange ratio and, if applicable, the amount of the cash component; (iii) determine the issue terms and conditions in connection with a paper offer, a paper offer with a cash alternative or a cash offer with a paper alternative, a cash and paper offer, a paper offer with a secondary cash offer or a cash offer with a secondary paper offer or any other form of public offer that complies with the applicable laws and regulations,
- at its sole initiative, offset the capital increase expenses against the amount of the related premiums and deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new capital after each capital increase,
- determine and make all adjustments to take into account the impact of operations on the capital of the Company, particularly modification of the nominal share capital increase by incorporation of reserves, free allocation of shares, a stock split or reverse stock split, distribution of reserves or any other assets, amortization of capital or any other operation affecting shareholders' equity, and set the terms according to which, if appropriate, the rights of holders of securities giving access to the capital will be safeguarded,
- record the completion of each increase in capital and make the corresponding amendments to the articles of association, and
- generally, enter into any agreements to ensure the successful completion of the planned issuances, take all measures and decisions and complete all formalities required for the issuance,

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listing and financial servicing of the securities issued under this delegation and the exercise of the rights attached thereto, or any formalities resulting from capital increases;

11. sets at 26 months, from the date of this General Meeting, the period of validity of this delegation and notes that it supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 18th resolution.

TWENTY-FOURTH RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH SHARE CAPITAL INCREASES BY ISSUING, BY WAY OF PRIVATE PLACEMENT WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, SHARES AND/OR ANY SECURITIES CONFERRING IMMEDIATE OR FUTURE ACCESS TO SHARES IN THE COMPANY OR SUBSIDIARIES)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with the Commercial Code, in particular Articles L.225129 to L.225-129-6, L.225-135, L.225-136, L.225-148, L.228-91 to L.228-94 and section II.2 of Article L.411-2 of the Monetary and Financial Code:

- 1. delegates to the Board of Directors its authority to decide to increase the share capital through an offering referred to in section II.2 of Article L.411-2 of the Monetary and Financial Code, aimed at qualified investors or a restricted circle of investors, on one or more occasions, in such amounts and at such times as it deems appropriate, in France and internationally, in euros or foreign currencies or units of account set by reference to several currencies, (i) by issuances of shares (excluding preference shares), (ii) securities of the Company giving access, by any means, immediately or in the future, to the capital of the Company or any Subsidiary (whether new or existing shares) or existing shares in any company in which it does not own directly or indirectly more than half of the capital, and/or entitling holders to the allotment of debt securities of the Company, any Subsidiary or any company referred to above or (iii) any securities, compound or not, giving access, by any means, immediately or in the future, to new shares to be issued by the Company or any Subsidiary, it being specified that the subscription may be made either in cash or by offsetting debts due and payable;
- notes that the securities giving access or that may give access, immediately or in the future, to new shares in a Subsidiary pursuant to this authorization may only be issued subject to the approval of the Extraordinary General Meeting of the Subsidiary issuing shares;
- 3. notes that the private placements governed by Article L.411-2 II of the French Monetary and Financial Code decided pursuant to this delegation of authority may be carried out jointly or simultaneously with one or more public offers as provided for in the 23rd resolution referred to hereinafter:

- 4. decides to set the following limits on the amounts of issuances authorized in the event of use by the Board of Directors of this delegation:
 - the maximum nominal amount of capital increases likely to be made under this delegation immediately or in the future is set at 23,081,000 euros, it being specified that (i) this amount will count towards the amount of the nominal ceiling for capital increases to be carried out without preferential subscription rights provided for in paragraph 4 of the 23rd resolution above as well as the overall ceiling provided for in paragraph 3 of the 22rd resolution above, (ii) in any event, capital increases carried out pursuant to this resolution may not exceed 10% of the share capital per year and (iii) this limit will be raised, where applicable, by the nominal amount of shares which may be issued in respect of adjustments in order to safeguard, in accordance with the laws and regulations and, where applicable, contractual provisions providing for other adjustment cases, the rights of holders of securities and other rights giving access to capital,
 - the maximum nominal amount of debt securities giving access to the capital of the Company shall not exceed the ceiling of 230,810,000 euros or a value corresponding to this amount, it being specified that this amount will count towards the ceiling for securities representing debt securities, in paragraph 3 of the 22nd resolution above, it being specified that this ceiling is common to the 23rd and 24th resolutions. This ceiling is separate and distinct from the amount of securities representing debt conferring entitlement to the allocation of debt securities and the amount of debt securities whose issuance is decided upon or authorized by the Board of Directors pursuant to Articles L.228-36-A to L.228-40 of the Commercial Code;
- 5. decides that these capital increases may result from the exercise of a right of attribution, by conversion, exchange, redemption, presentation of a warrant, or otherwise, arising out of any securities issued by any company in which the Company holds, directly or indirectly, more than half of the capital, and with the agreement of the latter;

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- decides to eliminate the preferential subscription right of shareholders to the securities to be issued under this resolution;
- 7. decides that if subscriptions of qualified investors do not absorb the entire issuance of securities, the Board of Directors may use, in the order it shall determine, either or both of the following options:
 - limit the issuance to the amount of subscriptions, provided that it reaches at least three-quarters of the amount of the issuance initially decided,
 - freely distribute all or part of the unsubscribed securities among persons of its choice.
 - offer the public all or part of the unsubscribed shares;
- 8. notes and decides as necessary that this delegation automatically entails, in favor of holders of securities giving access to shares in the Company that may be issued, waiving of the shareholders' preferential right to subscribe to new shares to which these securities confer entitlement;
- acknowledges that pursuant to Article L.225-136 of the Commercial Code:
 - the issue price of shares issued directly will be at least equal to the minimum price stipulated by the regulations applicable on the issue date (currently the weighted average of the last three trading sessions on the Euronext Paris market preceding the determination of the subscription price of the capital increase, which may be reduced by a maximum discount of 5%) following, if appropriate, adjustment of this average in the event of differences between the dates on which they bear rights,
 - the issue price of securities giving access to the capital will be such that the sum received immediately by the Company plus, if applicable, the amount likely to be received subsequently by it, or, for each share issued as a result of the issuance of these securities, is at least equal to the minimum subscription price defined in the preceding paragraph,
 - the conversion, redemption or generally the transformation into shares of each security giving access to capital will be done, while taking account of the nominal value of the bond or said security, in a number of shares such that the sum received by the Company for each share is at least equal to the minimum subscription price defined in the first part of this paragraph 9;
- 10. decides that the Board of Directors may not, without prior authorization from the General Assembly, make use of this delegation of authority as of the submission by a third party of a public bid for shares in the Company and through until the end of the bid period;
- **11.** decides that the Board of Directors shall have all powers, with the possibility of subdelegating as provided for in law, to implement this delegation, in particular to:
 - decide to increase the capital (and, where applicable, postpone such increase) and determine the securities to be issued,

- decide the amount of the capital increase, the issue price and the amount of the premium that may, where appropriate, be requested upon issuance,
- determine the dates and terms of the capital increase, the nature and characteristics of the securities to be created; decide, furthermore, in the case of bonds or other debt securities, their subordinated nature or otherwise (and, if applicable, their subordination ranking, in accordance with the provisions of Article L.228-97 of the Commercial Code), set their interest rate (particularly the fixed or variable interest rate or zero coupon or indexed) and provide for, where appropriate, mandatory or optional cases of suspension or non-payment of interest, stipulate their term (fixed or indefinite), the possibility of reducing or increasing the amount of securities and the other terms of issuance (including whether to grant them guarantees or sureties) and amortization (including redemption by delivery of assets of the Company); amend, during the life of the securities concerned, the terms specified above, in compliance with applicable formalities.
- determine the method of payment for shares or securities giving access to the capital to be issued immediately or in the future,
- decide, if necessary, the terms of exercise of the rights attached to the shares or securities giving access to the capital to be issued and, in particular, set the date, even retroactively, from which the new shares will bear rights, determine the arrangements for exercising the rights, if appropriate, of conversion, exchange or redemption, including by delivery of Company assets such as securities already issued by the Company, and all other terms and conditions for carrying out the capital increase,
- set the conditions under which the Company will, if appropriate, benefit from the right to purchase or exchange on the stock exchange, at any time or during specified periods, securities issued or to be issued immediately or in the future in order to cancel them or otherwise, in consideration of the legal provisions.
- provide for the possibility of suspending the exercise of rights attached to such securities in accordance with legal and regulatory requirements,
- at its sole initiative, offset the capital increase expenses against the amount of the related premiums and deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new capital after each capital increase,
- determine and make all adjustments to take into account the impact of operations on the capital of the Company, particularly in the event of a change in the nominal value of shares, a capital increase by incorporation of reserves, the free allocation of shares, a stock split or reverse stock split, distribution of reserves or any other assets, amortization of capital or any other operation affecting shareholders' equity, and set the terms according to which, if appropriate, the rights of holders of securities giving access to the capital will be safeguarded,

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- record the completion of each capital increase and make the corresponding amendments to the articles of association,
- generally, enter into any agreements to ensure the successful completion of the planned issuances, take all measures and complete all formalities required for the issuance, listing and financial servicing of securities issued under this delegation and the exercise of the rights attached thereto;
- 12. sets at 26 months, from the date of this General Meeting, the period of validity of this delegation and notes that it supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 19th resolution.

TWENTY-FIFTH RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH INCREASING THE NUMBER OF SHARES TO BE ISSUED IN THE EVENT OF A CAPITAL INCREASE WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with the provisions of Article L.225-135-1 of the Commercial Code:

- 1. delegates to the Board of Directors, with the possibility of sub-delegating as provided for in law, its authority to increase, within the overall ceilings set by the 22nd resolution of this General Meeting and the specific ceilings of the resolution used for the initial issuance, the number of shares to be issued in the event of an increase in the Company's share capital with or without preferential subscription rights for shareholders at the same price as that applied for the initial issuance, within the terms and limits stipulated by the regulations applicable on the date of issuance
- (currently within 30 days of the closing of the subscription and within the limit of 15% of the initial issuance), particularly in order to grant an over-allotment option in accordance with market practice;
- 2. sets at 26 months, from the date of this General Meeting, the period of validity of this delegation and notes that it supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 20th resolution;
- decides that the Board of Directors may not, without prior authorization by the General Meeting, make use of this delegation of authority as of the submission by a third party of a public bid for the Company's securities and through until the end of the period.

TWENTY-SIXTH RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH CAPITAL INCREASES BY ISSUING SHARES OR OTHER SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO SHARES IN THE COMPANY AND OR SUBSIDIARIES WITH A VIEW TO REMUNERATING CONTRIBUTIONS IN KIND MADE TO THE COMPANY, EXCEPT IN THE EVENT OF A PUBLIC EXCHANGE OFFER LAUNCHED BY THE COMPANY)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with Articles L.225-129 et seq. of the Commercial Code, particularly Article L.225-147 paragraph 6 of the Commercial Code:

- 1. delegates to the Board of Directors, with the possibility of sub-delegating as provided for in law, the authority to issue (i) shares in the Company (excluding preference shares), (ii) securities of the Company giving access by any means, immediately or in the future, to the capital of the Company (new or existing shares) or (iii) any securities, compound or not, giving access, by any means, immediately or in the future, to new shares in the Company. The subscription of shares or securities may be made
- either in cash or by offsetting receivables in payment for assets contributed to the company and consist of equity or securities giving access to the capital, when the provisions of Article L.225-148 of the Commercial Code are not applicable;
- 2. decides that the maximum nominal amount of the capital increase likely to be performed immediately or in the future on the basis of this delegation may not exceed 10% of the share capital at the time of issuance, it being specified that:
 - this amount will count towards (i) the amount of the overall ceiling provided in the 22nd resolution above and (ii) the amount of the ceiling for all capital increases to be carried out without preferential subscription rights provided for in paragraph 4 of the 23rd resolution, it being specified that these amounts above will be raised, where applicable, by the nominal

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amount of additional shares which may be issued in respect of adjustments in order to safeguard, in accordance with laws and regulations and, where applicable, contractual provisions providing for other adjustment cases, the rights of holders of securities or other rights giving access to capital,

- the maximum nominal amount of debt securities of the Company to be issued under this delegation may not exceed and will count towards the overall ceiling for debt securities provided for in paragraph 3 of the 22nd resolution above;
- 3. decides that the Board of Directors shall have all necessary powers, in particular to approve the assessment of contributions and the granting of special benefits, to reduce, if the contributors so consent, the valuation of contributions or the remuneration of special benefits and, concerning said contributions, record their completion, offset all costs, charges and duties against

- premiums, increase the share capital and amend the articles of association:
- 4. states that in accordance with the law, the Board of Directors will rule, if use is made of this delegation, on the report of one or more contribution auditors, referred to in Article L.225147 of the Commercial Code;
- decides that this delegation is granted for a period of 26 months from this General Meeting and supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 21st resolution;
- 6. decides that the Board of Directors may not, without prior authorization by the General Meeting, make use of this delegation of authority as of the submission by a third party of a public bid for the Company's securities and through until the end of the bid period.

TWENTY-SEVENTH RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH CAPITAL INCREASES BY INCORPORATION OF RESERVES, PROFITS, PREMIUMS OR OTHER)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having considered the report of the Board of Directors, and in accordance with Articles L.225-129, L.225-129-2 and L.225-130 of the Commercial Code:

- 1. delegates to the Board of Directors its authority to decide on increases in the share capital on one or more occasions, in the proportion and at the times it deems appropriate, by incorporation of reserves, profits, premiums or other elements whose capitalization is allowed by law and the articles of association and in the form of the free issuance of new shares or the increase in the nominal value of existing shares, or by combining the two operations;
- 2. decides that the maximum nominal amount of capital increases likely to be performed under this delegation may not exceed €152,339,000, it being specified that this limit:
 - is set without taking into account the nominal value of ordinary shares that may be issued in respect of adjustments made to safeguard, in accordance with legislative and regulatory provisions and, where applicable, contractual provisions providing for other cases of adjustment, the rights of holders of securities or other rights giving access to the capital, and
 - will also count towards the amount of the overall ceiling of the capital increase set in paragraph 3 of the 22nd resolution above;
- 3. decides that the Board of Directors shall have all powers, with the possibility of subdelegating as provided for in law, in order to implement this delegation, in particular to:
 - define all the terms and conditions of the authorized operations, decide the amount and nature of the reserves and premiums to be capitalized, determine the number of new shares to be issued or the amount by which the nominal value of existing shares comprising the share capital will be increased, set the

- date, even retroactively, from which the new shares will bear rights or the date on which the increase in the nominal value shall take effect and proceed, if necessary, with all offsetting against the issuance premium(s) including the costs incurred by the implementation of issuances,
- decide in accordance with the provisions of Article L.225-130 of the Commercial Code, that fractional rights will not be negotiable and that the corresponding shares will be sold, with the proceeds from the sale being allocated to the rights holders as provided for in the law and regulations,
- take all necessary measures and conclude all agreements to ensure the successful completion of the planned operations and generally do whatever is necessary to accomplish all acts and formalities in order to make the capital increase(s) that may be made under this delegation definitive and proceed with the corresponding amendment of the articles of association;
- 4. decides that this delegation is granted for a period of 26 months from this General Meeting and supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 22nd resolution;
- 5. decides that the Board of Directors may not, without prior authorization from the General Meeting, make use of this delegation of authority as of the submission by a third party of a public bid for the Company's securities and through until the end of the offer period.

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8.3 Resolutions coming under the authority of the Extraordinary General Meeting

TWENTY-EIGHTH RESOLUTION (DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO ISSUE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, SHARES OR SECURITIES GIVING ACCESS TO THE SHARE CAPITAL RESERVED FOR EMPLOYEES WHO ARE PART OF A COMPANY SAVINGS PLAN)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors, under the provisions of Articles L.3332-18 *et seq.* of the Labor Code relating to employee share ownership and Articles L.225-129, L.225-129-2 to L.225-129-6, L.225-138 and L.225-138-1 of the Commercial Code:

- 1. delegates to the Board of Directors the authority to issue, on one or more occasions, shares and/or securities giving access to the capital, to the benefit of employees of the Company and of French or foreign companies to which it is related within the meaning of Article L.225-180 of the Commercial Code, which are included in the same scope of consolidation or combination of accounts in accordance with Article L.3344-1 of the Labor Code, provided that these employees are members of an Edenred Group Company Savings Plan;
- authorizes the Board of Directors, as part of this or these capital increases, to grant, free of charge, shares or other securities giving access to the capital, within the limits laid down in Article L.3332-21 of the Labor Code:
- 3. decides that the total number of shares issued or liable to be issued pursuant to this resolution shall not exceed 2% of the share capital of the Company as recorded at the end of this meeting; it being specified that the nominal amount of the capital increase performed under this delegation will be deducted from the amount of the overall ceilings provided for in paragraph 3 of the 22nd resolution;
- 4. decides that the issue price of the new shares may neither be higher than the average listed price for the Company share during the twenty trading days preceding the day of the decision setting the opening date for subscriptions or lower than this average less the maximum discount provided for by the regulations on the date of the decision and that the characteristics of the other securities shall be determined under the conditions stipulated in the regulations in force;

- 5. decides to cancel, in favor of said members, the preferential subscription right of the shareholders to the shares or securities that may be issued under this delegation and to waive any right to the shares that may be granted on the basis of this resolution;
- 6. grants all powers to the Board of Directors with the possibility of sub-delegating, under conditions provided for in law, particularly with the effect of:
 - determining the companies whose employees may benefit from the subscription offer,
 - deciding that subscriptions may be made through a mutual fund or directly.
 - allowing employees a deadline for paying up their shares,
 - setting the terms and conditions of accession to the Company Savings Plan or voluntary employee partnership savings plan, while establishing or amending the regulations,
 - setting the opening and closing dates of the subscription and the issue price of securities,
 - · determining the number of new shares to be issued,
 - · recording the completion of capital increases,
 - performing, directly or through an agent, all transactions and formalities,
 - amending the Company's articles of association and, more generally, doing all that is useful and necessary in the context of the laws and regulations in force;
- 7. decides that this delegation is granted for a period of 26 months from this meeting and notes that it supersedes, as of that same date, the delegation granted by the General Meeting of May 13, 2014 in its 23rd resolution.

8.3 Resolutions coming under the authority of the Extraordinary General Meeting

TWENTY-NINTH RESOLUTION (AUTHORIZATION FOR THE BOARD OF DIRECTORS TO PROCEED WITH THE FREE ALLOCATION OF PERFORMANCE SHARES, EXISTING OR TO BE ISSUED, TO EMPLOYEES AND EXECUTIVE DIRECTORS OF THE COMPANY AND GROUP COMPANIES)

The General Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with Articles L.225-129 *et seq.* and L.225-197-1 *et seq.* of the Commercial Code:

- authorizes the Board of Directors to proceed with, on one or more occasions, the free allocation of ordinary shares, existing and/ or to be issued in the Company, to employees and Executive Directors (eligible within the meaning of Article L.225-197-1 II paragraph 1 of the Commercial Code) of the Company and companies or groups linked to it in accordance with the conditions stipulated in Article L.225-197-2 of the Commercial Code, or certain categories of them;
- 2. decides that the allocations made under this authorization may not involve a number of existing or new shares representing more than 1.5% of the share capital of the Company as recorded at the date of the decision to allocate them made by the Board of Directors, it being specified that this number does not take into account any adjustments that may be made to safeguard the rights of beneficiaries in the event of financial transactions or operations concerning the capital or equity of the Company, in accordance with legal and regulatory provisions and, where applicable, contractual provisions providing for other adjustment cases:
- 3. decides that the allocations made under this authorization will benefit, in the conditions provided for in law, the Executive Directors of the Company, provided that the final allocation of shares is subject to compliance with a condition of presence and the achievement of one or more specified performance condition(s) set by the Board of Directors upon the decision to allocate them and that their number does not represent in the course of a financial year a higher percentage than 0.1% of the share capital of the Company as recorded at the date of the decision to allocate them made by the Board of Directors (subject to any adjustments mentioned in the preceding paragraph), this sub-ceiling will count towards the overall ceiling of 1.5% of the aforementioned share capital;
- 4. decides that: (i) the allocation of shares to beneficiaries will be definitive after a vesting period whose duration shall be fixed by the Board of Directors, it being understood that this period may not be less than three years; and (ii) the duration of the obligation to retain the shares by the beneficiaries will be, if appropriate, set by the Board of Directors;
- 5. expressly makes the final allocation of shares pursuant to this authorization, including the Executive Directors, conditional upon compliance with a condition of presence and the achievement of one or more specified performance conditions by the Board of

- Directors upon the decision to allocate them and evaluated over a minimum of three consecutive years;
- 6. notes that this authorization automatically entails, in favor of the beneficiaries of free allocations of shares, the waiver by shareholders of their preferential subscription rights to ordinary shares to be issued pursuant to this authorization;
- 7. grants all powers, within the limits set above, to the Board of Directors with the possibility of subdelegating as provided for in law, in order to implement this authorization and in particular to:
 - determine whether the free shares to be allocated are shares to be issued or already existing shares,
 - set, within legal limits, the dates on which shares will be allocated
 - determine the identity of the beneficiaries, or the category or categories of beneficiaries of the share allocations and the number of shares allocated to each of them,
 - determine the share allocation criteria, the conditions and procedures for allocating such shares and in particular the vesting period and, if appropriate, the retention period for the shares so allocated, the condition of presence or the performance condition(s) pursuant to this authorization,
 - set the date, even retroactively, when the new shares to be issued bear rights,
 - provide for the possibility of temporarily suspending the allocation rights as provided for in law and the applicable regulations,
 - register the shares allocated in a registered account in the name of their owner at the end of the vesting period, stating, where appropriate, the availability and duration thereof, and cancel the share lock-up period in any circumstances in which this resolution or the applicable regulations allow cancellation of the lock-up period,
 - decide, as regards the Executive Directors, either that the shares will not be sold by the interested parties before the termination of their duties, or define the number of shares that they must keep in registered form until the termination of their duties.
 - provide for the option of proceeding, if deemed necessary, with adjustments to the number of free shares allocated in order to safeguard the rights of beneficiaries, depending on any operations involving the capital or equity of the Company which occurred during the vesting period, as referred to in Article L.225-181 paragraph 2 of the Commercial Code, under the conditions it will determine.

 charge, if applicable, against the reserves, profits or share premiums, the sums necessary for payment of such shares, record the completion of capital increases made pursuant to this authorization, amend the articles of association and in general, perform all necessary acts and formalities,

- more generally, enter into any agreements, draw up all documents, carry out all formalities and make all declarations to all organizations and do all that is necessary;
- 8. this authorization is granted for a period of 26 months from the date of this General Meeting. It supersedes, as of that same date, the authorization granted by the General Meeting of April 30, 2015 in its eighth resolution.

8.4 RESOLUTIONS COMING UNDER THE AUTHORITY OF THE ORDINARY GENERAL MEETING

THIRTIETH RESOLUTION (POWERS FOR FORMALITIES)

The General Meeting grants all powers to the bearer of an original, copy or extract of the minutes of this General Meeting to perform all filings and carry out all legal notifications or other formalities which prove necessary.

8.5 STATUTORY AUDITORS' SPECIAL REPORTS

8.5.1 STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL DECREASE BY CANCELLATION OF PREVIOUSLY ACQUIRED SHARES

Combined Shareholders' Meeting of May 4, 2016

21st resolution

This is a free translation into English of the Statutory Auditors' special report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Edenred and pursuant to the provisions of Article L.225-209 of the French Commercial Code (Code de commerce) concerning capital share decreases by cancellation of shares, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital decrease.

Shareholders are requested to confer all necessary powers to the Board of Directors, during a period of 26 months starting from the Shareholders' Meeting of May 4, 2016, to cancel, on one or more occasions, and up to a maximum of 10% of the share capital in any twenty-four month period, the shares purchased by the Company pursuant to the authorization to purchase its own shares under the provisions of Article L.225-209 of the French Commercial Code.

We performed the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Those procedures consisted in examining whether the reasons for and the terms and conditions of the proposed share capital decrease, which does not interfere with the equal treatment of shareholders, are due and proper.

We have no matters to report on the reasons for or terms and conditions of the proposed capital decrease.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

8.5.2 STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND/OR SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL RESERVED FOR EMPLOYEES MEMBERS OF A CORPORATE SAVINGS PLAN

Combined Shareholders' Meeting of May 4, 2016

28th Resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Edenred and in accordance with the procedures provided for in Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (Code de Commerce), we hereby report to you on the proposed delegation to the Board of Directors of the authority to decide on the issue, on one or more occasions, of shares or more generally all marketable securities conferring entitlement to the share capital of the Company, with waiver of preferential subscription rights, reserved to employees of the Company and its affiliated French or foreign companies within the meaning set forth in Article L. 225-180 of the French Commercial Code, and which are included in the same consolidation or accounts combination scope in accordance with Article L. 3344-1 of the French Labor Code (Code du travail), who are members of a corporate savings plan of Edenred, a transaction on which you are being asked to vote.

These issues are submitted to you for your approval pursuant to Articles L. 225-129-6 of the French Commercial Code (Code de commerce) and L. 3332-18 et seq. of the French Labor Code (Code du travail).

The total number of shares issued or likely to be issued, on one or more occasions, pursuant to this delegation is capped at 2% of the Company's share capital as noted as of the end of this Shareholder's Meeting; it being specified that pursuant to this resolution, the par value amount of capital increases likely to be carried out, immediately or in the future, will be deducted from the overall ceiling set forth in the 22nd resolution.

Based on its report, your Board of Directors recommends that you confer on it, for a period of 26 months, the authority to decide on an issue, on one or more occasions, and waive your preferential subscription rights to the marketable securities to be issued. If applicable, the Board of Directors will be responsible for determining the final issuance terms and conditions of this transaction.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed waiver of preferential subscription rights and on certain other information pertaining to the issuance as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Such procedures consisted in verifying the content of the Board of Directors' report as it relates to this transaction and the terms and conditions in which the issue price of the equity securities to be issued was determined.

Subject to our subsequent review of the terms and conditions of the proposed issues, we have no comments to make on the procedures for determining the issue price of the equity securities to be issued presented in the Board of Directors' report.

As the final terms and conditions under which the issues will be carried out have not yet been set, we express no opinion on them and, consequently, on the proposed waiver of the preferential subscription rights on which you are being asked to vote.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue an additional report, where necessary, when this delegation of authority is utilized by your Board of Directors.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

8.5 Statutory Auditors' special reports

8.5.3 STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND/OR VARIOUS SECURITIES WITH AND/OR WITHOUT WAIVER OF THE PRE-EMPTIVE SUBSCRIPTION RIGHT

Combined General Meeting of May 4, 2016

(22nd, 23rd, 24th, 25th and 26th resolutions)

This is a free translation into English of the Statutory Auditors' special report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Edenred (the "Company") and in accordance with the procedures provided for in Articles L.228-92 and L.225-135 et seq. of the French Commercial Code (Code de Commerce), we hereby report to you on the proposed delegations to the Board of Directors for the various issues of shares and/or securities, transactions on which you are asked to vote.

Your Board of Directors proposes that, having considered its report:

- you delegate it the authority, for a period of twenty-six months from the date of this Shareholders' Meeting, to decide the following transaction, set the final terms and conditions of thereof and, if necessary, waive your pre-emptive subscription right:
 - issue, with retention of the pre-emptive subscription right (22nd resolution), (i) ordinary shares of the Company or (ii) securities that are equity securities of the Company conferring, by any means, immediate or future entitlement to other equity securities, whether existing or to be issued, of the Company or any company in which the Company directly or indirectly holds more than half of the share capital (a "Subsidiary") or to existing equity securities of any company in which Edenred does not directly or indirectly hold more than half of the share capital, and/or conferring entitlement to debt securities of the Company, any Subsidiary or any company stipulated above, or (iii) any securities, whether hybrid or not, conferring, by any means, immediate or future entitlement to equity securities to be issued by the Company or any Subsidiary;
 - issue, with waiver of the pre-emptive subscription right through a public offering (23rd resolution), (i) ordinary shares of the Company or (ii) securities that are equity securities of the Company conferring, by any means, immediate or future entitlement to other equity securities, whether existing or to be issued, of the Company or any Subsidiary or to existing equity securities of any company in which the Company does not directly or indirectly hold more than half of the share capital, and/or conferring entitlement to debt securities of the Company. any Subsidiary or any company stipulated above, or (iii) any securities, whether hybrid or not, conferring, by any means, immediate or future entitlement to equity securities to be issued by the Company or any Subsidiary, it being specified that such securities may be issued as consideration for the securities which would be contributed to the Company in the context of a public exchange offer of securities meeting the requirements of Article L.225-148 of the French Commercial Code;

- issue, with waiver of the pre-emptive subscription right through public offerings governed by Section II of Article L. 411-2 of the French Monetary and Financial Code (Code Monétaire et Financier) and placed with qualified investors or a restricted circle of investors without exceeding the annual limit of 10% of the share capital (24th resolution), (i) ordinary shares of the Company or (ii) securities that are equity securities of the Company conferring, by any means, immediate or future entitlement to other equity securities, whether existing or to be issued, of the Company or any Subsidiary or to existing equity securities of any company in which the Company does not directly or indirectly hold more than half of the share capital, and/or conferring entitlement to debt securities of the Company, any Subsidiary or any company stipulated above, or (iii) any securities, whether hybrid or not, conferring, by any means, immediate or future entitlement to equity securities to be issued by the Company or any Subsidiary;
- you delegate it the necessary authority, for a period of twenty-six months from the date of this Shareholders' Meeting, to issue (i) ordinary shares of the Company or (ii) securities that are equity securities of the Company conferring, by any means, immediate or future entitlement to other equity securities, whether existing or to be issued, of the Company or (iii) any securities, whether hybrid or not, conferring, by any means, immediate or future entitlement to equity securities to be issued by the Company, in consideration for contributions-in-kind to the Company and comprising equity securities or securities conferring entitlement to share capital of other companies within the limit of 10% of the share capital on the issue date (26th resolution).

According to the 22^{nd} resolution, the nominal amount of any share capital increases which may be performed immediately and/or in future may not exceed €225 million pursuant to the 22^{nd} , 23^{rd} , 24^{th} , 25^{th} , 26^{th} , 27^{th} , 28^{th} and 29^{th} resolutions, it being specified that the nominal amount of these capital increases may not exceed €45 million according to the 23^{rd} resolution and pursuant to the 23^{rd} , 24^{th} , 26^{th} and 28^{th} resolutions.

According to the 22nd resolution, the nominal amount of any debt securities conferring entitlement to the Company's share capital, which may be issued, may not exceed €2.25 billion pursuant to the 22nd, 23rd, and 24th resolutions, it being specified that the nominal amount of these securities may not exceed €450 million according to the 23rd resolution and pursuant to the 23rd and 24th resolutions.

These ceilings take into account the additional number of new securities to be issued in the context of the implementation of the delegations stipulated in the 22nd, 23rd, and 24th resolutions, under the terms and conditions of Article L.225-135-1 of the French Commercial Code, should you adopt the 25th resolution.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data derived from the financial statements, on the proposed waiver of the pre-emptive subscription right and on certain

other information pertaining to these transactions, as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Such procedures consisted in verifying the content of the Board of Directors' report as it relates to these transactions and the conditions in which the issue price of the equity securities to be issued was determined.

Subject to the subsequent review of the terms and conditions of the issues that may be decided, we have no comments on the methods, as presented in the Board of Directors' report, used to determine the issue price of the equity securities to be issued, pursuant to the 23rd and 24th resolutions.

In addition, as this report does not specify the conditions governing the determination of the issue price for the equity securities to be issued in connection with the implementation of the 22nd and 26th resolutions, we cannot express an opinion on the components used to calculate the issue price.

As the final terms and conditions under which the shares shall be issued has not been determined, we express no opinion thereon and, likewise, on the proposed waiver of the pre-emptive subscription right on which you are asked to vote under the 23rd and 24th resolutions.

Pursuant to Article R. 225-116 of the French Commercial Code, we shall issue a supplementary report, if applicable, when these delegations are utilized by your Board of Directors, should it issue securities that are equity securities conferring entitlement to other equity securities or debt securities, equity securities conferring entitlement to equity securities to be issued, and ordinary shares with waiver of the pre-emptive subscription right.

Paris and Neuilly-sur-Seine, March 3, 2016
The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

8.5.4 STATUTORY AUDITORS' REPORT ON THE GRANTING OF EXISTING PERFORMANCE SHARES OR PERFORMANCE SHARES TO BE ISSUED FOR NO CONSIDERATION TO ALL EMPLOYEES AND CORPORATE OFFICERS

Combined Shareholders' Meeting of May 4, 2016

29th Resolution

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France

To the Shareholders,

In our capacity as Statutory Auditors of your Edenred, and in accordance with the procedures provided for in Article L.225-197-1 of the French Commercial Code (Code de commerce), we have prepared this report on the project to grant existing shares or shares to be issued for no consideration, subject to performance conditions, to employees and corporate officers of the Company and affiliated companies within the meaning of Article L.225-197-2 of the French Commercial Code, or to certain categories of employees and corporate officers, a transaction on which you are being asked to vote.

Based on its report, your Board of Directors proposes that you confer on it the authority for a period of 26 months, as from the date of this Shareholders' Meeting, to grant existing or shares to be issued for no consideration, on one or several occasions, subject

to performance conditions, for up to a maximum of 1.5% of the Company's share capital as of the date of the Board of Director's decision; it being specified that the amount of share capital increases likely to be carried out pursuant to this resolution will be deducted from the overall par value amount set forth in the 22nd resolution of this Shareholder's Meeting.

The Board of Directors is responsible for preparing a report on the transaction that it wishes to carry out. Our role is to inform you of our comments, if any, on the information thus given to you on the proposed transaction.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Our work consisted in verifying more specifically that the proposed procedures and data presented in the Board of Directors' report comply with the legal provisions.

We have no comments on the information given in the Board of Directors' report in connection with the proposed granting of shares for no consideration.

Paris and Neuilly-sur-Seine, March 3, 2016 The Statutory Auditors

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

8.5.5 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS WITH THIRD PARTIES

Annual Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2015

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your Company (hereinafter referred to as "the Company"), we hereby report to you on regulated agreements and commitments with third parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such commitments and agreements are in the company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any.

It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de Commerce), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements and commitments, already authorized by the Shareholders' Meeting and having continuing effect during the year, if any.

We conducted our procedures in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement. These guidelines require that we verify the consistency of the information provided to us with the relevant source documents.

A. Agreements and commitments authorized during the year, some of which have been modified since the year-end and submitted to the Shareholders' Meeting for approval

Agreements and commitments authorized during the year

In accordance with Article L.225-40 of the French Commercial Code, we have been informed of the following agreements and commitments that were authorized in advance by the Board of Directors.

Agreements and commitments concluded with Mr. Bertrand Dumazy, Chairman and CEO

Reasons justifying that these commitments and agreements are in the company's interest:

The conclusion of the four commitments adopted by the Company for Mr. Bertrand Dumazy and listed hereafter forms part of the process to select the new Chairman and CEO following the resignation of his predecessor. Upon the recommendation of the Compensation and Appointments Committee, the Board of Directors decided to offer an attractive compensation package, with a structure in line with that of the former Chairman and CEO. In addition to the fixed and variable compensation, this package includes various benefits that enabled the selection of a competent and motivated executive officer.

Allocation of compensation for termination of duties to Mr. Bertrand Dumazy

Nature and purpose:

On September 10, 2015, the Company's Board of Directors authorized the signature by Edenred of a commitment to determine the compensation for termination of Mr. Bertrand Dumazy's duties as Chairman and CEO. This commitment was subject to an amendment authorized by the Board on February 10, 2016.

Compensation for termination of duties may be paid only if the termination of Mr. Bertrand Dumazy's duties as Chairman and CEO results from a forced departure prior to the end of his terms of office, regardless of the form of this departure.

No amount shall be payable in respect of compensation for termination of duties should Mr. Bertrand Dumazy have the possibility, within twelve months after the date of his final departure from the Company, of asserting his rights to retirement, allowing him to receive a pension under the supplementary pension plan set up in your Company.

The amount of compensation for termination of duties shall be equal to a maximum of twice the amount of the total annual gross

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compensation of Mr. Bertrand Dumazy as Chairman and Chief Executive Officer, defined as the sum of:

- the fixed portion of the compensation on an annual basis as Chairman and Chief Executive Officer on the date of termination of his duties, and
- the average of the variable portion of the annual compensation as Chairman and Chief Executive Officer received or to be received for the last two years during which he served as Chairman and Chief Executive Officer, prior to the date of termination of his duties

The compensation for termination of duties shall be subject to the fulfillment of performance conditions. The criteria chosen by the Board is as follows:

- 1. increase by 5% (on a like-for-like basis) of the issue volume as compared to the previous year;
- 2. increase by 2% (on a like-for-like basis) of operating revenue as compared to the previous year;
- **3.** increase by 5% (on a like-for-like basis) of Funds from Operations as compared to the previous year;
- 4. increase in the share price of the Company at least equal to 85% of the Euronext Paris SBF 120 index for the Reference Period, it being specified that if the change in this index for the Reference Period is negative, the decrease in the Company's share price should not exceed 125% of the fall in the index over the Reference Period.

The fulfilment of each of these four conditions shall be measured over a period of three years preceding the date of termination of duties (the "Reference Period"), provided that each of the first three conditions shall be deemed fulfilled when the related condition shall be achieved in at least two of the three years. It is specified that in the event of departure before the end of the third year, the share performance will be considered only after the date of assumption of duty.

The payment of the maximum amount of compensation for termination of duties shall be subject to the fulfillment of at least three of the four performance conditions, determined by the Board in the manner prescribed by the legislation in force at the date of termination of duties. If only two conditions are met, compensation for loss of duties actually paid shall represent 50% of the maximum amount. If only one condition is fulfilled or if no condition is met, no amount shall be paid as compensation for termination of duties.

It is specified that Mr. Bertrand Dumazy's compensation for termination of duties may not, in any case, exceed two years' total annual gross compensation. Furthermore, if Mr. Bertrand Dumazy's duties as Chairman and Chief Executive Officer were to be terminated before the end of two fiscal years on account of forced dismissal, he shall be entitled to receive, as part of a transaction including a waiver of recourse, settlement compensation, the amount of which shall equal two years' target fixed and variable compensation.

Terms and conditions:

This agreement had no impact on the Company financial statements for the year ended December 31, 2015.

2. Subscription of private unemployment insurance for Mr. Bertrand Dumazy

Nature and purpose:

On September 10, 2015, the Board of Directors authorized the subscription by the Company of private unemployment insurance for Mr. Bertrand Dumazy under the following conditions.

This new commitment subscribed with GSC confers entitlement to the payment of compensation equal to 70% of contractual income, over a period of 12 months, to the insured person.

It is specified that the contributions are paid in full by the Company.

Terms and conditions:

For fiscal 2015, the Company paid contributions of €2,078.

3. Extension to the Chairman and CEO of the health insurance plan applicable to employees of the Company

Nature and purpose:

On September 10, 2015, the Board of Directors authorized the extension to the Chairman and Chief Executive Officer of the health insurance plan applicable to employees. The Company's health insurance plan comprises two collective contracts concluded with Uniprevoyance for healthcare and death and disability insurance and long-term care coverage.

Terms and conditions:

For fiscal 2015, the Company paid €1,999.50 in death, disability and healthcare cost insurance coverage.

4. Participation of the Chairman and CEO in the new supplementary pension plans in force in the Company

Nature and purpose:

On September 10, 2015, le Board of Directors authorized the commitment to enable the Chairman and Chief Executive Officer to participate in the supplementary pension plans set up within the Company (defined contribution and defined benefit plans), under the same conditions as certain senior executives of the Company. The terms and conditions governing the payment of the annuity set forth in Article 39 were subject to an amendment authorized by the Board on February 10, 2016 in order to comply with the new article L 225-42-1 of the French Commercial Code.

The supplementary pension plan refers to a category of Group executives who meet certain criteria of compensation and job classification (38 people in 2015). This plan is comprised of a defined contribution plan ("Article 83") and a defined benefit plan ("Article 39"):

- the defined contribution plan (Article 83) consists of a payment of an annual fee by the Company of up to 5% of five Social Security annual ceilings (i.e. a maximum amount of €9,510 in 2015);
- the defined benefit plan (Article 39) sets up the amount of a fixed annuity whose principles comply with the AFEP/MEDEF code recommendations:

- to benefit from the defined benefit plan, the Chairman and CEO shall (i) complete his career within the company, (ii) justify at least 5 years of inclusion in this pension plan, (iii) fulfil, in accordance with the new article L. 225-42-1 of the French Commercial Code, some of the performance conditions used to determine his variable compensation. Hence, the Chairman and CEO shall receive 100% of the annual annuity under Article 39, if he fulfils at least 60% of the objectives defined to determine his annual variable compensation; should Mr. Bertrand Dumazy not fulfil 60% of the objectives defined to determine his annual variable compensation, the Company shall not make any payments under Article 39 for the given year. The annuity paid by this plan shall therefore be reduced by the aforementioned defined contribution plan benefits;
- the reference period taken into account for the computation of benefits relates to the period of inclusion in the plan (at least 5 years);
- potential rights are vested gradually by year of inclusion, the amount of additional annual pension being calculated annually on the basis of the gross annual compensation of participants;
- the replacement rate may not exceed the following two thresholds:
- the replacement rate of the supplementary plan (defined contribution and defined benefit plans) is limited to 30% of the last gross annual compensation;
- if the last gross annual compensation exceeds 12 Social Security annual ceilings, the overall replacement rate for all plans (Edenred compulsory and supplementary pension plans) is then capped at 35% of the average of the three highest annual reference salaries observed over a period of 10 years before retirement.

In event of departure from the group before the liquidation of the pension under the general plan, the participant loses the rights from the defined benefit plan and retains only those relating to the defined contribution plan.

The Chairman and Chief Executive Officer shall participate in the supplementary pension plan of the group under the same terms and conditions as any other participant in the plan, as described above.

Terms and conditions:

Under the defined contribution plan (article 83), a waiting period is to be observed. Hence, the company did not pay any amounts during the year for this plan.

Under the defined benefit plan (article 39), the potential rights shall represent each year on average 1% of his annual gross compensation as from his entry into the plan. These rights shall be limited by two replacement rate thresholds defined in the general supplementary pension plan.

Agreements and commitments previously approved by the Shareholders' Meeting, which continued during fiscal year 2015

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed of the following agreements and commitments, previously approved by the shareholders in prior years and having continuing effect during the year:

I. Agreements entered into with the Accor Group

Persons involved:

Messrs. Jean-Paul Bailly, Philippe Citerne, Bertrand Méheut, Nadra Moussalem, common directors of Edenred and Accor groups.

Tax matters agreement of December 19, 2011

Nature and purpose:

In connection with a reassessment of the registration fees decided by the Italian tax authorities, following the demerger operations of the Accor Group covering a total of €27.4 million, jointly and severally against a subsidiary of the Accor Group and four member entities of the Edenred Group, the two groups, contesting the reassessment, concluded on December 19, 2011 an agreement to equally share the risk and potential cost.

The Court of first instance of Milan ruled in favor of Accor and Edenred on March 11, 2014, and the tax authorities appealed this decision. In the absence of suspensive effect of the appeal, the tax authorities repaid the amounts in dispute.

Terms and conditions:

No income was recorded for the year 2015 to the extent that Edenred did not record an expense originally in 2011.

II. Agreements and commitments entered into with Mr. Jacques Stern, Chairman and Chief Executive Officer

Nature, purpose, terms & conditions:

The agreements and commitments listed below ended on July 31, 2015:

- The award of compensation for termination of duties as Chief Executive Officer, resulting from a forced departure, for which the benefit will be subject to the satisfaction of certain performance conditions and, the preservation, subject to conditions, of rights to all stock options and performance shares;
 - This commitment, approved by the Shareholders' meeting of May 13, 2014, did not impact the accounts of the Company for the year ended December 31, 2015.
- 2. The purchase of private unemployment insurance.

This agreement was approved by the Shareholders' Meeting of May 13, 2014. In respect of fiscal year 2015, the Company paid a contribution of €14,278.32 to AXA France IARD.

ANNUAL SHAREHOLDERS MEETING

8

8.5 Statutory Auditors' special reports

- 3. The extension to the Chairman and Chief Executive Officer of the health insurance plan applicable to employees of the Company.
 - This agreement was approved by the Shareholders' meeting of May 13, 2014. In respect of fiscal year 2015, the Company paid €2,182.89 for death and disability insurance and €1,028.94 in healthcare cost coverage.
- 4. Participation of the Chairman and Chief Executive Officer under the same terms and conditions as certain executive officers to supplementary pension plans (defined contribution and defined benefit plans) in force in the Company.

This agreement was approved by the Shareholders' meeting of May 13, 2014.

Under the defined contribution plan (article 83), the annual contribution paid by the Company represented 0.4% of his annual gross compensation paid in 2015, or, €5,547.

Under the defined benefit plan (article 39), the potential rights represented each year on average 1% of his annual gross compensation since his entry into the plan. These rights shall be limited by two replacement rate thresholds defined in the general supplementary pension plan.

- 5. The two amendments to the employment contract of Mr. Jacques Stern allowing the transfer to Edenred of his employment contract concluded in 1992 with Accor and providing for:
- a) a contractual indemnity corresponding to the cumulative amount of legal and contractual severance payments, while maintaining the seniority acquired in his 18 years of service carrying out functions with Accor;
- b) a specific allowance, supplementary to the contractual indemnity, which would be due in the event of termination of his employment contract no later than six months after the decision of nonrenewal of his term of office. It is subject to compliance with certain performance conditions contained in compensation to be received in respect of the termination of his mandate as determined by the Board of Directors at its meetings of June 29 and August 24, 2010.

These two amendments, approved by the Shareholders' Meeting of May 13, 2011, were not performed during the year 2015.

Neuilly-sur-Seine and Paris, March 3, 2016
The Statutory Auditors

DELOITTE & ASSOCIÉS

David DUPONT-NOEL

CABINET DIDIER KLING & ASSOCIÉS

Didier KLING

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9.1 INVESTOR RELATIONS AND DOCUMENTS AVAILABLE TO THE PUBLIC

In addition to the Annual Shareholders Meeting and the events organized to present the annual results, Edenred keeps both private and institutional shareholders informed of the latest developments on a highly responsive daily basis. This information is tailored to the specific needs of different types of shareholders and financial analysts while constantly complying with the principle of equal access to information.

The Company's press releases and historical financial information are available on the Edenred website (www.edenred.com) and the website of the *Autorité des marchés financiers* (www.amf-france.org). Copies may also be obtained from the Company's headquarters, 166-180 boulevard Gabriel Péri – 92240 Malakoff, France. The bylaws and the minutes of Shareholders Meetings, the financial statements of the Company and the Group, the Statutory Auditors' reports and all other corporate documents are available for consultation in paper format at the Company's headquarters.

MEETINGS WITH INVESTORS

In 2015, Edenred met some 620 representatives of 290 financial institutions, held 18 roadshows in Europe, the United States and Canada, and participated in six investor conferences in France, the UK, the United States and Spain.

The Group also met with private shareholders at shareholder events in Annecy and Lyon. Additionally, private shareholders were invited to four breakfasts at Edenred's headquarters in 2015. Shareholders

can also visit individually at specific times during the year, which are posted in the shareholders' area in the "Finance" section of Edenred.com.

Furthermore, Edenred created in 2015 the Shareholders E-Club in order to enhance the relationship between the Group and its individual shareholders.

INVESTOR AND SHAREHOLDER PUBLICATIONS

All of the Group's financial news and publications can be accessed in the "Finance" section of the www.edenred.com website, which serves as a comprehensive investor relations database. The site carries live and deferred webcasts of results presentations and Annual Shareholders Meetings, as well as real-time tracking of the share price. It also includes a section dedicated to private shareholders.

Statutory documents are available for consultation at the Company's administrative headquarters, 166-180 boulevard Gabriel Péri – 92 240 Malakoff, France.

Regulatory filings are issued electronically through a professional disclosure service that complies with the criteria set out in the *Autorité des marchés financiers*' General Regulation. The filings are also available on the corporate website.

CONTACTS

Institutional investors/analysts

Louis Igonet

Investor Relations and Financial Communications Director

Aurélie Bozza

Investor Relations manager

Edenred, Immeuble Columbus 168-180 boulevard Gabriel-Péri 92240 Malakoff Cedex, France E-mail: investor.relations@edenred.com

Phone: +33 1 74 31 86 26 Fax: +33 1 74 31 98 03

Individual shareholders

Élisabeth Pascal

Regulated Information Distribution and Shareholder Relations manager

E-mail: relations.actionnaires@edenred.com

Phone: Voice server: 0 805 652 662 (toll-free from a fixed line in France)

The voice server provides real time share prices (press 1), news about the Group and the agenda of the Shareholders Meeting (press 2). Shareholders can also be put through to the Registered Shareholders service (press 3) and the shareholder relations team (press 4).

9.2 Persons responsible for the Registration Document and the audit of the accounts

9.2 PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND THE AUDIT OF THE ACCOUNTS

9.2.1 PERSONS RESPONSIBLE

9.2.1.1 Person responsible for the Registration Document

Bertrand Dumazy, Chairman and Chief Executive Officer of Edenred

9.2.1.2 Statement by the person responsible for the Registration Document

"I hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I declare that, to the best of my knowledge, (i) the financial statements have been prepared in accordance with the applicable accounting

standards and give a true and fair view of the assets and liabilities, financial position and results of Edenred and the consolidated companies, and (ii) the Management Report presented from page 37 represents a fair view of the business, results and financial position of Edenred and its consolidated companies and provides a description of the main risks and uncertainties to which they are exposed.

I obtained a statement from the Statutory Auditors at the end of their engagement affirming that they have examined the information about the financial position and the accounts contained in the Registration Document and have read the whole of the Document."

Bertrand Dumazy

Chairman and Chief Executive Officer of Edenred

Paris, March 25, 2016

9.2.2 STATUTORY AUDITORS

Statutory Auditors

Deloitte & Associés

David Dupont-Noel

185, avenue Charles de Gaulle BP 136

92203 Neuilly-sur-Seine Cedex

Appointed for six years at the May 15, 2012 Annual Shareholders Meeting.

Didier Kling & Associés

Didier Kling

28, avenue Hoche

75008 Paris

Appointed for six years at the April 9, 2010 Annual Shareholders Meeting.

Alternate Auditors

BEAS

William Di Cicco

195, avenue Charles de Gaulle 92200 Neuilly-sur-Seine

Appointed on the same basis and for the same period as Deloitte & Associés.

CREA

Bernard Roussel

37, avenue de Friedland

75008 Paris

Appointed on the same basis and for the same period as Didier Kling & Associés.

9.3 FEES PAID TO THE STATUTORY AUDITORS

The following table presents the fees paid to the Statutory Auditors and the members of their networks by the Group for 2014 and 2015:

	D	eloitte &	Associés		Didier Kling & Associés			
	Amount w		%	ı	Amount w		%	ı
(in € millions)	2015	2014	2015	2014	2015	2014	2015	2014
Audit								
Statutory audit, certification, consolidated and individual statement audit								
• Issuer	(0.6)	(0.5)	16%	17%	(0.2)	(0.2)	100%	100%
Fully consolidated subsidiaries	(2.1)	(2.1)	61%	67%	-	-	-	-
Other work and services directly related to the statutory audit								
• Issuer	(0.3)	(0.0)	9%	0%	-	-	-	-
Fully consolidated subsidiaries	(0.1)	(0.1)	3%	4%	-	-	-	-
SUB-TOTAL	(3.1)	(2.8)	88%	88%	(0.2)	(0.2)	100%	100%
Other services provided by the network to the fully consolidated subsidiaries								
Legal, tax and social matters	(0.1)	(0.1)	3%	1%	-	-	-	-
Other	(0.3)	(0.3)	9%	11%	-	-	-	
SUB-TOTAL	(0.4)	(0.4)	12%	12%	-	-	-	-
TOTAL	(3.5)	(3.2)	100%	100%	(0.2)	(0.2)	100%	100%

9.4 INFORMATION ON HOLDINGS

Information relating to the undertakings in which the Company holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses is provided in the notes to the consolidated financial statements (see Note 2 Scope of consolidation at December 31, 2015, page 174).

9.5 THIRD PARTY INFORMATION

Not applicable.

9.6 INFORMATION INCORPORATED BY REFERENCE

In accordance with Article 28 of European Commission Regulation (EC) 809/2004, the Registration Document incorporates by reference the following information:

2014 REGISTRATION DOCUMENT

The 2014 Registration Document was filed on March 18, 2015 with the *Autorité des marchés financiers* (D.15-0153 registration). It concerns:

- the consolidated financial statements and corresponding Statutory Auditors' Report presented on pages 150 to 214 of Edenred's 2014 Registration Document;
- the financial information presented on pages 30 to 44 of Edenred's 2014 Registration Document;
- sections of these documents that are not mentioned above are either not applicable to investors or are covered in another part of the Registration Document.

2013 REGISTRATION DOCUMENT

The 2013 Registration Document was filed on March 31, 2014 with the *Autorité des marchés financiers*. It concerns:

- the consolidated financial statements and corresponding Statutory Auditors' Report presented on pages 137 to 236 of Edenred's 2013 Registration Document;
- the financial information presented on pages 29 to 44 of Edenred's 2013 Registration Document;
- sections of these documents that are not mentioned above are either not applicable to investors or are covered in another part of the Registration Document.

2012 REGISTRATION DOCUMENT

The 2012 Registration Document was filed on April 4, 2013 with the *Autorité des marchés financiers* under number R.13-011. It concerns:

- the consolidated financial statements and corresponding Statutory Auditors' Report presented, respectively, on pages 124 to 188 of Edenred's 2012 Registration Document;
- the financial information presented on pages 27 to 42 of Edenred's 2012 Registration Document;
- sections of these documents that are not mentioned above are either not applicable to investors or are covered in another part of the Registration Document.

9.7 REGULATORY FILINGS

The following information was published or announced by Edenred during the past twelve months (between February 28, 2015 and February 29, 2016):

- disclosure of number of shares and voting rights at February 28, 2015;
- press release dated March 6, 2015 announcing the publication of the Prospectus;
- press release dated March 25, 2015 on increased stake in ProwebCE;
- press release dated March 19, 2015 announcing the publication of the Registration Document;
- 2014 Annual Financial Report, published as part of the Registration Document on March 19, 2015;
- fees paid to the Statutory Auditors for 2014, disclosed in the Registration Document on March 19, 2015;
- 2014 report on corporate governance and internal control, published in the Registration Document on March 19, 2015;
- disclosure of number of shares and voting rights as of March 31, 2015;
- press release dated April 7, 2015 announcing that proxy documents for the 2015 Annual Shareholders Meeting have been made available to shareholders;
- press release dated April 14, 2015 announcing first-quarter 2015 revenue:
- press release dated April 30, 2015 on the 2015 Annual Shareholders Meeting:
- press release announcing the 2014 dividend payment timeline to be recommended on April 30, 2015;
- disclosure of number of shares and voting rights as of April 30, 2015;
- press release dated May 18, 2015 announcing the departure of Jacques Stern, Edenred's Chairman and Chief Executive Officer;
- disclosure of number of shares and voting rights as of May 31, 2015;
- disclosure of number of shares and voting rights as of June 30, 2015;
- press release dated June 4, 2015 on the results of the dividend reinvestment plan;

- press release concerning liquidity contract transactions in the six months ended June 30, 2015;
- press release dated July 24, 2015 announcing Edenred's partnership with Daimler;
- press release dated July 24, 2015 announcing the Group's firsthalf 2015 results and second-quarter 2015 revenue;
- press release dated July 24, 2015 announcing the publication of the 2015 half-year Financial Report;
- disclosure of number of shares and voting rights as of July 31, 2015;
- disclosure of number of shares and voting rights as of August 31, 2015;
- press release dated September 11, 2015 announcing the appointment of Bertrand Dumazy as Chairman and Chief Executive Officer:
- disclosure of number of shares and voting rights as of September 30, 2015;
- press release dated October 13, 2015 announcing thirdquarter 2015 revenue;
- disclosure of number of shares and voting rights as of October 31, 2015:
- press release dated November 20, 2015 announcing the appointment of Patrick Bataillard as Chief Financial Officer;
- disclosure of number of shares and voting rights as of November 30, 2015;
- disclosure of number of shares and voting rights as of December 31, 2015;
- press release concerning liquidity contract transactions in the six months ended December 31, 2015;
- press release dated January 12, 2016 announcing the signature of an agreement with the Brazilian group Embratec;
- disclosure of number of shares and voting rights as of January 31, 2016;
- press release dated February 11, 2016 announcing 2015 annual results and fourth-quarter 2014 revenue;
- disclosure of number of shares and voting rights as of February 29, 2016.

9.8 CONCORDANCE TABLE

The table below provides cross references between the pages in the Registration Document and the key information required under Annex I of European Commission Regulation (EC) 809/2004 dated April 29, 2004.

No.	Key information required under Article L.451-1-2 of the Monetary and Financial Code	Registration Document section(s)	Page(s)
1	Persons responsible		
1.1	Persons responsible for the information in the Registration Document	9.2.1 Persons responsible	339
1.2	Statement by the person responsible for the Registration Document	9.2.1 Persons responsible	339
2	Statutory Auditors		
2.1	Name and address of the issuer's Statutory Auditors	9.2.2 Statutory Auditors	339
2.2	Names of Statutory Auditors who resigned, were removed or were not re-appointed during the period	Not applicable	
3	Selected financial information		
3.1	Selected historical financial information	1.4 Selected financial information over three years	26
3.2	Selected financial information for interim periods and comparative data from the same period in the prior financial year	Not applicable	
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5	Information about the Company		
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5.1.3	Date of incorporation and the length of life of the Company	7.1.3 Incorporation date and term	280
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5.1.5	Important events in the development of the issuer's business	6.2 Note 2 et 3 Changes in scope of consolidation and significant events	174
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5.2.2	Description of the principal investments that are in progress	1.1.2.2 Strong and sustainable growth with little capital investment	8
		1.2.2 A strategy to generate strong and sustainable growth	18
5.2.3	Information concerning the issuer's principal future investments on which it has already made firm commitments	1.2.2 A strategy to generate strong and sustainable growth	18
6	Business overview		
6.1	Principal activities	1.1 Corporate profile	6
6.1.1	Description of the nature of the issuer's operations and its principal activities	1.1 Corporate profile	6
6.1.2	Significant new products and/or services that have been introduced	1.2.2 A strategy to generate strong and sustainable growth	18

Key information required under Article L.451-1-2

No.	of the Monetary and Financial Code	Registration Document section(s)	Page(s)
6.2	Principal markets	1.1.3 The <i>global</i> leader in prepaid corporate services	9
		2.1.1.2 Analysis of consolidated financial results	38
6.3	Exceptional factors that have influenced the information given pursuant to items 6.1 and 6.2	2.1.1.2 Analysis of consolidated financial results	38
6.4	Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	1.10 Intellectual property	35
6.5	The basis for statements made by the issuer regarding its competitive position	1.1.3 The global leader in prepaid corporate services	9
7	Organizational structure		
7.1	Description of the Group and the issuer's position within the Group	5.2.1.5 Members of the Executive Committee	116
		2.2 Description of the business	48
		6.2 Note 3 Scope of consolidation at December 31, 2015	174
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8.2	Environmental issues that may affect the utilization of tangible fixed assets	Not applicable	
9	Operating and financial review		
9.1	Description of the issuer's financial condition, changes in financial condition and results of operations for each year and interim period for which historical financial information is required	2.1 Results of operations	38
9.2	Operating income and expenses	2.1.1.2 Analysis of consolidated financial results	38
9.2.1	Significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations	2.1.1.2 Analysis of consolidated financial results	38
9.2.2	Changes in net sales or revenues, and narrative discussion of the reasons for such changes	2.1.1.2 Analysis of consolidated financial results	38
9.2.3	Governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, the Company's operations	2.1.1.2 Analysis of consolidated financial results	38
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10.5	Information regarding the anticipated sources of funds	2.1.1.4 Liquidity and financial resources	43
11	Research and development, patents and licenses		
	Description of the issuer's research and development policies and amount spent on issuer-sponsored research and development activities	Not applicable	

Key information required under Article L.451-1-2 No. of the Monetary and Financial Code Registration Document section(s) Page(s) 12 Trend information 12.1 Most significant recent trends in production, sales and inventory, 1.2 Strategic vision, investment strategy 16 and costs and selling prices since the end of the last financial year and outlook to the date of the Registration Document 12.2 Known trends, uncertainties, demands, commitments or events 6.2 Note 3 Significant events 180 that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year 13 Profit forecasts or estimates Not applicable 14 Administrative, management and supervisory bodies and senior management 14.1 Information about the principal activities of the following persons, 101 5.2.1.2 Membership of the Board of Directors and statement that they have not been convicted of any fraudulent offences: • members of the administrative, management or supervisory bodies: and • any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business. 14.2 Potential conflicts of interests between any duties to the issuer 5.2.2.6 Director's Charter 123 of members of the administrative, management and supervisory bodies or senior managers and their private interests and or other duties Any arrangement or understanding with major shareholders, 5.2.1 Administrative, management 100 and supervisory bodies customers, suppliers or others, pursuant to which any person referred to in item 14.1 was selected as a member of the administrative, management or supervisory bodies or as a member of senior management Details of any restrictions agreed by the persons referred to in item Not applicable 14.1 on the disposal within a certain period of time of their holdings in the issuer's securities 15 Remuneration and benefits of the persons referred to in item 14.1 15.1 Remuneration paid and benefits in kind granted to such persons 5.4.1 Executive Directors' compensation and 126 by the issuer and its subsidiaries potential commitments towards Executive Directors 15.2 Total amounts set aside or accrued to provide pension, retirement 5.4.1 Executive Directors' compensation and 126 or similar benefits potential commitments towards Executive Directors 16 Board practices 5.2.2 Practices of the administrative 117 and management bodies 16.1 Date of expiration of the current term of office of the members 5.2.1.2 Membership of the Board of Directors 101 of the administrative, management or supervisory bodies 16.2 Members of the administrative, management or supervisory 5.2.1.2 Membership of the Board of Directors 101 bodies' service contracts 16.3 Information about the issuer's Audit Committee and Remuneration 5.2.2 Practices of the administrative 117 Committee and management bodies 16.4 Statement of compliance with the country of incorporation's 5.1 Corporate governance 100 corporate governance regime 17 Employees 17.1 Number of employees at the end of the period or the average 4.1.3 Employee data - Group 79 for each financial year for the period covered by the historical financial information and breakdown 17.2 Shareholdings and stock options 5.4.1.2 Directors' and employees interests 127 With respect to each person referred to in item 14.1, information as to 5.2.1.2 Membership of the Board of Directors 101 their share ownership and any options over such shares in the issuer

No.	Key information required under Article L.451-1-2 of the Monetary and Financial Code	Registration Document section(s)	Page(s)
17.3	Arrangements for involving the employees in the capital of the issuer	5.4.1.2 Directors' and employees' interests	127
18	Major shareholders		
18.1	Name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law	7.3.1 Ownership of shares and voting rights	292
18.2	Different voting rights	7.3.1 Ownership of shares and voting rights	292
18.3	Statement of whether the issuer is directly or indirectly owned or controlled and description of the measures in place to ensure that such control is not abused	Not applicable	
18.4	Arrangements which may result in a change in control of the issuer	7.3.1 Ownership of shares and voting rights	292
18.5	Public offer made during the current or previous financial year	7.2.1.7 Public offer for the Company's shares	284
18.6	Shareholders' pacts	7.3.1 Shareholders' pacts	294
19	Related party transactions	2.1.4 Main related party transactions	47
		6.2 Note 11 Related party transactions	233
20	Financial information concerning the issuer's assets and liabilitie financial position and profits and losses	es,	
20.1	Historical financial information	6.2 Consolidated financial statements and notes	165
20.3	Own and consolidated annual financial statements	6.2 Consolidated financial statements and notes	165
		6.4 Parent company financial statements and notes	242
20.4	Auditing of historical annual financial information	6.1 Statutory Auditors' Report on the consolidated financial statements	164
20.4.1	Statement that the historical financial information has been audited	6.1 Statutory Auditors' Report on the consolidated financial statements	164
20.4.2	Other information in the Registration Document which has been audited by the Statutory Auditors	6.3 Statutory Auditors' Report on the financial statements	241
20.4.3	Where financial data in the Registration Document is not extracted from the issuer's audited financial statements, statement of the source of the data and statement that the data is unaudited	Not applicable	
20.5	Age of latest financial information	6.2 Note 1.5 Basis of preparation of financial statements	173
20.6	Interim and other financial information	Not applicable	
20.7	Dividend policy	7.3.2 Dividends	294
20.7.1	Dividend per share	7.3.2 Dividends	294
20.8	Legal and arbitration proceedings	3.6 Legal and arbitration proceedings	64
20.9	Significant change in the issuer's financial or trading position since the end of the year	2.1.7 Subsequent events	47
21	Additional information		
21.1	Share capital	7.2 Information about the Company's shares	281
21.1.1	The amount of issued capital, the number of shares, the par value per share, and reconciliation of the number of shares outstanding at the beginning and end of the year	7.2.1.1 Type, class and listing – ISIN	281
		7.2.6 Changes in capital	291
21.1.2	Shares not representing capital	7.2.5 Shares not representing capital	291
21.1.3	Number, book value and face value of shares in the issuer held by the issuer itself or by subsidiaries of the issuer	7.3.1 Ownership of shares and voting rights	292

No.	Key information required under Article L.451-1-2 of the Monetary and Financial Code	Registration Document section(s)	Page(s)
21.1.4	Convertible securities, exchangeable securities or securities with warrants	Not applicable	
21.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital	Not applicable	
21.1.6	Information about any capital of any member of the Group which is under option or agreed to be put under option	Not applicable	
21.1.7	History of share capital, highlighting information about any changes, for the period covered by the historical financial information	7.2.6 Changes in capital	291
21.2	Memorandum and articles of association	5.2.2 Practices of the administrative and management bodies	117
		5.3 Shareholders Meetings	125
21.2.1	Corporate purpose	7.1.5 Corporate purpose	280
21.2.2	Summary of provisions of the issuer's articles of association with respect to the members of the administrative, management and supervisory bodies	5.2.2 Practices of the administrative and management bodies	117
21.2.3	Rights, preferences and restrictions attaching to each class of the existing shares	7.2.1 Description of the Company's shares	281
21.2.4	Description of what action is necessary to change the rights of holders of the shares	5.3.2 Conduct of Shareholders Meetings (Article 24 of the bylaws)	125
21.2.5	Description of the conditions governing the manner in which Annual General Meetings and Extraordinary General Meetings of shareholders are called	5.3.1 Notice of meeting (Article 23 of the bylaws)	125
21.2.6	Description of any provision of the issuer's articles of association that would have an effect of delaying, deferring or preventing a change in control of the issuer	Not applicable	
21.2.7	Indication of the articles of association, if any, governing theownership threshold above which shareholder ownership mustbe disclosed	7.2.1.4 Rights attached to the Company's shares	281
21.2.8	Conditions imposed by the memorandum and articles of association governing changes in the capital, where such conditions are more stringent than is required by law	Not applicable	
22	Material contracts	2.1.1.6 Material contracts	46
23	Third party information and statement by experts and declarations of any interests	9.5 Third party information	340
24	Documents on display	9.1 Investor relations and documents available to the public	338
25	Information on holdings		
	Information relating to the undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	9.4 Information on holdings	340

9.9 CROSS-REFERENCE TABLE WITH THE ANNUAL FINANCIAL REPORT

The Registration Document contains all of the information required to be included in the Annual Financial Report governed by Article L.451-1-2 of the French Monetary and Financial Code. To make this information easier to find, the following cross-reference table lists it by main topic.

No.	Key information required under Article L.451-1-2 of the Monetary and Financial Code	Page(s)
1	Parent company financial statements	242
2	Consolidated financial statements	165
3	Management Report (within the meaning of the Monetary and Financial Code)	37
3.1	Information provided in compliance with Article L.225-100 of the Commercial Code	
	Revenue analysis	40
	Earnings analysis	38
	Balance sheet analysis	44
	Key human resources and environmental indicators	69
	Main risks and uncertainties	47
3.2	Information provided in compliance with Article L.225-100-3 of the Commercial Code	
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3.3	Information provided in compliance with Article L.225-211 of the Commercial Code	
	Share buyback	285
4	Statement by the persons responsible for the Annual Financial Report	339
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9.10 Management Report cross-reference table

9.10 MANAGEMENT REPORT CROSS-REFERENCE TABLE

The Management Report cross-reference table is presented pursuant to Articles L.225-100 et seq. of the French Commercial Code.

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9.11 Cross-reference table for social, societal and environmental data

9.11 CROSS-REFERENCE TABLE FOR SOCIAL, SOCIETAL AND ENVIRONMENTAL DATA

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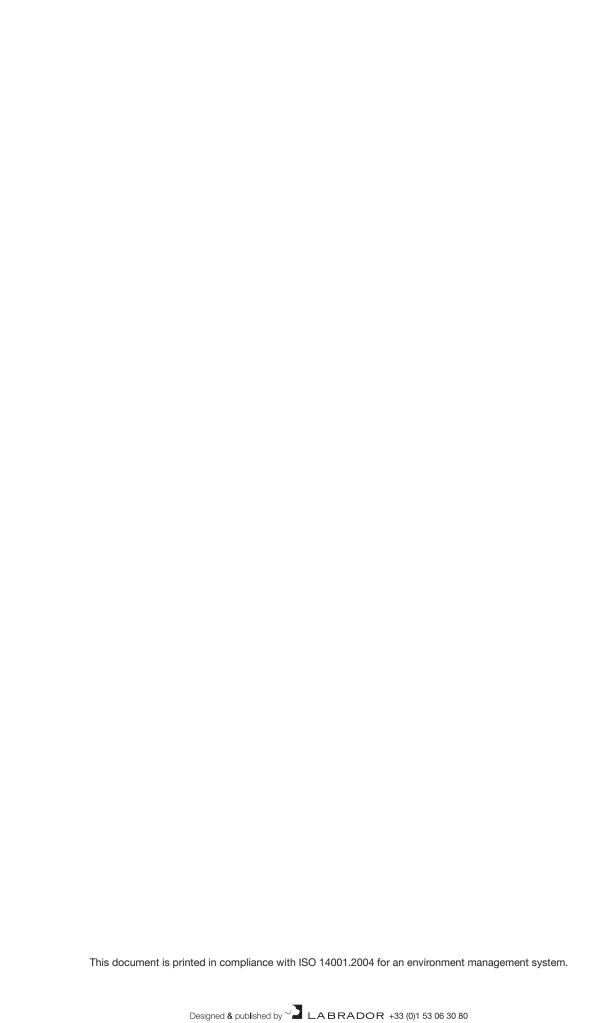
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