



SECOND PARTY OPINION

Sustainability-linked Bond Framework

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June 2021



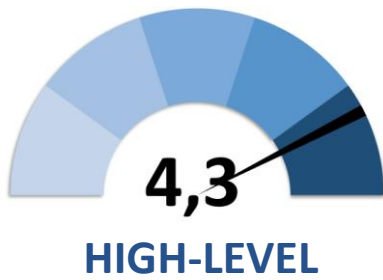
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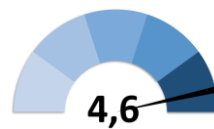
Evaluation Summary

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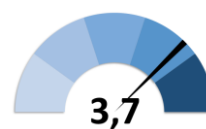
Opinion Score



Alignment with SLBPs



ESG Performance of Issuer



Controversial Activities

None

EDENRED

Low

Moderate

Medium

Advanced

High-level

1

2

3

4

5

Introduction

EDENRED is a French Group specialized in prepaid corporate services. It has revenues of around €1.5billion (FY2020), 10,000 employees, and operates internationally in 46 countries (63% of revenues generated in Europa; 29% in Latin America). Independent since June 2010 following the split with Accor, the company has extended its offers with solutions for food (meal vouchers), fleet and mobility (e.g. fuel card), incentives (e.g. gift vouchers) and corporate payments (virtual cards). *EDENRED*'s purpose, recently defined as "Enrich connections. For good.", is to address and connect three different types of customers about pay, move, care and eat services. The company aims at increasing access to essential services and well-being for around 50 million employees, vitalizing local economy with 2 million partner merchants, and improving attractiveness and efficiency of 850,000 companies around the world.

To support its development, *EDENRED* has decided to embark on Sustainable Financing and has formalized a Sustainability-linked Bond Framework for a coming Sustainability-linked Bond Issuance. This Framework explains the company's commitment to comply with ICMA's standard of reference and, more generally, market best practices. As core issues of its business, *EDENRED* has selected 3 KPIs with related SPTs to manage the issuance. The Issuer aims to reach by 2025: 1) 34% of women among executive positions; 2) 15% reduction of Scope 1 and 2 greenhouse gas (GHG) emissions compared to 2019; 3) 64% of food users & merchants made aware of sustainable food.

Specialized in ESG assessment, EthiFinance has been given the assignment to issue an independent expert opinion on this Framework. This opinion assesses its compliance with ICMA standard (Sustainability-linked Bond Principles – SLBPs, June 2020) and provides additional analysis about the issuer, its strategy, its ESG risk management, and expected impacts of eligible projects. It has been conducted in June 2021.

EthiFinance Global Opinion

EthiFinance's opinion is that the *EDENRED*'s Framework can definitely be considered as compliant with ICMA's SLB Principles. In addition, considering the singularity of the company's activities, we value that the company has selected crucial CSR issues and strong level of ambition to monitor its issuance.

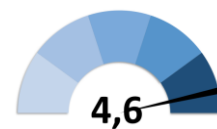
1. Alignment with SLBPs **High**

- The selected KPIs are relevant and reflects the issuer's most material issues. KPIs are measurable, externally verifiable and mostly able to be benchmarked. In addition, definitions, calculation methodologies and perimeter of reporting are clearly defined in the Framework.
- The SPTs demonstrate an advanced level of ambition, in comparison with the Issuer's ESG strategy and performance, market trends and international standards. The timeline, baseline and trigger events are clearly disclosed.
- EthiFinance considers that the nature of the bond's characteristics variation and the trigger events are sufficiently disclosed in the Framework.
- EthiFinance views the company's commitments in terms of reporting as compliant with ICMA's Sustainability-linked Bond Principles.
- EthiFinance views the company's verification process as aligned with ICMA's Sustainability-linked Bond Principles.

2. Issuer's ESG Performance **Advanced**

- The Issuer's ESG profile is good and is not affected by any serious ESG controversy.

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

A. Selection of Key Performance Indicators (1/6)

Global Opinion – The selected KPIs are relevant and reflects the issuer’s most material issues. KPIs are measurable, externally verifiable and mostly able to be benchmarked. In addition, definitions, calculation methodologies and perimeter of reporting are clearly defined in the Framework.

• KPI 1 – Percentage of women among executive positions

Accuracy				Relevance				
Perimeter	Definition	Methodology	Rationale	Materiality	Measurable	Verification	Benchmark	Control
Satisfactory				Could be improved		Need Improvement		

Accuracy

Perimeter- Part of the existing social reporting, the issuer reports that the selected KPI covers 100% of the Group perimeter (all international subsidiaries). In case of significant business change, the company commits to extend its reporting perimeter to include potential acquisitions. We value the embedding of relevant acquisitions in the company’s CSR strategy in line with market good practices

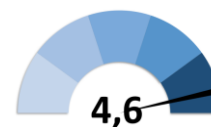
Definition - The KPI definition is simple and clear. As stated in the Framework, executive positions are composed of four following sub-categories: 1) Extended Group Executive Committee (Group’s Executive Committee, Regional directors and General managers of the main subsidiaries); 2) General managers of the subsidiaries; 3) Country and Region Management Committees; 4) Executive teams at corporate headquarters.

According to EDENRED’s Universal Registration Document, executive positions gather Top 350 managers of the company which represents around 3.5% of the total workforce. Moreover, tracking of executive managers is ensured by the Human Resources Information System (HRIS), thus prevents double-counting.

Methodology - The Issuer has provided the following calculation formula: Number of women / Total number of members of the 4 above-mentioned categories

Rationale - Included in “People” Pillar of its Sustainability Strategy “Ideal”, Diversity is one of its main social strategic focus. The selected KPI is one of the ten key indicators managed by the company. Furthermore, EthiFinance considers that women representation in top management positions is key issue for all companies and sectors.

We consider that the definition, perimeter and underlying methodology for the selected KPI are clearly defined and disclosed in the Framework.



A. Selection of Key Performance Indicators (2/6)

- **KPI 1 – Percentage of women among executive positions**

Relevance

Materiality - According to the materiality matrix, Diversity is recognized as crucial topic for external stakeholders.

- *EDENRED's* materiality assessment was conducted by an external expert firm which relies on a robust methodology including notably interviews of a wide range of external stakeholders. Extra-financial issues have been identified and prioritized depending on their impact on stakeholders and corporate performance, in line with the “double materiality” principle.

Part of *EDENRED's* Strategic Plan *Next Frontier* (2019-2022), Diversity and more specifically gender equality among executive positions is one of three commitment leading the company's purpose namely “*Enrich Connections. For Good.*” In addition, Group's top managers have 25% of their performance shares based CSR criteria including objective relating to diversity.

In our view, the selected KPI contribute to SDG5 – *Gender equality*.

Measurable - The company has defined a clear and consistent methodological basis for the selected KPI (*see executive positions sub-categories above*) which remains unchanged as compared to the current reporting.

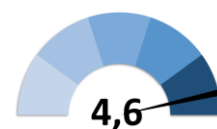
External verification - As stated in the Framework, the KPI has historically been externally verified. Assurance report is made available in the Group Registration Document.

Benchmark - *EDENRED* reports historical data about women among executive positions since 2017 which allows the company challenging over time its diversity performance. Moreover, as part of the GRI and SASB cross-reference table (*URD*), the selected KPI relies on international standards and external references which enables its benchmark.

Under management control - As all key indicators defined to monitor *EDENRED's* Sustainability Strategy “*Ideal*”, the selected KPI is managed by the HR and CSR Executive Vice-President, approved by the Executive Committee, and presented to the Board of Directors when reviewing the non-financial performance statement

EthiFinance views the selected KPI as relevant, material and comparable in line with ICMA's SLB Principles. We consider the KPI reflecting a crucial social issue for the company, and globally for the whole private sector.

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

A. Selection of Key Performance Indicators (3/6)

- KPI 2 - Scope 1 and 2 GHG emissions (in absolute value – t.eq.CO2)

Accuracy				Relevance				
Perimeter	Definition	Methodology	Rationale	Materiality	Measurable	Verification	Benchmark	Control
Satisfactory				Could be improved		Need Improvement		

Accuracy

Perimeter – The issuer reports that the selected KPI covers meaningful subsidiaries in terms of environmental impact which moreover provide full year of data. Considering exclusion thresholds (e.g. subsidiaries with less than 5 employees or subsidiary’s second site of less than 50 employees), the KPI reporting scope covers 39 out of 46 countries where the Groups is established and 89% of employees for Scope 1 and 2 in 2019. Due to acquisitions during 2019, the environmental reporting coverage is extended to reach 40 countries and 93% of employees in 2020. In case of significant business change, the company commits to extend its reporting perimeter to include potential acquisitions. We value the embedding of relevant acquisitions in the company’s CSR strategy in line with market good practices.

Definition – Recently edited with an external expert firm in line with international standards (GHG Protocol Guidelines and Science-based Targets Initiative), the KPI definition, which was historically calculated in % reduction intensity (GHG emission/m²) compared to 2013, has evolved and now measures EDENRED’s GHG emissions reduction for Scope 1 and 2 in absolute terms (t.eq.CO2) compared to 2019. The description of direct and indirect GHG emissions is provided as follows:

- Scope 1 (direct): stationary (natural gas) and mobile (operated vehicles travels) combustion sources, and non-energy fugitive emissions (leaks of refrigerants from air conditioning equipment).
- Scope 2 (indirect): electricity, heat and cold networks consumption.

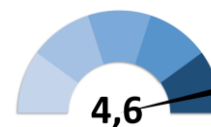
Methodology – In line with the recommendations of the Science-Based Targets initiative (SBTi), on which the consultant expert firm work is based, Absolute Reduction Approach (ACA) has been adopted to calculate the reduction objective for Scope 1 and 2.

Rationale – As stated in the Framework, the company explains that the selected KPI has been defined as issuance’s key driver according to the following points:

- Included in “Planet” Pillar of the EDENRED’s Sustainability Strategy “Ideal”, Energy & Climate Change is one of its main environmental strategic focus of the company.
- The selected KPI is one of the ten key indicators managed by the company.
- EDENRED’s commitment to fight against climate change has been developed since 2017 through its first Strategic Sustainability Plan.

Moreover, GHG emissions reduction in line with the 2°C scenario is a major challenge for all international economic actors since the COP21 in 2015 (Accords de Paris).

We consider that the definition, perimeter and underlying methodology for the selected KPI are clearly defined and disclosed in the Framework.



A. Selection of Key Performance Indicators (4/6)

- **KPI 2 –Scope 1 and 2 GHG emissions (in absolute value – t.eq.CO2)**

Relevance

Materiality – According to the materiality matrix, Climate Change is recognized as one of top crucial issue both for internal and external stakeholders. The topic has also been assessed as a major issue to which the Group is exposed using the business risk mapping methodology.

- *EDENRED's* materiality assessment was conducted by an external expert firm which relies on a robust methodology including notably interviews of a wide range of external stakeholders. Extra-financial issues have been identified and prioritized depending on their impact on stakeholders and corporate performance, in line with the “double materiality” principle.

Part of *EDENRED's* Strategic Plan *Next Frontier* (2019-2022), Climate Change is one of three commitment leading the company's purpose namely “*Enrich Connections. For Good.*” In addition, Group's top managers have 25% of their performance shares based CSR criteria including objective relating to Climate Change.

In our view, the selected KPI contribute to SDG13 – *Climate Action*.

Measurable – Based on the work conducted with the external expert firm in line with international standards (GHG Protocole Guidelines and Science-based Targets Initiative), the company relies on a clear and consistent methodological basis for the selected KPI.

External verification - As recently reviewed with the external expert firm, the selected KPI (expressed in t.eq.CO2) audit is planned for next year. Assurance report will be made available in the Group Registration Document.

Benchmark – The issuer can't rely on historical data for the selected KPI due to change in calculation methodology in line with work conducted with the external expert firm. Although the issuer has been monitoring its carbon intensity on Scope 1 and 2 since 2013 (GHG emission/m²), *EDENRED's* carbon metric is now expressed in absolute value (t.eq.CO2).

- Total Scope 1 and 2 GHG emission for 2019 and 2020 have been recalculated by the external expert firm in May 2021 using updated emissions factors and methodology. The KPI and related SPT are based on these recalculated values which differ from the figures published in the 2020 URD.

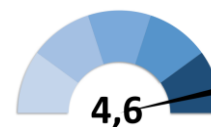
The alignment with international standards and external references allows peers comparison and the company's benchmark on the selected KPI:

- GRI and SASB cross-reference table (*URD*): GRI 30 – Emissions
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations corresponding board (*URD*)
- Science-based Targets Initiative (SBTi)
- GHG Protocole Guidelines

Under management control - As all key indicators defined to monitor *EDENRED's* Sustainability Strategy “*Ideal*”, the selected KPI is managed by the HR and CSR Executive Vice-President, approved by the Executive Committee, and presented to the Board of Directors when reviewing the non-financial performance statement

EthiFinance views the selected KPI as relevant, material and comparable, in line with ICMA's SLB Principles. We consider the KPI reflecting a crucial environmental issue for the company, and globally for the whole private sector.

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

A. Selection of Key Performance Indicators (5/6)

• KPI 3 – Percentage of food users & merchants made aware of sustainable food

Accuracy				Relevance				
Perimeter	Definition	Methodology	Rationale	Materiality	Measurable	Verification	Benchmark	Control
Satisfactory				Could be improved		Need Improvement		

Accuracy

Perimeter – The issuer reports that the selected KPI covers 100% of the Group’s revenue generated by business units with “food solution” activities. In case of significant business change, the company commits to extend its reporting perimeter to include potential acquisitions. We value the embedding of relevant acquisitions in the company’s CSR strategy in line with market good practices.

Definition - The KPI definition is clear: it measures the rate of employee users and partner merchants made aware of balanced nutrition and food waste through EDENRED’s communication actions such as newsletter, emailing, survey, webinar or interaction on social media. In line with its recent “raison d’être”, the company has strengthened its commitment to sustainable and healthy food by embedding foodwaste campaigns in its existing KPI scope.

Methodology - The issuer has provided the calculation formula: (ratio 1 + ratio 2) / ratio 2

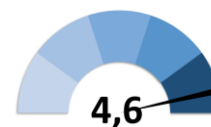
- Ratio 1: number of merchants made aware during the year compared to total number of contracted merchants (2 million – FY 2020)
- Ratio 2: number of users made aware during the year compared to total number of users (50 million – FY 2020)

In addition, the company has established several calculation rules and related exclusion criteria in order to avoid double counting. The calculation methodology is annually verified and approved by external auditors.

Rationale – As stated in the Framework, the company explains that the selected KPI has been defined as issuance’s key driver according to the following points:

- Included in “Progress” Pillar of the EDENRED’s Sustainability Strategy “Ideal”, Sustainable and Healthy Food Promotion is one of its main societal strategic focus of the company.
- The selected KPI is one of the ten key indicators managed by the company.
- As historical actor in food solutions since its beginning, promoting access to healthy and sustainable nutrition is core business of the issuer.
- As stated by World Health Organization (WHO), almost 2 billion adults were considered obese or overweight (in 2016). In addition, Food and Agriculture Organization (FAO) underlines the prevalence of adult obesity in Latin America and the Caribbean which has tripled since 1975 (affecting one in four adults in 2019).

We consider that the definition, perimeter and underlying methodology for the selected KPI are clearly defined and disclosed in the Framework.



A. Selection of Key Performance Indicators (6/6)

- **KPI 3 – Percentage of food users & merchants made aware of sustainable food**

Relevance

Materiality - According to the materiality matrix, Sustainable and Healthy Food Promotion is recognized as one of top crucial issue for both internal and external stakeholders. The topic has also been assessed as major issue to which the Group is exposed using the business risk mapping methodology.

- *EDENRED's* materiality assessment was conducted by an external expert firm which relies on a robust methodology including notably interviews of a wide range of external stakeholders. Extra-financial issues have been identified and prioritized depending on their impact on stakeholders and corporate performance, in line with the “double materiality” principle.

By selecting sustainable food awareness as key driver for the issuance, the company focus an issue downstream of its value chain, in line with CSR good practices.

Part of *EDENRED' Strategic Plan Next Frontier (2019-2022)*, *Sustainable and Healthy Food Promotion* is one of three commitment leading the company's purpose namely “*Enrich Connections. For Good.*”

In our view, the selected KPI contributes to “SDGs, namely: SDG2 – *Zero Hunger*; SDG3 – *Good Health and Well-being*; SDG12 - *Responsible Consumption and Production*.”

Measurable - The company has defined a clear and consistent methodological basis for the selected KPI (*see calculation above*). The KPI scope has been widened with the embedding of awareness actions about food waste compared with the historical reporting which was focused on balance nutrition campaigns.

External verification - As stated in the Framework, the KPI has historically been externally verified. In particular the KPI calculation methodology have been verified and validated by independent auditors in order to address double-counting issue. Assurance report is made available in the Group Registration Document.

Benchmark - *EDENRED* reports historical data about balance nutrition awareness since 2017. Although the KPI scope is extended in order to embed food waste topic, *EthiFinance* views the data historical relevant considering past food waste campaigns not significant enough to impact historical data of the selected KPI, and similarity of awareness and communication channels. The issuer will thus be able to challenge over the time its consolidated performance on both topics.

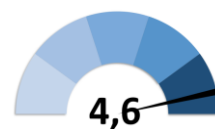
As part of the GRI cross-reference table (*URD*), the selected KPI relies on international standard and external reference which enable its benchmark (GRI 416-1: *Customer health and safety*).

Specific characteristics of the Issuer's activities and sector don't allow relevant peer comparison on the selected KPI.

Under management control - As all key indicators defined to monitor *EDENRED's* Sustainability Strategy “*Ideal*”, the selected KPI is managed by the HR and CSR Executive Vice-President, approved by the Executive Committee, and presented to the Board of Directors when reviewing the non-financial performance statement.

EthiFinance views the selected KPI as relevant and material, in line with ICMA's SLB Principles. We consider the KPI reflecting a crucial societal issue for the company.

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

B. Calibration of Sustainable Performance Targets (1/3)

Global Opinion - The SPTs demonstrate an advanced level of ambition, in comparison with the Issuer’s ESG strategy and performance, market trends and international standards. The timeline, baseline and trigger events are clearly disclosed.

- **SPT 1 - 34% women among executive positions in 2025**

Accuracy

Target - By defining a 2025-target of 34% of women among executive positions over the years, the SPT clearly reflects *EDENRED*’s commitment to promote diversity and gender equality.

Baseline/Timeline - The company aims to reach 34% in 2025 compared to 21% in 2018 (baseline). An additional target of 40% has been set for 2030 in line with *EDENRED*’s strategic plans.

Means of achievement - In order to achieve its objectives, the Issuer reports that various measures has been implemented within the Group in line with its policy on gender balance in management bodies, which includes : 1) adapted recruitment process; 2) diversity training modules; 3) commitment to local diversity charters; 4) HR development programs; 5) diversity and internal mentoring networks. Addressing the issue of diversity in a general manner, the company has additionally established a Global diversity action plan in 2019 and signed a three-year agreement on gender equality in 2020 which defines actions in recruitment, training, career development, equal pay and work-life balance. In addition, Group’s top managers have 25% of their performance shares based CSR criteria including objective relating to diversity.

Considering the unequal distribution of women managers across international subsidiaries (e.g. 47% in France; 37% in Latin America) and that 84% of employees are located outside France, *EthiFinance* values that the company provide further information about local improvement action plan (e.g. Somos DI program in Mexico).

Ambition

At the core of the new “raison d’être” and CSR Strategy “Ideal”, the commitment of promoting diversity and more specifically gender equality among executive positions within *EDENRED* is reflected in the selected SPT.

Qualitative ambition - Considering that women accounted for 51% of total workforce and only 29% among executive positions, *EDENRED* aims to close the gender gap. As noticed by the company, which has historically been man-dominated among executive positions, maintaining the current growth initiated in 2018 reflects its commitment to diversity improvement. We value that the company aims to push further subsidiaries on diversity by extending its reporting perimeter to significant new acquisitions.

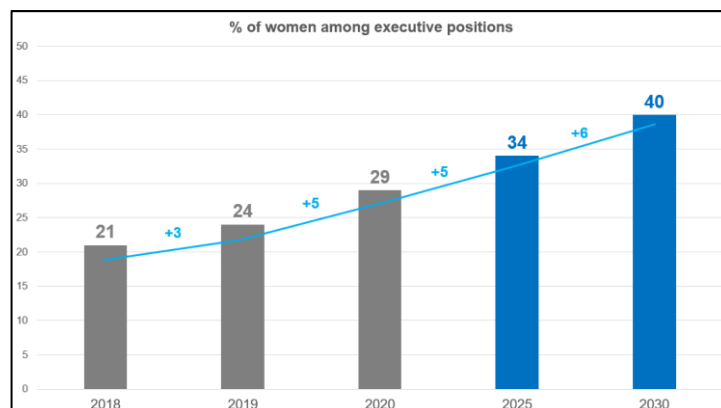
Quantitative ambition - According to the expected variations, the percentage of women among executive positions is to reach 34% in 2025 vs 21% in 2018 (baseline), which represents an increase of +13 points over that period, and +5 points by 2020. In addition, the level of ambition defined for 2025 should enable the achievement of the company’s 2030-target.

Considering the issue’s inertia and randomness, *EthiFinance* views the maintaining of the current growth as a material improvement and ambitious pathway for the selected KPI.

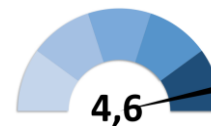
In order to establish *EDENRED*’s target, peer comparison and international trend analysis has been set up:

- In SBF120 (France), women comprise 21,4% of executive committees and 26,4% of Top 100 management positions (*Conviction RH -2019*)
- In CAC40 (France), women comprise 17,5% of executive committees and 32,9% of management positions (*Haut Conseil à l’Egalité entre les Femmes et les Hommes - 2020*)
- The average percentage in OECD countries of women on company boards reached 25% in 2019 (18% in G20 countries), up from 20% in 2016 (15% in G20 countries), which in turn rose from 16.4% in OECD countries in 2013 (*OECD - 2019*)
- French government is studying minimum quotas of 30% of women in every governance bodies for compagnies with +1,000 employees, and 40% of women in Top 10% management positions for compagnies with +1,000 employees from 2030.

Taking into account sectorial and international rates above-mentioned, *EthiFinance* considers that the target aiming to increase the proportion of women among executive positions is reasonably ambitious in comparison with its peers. The diversity target will require to maintain and strengthen the current momentum notably at the international scale.



Source: *EthiFinance* on historical data provided in the Framework



B. Calibration of Sustainable Performance Targets (2/3)

- **SPT 2 - Reduce Scope 1 and 2 Greenhouse Gas (GHG) emissions by 15 % by 2025 compared to 2019**

Accuracy

Target - By defining a 2025-target of 15% reduction of Scope 1 and 2 greenhouse gas (GHG) emissions compared to 2019 in absolute value (t.eq.CO2), the SPT clearly reflects EDENRED's commitment to fight against climate change.

Baseline/Timeline - The company aims to reduce by 15% Scope 1 and 2 GHG emissions compared to 2019 (baseline). An additional target of 28% has been set for 2030 following "Science Based Target Initiative" pathway for well below 2°C scenario.

- The 2019-baseline has been defined using the reviewed calculation methodology so as to assess the company's carbon performance over the time and track its 2025-target.

Means of achievement - In order to achieve its objectives, EDENRED aims to strengthen and enlarge its current initiatives carried out on different environmental topics as follows:

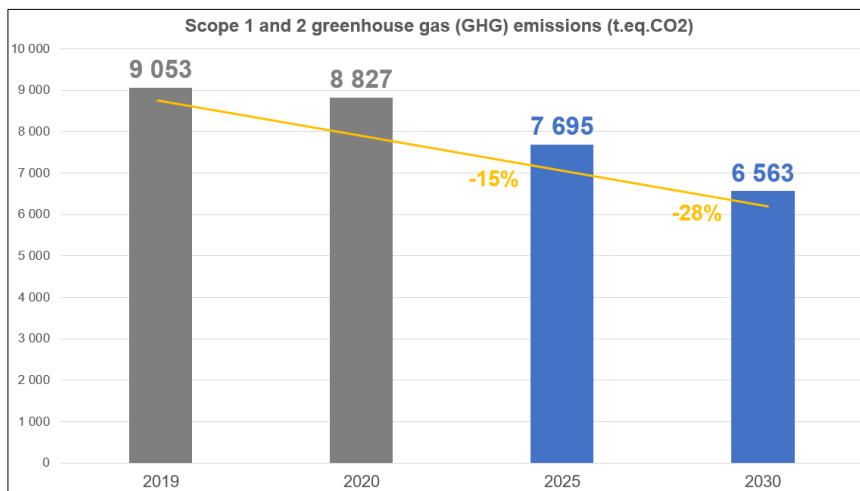
- Energy efficiency and renewable energies: new office building with the Positive Energy Building (BEPOS-Effinergie 2013) and High Environmental Quality (HEQ) labels; energy management system, ISO 14001 certification, ISO 50001 certification.
- Use and consumption of products: product assessment through lifecycle assessment (LCA) surveys; eco-design approach; eco-friendly paper and plastic materials.
- Business travel and commuting: assessment of employee GHG emissions; sustainable and alternative mobility.
- IT system and measures to develop green IT: evaluation of information system impacts with WWF and Club Green IT.

Reservation: Considering the global footprint of the company and the diversity of national energy mix, the company could provide further information about local improvement action plan.

Ambition

At the core of the new company's purpose and CSR Strategy "Ideal", the commitment of fighting against climate change is reflected in the selected SPT.

Qualitative ambition - Beyond the 2025-target (expressed in absolute value) that clearly shows a commitment to reduce Scope 1 and 2 GHG emissions, the Issuer demonstrates its increasing ambition by reviewing and aligning its carbon metric with international standards (e.g. GHG Protocol and SBTi). In addition, the company commits to continuously improve its GHG emission performance by soon defining with an external expert a reduction target for Scope 3.



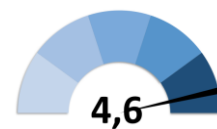
Source: Ethifinance on historical data provided in the Framework

Furthermore, by extending its reporting perimeter to significant new acquisitions, we value that the company commits to push further concerned subsidiaries on climate change.

Quantitative ambition - According to the expected variations, the Scope 1 and 2 GHG emissions is to reduce by 15% in 2025 vs 2019 (baseline). In addition, the level of ambition defined for 2025 should enable the achievement of the company's 2030-target. Through the work realized with the expert firm, EDENRED's target is aligned with the Science-based Targets which confirms its "pathway for well below 2°C scenario" and enables the company to rely on a scientifically-approved objective. Internationally recognized, SBTi allows the issuer's peer comparison on Scope1, 2 and 3 GHG emissions. Furthermore, Ethifinance values the ambitiousness of the carbon reduction pathway which has been defined taking account of an economic growth projection for the company.

Considering the KPI edit and validation with the Science-based Target initiative, Ethifinance views the issuer's carbon approach in line with the market best practices.

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

B. Calibration of Sustainable Performance Targets (3/3)

• **SPT 3 - 64% of food users & merchants made aware of sustainable food in 2025**

Accuracy

Target - By defining a 2025-target of 64% of food users and merchants aware of sustainable food, the SPT clearly reflects EDENRED's commitment to promote sustainable and healthy food.

Baseline/Timeline - The company aims to reach 64% in 2025 compared to 30% in 2018 (baseline). An additional target of 85% has been set for 2030 in line with EDENRED's strategic plans.

Means of achievement - In order to achieve its objectives, EDENRED aims to strengthen and enlarge its current initiatives carried out in 22 concerned subsidiaries, well described in the company's Registration Document:

- Balanced nutrition: development of the European FOOD Program by extending it on an international scale, multiplication of webinars and workshops dedicated to balance diet.
- Food waste: emphasis is given to scale up several projects such as the partnership with *Too Good To Go* initiated in 2019; anti-waste kits for restaurants; recovering organic waste from offices.
- In addition, Group's top managers have 25% of their performance shares based CSR criteria including objective relating to healthy nutrition.

Reservation: The company could disclose detailed information about forthcoming actions (notably geographical extension of current European programs) and forward-looking vision.

Ambition

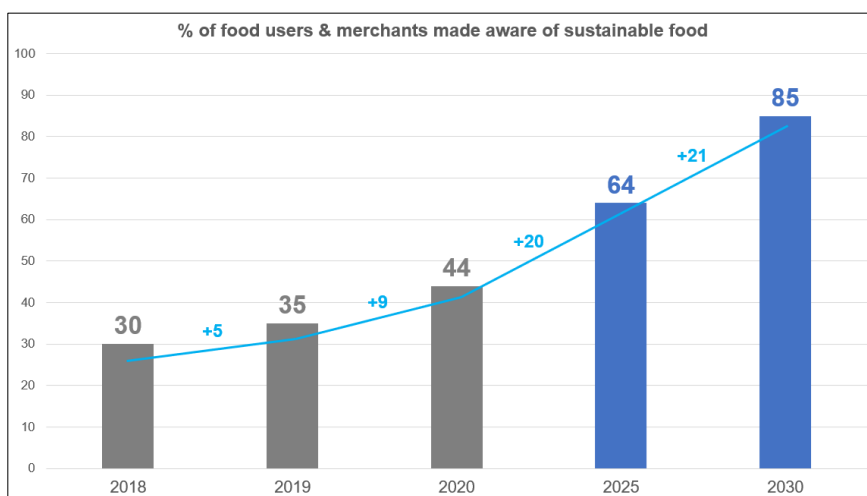
At the core of the new company's purpose and CSR Strategy "Ideal", the commitment of promoting healthy and sustainable nutrition with food services is reflected in the selected SPT.

Qualitative ambition - Beyond the 2025-target that clearly shows a commitment to improving sustainable food promotion, the Issuer demonstrates its increasing ambition by embedding food waste awareness in the selected KPI scope. Furthermore, by extending its reporting perimeter to significant new acquisitions, we value that the company commits to push further concerned subsidiaries on sustainable food promotion.

Quantitative ambition - According to the expected variations, the percentage of food users and merchants made aware of sustainable food will reach 64% in 2025 compared to 30% in 2018 (baseline), which represents an increase of +34 points over that period, and +20 points by 2020. In addition, the level of ambition defined for 2025 should enable the achievement of the company's 2030-target.

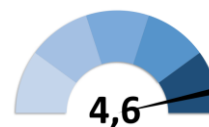
EthiFinance considers that the selected SPT represents a material improvement in the respective KPIs and goes beyond a "Business as Usual" trajectory.

Reservation: The specific characteristics of the Issuer's activities and sector doesn't allow relevant comparison with peers and international standards on the selected KPI.



Source: EthiFinance on historical data provided in the Framework

PART 1 - Alignment with Sustainability-linked Bond Principles



High-level

C. Bond Characteristic

Global Opinion - Ethifinance considers that the nature of the bond's characteristics variation and the trigger events are sufficiently disclosed in the Framework.

As stated by the issuer in its Framework, proceeds of the Sustainability-linked Bond will be used for general corporate purposes.

EDENRED reports that if the company failed to meet two of the three SPTs, a premium payment will apply under the Sustainability-linked Bond. Each SPT have an equal weight in the triggering event process:

1#: 34% women among executive positions in 2025

2#: 15% reduction of Scope 1 and 2 greenhouse gas (GHG) emissions compared to 2019

3#: 64% of food users & merchants made aware of sustainable nutrition in 2025

According to the Framework, EDENRED has defined fallback mechanisms "in case the SPTs cannot be calculated or observed in a satisfactory manner".

The company commits to give further details about the bonds characteristics in the legal financing documentation such as trigger event, or financial and structural characteristics variation mechanisms.

We value the ambition of EDENRED's issuance considering that exclusively premium payment in case of SPT failure has been defined (no "step-down" mechanism included).

D. Reporting

Global Opinion - Ethifinance views the company's commitments in terms of reporting as compliant with ICMA's Sustainability-linked Bond Principles.

EDENRED commits to provide, on an annual basis and until maturity of the Sustainability-linked Bond, the three KPIs performance and SPTs achievement on its website:

#1: Percentage of women among executive positions

#2 : Reduce Scope 1 and 2 greenhouse gas (GHG) in absolute value

#3 : Percentage of food users & merchants made aware of sustainable nutrition

In addition, the company will publish information about any relevant change that would contribute or impact its sustainability trajectories (e.g. due to strategic decision and update, adjustment of methodology and/or perimeter, M&A activities, products range/mix evolution etc).

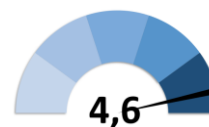
A verification assurance report (*SPT Compliance Certificate*), available on the company's website, will outline EDENRED's performance against the SPTs and the impact on financing instrument.

For the Sustainability-linked Bond, the company relies on its current reporting process which will remains unchanged and verified by external auditors. As detailed in the URD, data are collected by the local CSR and HR departments and then consolidated at Group level before validation by EDENRED's Executive Committee. The Issuer has been monitoring all these KPIs since at least 3 years (since 2013 for GHG emission in tCO2eq).

Through its corporate website, the issuer intends to report on the annual performance level of selected KPIs, calculation methodologies and baselines. Moreover, EDENRED commits to made available any re-assessment KPI and/or restatement of the SPT and/or pro-forma adjustments of KPI scope Information.

In case of material changes (perimeter, methodology, KPIs and/or SPTs calibration, significant business change), the company commits to review its SLB Framework and make it public.

In case of significant business change, the company commits to extend its reporting perimeter to include potential acquisition. We value the embedding of relevant acquisitions in the company's CSR strategy in line with market good practices.



E. Verification

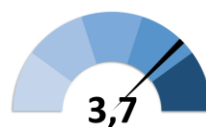
Global Opinion - Ethifinance views the company's verification process as aligned with ICMA's Sustainability-linked Bond Principles.

As part of the current reporting process, the KPIs will be annually verified by an external auditor (verification report available in the company's Universal Registration Document).

The achievement of the SPTs will be also reviewed by an external auditor especially after each trigger event (*SPT Compliance Certificate*)

A verification assurance report of SPTs (*SPT Compliance Certificate*) will be made available to concerned stakeholders on the company's website.

PART 2 - Issuer's ESG Performance



Advanced

Global Opinion - The Issuer's ESG profile is good and is not affected by any serious ESG controversy.

A. ESG Performance

The ESG assessment of *EDENRED* is extracted from the Gaia Research® database - developed by EthIFinance analysts specialized in ESG scoring and extra-financial ratings for small and mid-cap European companies (cf. Methodology).



The company reaches an **“advanced” level of maturity** in 2020 (based on 2019 data) due to an **average ESG score of 74 out of 100**. The benchmark made up of comparable companies rated by Gaia analysts shows that these results enable *EDENRED* to be positively distinguished from comparable.

EDENRED's ESG profile confirmed comparative key strengths on several topics: water, air, soil and waste; working conditions; CSR policy and non financial issues; environmental policy and management system.

However, it remains few topics over which the company must be attentive such as relations with suppliers, composition of governance bodies, and skills development.

Within the Gaia Panel, *EDENRED*'s relative positioning is positive:

- 46th rank among 149 service sector companies
- 83th rank among 182 companies with revenue above EUR 500m

NOTATION	EDENRED	BENCHMARK	BENCHMARK ASSESSMENT
GOVERNANCE	77	63	●
Risk of dilution of minority shareholders	75	76	●
Composition of governance bodies	63	63	●
Functioning of governance bodies	92	82	●
Compensation of officers and directors	83	63	●
Business Ethics	63	50	●
CSR Policy, non-financial issues and implementation of the SEFP	88	48	●
SOCIAL	67	47	●
Characteristics and Social Policy	71	61	●
Working conditions	85	45	●
Skills development	55	43	●
Equal opportunities	57	46	●
Health and Safety	69	29	●
ENVIRONMENT	88	50	○
Environmental Policy and Management System	85	39	●
Energy and GHG	86	53	●
Water, air, soil and waste	100	60	●
EXTERNAL STAKEHOLDERS	64	43	●
Relations with suppliers	42	35	●
Relations with customers, civil society and product liability	81	49	●
OVERALL SCORE	74	53	●

Caption : ● favorable (score > benchmark average) ● neutral (score +/-10 pts = benchmark average) ● unfavorable (score < benchmark average)

B. ESG Controversy

Activities: Although prepaid services companies are playing an important role to develop and promote access to essential services such as nutrition, they may generate negative impacts through their conduct of business. These impacts encompass extra-financial topics as data protection and management and business ethics (e.g. abuse of dominant position, agreement among competitors...).

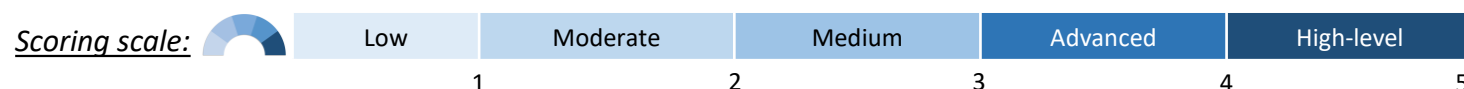
Company: According to the controversy's analysis tool developed by EthIFinance (cf. Methodology), *EDENRED* is not affected by any serious controversy at the moment.

Methodology

The present document was developed on the basis of the in-house methodology of Ethifinance. **The Sustainability-linked Bond Second Party Opinion by Ethifinance** is an external and independent qualitative analysis of debt instruments financing sustainable development-related projects.

Ethifinance intends to provide investors with a comprehensive opinion on the "sustainable" quality of a debt instrument and financed projects by analysing 2 various topics: 1) alignment with Sustainability-linked Bond Principles; 2) level of extra-financial maturity of the issuer.

This double analysis enables our team to position the issuance on an **ESG quality scale** which ranges from low to high-level, as follows:



The assessment of Key Performance Indicators (KPIs) identified to monitor the company's issuance, is conducted regarding their accuracy and relevance in line with ICMA's SLB Principles. The rating scale covering 9 assessment sub-categories is detailed as follow:



Satisfactory



Could be improved



Need improvement

The Issuance's ESG quality rating is based on an **in-house standard, with various weighting keys**, as follows:

Theme	Underlying themes	%	Composition
SLBPs Alignment (70%)	Selection of KPIs	35%	Relevance of KPIs
	Calibration of SPTs	35%	Level of ambition
	Bond Characteristic	10%	Allocation transparency
	Reporting	10%	Frequency and quality of reporting
	Verification	10%	Transparency and frequency of verification
ESG Performance of Issuer (30%)	ESG Profile of the Issuer (1)	100%	ESG strategy of the issuer

(1) In case of identification of controversies the ESG score is adjusted. It can be downgraded by 10%, 20% or 30% according to the level of a controversy ranging from 1 to 5 (5 being the highest level).

Ethifinance analysis combines three various sources of information:

Documents	Interviews	Gaïa Rating
Sustainability-linked Bond Framework Universal Registration Document Essential 2020 Integrated Report Website	Victor GENIN-GERBET – Group CSR Director Jean-Bernard HAMEL - Executive Director Treasury and Finance	ESG score based on extra financial analysis based on Gaïa Rating standard (Gaïa Rating = ESG rating of European listed SMIDs)

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