

SUSTAINABLE PROCUREMENT POLICY

▶ EDENRED FUNDAMENTALS

Since its origins in 1962, Edenred's mission has been to make the world of work a better world for all. It was therefore natural to engage in each of its activities in a voluntary approach to social, societal and environmental responsibility called "Ideal", aligned with Edenred's 5 values and purpose "Enrich Connections. For good".

Edenred recognizes that sustainable procurement is an opportunity to manage environmental and social risks in its supply chains, encourages innovation and strengthens relationships with critical suppliers. It is key to always improve the way Edenred serves its customers.

Edenred Sustainable Procurement Policy aims at promoting sustainable purchasing practices that minimize environmental impacts, promote diversity and inclusion while respecting ethical principles and human rights following ISO 20400, Responsible Purchasing guidelines.

With worldwide operations, Edenred works with suppliers of goods and services around the world. Our success as a responsible company is played out along our value chain. It is therefore crucial for Edenred to build partnerships based on strong common principles, such as:

- ▶ the principles of the United Nations' Sustainable Development Goals and Global Compact,
- ▶ the principles concerning fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work,
- ▶ OECD¹ Guidelines for Multinational Enterprises.

Edenred's suppliers are invited to go further, to co-create solutions that deliver on Edenred vision. Edenred believes joint innovation and entrepreneurial spirit of Edenred, and its suppliers are key to sourcing in a way that's good for customers. Edenred aims to leverage frameworks like Science Based Targets initiative to engage suppliers on this journey.

▶ OUR COMMITMENTS

Edenred Sustainable Procurement policy includes the Supplier Charter of Ethics that suppliers sign for any contract exceeding 250 000 euros. It defines the scope of the collaboration, regardless of the country or area of expertise, and sets out the standards to be followed in terms of ethics and sustainable development. By adhering to it, suppliers undertake to respect the Group's expectations in these areas. It is intended to reflect our various policies notably in terms of ethics, compliance, human rights, labor, environment, fighting against corruption, money laundering. It aims at encouraging suppliers to follow these principles when working with Edenred.

This is reflected in the following commitments:

- ▶ Inform all prospective suppliers about its new Supplier Charter
- ▶ Ensure TOP 20 biggest suppliers per country managed by procurement department will sign new Supplier Charter before 2025
- ▶ Establish a process to identify potential sustainability risks and opportunities in its supply chains and develop a category approach to managing those risks and develop these opportunities
- ▶ Identify critical suppliers, which may be defined mainly by high procurement spend, high purchase volumes, criticality of supply, non-substitutability;
- ▶ For critical suppliers:
 - Include relevant sustainability considerations in the scoring criteria used to evaluate suppliers and inform during contract renewals;
 - Include relevant and proportionate sustainability requirements in tender documents, supplier contracts and formal terms of engagement;

¹ OECD: Organization for Economic Cooperation and Development

- Monitor supplier performance on a regular basis against the Supplier Ethic Charter and other sustainability performance criteria. Where gaps are identified, require suppliers to develop and adopt appropriate corrective action plans;
- Encourage suppliers to improve/ adopt a best practice approach to environmental, health & safety, human rights & labor policies, business ethics and community issues.

▶ EDENRED PROCESS

To ensure CSR² due diligence across suppliers, Edenred aims at deploying a process based on 4 pillars. This new approach will be progressively put in place. Edenred ambition is to implement this new approach for all the contracts superior at 250k€ before the end of 2024.

Identify CSR risks and critical procurement categories and suppliers

Edenred has conducted in 2023 a CSR risk assessment per procurement category at group level. This analysis has been carried out over the whole product's cycle, from raw material to end life including the risk of service provider. It is based on the cross-referencing of three international voluntary standards recognized: ISO 20400 (responsible purchasing), ISO 31000 (risk management) and ISO 26000 (social responsibility). Thanks to these results, Edenred will design risks mitigation plan for critical suppliers both in terms of risk and level of spend.

Onboard through Edenred Supplier Engagement plan

Edenred implements its approach right from the selection of potential new supplier. This will be achieved by implementing an evaluation and CSR criteria during the Request for Proposals process. This first level of assessment covers three dimensions: an evaluation of social and environmental performance, and two specific focuses on IT security and personal data protection. These information are considered in the overall score, with relative weightings according to procurement category.

Thereafter, the new supplier undertakes to respect Edenred supplier ethics charter via a specific clause.

Assess, follow and improve suppliers' performance

For the duration of the collaboration, critical supplier will be assessed on a periodic base to guarantee correct management of CSR issues. In parallel, Edenred will include for strategic suppliers a CSR performance assessment thanks to a questionnaire and organize a review to discuss about progress and innovation opportunities at least every three years.

Act

Edenred provides for the necessary procedures in the event of non-compliance to the Supplier Ethics Charter. Edenred strongly supports a culture of speaking up for both suppliers and its workers without fear of retaliation against those who report actual or suspected breaches.

▶ GOVERNANCE AND MONITORING OF COMMITMENTS

This policy, its implementation and its animation are managed by a dedicated team led by procurement department. A Sustainable Procurement Steering Committee gathering the Group Procurement Director, Group ESG and Sustainable Development Director, Compliance and Risk Director and Contracts Legal Director is organized on a regular basis.

To monitor project deployment and tracking, the following performance indicators will be implemented towards main suppliers and tenders:

- ▶ % of procurement spend covered by suppliers contracts signed which include the new 2023 supplier charter or equivalent
- ▶ % of tenders managed by Group procurement team including CSR evaluation criteria
- ▶ % of critical suppliers assessed through our CSR questionnaire or dedicated platform

Edenred will review this policy from time to time as appropriate, and in any event, once every three years.

² CSR: Corporate Social Responsibility