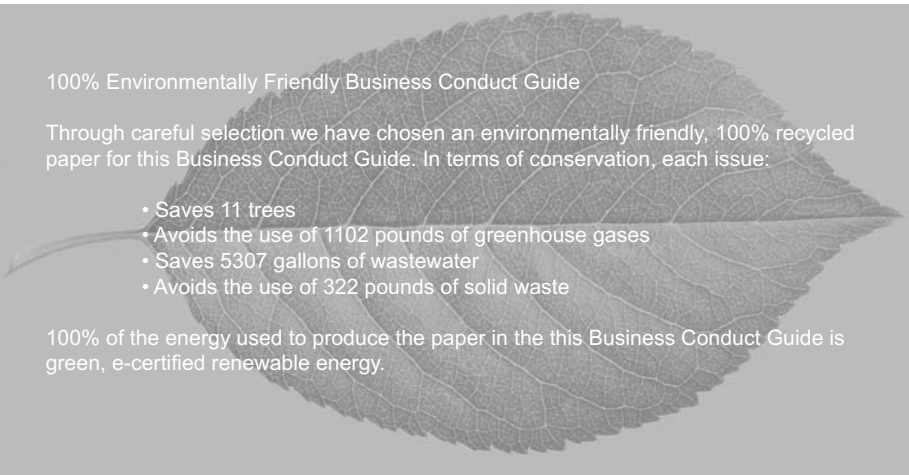




# Business Conduct Guide





### 100% Environmentally Friendly Business Conduct Guide

Through careful selection we have chosen an environmentally friendly, 100% recycled paper for this Business Conduct Guide. In terms of conservation, each issue:

- Saves 11 trees
- Avoids the use of 1102 pounds of greenhouse gases
- Saves 5307 gallons of wastewater
- Avoids the use of 322 pounds of solid waste

100% of the energy used to produce the paper in the this Business Conduct Guide is green, e-certified renewable energy.

# **Business Conduct Guide**

## **Table of Contents**

### **President's Letter**

|  |    |
|--|----|
| This Booklet.....  | 1  |
| Attitudes Are Important .....                                    | 1  |
| Equal Opportunity/Employment Law .....                           | 2  |
| Bribery and Corruption .....                                     | 4  |
| Fraud .....  | 6  |
| Political Contributions and Activities .....                     | 7  |
| Unfair Competition and Antitrust .....                           | 8  |
| Disparagement and Theft of Trade<br>Secrets of Competitors ..... | 8  |
| Misrepresentation of Terms and Product .....                     | 9  |
| Commercial Bribery .....   | 9  |
| Price Fixing .....   | 10 |
| Market Allocation .....  | 11 |
| Predatory Pricing .....  | 11 |
| Reciprocity .....  | 12 |
| Alcoholic Beverage Purchases .....                               | 13 |
| Computer Software .....  | 13 |
| Conflicts of Interest .....                                      | 14 |
| Books and Records .....  | 15 |
| Environmental/Occupational Health .....                          | 15 |
| Government Investigations .....                                  | 16 |
| When In Doubt .....  | 16 |
| Disclosure .....   | 18 |
| A Final Word .....   | 18 |
| Appendix .....   | 19 |
| A – Company Policy 101 – Ethical Conduct                         |    |
| B – Group Statement of Business Integrity                        |    |
| Certificate of Compliance .....                                  | 36 |





*Making every day a better day*

Dear Fellow Employees:

Sodexo, Inc. (the "Company"), in accordance with Sodexo, S.A.'s ("Group") Statement of Business Integrity and Ethical Principles, is committed to uncompromised integrity, fairness, and honesty in all dealings in our Company and with our clients, customers, and others with whom we conduct business. The commitment of each one of us to high ethical and legal standards is vitally important to providing quality services to our clients and customers, to maintaining our Company's reputation and the pride of our employees, and to ensuring the confidence of our clients, our customers and in the communities we serve.

The purpose of the Business Conduct Guide is to help you recognize and avoid legal and ethical problems. Please read this booklet carefully, including the appendices, then, sign and return to your human resources manager the certificate at the back of the booklet indicating that you have read and understand the contents and will comply with the policies and standards described therein.

I expect every employee to share the Company's commitment to business integrity by maintaining the highest legal and ethical standards in our business practices. Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "George Chavel".

George Chavel  
President and Chief Executive Officer



## **This Booklet...**

Sodexo, Inc. and its subsidiaries (the "Company") must always adhere to high ethical and legal standards. Laws regulating business conduct require fair play and honesty without coercion, conspiracy, bribery, corruption or abuse of economic power. This booklet will serve as a general guide with respect to laws relating to anti-trust, unfair competition, political contributions, abuse of purchasing power, commercial and political bribery and more. It also contains a copy of the Company's policy on ethical conduct. That policy is located in the Appendix to this booklet. If you have questions regarding legal or ethical matters or wish to report a suspected violation, you may contact your immediate supervisor, Human Resources representative, the Law Department, the Corporate Compliance Audit Department, the Corporate Security Department, the Office of Ethics and Compliance, or the Business Abuse "hotline" system maintained by the Company. Further information on these options is located on page 17 of this booklet.

## **Attitudes Are Important**

The way we do business is as important as the business we do. Most problems are best solved by hard work, above-board tactics and individual and team effort. Shading the truth, cutting corners,

acting unfairly or deceitfully creates problems. Reject the notion that "everyone is doing it so it must be okay." Not "everyone" is doing it. An illegal act does not become legal or ethical just because others are doing it.

As a manager, you must know what those reporting to you are doing. You are not doing your job if you close your eyes or adopt the attitude often expressed by communicating "solve the problem but don't let me know how you did it." Rather, you should ask "how will you solve the problem." If the proposed solution makes you uncomfortable, discuss it with any of the resources listed on page 17 of this booklet. The Company will stand behind employees who act in good faith, but those who recklessly or willfully violate the law may be subject to dismissal, lawsuits, jail sentences and fines.

## **Equal Opportunity/Employment Law**

Laws governing relationships between an employer and its employees cover many matters--from hiring to retirement. Knowledge of certain basic principles should help you stay on the right side of the law.

Employees and prospective employees are to be given equal opportunities regardless of race, color, age, religion, gender, disability, veteran status, ancestry or national origin. This applies to



recruiting, selection, training, promotion, compensation, transfers, discipline, terminations and all other personnel actions. Some states and localities grant equal hiring status to other groups--based upon sexual orientation and other factors. Local management should keep advised of such requirements. All managers responsible for hiring for or filling management positions must follow the Career Center Policies which are posted on the Career Center website.

Employees are to be provided a safe working environment. Reasonable accommodations are to be made for persons with disabilities as required under the federal Americans with Disabilities Act.

Employees are to be treated with dignity and respect at all times and in all situations. Racial or sexual harassment or other unseemly behavior (whether or not intended as a "joke") which could create a hostile or threatening work environment is prohibited. Employees who engage in or otherwise participate in any form of harassment will be subject to disciplinary action including dismissal.

Company policies governing the employment relationship (including the Promise of Respect and Fair Treatment) are to be followed at all times to ensure that employees receive the full benefit of such policies.

Pay and benefits are to be provided promptly in accordance with the law and the terms of benefit plans. The Company recognizes the right of its employees to unionize, or refrain from unionizing, as they so elect. The Company will comply fully with all of its legal obligations surrounding that right. It will bargain in good faith with an elected union representative and will not discriminate against any employee because he or she supports a union. The Company will abide by and follow the terms of any negotiated or legally inherited collective bargaining agreement. The law imposes certain restrictions on the Company's ability to respond to union organizational action. Seek guidance from the **Executive Advisor, Corporate and Employee Relations Department** before responding to such activity.

## **Bribery and Corruption**

Bribery is a payment improperly given or received in exchange for action or inaction by a government official or other party. A payment to a local, state or federal official to have a contract awarded is an illegal bribe. A payment to an Occupational Safety and Health Administration inspector to overlook a safety code is an illegal bribe. Not only is the recipient acting unlawfully but so is the person paying the bribe. This is true even when the recipient suggests that the payment be made. It

is illegal to offer and to receive a bribe even when the bribe is solicited.

Many government entities have rules prohibiting employees and officials from accepting anything of value from the public. Providing lunch for a governmental official, even in a business context, may be prohibited. When dealing with government entities it is best not to offer or give anything in the way of entertainment or gifts. Company Policy 104 contains further information regarding activity that must be avoided.

You cannot do indirectly what you are prohibited from doing directly. Hiring an intermediary or "consultant" to obtain a governmental approval, a building permit or a liquor license, where you have reason to believe the intermediary may act illegally, could be just as wrong as if you delivered the payment yourself.

Bribing foreign officials may be illegal under both foreign and U.S. laws. Under the Foreign Corrupt Practices Act, severe penalties may be imposed if payments are made to foreign officials, political parties or candidates to influence acts or decisions of a foreign government for the purpose of obtaining or retaining business. This Act exempts so-called "facilitating payments" customarily made in a foreign country for the purpose of inducing lower level

officials to promptly and properly perform their duties. This exclusion recognizes that such payments are an unavoidable fact of life in some countries. Since the distinction between an illegal bribe and a facilitating payment may be difficult to determine, consult the Law Department before making so-called "facilitating payments."

## **Fraud**

The Company deals with clients, customers and suppliers every day in a wide variety of transactions. We should never take unfair advantage of our constituents. When a client or customer asks the cost of or what services are to be performed, complete and truthful answers should be given. The terms of agreements with clients should be accurately explained and contractually documented. No misrepresentations should be made to customers. For example, if the Company advertises a meal as including "Roast Turkey", we cannot serve a prepared turkey roll which, although of high quality, is not as advertised. Actions such as this may result in complaints to a consumer affairs office followed by an investigation and an embarrassing settlement under which the Company may have to offer restitution to all who purchased the meal.

No guide as brief as this can possibly enumerate all ways in which unfair advantage of our constituents can be taken. However, the controlling principle is that our constituents are always to be given what was promised at the promised price. If a transaction is governed by a contract, the contract terms must be strictly adhered.

## **Political Contributions and Activities**

Company policy encourages individual participation by employees in the political process. This includes service on governmental bodies and participation in partisan political activities. However, such activities are not to be carried on during working hours or in any other manner which would interfere with the employee's job.

You have the right to provide personal financial support to political organizations and candidates but federal and state laws prohibit or limit corporate contributions. Company policy requires prior written approval by the Law Department, for any political contribution by the Company of cash, time or anything of value--including contributing to fundraisers, meals, media advertising or use of Company facilities, equipment or personnel. No employee may be reimbursed on a Company expense account for personal contributions

or expenditures. Company Policy 123 contains further information on this subject.

## **Unfair Competition and Antitrust**

The free enterprise system is based upon fair and legal competition. Company policy is to obtain business success through intelligence, creativity and hard work--not by unlawful or unethical conduct. An overview of the laws related to unfair competition and antitrust is set forth below:

### **Disparagement and Theft of Trade Secrets of Competitors**

Employees must not misrepresent or disparage a competitor's business. Spreading false rumors about competitors has no place in the business world. However, employees may point out legitimate weaknesses in a competitor's products or operations.

A competitor's trade secrets may not be acquired by engaging in industrial espionage, bribery, posing as a prospective customer or enticing away a competitor's employees to obtain trade secrets or destroy a competitor's organization.

## **Misrepresentation of Terms and Product**

Misrepresentation of costs, charges, prices, composition, origin, quality or character of the Company's products or services is illegal and contrary to Company policy. Here again the use of common sense should prevail. Tell the truth without omission or embellishment. Remember, a half-truth is still a lie.

## **Commercial Bribery**

We have talked about political bribery where a government employee's action or inaction is obtained through a bribe. Commercial bribery is similar but involves a situation where private action or inaction is purchased illegally. Payment to a purchasing agent to cause that agent to use Company products or services is an example of commercial bribery.

Gray areas abound in the law and once again common sense should be your guide. It is not commercial bribery to take a potential customer to lunch to discuss business matters on an occasional basis. However, to give Super Bowl tickets may be commercial bribery. Both cases involve giving something

of value. However, in the first case, the free lunch was of nominal value and provided in a business context. In determining whether a "favor" is lawful or is commercial bribery, two factors must be considered (i) the value of the "favor", and (ii) the context within which the "favor" is provided. Thus, a "favor" having little or no value provided in a normal business transaction would cause no problem, but a "favor" having substantial value given in a situation that is not normal could be dangerous.

## **Price Fixing**

Antitrust laws forbid competitors from colluding to fix prices. Any agreement or tacit understanding among competitors which hinders independent pricing may be considered to be price-fixing. Examples are any agreements or understandings with competitors (written or unwritten) which involve:

- rigging a bid;
- changing prices at the same time;
- setting floors on prices; and
- establishing "standard" contract provisions.



A common trap for the unwary is becoming involved in illegal pricing through local trade associations. The fact that such agreements are not in writing, not uniformly adhered to or are void because they are against public policy will not negate the violation. If you are at a trade association meeting where an action that could be construed to be a violation of the law occurs, you should immediately leave the meeting and advise the Law Department.

### **Market Allocation**

Antitrust laws prohibit agreements that divide markets or clients among competitors. Any understanding or agreement among competitors regarding market share will generally violate the antitrust laws.

### **Predatory Pricing**

Another area where antitrust laws affect pricing policy is the prohibition against predatory pricing. Predatory pricing is pricing designed not just to meet competition, but to drive a competitor out of business. In its simplest form, predatory pricing is lowering prices (usually below cost) with the intent of driving your competitor out of business. This

is a particularly difficult area of law since not all below-cost pricing violates antitrust laws. As an example, selling slow-moving or distressed merchandise below cost would not normally violate the law. If lowering prices is intended primarily to stimulate business without regard to competitive impact, it is probably okay. Here again, motivation is all-important.

## **Reciprocity**

The practice of "reciprocity", i.e., purchasing from those to whom we sell is an area that can cause problems. It is illegal for the Company to condition purchases upon obtaining commitments from suppliers to purchase goods or services from the Company. This does not prevent a supplier from also being a customer, but it does forbid abuse of the Company's purchasing power to force a supplier to purchase from us. Barter arrangements as such can be legal but should be carefully reviewed to make sure they comply with the law.

Forming mutual alliances is an accepted practice in many areas. Whether coercion has resulted from the use of economic power is the key in determining whether an action is legal or illegal. With this

in mind, we should be careful in dealing with small suppliers who depend heavily on Company purchases.

### **Alcoholic Beverage Purchases**

Some state alcoholic beverage laws prohibit distributors and distillers from price discrimination. Those having responsibilities in this area should be extremely cautious of offers from suppliers to pay rebates, deliver more goods than ordered, or otherwise give a pricing advantage not available to others.

### **Computer Software**

It is the Company's policy that only software provided by the Company should be used on Company PCs. The Company's policy also states that use of all licensed software shall comply with the terms of its license agreement. Most software licenses allow one copy of the software to be made as a back-up or working copy of the software. Therefore, multiple copies may not be labeled "Back-Up" and distributed for business or personal use. You may not distribute software provided by the Company to any outside party, including clients, vendors and consultants. You also may not remove software from the premises of the Company or client except when properly installed

on a portable PC. Company Policy 112 contains further information on this topic.

## **Conflicts of Interest**

It is the duty of Company employees to avoid actual or potential conflicts of interest. An employee who has a direct or indirect interest (other than an interest of 5% or less) in any supplier, client, customer, or competitor of the Company should promptly disclose such interest to the employee's supervisor and obtain authorization to continue the relationship. Management employees should not provide skills or services to competitors. Similarly, family relationships among employees or with outside suppliers or customers with whom an employee has a business or working relationship must be disclosed to one's supervisor. Employing immediate family members in direct supervisory-subordinate relationships should be avoided except as set forth in Company Policy 303.

Gifts of money or other gifts or forms of entertainment having a value of more than \$100.00 must not be accepted from suppliers, customers or other outside parties who have relationships with the Company without approval from the recipient's supervisor. Similarly, employees should not give gifts exceeding \$100.00 in value to any person representing a company with which the Company

does business without prior approval from his or her supervisor. Any exceptions to the foregoing require prior authorization from the employee's supervisor.

## **Books and Records**

Company policy requires that Company books, records, and accounts be kept in reasonable detail to accurately and fairly reflect all business transactions. Company funds should be used only for legitimate and properly authorized purposes. All employees are expected to properly disclose the Company's assets and liabilities and to comport with the Company's internal controls and accounting procedures. No false or misleading accounting entries should be made for any reason. Auditors' questions should be answered fully and truthfully. Company Policy 702 and the Administration and Finance Manual contain further information on this topic.

## **Environmental/Occupational Health**

All employees are expected to fully comply with all relevant environmental and occupational health and safety laws. The Company strives to minimize accidents through the establishment of safety, health and environmental standards and through its loss prevention programs. Managers should be personally involved in loss prevention

programs for their areas of responsibility to assure consistent and effective compliance.

## **Government Investigations**

It is the Company's policy to cooperate with law enforcement agencies and government agencies. However, rights of third parties, employees, customers, suppliers, and others may be affected. Therefore, requests from the police, Internal Revenue Service, and other regulatory authorities, should not be answered without first obtaining clearance from the Law Department. In many cases, the Company may insist upon receiving a subpoena describing the requested information or documents. Most government investigators understand our reasons for taking this position.

## **When In Doubt**

When you suspect that something is illegal or in violation of Company policy discuss your concerns with your supervisor. If you continue to have doubts consult with your supervisor's supervisor. If your doubts remain and your supervisor refuses to address, then you should contact any of the following:

Corporate Security Department  
13555 Bishop's Court  
Suite 220  
Brookfield, Wisconsin 53005  
1 (800) 468-1351 ext. 105

Corporate Compliance Audit Department  
9801 Washingtonian Boulevard  
Suite 1052  
Gaithersburg, Maryland 20878  
1 (800) 736-3946 ext. 44093

Office of Ethics and Compliance  
9801 Washingtonian Boulevard  
Suite 1243  
Gaithersburg, Maryland 20878  
1 (800) 736-3946 ext. 44481

Office of the General Counsel  
9801 Washingtonian Boulevard  
Suite 1242  
Gaithersburg, Maryland 20878  
1 (800) 736-3946 ext. 44481

or the Business Abuse Hotline. To contact the Business Abuse Hotline, call the toll free number 1 (800) 422-7358. Your identity will remain confidential so far as is legally permitted and practical and you will be protected from any retribution. Refer to the Law Department contact list posted on the Company's

intranet site [Sodexoinfo.com], or write to the Law Department, Sodexo, Inc., 9801 Washingtonian Blvd., Gaithersburg, Maryland 20878. Attention: General Counsel.

## **Disclosure**

All employees to whom this guide is distributed may be required to certify from time to time that they have read the current Business Conduct Guide, understand it, and are complying with Company policies regarding legal and ethical business conduct. Employees who fail to disclose reportable matters, who falsify records, who knowingly make a false report or fail to comply with the Company policies will be subject to disciplinary action, including dismissal. Supervisors may also be subject to disciplinary action if they do not adequately supervise employees for whom they are responsible.

## **A Final Word**

You should read Company Policy 101, Ethical Conduct, which is attached as Appendix A. You should also read the Group Statement of Business Integrity which is attached as Appendix B. This Guide clearly states the Company's commitment to act ethically and legally in everything it does. Please read the Company Policy Manual, keep current with changes in the Manual and continue to abide by all Company policies.



## **APPENDIX A**

### **Company Policy No. 101 – Ethical Conduct**

The Company will conduct its business in accordance with uncompromising ethical standards. Employees should never trade adherence to such standards in favor of financial or other business objectives. High ethical standards are necessary to maintain a competitive advantage, to ensure the pride and confidence of Company employees, and to provide quality products and services to customers and clients.

The Company expects every employee to adhere to the highest ethical standards and to promote ethical behavior. Employees should not engage in unethical activities by seeking loopholes, shortcuts, or technicalities, and should reject the notion that unethical behavior is acceptable because "everyone is doing it." Every action should be judged by considering whether it is legal, fair to all concerned, and would withstand the scrutiny of outsiders. Employees whose behavior is found to violate ethical standards will be subject to constructive counseling action including, where appropriate, termination. The Company will not tolerate willful violations of this policy.

In order for the Company to conduct its business in accordance with the highest ethical standards, every Company employee will do at least the following:

- **Obey all relevant laws** – Obey all relevant laws including, but not limited to, those that apply to alcoholic beverages, dealing with public officials, antitrust, campaign finance, civil rights, copyright protection, environmental protection, foreign corrupt practices, workplace safety, securities, and taxes. While the Company does not expect its employees to be experts in legal matters, it holds each employee accountable for being familiar with the laws governing his or her areas of responsibility. Employees should seek advice from the Law Department whenever they have a question concerning the application of the law.
- **Treat all employees fairly, with dignity and with respect** - All employees are entitled to a work environment free of verbal, physical, and sexual harassment. The Company is committed to the principles and procedures set forth in its Promise of Respect and Fair Treatment policy. The Company is also committed to providing equal employment opportunities for minorities, women, veterans, and persons with disabilities. The Company believes that the promotion of workforce diversity is an important objective in its

own right, is a source of competitive advantage, and a requirement of equal employment opportunity laws.

- **Report financial condition and results of operations fairly and honestly** – Employees should keep the Company's books and records in accordance with generally accepted accounting principles and established finance and accounting policies. They should use the accrual and reserve entries, and the capitalization of costs only for legitimate business purposes. All employees will cooperate fully with internal and outside auditors during their examinations of the Company's books, records, and operations.
- **Deal honestly and fairly with clients, customers, suppliers and financial partners** – The long term success of the Company depends upon establishing mutually beneficial relationships. The Company will honor the terms of contracts with clients, customers, suppliers, and financial partners. It will also uphold the spirit of all business arrangements.
- **Avoid conflicts of interest** – Employees should avoid conduct which presents an actual or potential conflict of interest. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision

that may result in a personal gain for that employee, relative, or close acquaintance as a result of the Company's business dealings. (For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.)

An employee having any interest, direct or indirect (other than an interest of 5% or less in a publicly-held company), in any supplier, customer, competitor, or franchisee of the Company, should make prompt disclosure to the Company and obtain approval from the appropriate authority to continue the relationship. If an employee has any influence on transactions involving purchases, contracts, or leases with any entity with which that employee (or relative or close acquaintance) has an interest or potential for personal gain, he or she must disclose to Company management, as soon as possible, the existence of any actual or potential conflict of interest so safeguards can be established to protect all parties.

Management employees should not offer their skills or services to competitors, engage in activities with outside businesses which sell goods or services to the Company or in

competition with the Company, or employ immediate family members in direct supervisory-subordinate relationships.

- **Avoid the improper giving and receiving of gifts** – The exchange of gifts with customers and suppliers is a normal and acceptable business practice. However, giving or receiving gifts of significant value could compromise the objectivity of an employee and create the appearance of a possible impropriety. Accordingly, employees must disclose gifts received in excess of \$100 (retail value) to the employee's supervisor. The Company will determine whether the gift should be accepted, turned over to the Company, or returned. Gifts of perishable items with little or no intrinsic value (e.g., flowers and fruit baskets) or commemorative items (e.g., plaques and framed photographs) are not subject to this \$100 limit. When a Company employee intends to give a gift exceeding \$100.00 (retail value) to any person representing a company with which the Company does business, the employee must receive approval from his/her supervisor. Employees may not provide gifts or entertainment for federal, state, or local government officials unless done so in accordance with the Company policy regarding Conducting Business With Government Officials. Business entertainment should be lawful and appropriate, and within acceptable boundaries of good taste and business

purpose.

- **Safeguard the Company's assets** – Personal use of supplies, equipment, or premises belonging to the Company or its clients is prohibited, unless prior permission is received from a supervisor and adequate compensation is arranged. Every employee is responsible for safeguarding Company assets under the employee's control.
- **Protect the Company's Reputation** – Certain types of off-duty conduct may interfere with the Company's legitimate business interests. Employees are expected to conduct their personal affairs in a manner which does not adversely affect the Company's integrity, reputation, or credibility.
- **Separate personal political activities from the Company's business** – The Company encourages individual participation by employees in the political process. This includes service on governmental bodies and participation in partisan political activities. However, such activities should not be carried on in a way which interferes with the employee's job responsibilities. Employees should not make political contributions using Company funds, or take public positions on behalf of the Company without first

obtaining approval from the Company's General Counsel.

- **Report observed violations of standards** – The integrity of the organization is diminished whenever these standards are violated. The Company expects employees to report any perceived violation of this policy. Employees can report any perceived ethical violations to their immediate supervisor, Human Resources representative, the Law Department, the Corporate Compliance Audit Department, the Corporate Security Department, the Office of Ethics and Compliance, or the Business Abuse "hotline" system maintained by the Company. Any such reports made directly to any member of the President's Committee or any member of the Group's Executive Committee specific to the operations in the United States, Canada or Mexico should be forwarded to the Office of Ethics and Compliance. All reports will be investigated promptly and thoroughly by the appropriate Company departments. Certifications from a broad range of management employees will be obtained on an annual basis.





## **APPENDIX B**

### **SODEXO STATEMENT OF BUSINESS INTEGRITY**

Sodexo, S.A.'s ambition is to be recognized as the benchmark for the services we provide. Our mission – to improve the Quality of Daily Life – and our objective – to make each day a better day – can only be achieved if we are also committed to the highest standards of business integrity.

Sodexo lives by its core values and its ethical principles. Every employee in the Group is expected to share these values and principles. At the center of our ethical principles is our commitment to business integrity.

This Statement of Business Integrity (this “Statement”) sets forth the Group’s standards for achieving business integrity. Adherence to these uncompromising standards is part of what it means to be an employee of an industry-leading, best-in-class company. Sodexo employees must never compromise adherence to this Statement for financial or other business objectives or personal gain. We do not tolerate any practice that is not born of honesty, integrity and fairness, anywhere in the world where we do business.

As Sodexo employees are located around the world, we are likely to encounter complex situations in the many countries and cultures in which we do business. But despite this variety of situations, our principles in this Statement do not vary. Sodexo employees are expected to abide by these principles without exception, and without seeking loopholes or shortcuts. Everything we do must be judged not only by whether it is legal, but also by considering whether it would appear ethical and fair to our colleagues, to ourselves and to the public.

## **1. Refusal to Engage in Unfair Competition**

The free enterprise system around the world is based on fair and legal competition. As a global leader, Sodexo does not tolerate unfair practices to compete and win business. All of our selection and purchasing decisions are made objectively, based on price, delivery, quality and other factors, and we expect that our clients and suppliers will do the same. Sodexo's commitment to competing fairly and openly is premised on the fact that we obtain and grow our business profitably through intelligence, creativity and hard work. Therefore, we independently determine our own pricing and financial deals and we do not make agreements with competitors to divide markets or clients.

## **2. Dealing with Stakeholders**

Sodexo's commitment to dealing honestly and fairly with all our stakeholders, including our clients, customers and employees is founded upon our core ethical principles of trust, respect for people and transparency. This means we will honor our contractual commitments and uphold both the letter and spirit of our business arrangements. This also means that we will treat our employees fairly and we will fully comply with all applicable laws prohibiting discrimination against our employees and customers.

## **3. Refusal to Engage in Corruption**

Sodexo wins business on the strength and quality of our service offerings. We do not give gifts or other things of value to public officials in order to obtain a business advantage, and we do not permit others to do so on our behalf. Nor do we engage in bribery of private parties. We would not, for example, give a gift to a government official, private customer or prospective client in order to influence a decision relating to Sodexo or to obtain a contract. Likewise, the Group's employees do not accept gifts or entertainment from a supplier or prospective supplier in return for business or better pricing.

Sodexo employees will not accept, offer or give anything of value that could compromise an employee's judgment, inappropriately influence others or reflect negatively on the Group. This includes making illegal or improper political contributions and providing or receiving gifts or entertainment in return for an improper business advantage. In all cases, Sodexo employees and those representing us are expected to avoid even the appearance of doing something that does not reflect the Group's standards of integrity and honesty.

The Group recognizes that certain limited gifts and business entertainment may fall within the bounds of our standards of business integrity. Therefore, Sodexo employees may generally offer or provide gifts, entertainment or other things of value to a private party when they are modest in value, consistent with applicable law and local business practice and are not offered to gain an improper advantage. When dealing with public officials, however, employees must take particular care to make sure that they are following our policies and guidance, since gifts or entertainment that may be permissible when dealing with a commercial customer may be illegal or unethical when dealing with public officials.

For example, some governments have rules prohibiting their employees and officials from accepting anything of value from the public, which may include paying for an official's travel or hotel accommodations and others may even include buying a meal for a government official. Moreover, in some countries, businesses may be controlled by the government, making it difficult to distinguish between commercial and government officials.

It is also against the Group's standards of business integrity and the laws of many countries to do indirectly what you cannot do directly. Therefore, consultants who are hired by us are expected to agree to comply with our standards of ethics and business integrity when acting on our behalf.

#### **4. Conflicts of Interest**

Sodexo makes all business decisions objectively, not on the basis of any individual employee's personal benefit or advantage. This means that Sodexo employees must recognize when a conflict may exist and always act in the best interests of the Group. Integrity dictates that all employees avoid doing anything that presents an actual or a

potential conflict of interest. Conflicts of interest exist, for example, when an employee is in a position to influence a Sodexo decision that could result in a personal gain for the employee, a relative, or a close acquaintance. Conflicts can arise under many circumstances, including when an employee or close relative has a financial interest in a competitor, supplier or client of Sodexo's.

## **5. Confidentiality, Use of Assets and Insider Trading**

Sodexo employees work professionally and in good faith to advance Sodexo's business interests. They are responsible for ensuring that Group assets are not misused or wasted, including Sodexo's proprietary business information and other intangible property. All employees have a duty to protect confidential information about Sodexo, its clients, suppliers and employees, even after they leave Sodexo. Likewise, they must not use Sodexo's property or information for their personal gain, or that of their relatives, friends or acquaintances. Employees who have insider information -- such as non-public information about financial results, mergers or acquisitions, large contract awards or strategic plans -- may not use it to deal in

securities of Sodexo or pass it along to third parties for that purpose.

## **6. Financial Statement Integrity and the Group's Records**

Sodexo strives to earn the trust and confidence of its shareholders, its regulators and the public, and is committed to providing them with accurate, transparent and timely information. The integrity of Sodexo's records is essential to these goals, and also ensures that the Group can base its business decisions on full, accurate and reliable information.

Sodexo and its employees are required to keep accurate and proper books and accounting and other records which give a true and fair view of the financial position, results of operations, transactions, assets and liabilities of the Group. These documents must be maintained in accordance with applicable generally accepted accounting principles and Sodexo's own internal controls and accounting procedures. Employees have a duty not to make false or artificial entries in Sodexo's books and records for any reason at any time. The Group's assets may only be used in accordance with management authorization. Sodexo employees must never do anything

that compromises the integrity of the Group's financial statements, or coerce, manipulate or mislead outside or internal auditors with respect to the Group's books and records.

## **7. Employee Responsibilities and Reporting of Violations**

All employees are responsible for understanding and complying with this Statement and with all other applicable Sodexo policies. Failure to abide by this Statement or other Sodexo policies may result in disciplinary action up to and including termination of employment in accordance with local laws and applicable collective bargaining agreements.

In accordance with local laws and regulations, employees are also responsible for reporting promptly any violations of law or Sodexo policies of which they become aware, and for raising issues or concerns as soon as issues or questions arise. All reports should be made in good faith and be properly documented. Reports of suspected violations will be treated seriously and confidentially to the fullest extent possible. Employees making such reports will not be subject to retaliation, threats or harassment, and their identity will



be held in confidence to the extent permitted by law.

The issues raised in this Statement are often complex, and there may be no simple answers or solutions. Unforeseen circumstances will arise in a business as dynamic and wide-ranging as Sodexo's. We are committed to providing our employees with the resources and support to achieve these standards of business integrity. For this reason, Sodexo will issue a Guide to Business Integrity, which will explain the standards described in this Statement and provide practical tools to help employees apply our principles to our business. In addition, Business Units may choose to issue additional guidance on the application of this Statement to their particular situations.



## CERTIFICATE OF COMPLIANCE



*Making every day a better day*

**I certify that (i) I have read the Sodexo, Inc. Business Conduct Guide, Company Policy No. 101, Ethical Conduct (CP-101) and the Group Statement of Business Integrity, and (ii) I am and will continue to be in compliance with the policies described therein.**

Signed,

---

SIGNATURE

---

PRINT NAME

---

PRINT TITLE

---

DIVISION NAME/UNIT NUMBER

---

DATE

**Please complete and return this Certificate to your human resources manager. The Certificate will be maintained for the Company's records.**

---



**sodexo**  
*Making every day a better day*