



CARING ABOUT QUALITY OF LIFE

Fiscal 2020 Integrated Report



sodexo
QUALITY OF LIFE SERVICES

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INTEGRATED REPORT

Sodexo is committed to the practice of Integrated reporting, based on the recommendations of the International Integrated Reporting Council (IIRC) and the Group's roadmap for corporate responsibility Better Tomorrow 2025.

Managers from various departments within the Group took part in a series of workshops to co-create the report, ensuring there is a common perspective on Sodexo's overall economic, social and environmental performance.

This Fiscal 2020 Integrated Report draws on information from the Universal Registration Document in which it is published.



Caring about quality of life

Founded in 1966 by Pierre Bellon, Sodexo is the global leader in Quality of Life services, an essential factor in the performance of individuals and organizations.

Sodexo is the only company in the world with a unique client offering of On-site Services, Benefits & Rewards Services and Personal & Home Services, the result of more than 50 years of experience.

Caring about quality of life means giving meaning and value to every stage of life, through foodservices, reception, cleaning and maintenance services, technical maintenance, services and programs driving employee engagement, solutions simplifying and optimizing the management of travel and professional expenses, and home care, childcare and concierge services.

Sodexo services contribute to consumer satisfaction and its clients' performance while promoting the development of its teams and the economic, social and environmental development of local communities.

Key figures as of August 31, 2020

During the second half of Fiscal 2020, Sodexo faced an unprecedented decline in business due to the Covid-19 pandemic, significantly affecting its financial performance, share value and workforce.

Sodexo teams around the world are fully mobilized to ensure the health and safety of all. The Group remains confident in terms of its financial structure, market positioning and medium-term prospects.



Source: Sodexo

¹ 2020 Forbes Global 2000 ranking. ² 2020 employee engagement survey sent to 328,547 Sodexo employees of whom 59% responded. ³ The Dow Jones Sustainability Index (DJSI) provides a global ranking of the companies most advanced in the area of sustainable development. It is jointly compiled by the Standard & Poor's Dow Jones Indices and SAM. ⁴ The SAM Sustainability Yearbook is the world's most comprehensive publication on corporate sustainability performance. More than 2,600 companies were evaluated according to economic, financial, social and environmental indicators.



Vision & mission

Whether eating a healthy lunch at work, in a restaurant or at home, working efficiently and safely in a well-designed space, organizing daily life for a better work-life balance or enjoying a cultural or sports event, Sodexo, world leader in Quality of Life services, has been helping since 1966 to improve these moments of daily life.

From childhood to professional life to retirement, Sodexo is focused on delivering a positive impact not only on individual health and wellbeing, but also on neighborhoods, cities and the planet.

Message from Sophie Bellon

CHAIRWOMAN OF THE BOARD OF DIRECTORS



On a fundamental level, we have always been a growth company. My ambition for Sodexo is clear: we will continue to be one.”

There will definitely be a before and an after. Widespread lockdowns, isolation, concern for our most vulnerable loved ones and impending economic collapse: the pandemic has affected all of us in an extremely tangible way, to varying degrees. It has forced us to rebalance our priorities virtually overnight. It has made us acutely aware of how fragile and critically important our health and our human and social ties are.

In 2019, we wondered what challenges the new decade had in store. In 2020, the entire world was turned upside down. We already suspected that uncertainty had become our new normal: there can no longer be any doubt. We’ve stepped squarely into the 21st century. Will it be a time of getting back to what really matters? In any case, our societies find themselves more than ever at a crossroads in terms of economic, social and environmental balance.

2020 has been a pivotal year for Sodexo too. Never before has our company experienced such extreme upheaval. The global health crisis that has dealt such a blow to the world and the real economy has also created a sudden drop in demand for our services. We are a link – a vital one – in the chain, and when our clients are brought to a standstill, it affects us directly. The impact on our company is undeniable: we lost nearly a third of our revenue in the second half of our fiscal year. We’ve had to make some very painful decisions to compensate for the abrupt slowdown in certain areas of our business: -88% in our Sports & Leisure segment, -47.2% in Education and -29.2% in Business & Administrations. Every aspect of our development has been deeply and permanently affected. On a fundamental level, we have always been a growth company. My ambition for Sodexo is clear: we will continue to be one. We will respond to this crisis by accelerating the transformation of our traditional value creation models, not only to secure the future of our company, but even more so to open new development paths.

To that end, I first want to highlight how strongly the previous months have revealed the vital importance and tremendous value of our service professions. Our teams working in health care facilities and with senior populations have also been on the front lines in the fight against the virus. They have helped keep essential infrastructures running. Without them, there can be no economic recovery. This is why our own recovery requires that we forcefully reaffirm the virtue of these often ignored professions, which are suffering from the current context but are so instrumental to



This crisis has revealed the vital importance of our service professions.

Once again, I want to express my sincere gratitude to our teams for their exemplary engagement throughout this most unusual year.”

the smooth running of schools, universities, offices and hospitals – and even society at large.

Our mission to improve quality of life has never made more sense. Faced with the pandemic threat, at a time when protecting health and well-being is at the forefront of everyone’s minds, including in countries where that seemed like a given, I know that our know-how and our diverse, complementary assets give us a powerful advantage. It enables us to be a step ahead by creating a cutting-edge offer, in line with the most ambitious and advanced scientific research.

The disruption required from us also involves structural changes that will enable us to truly put consumers at the heart of our model. The pandemic and lockdowns have amplified consumer trends that had already begun, and on which we were already working: we are now speeding up. Innovative business models geared towards increasingly flexible, digitalized and sustainable dining options, revised production modes adapted to new consumption patterns, focus on the most profitable markets with a still tighter country portfolio and a targeted and modernized Facilities Management offer: it’s up to us to make the right choices, with Denis Machuel and Sodexo’s entire leadership team, and with the support of the Board of Directors. It’s up to us to focus our efforts on the areas of highest value. I am convinced that we will bring our revenue back up to pre-crisis levels, but its nature and composition will be different.

Transforming our model also involves further developing agile, decentralized working methods, in keeping with the new situation. It involves combining global vision and strategy with the autonomy to execute at the local level. Indeed, in the heat of the moment, with support from our transversal teams, our operational teams were able to find concrete solutions to meet the unprecedented challenges faced by our clients and suppliers, in all the countries and environments where we operate. Our employees adjusted to the situation from one day to the next to implement enhanced sanitary measures and new service offers, to lend their support to their colleagues on the busiest sites, all the while caring for the most vulnerable. In this urgent situation, common sense prevailed over the bureaucracy that threatens any multinational. We were able to refocus on priorities, work differently, and give employees the freedom to take initiative. Not only is there no going back, but I also want to accelerate and further streamline the rebalancing of our organization towards the local

level, so that decisions keep being made as close to the field as possible. After all, this is where our true value is created, in the daily contacts with our clients, consumers and suppliers.

Our return to sustained, profitable growth is closely linked to the acceleration of our supportive approach, in which generating wealth simultaneously benefits all of our stakeholders and ecosystems. This goal has been at the heart of our mission since 1966 and is an integral part of our performance requirements. But it is more relevant now than ever. If all corporations are now expected to show their ability to take action to address world issues, few are able to have a social and environmental impact as significant as Sodexo: we are present in 64 different countries through our 420,000 employees, serving 100 million consumers every day.

Sodexo is the world leader it is today because ambition, courage, and the ability to adapt quickly in an ever-changing world are an integral part of who we are.

Our success is supported by a solid foundation: our mission, the founding values that are the basis of our identity, and our financial independence. We also have one priceless advantage: our teams. They are the ones who make Sodexo the great company that it is, and their sense of service shines through every day, particularly under exceptional circumstances. It is thanks to their determination, their commitment and their courage that we have weathered the storm. Once again, I want to express my sincere gratitude to them for their exemplary engagement throughout this most unusual year. I also want to express my full confidence in our ability to create the conditions that will support the future development and growth of our company.

I am convinced that the key to our future success now lies in the implementation of an innovative management model that allows each of our employees and our clients to be both proponents of and players in our company’s transformation, and in the transformation of the world.

Our mission

Improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental development of the communities, regions and countries in which we operate.

Our values



SERVICE SPIRIT



TEAM SPIRIT



SPIRIT OF PROGRESS

This mission and these values are embodied daily through the commitment of our 420,000 employees, operating in our 3 business activities in 64 countries.



The Super Bowl and the commitment of my entire team to making it a successful experience is something I will never forget. But after that, we took on another role: helping the most vulnerable among us."

**DAYANNY DE LA CRUZ,
CENTERPLATE⁽¹⁾ EXECUTIVE CHEF**

AT HARD ROCK STADIUM IN MIAMI, ON-SITE SERVICES (UNITED STATES)

— The first female Head Chef to have managed the kitchens of the Super Bowl, in February 2020, Dayanny De La Cruz and a team of 100+ chefs introduced 65,000+ fans to the tastes of regional South Florida cuisine. In addition to the many products from local suppliers, the offering included vegetarian dishes, including the Impossible™ Burger. With increasingly personalized services and major initiatives to phase out single-use plastic, such as replacing cups and bottles with aluminum, fans of one of the most famous sporting events in the world were offered a diverse, sustainable and unforgettable experience.

— Since March 2020, faced with Covid-19-related event cancellations, the Chef and her team redirected their efforts to produce nearly 10,000 meals a day for homebound senior citizens, working in close collaboration with Miami-Dade County and DeliverLean. They also partnered with the Miami Dolphins Foundation to produce boxed meals for local schools, shelters and missions. As of August 31, more than 1 million meals had been distributed among the different programs.

¹ Centerplate, part of Sodexo since 2017, specializes in food and hospitality services at sports facilities, convention centers and cultural venues in North America.



I am happy to be part of a dynamic and caring company where relationships are characterized by goodwill and we are given the resources to fully reassure parents about the care and development of their children."

**CAROLINE HOUSSIAUX,
CHILDCARE⁽²⁾ DIRECTOR**

IN STAINS, PERSONAL & HOME SERVICES (FRANCE)

— Caroline believes in her mission to reveal everyone's potential, to contribute to the development of the children entrusted to her care and the professionals on her team, whose methods and skills are continuously enriched, and to reassure parents. Recognizing that team spirit is central to effective performance, she fosters an environment conducive to camaraderie and sharing between families and childcare providers. With the active support of regional teams and support services, and aligned with Sodexo's values, she offers parents availability, flexibility and services adapted to their changing expectations.

— Through the strong service spirit common to all hospital nurseries, she and her team have remained active during confinement due to the pandemic, supporting healthcare providers and ensuring continued care for the children.

² With the *Crèche Attitude* network of 300 owned childcare centers and more than 1,200 partner nurseries, Sodexo is one of the leaders in the French childcare facilities sector.

**JUAN APONTE,
MARKET ANALYTICS MANAGER**

BENEFITS & REWARDS SERVICES (MEXICO)

— In Mexico as elsewhere, Sodexo's teams share strong common values. By offering innovative solutions to daily challenges, within a committed and enthusiastic team, Juan is proud to put his skills at the service of clients, consumers and affiliate partners.

— Faced with the health emergency, Juan and his colleagues developed "Sodexo Consumer Assist", a platform to provide medical assistance to over 12,000 Sodexo electronic wallet consumers. The program identifies and helps those with Covid-19 symptoms and provides information and advice on seeking appropriate medical attention.



Continuous process improvement and smart incorporation of technology are essential to deliver value to all stakeholders. This is what Sodexo does, by integrating a wide range of skills, different cultures and ways of thinking, framed by ethics and respect, which allows each one of us to develop our own potential."



Our ethical principles

Ethics are essential to Sodexo's success and a fundamental pillar of its commitments to responsible business conduct.

Sodexo's management has zero tolerance for abusive practices, such as corruption or human rights violations.

Sodexo is, and will continue to be, a company that clients, consumers, partners and other stakeholders can trust.



CENTRAL TO ITS VALUES AND ETHICAL PRINCIPLES, RESPECT FOR HUMAN RIGHTS IS A PILLAR OF SODEXO'S COMMITMENT TO BUSINESS INTEGRITY AND ESSENTIAL TO ITS MISSION.

Sodexo conducts its business in a manner that does not infringe upon the human rights of others and works to identify, prevent and mitigate any adverse impacts that may result from its business activities. All employees and partners are expected to observe this commitment, which is based on the international human rights principles set forth in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the United Nation's Guiding Principles on Business and Human Rights and Sodexo's Human Rights Policy and Fundamental Rights at Work Charter and Guide.

To maintain this trust, Sodexo's employees and partners agree to respect the ethical principles in all activities:

LOYALTY

Caring about quality of life means placing trust at the heart of our relationships. Sodexo is built on a solid foundation of loyalty to its clients, employees and shareholders, and on honest and open relationships with them. Loyalty is one of the cornerstones of how our business operates.

TRANSPARENCY

This is a key principle for Sodexo that applies consistently with all stakeholders: clients, consumers, employees, shareholders and the general public. We ensure that all are informed in a clear and precise manner about our products, services, commitments and performance.

RESPECT FOR PEOPLE

Humanity is central to our business. Sodexo is committed to acting in favor of equal opportunity, regardless of ethnicity, age, gender, beliefs, religion or sexual orientation. Improving quality of life means treating each individual with respect, dignity and consideration.

INTEGRITY

We do not tolerate and we condemn all practices that are not based on honesty, integrity and fairness, regardless of where our business operates in the world. We make our position clear to our clients, suppliers and employees, and expect them to reject corrupt and unfair practices.



Independence ensured through founding family shareholding

Sodexo's independence is ensured through the shareholding of Mr. and Mrs. Pierre Bellon and their children who control 72.6% of the family coordinating company, Bellon SA.

As of August 31, 2020, Bellon SA held 42.8% of Sodexo's capital and 57.1% of the exercisable voting rights.

In June 2015, Mr. and Mrs. Pierre Bellon and their children entered into a 50-year agreement, which prevents the direct descendants of Sodexo's founder from freely disposing of their shares in Bellon SA.

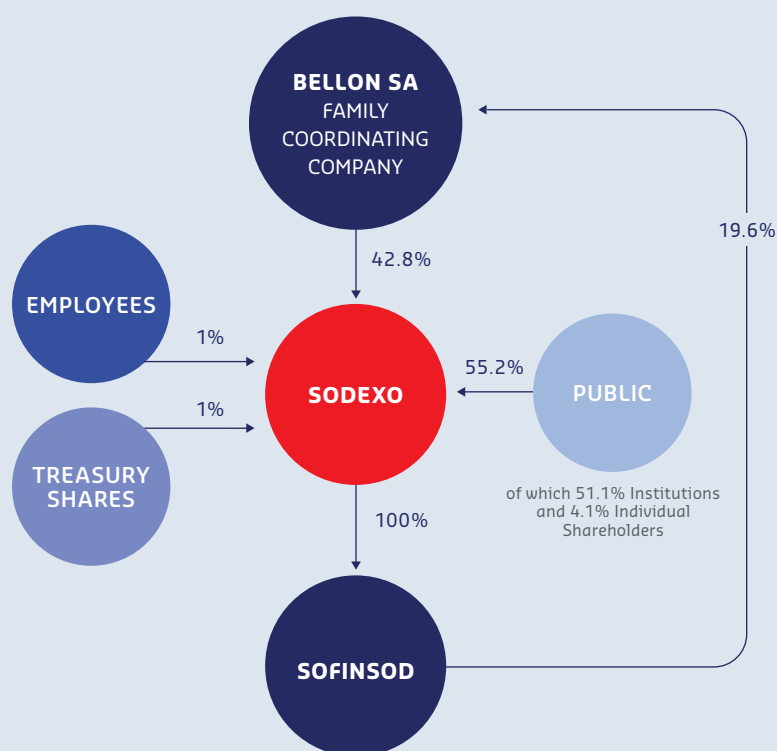
The sole asset of Bellon SA is its holding in Sodexo shares and Bellon SA does not intend to sell this shareholding to third parties.

This independence enables the Company to sustain its values, focus on a long-term strategy, maintain management continuity and ensure its sustainability.

Since the creation of Bellon SA, the sustained commitment to build a truly international organization and a strong management team, nurture lasting client relationships and develop a successful integrated offer, reflects this vision.

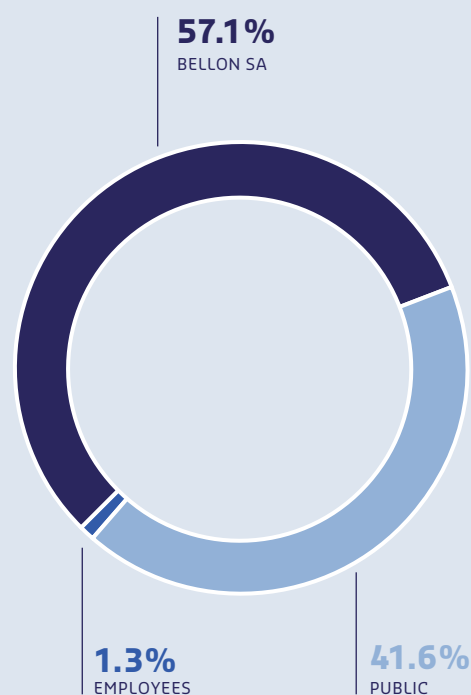
SHAREHOLDING STRUCTURE

As of August 31, 2020



VOTING RIGHTS

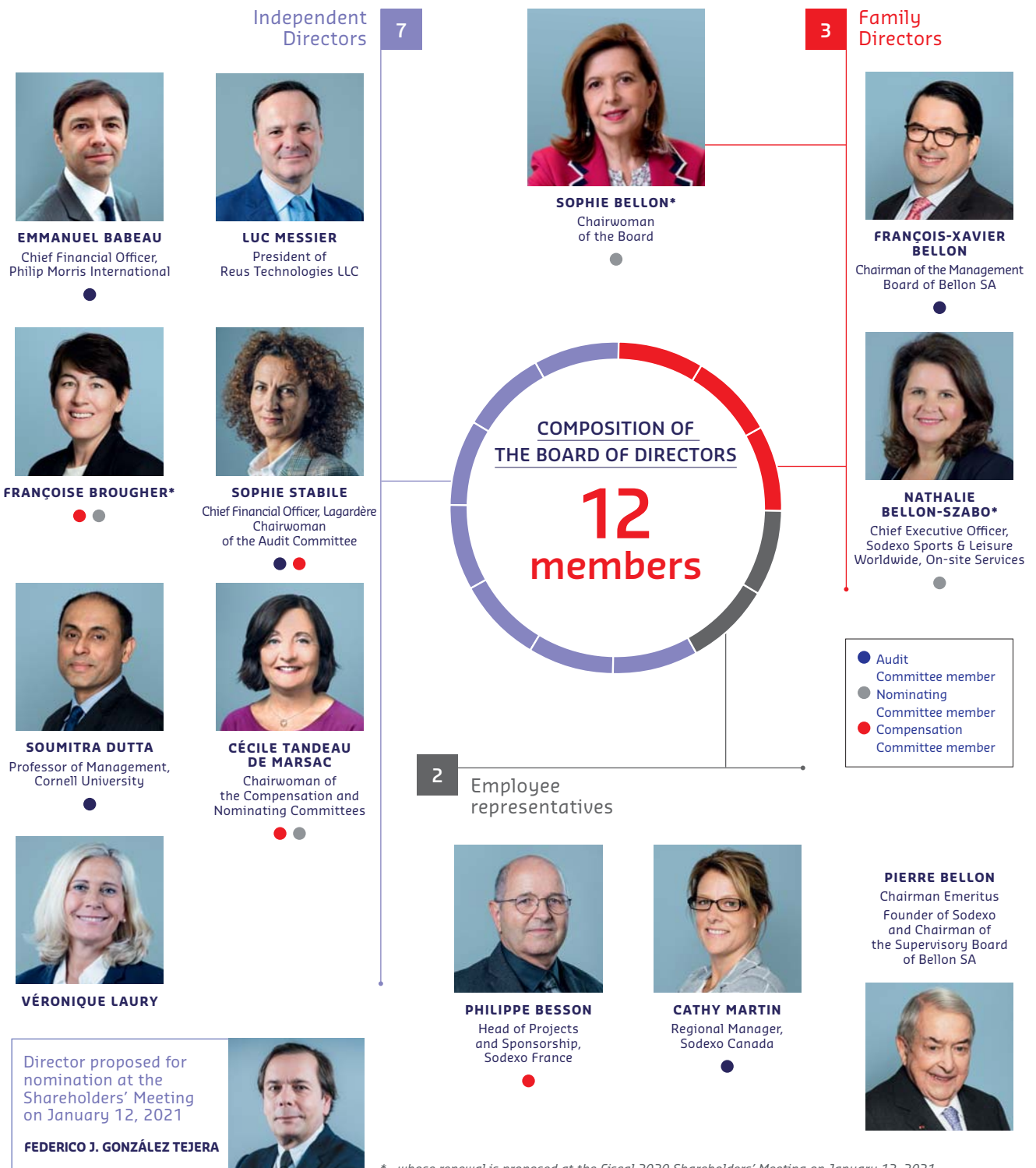
As of August 31, 2020



A Board of Directors to ensure sound governance

The long-term vision that accompanies family control is key to Sodexo's success. Under the leadership of Chairwoman Sophie Bellon, the Board of Directors, composed of seven women and five men, determines the strategic orientation of the Company.

BOARD OF DIRECTORS AS OF AUGUST 31, 2020



* whose renewal is proposed at the Fiscal 2020 Shareholders' Meeting on January 12, 2021.

BOARD OF DIRECTORS KEY FIGURES AS OF AUGUST 31, 2020

70%
independent
Directors*


4
nationalities

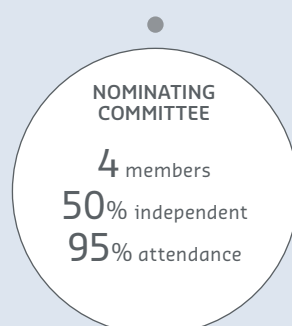
4 years
on average in office for
independent Directors

97%
average attendance

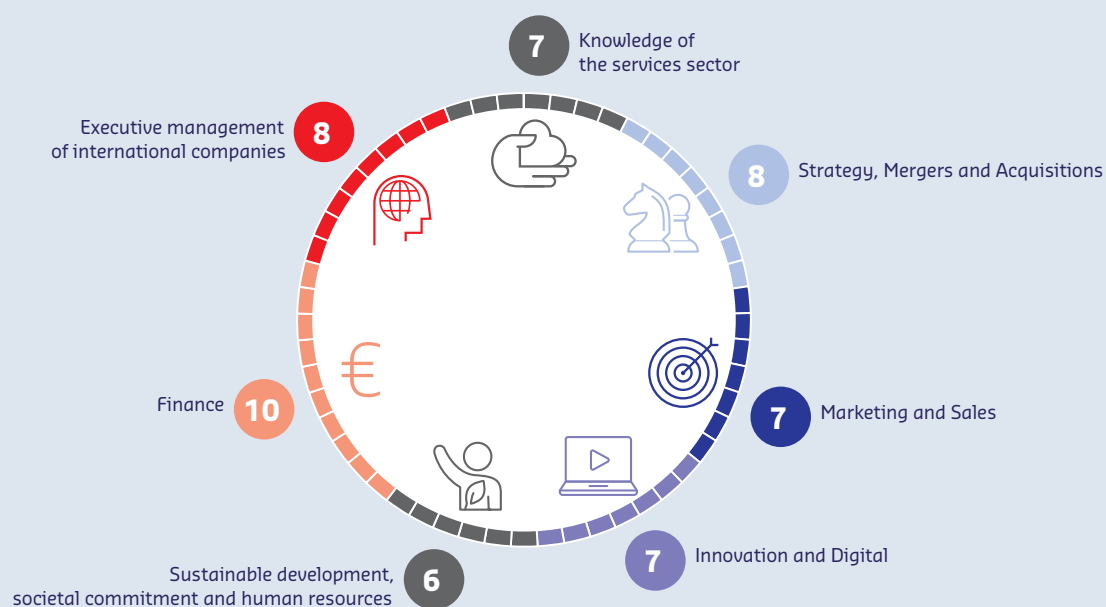
60%
women*

56
average age


BOARD OF DIRECTORS COMMITTEES



BOARD OF DIRECTORS' AREAS OF EXPERTISE



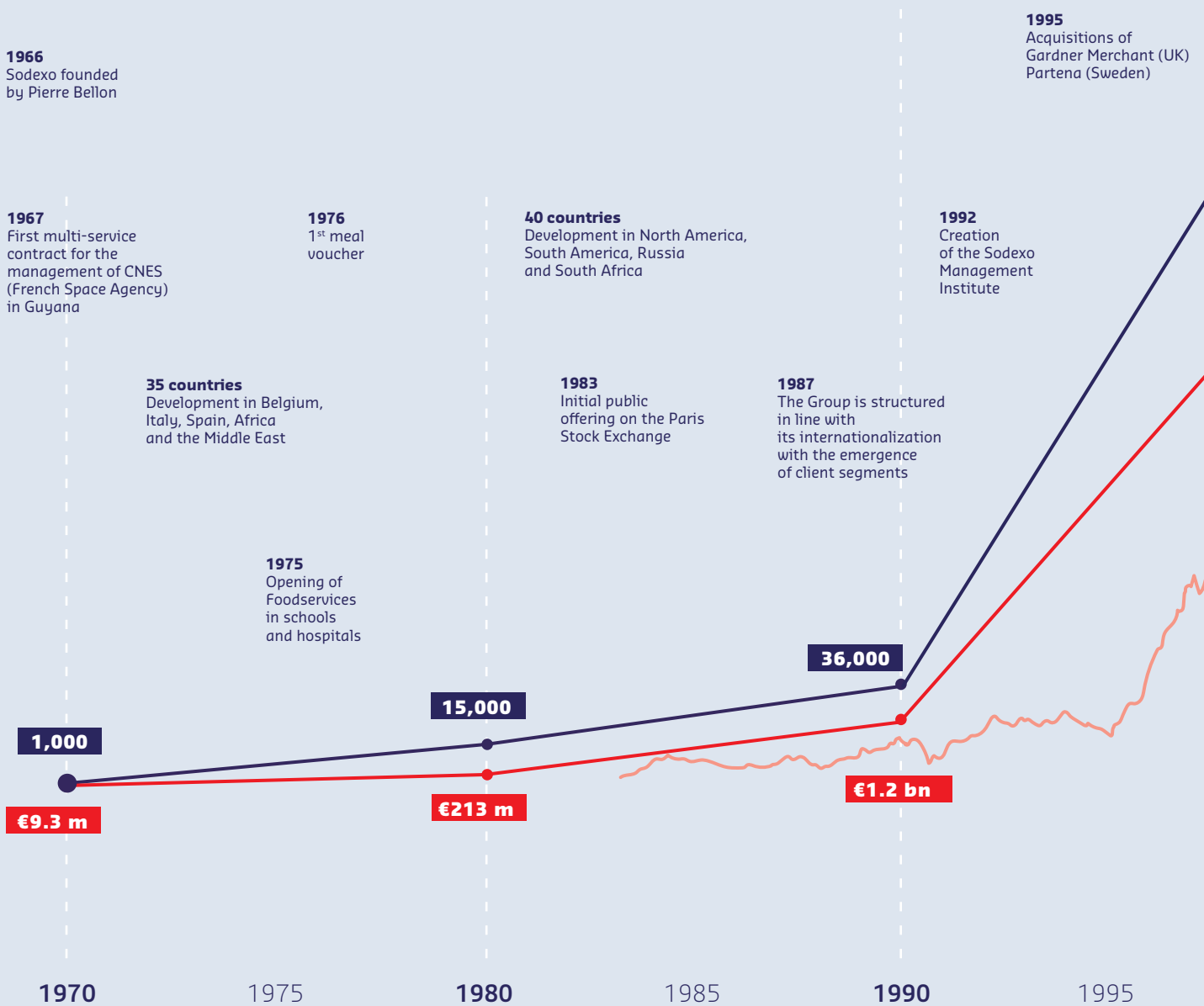
* Excluding employee representatives.

 For more information on Sodexo's governance, see chapter 5 of the Universal Registration Document.

The Group's evolution since its creation

Since 1966, Sodexo has been dedicated to the goal of improving quality of life, convinced of its contribution to both higher organizational performance and societal progress. This consistent focus has enabled the Group to grow profitably and sustainably while providing continuous development opportunities for its employees.

KEY MOMENTS







A year marked by the Covid-19 crisis

After delivering solid growth momentum in the first half of Fiscal 2020, Sodexo naturally aligned itself with its clients and its communities to confront the Covid-19 crisis.

Frontline teams demonstrated their determination in critical areas such as support for the healthcare & seniors sector, government authorities and also in procurement.

Through its expertise and close stakeholder ties, Sodexo is fully mobilized to respond to the multiple challenges and needs of thousands of businesses and organizations, consumers, employees and suppliers in adapting to this new reality.

Message from Denis Machuel

CHIEF EXECUTIVE OFFICER



This crisis has also highlighted our strengths: the relevance of our unique service offering, the resilience of our business model, and the exceptional commitment of our employees.”

The fiscal year that has ended has been an exceptional one, marked by the most significant crisis in Sodexo's history. As the Covid-19 pandemic continues to spread and severely impact society, our teams everywhere are fully mobilized to support our clients, our consumers and the communities with which the Group interacts. This has been our mission for more than 50 years. And with the crisis confirming the relevance of our businesses and the resilience of our model, we are accelerating our transformation to seize the numerous emerging market opportunities.

Since 2018, Sodexo's teams have demonstrated their ability to strengthen our business model. Our “Focus on Growth” strategic agenda delivered the first solid results with organic revenue growth of +3.6% over the last fiscal year, the highest in seven years, confirmed by a dynamic +3.2% growth during the first half of Fiscal 2020.

Covid-19 interrupted this positive momentum. Since February 2020, with the full support of Sophie Bellon and the Board of Directors, Sodexo has mobilized to respond on two fronts – first, reducing health risks and protecting the health of our teams, our consumers and our partners and second, ensuring the continuity of our operations and those of our clients, while preserving the Group's liquidity and longevity. This challenge was all the more complex as we operate in 64 countries and in diverse business sectors within specific environments.

I am extremely proud of the commitment shown by our teams, who have been able to deploy the range of Sodexo services under exceptional conditions. The essential role of our people has come out of the shadows and into the spotlight, highlighting the value of our services. Around the world, Sodexo employees have worked collectively to support caregivers, patients and consumers, in hospitals, senior residences, schools and factories that remained open, as well as in public administration sectors under pressure. Everywhere, our teams have been on the front line, strengthening sanitary measures to preserve the health and safety of all, adjusting our Foodservices, supporting suppliers and partners, and helping those most vulnerable by donating meals, merchandise and supporting government programs. Our teams have also demonstrated their agility to seize business development opportunities such as selling additional cleaning and disinfection services or winning significant new contracts like the Los Angeles Surge Hospital in California and the deployment of rapid health testing centers in the United Kingdom.



Despite the crisis, Sodexo remains true to its promises and commitments.

With our teams, we are creating a collective dynamic and clear path forward to create value for all of our stakeholders.”

Sodexo’s innovation and responsiveness were fully demonstrated through the creation of “rise with Sodexo.” Launched in record time, this global program highlights the unmatched value, uniqueness and relevance of our service portfolio, particularly given the current context. Focused on the needs of our clients and consumers, this program enables them to meet the challenges they face in terms of safe health, well-being and performance. And because we are convinced that trust is a key element in this new reality, we have strengthened this program by establishing a Medical Advisory Board and a certification label for our sites with Bureau Veritas.

Of course, there have been business impacts from closing or reducing many parts of our business, including in Sports & Leisure, Schools & Universities and Corporate Services. To respond to the pandemic’s economic consequences, we quickly identified all possible means to reduce costs, interrupted non-essential investments and protected our cash flow. As much as possible, we have sought solutions to preserve employment and support our teams impacted by the crisis, for example by forging partnerships with other sectors under pressure or by establishing an unprecedented global Employee Relief Program, made possible by the support of the Group’s senior executives. Our financial results in the second half of the year were inevitably impacted by the Covid-19 pandemic, with annual consolidated revenues of 19.3 billion euro, down -12%. Our operating margin was 2.9% and the free cash flow stood at 72 million euro. Through rigorous management of the crisis, the fiscal year ended with a solid balance sheet, with liquidity of 5.1 billion euro, allowing us to look to the future with confidence.

During this exceptional period, and reflecting the value of our multi-services expertise, numerous clients placed or renewed their trust in us to support them, both in Facilities Management services and for Foodservices either on-site or off-site. Over the year, our client retention rate demonstrated its solidity at 93.5%. The crisis has also highlighted our strengths: the relevance of our unique service offering, the resilience of our business model, and the exceptional commitment of our employees. With a solid financial model and

balanced geographical distribution, we can count on the compatibility of our three activities as a true competitive advantage.

Sodexo’s transformation, initiated before the crisis by strategic choices and targeted investments over the past few years, must be accelerated to build tomorrow’s growth. Indeed, the trends that we had previously identified have greatly accelerated with the Covid-19 pandemic. To move forward, we are focusing on three priorities: rationalize, enable and transform.

First, we are simplifying our organization by reducing our overhead costs on a long-term basis and bringing our teams closer to the field and our clients, while adjusting our resources to meet post-crisis needs. We are also continuing to optimize and streamline our geographic presence as well as our portfolio of technical maintenance services.

At the same time, to generate growth, we are continuing to invest in key targeted fields of marketing and sales, as well as in digital, data and IT systems. These investments, combined with sustainable and responsible Foodservices offers, will allow us to be more focused than ever on consumer expectations. I am convinced that Sodexo is well positioned to capitalize on the new expectations generated by the crisis, the increasing outsourcing of services, the growing demand for integrated services and the challenges of flexible workspaces. Today, we have all the necessary assets to respond to these demands.

We are also accelerating the transformation of our core business, Foodservices. With redesigned operational and business models, Sodexo has the ability to offer its consumers multimodal and multichannel dining experiences, reinforced by digital innovations and meal delivery offers. Our clients can also count on our expertise in employee benefit solutions, adapted to new forms of mobility and to remote working. Investments in new Foodservices models driven by digital, one of the engines of our growth, such as FoodChéri, Alchemista, Zeta or Meican, are fully aligned with the expectations and needs of today and tomorrow. So too are our major pioneering commitments to inclusive growth, to the promotion of healthy and sustainable food choices, to the reduction of our carbon emissions and to our fight against food waste.

Today, despite the crisis, Sodexo remains true to its promises and commitments. I know that Sodexo will regain momentum for growth that is based on responsible consumption of resources and putting people at the heart of everything we do. With our teams, we are creating a collective dynamic and clear path forward to create value for all of our stakeholders.

A stable and engaged Executive Committee

The Executive Committee participates in the development and implementation of the strategic and operational plan, and ensures the deployment of initiatives. This diverse team combines transversal expertise and skills representative of all the Group's activities, segments and geographic regions.

THE EXECUTIVE COMMITTEE AS OF OCTOBER 1, 2020



Denis Machuel
Group Chief Executive Officer
Chairman of the Executive Committee
Nationality: French



Nathalie Bellon-Szabo
Chief Executive Officer, Sports & Leisure worldwide, On-site Services
Nationality: French



Cathy Desquesses
Group Chief People Officer
Nationality: French



Johnpaul Dimech
Chief Executive Officer Geographic Regions
Region Chair, Asia Pacific, On-site Services
Nationality: Australian



Sean Haley
Group Chief Executive Officer of Service Operations
Region Chair, UK & Ireland, On-site Services
Nationality: British



Tony Leech
Chief Executive Officer, Government worldwide, On-site Services
Nationality: Australian



Satya-Christophe Menard
Chief Executive Officer, Schools worldwide and Universities rest of the world, On-site Services
Nationality: French



Sylvia Metayer
Group Chief Growth Officer
Nationalities: French, British and Canadian



Sarosh Mistry
Region Chair, North America, On-site Services
Chair, Universities North America, On-site Services
Chief Executive Officer, Homecare Services worldwide
Nationality: American



Belen Moscoso Del Prado
Group Chief Digital & Innovation Officer
Nationality: Spanish



Sunil Nayak
Chief Executive Officer, Corporate Services worldwide, On-site Services
Nationality: Indian



Anna Notarianni
Region Chair, France, On-site Services
Nationality: French

EXECUTIVE COMMITTEE
KEY FIGURES AS OF
OCTOBER 1, 2020

8
NATIONALITIES



32%
WOMEN

47%
NON-FRENCH

3 years
AVERAGE TENURE
ON THE EXECUTIVE
COMMITTEE

53
AVERAGE AGE



Marc Plumart
Chief Executive Officer,
Healthcare & Seniors
worldwide, On-site Services
Nationality: French



Marc Rolland
Group Chief
Financial Officer
Nationality: French



Dianne Salt
Group Chief
Communications Officer
Nationality: Canadian



Didier Sandoz
Chief Executive Officer,
Corporate Responsibility
and Personal & Home
Services
Nationality: French



Simon Seaton
Chief Executive Officer,
Energy & Resources
worldwide, On-site Services
Nationality: British



Aurélien Sonet
Chief Executive Officer,
Benefits & Rewards Services
Nationality: French



Bruno Vanhaelst
Group Chief Sales and
Marketing Officer
Nationality: Belgian



This year, we bid farewell to a long-serving member of our senior management team, Damien Verdier, Group Chief Corporate Responsibility Officer and a member of the Sodexo Executive Committee since 2005, who is retiring.

During his 41 years with Sodexo, Damien has embodied Sodexo's values perfectly through his exceptional ability to unite teams and develop talent, his undeniable spirit of service and his convictions, in particular his pioneering commitment to corporate responsibility.

We thank him for his contribution and wish him every success in his role as President of the *Groupement des Professions de Services*.

➤ For more details on Sodexo's Governance, please see chapter 5 of the Universal Registration Document.

A growing first half

The improving growth momentum confirmed in the first half of Fiscal 2020, reflects the focused action of Sodexo teams around the “Focus on Growth” strategic agenda.

Until the Covid-19 global pandemic struck, Sodexo had shown its ability to strengthen its business model by listening to its clients and consumers and better responding to rising new trends. The first half of the year, from September 1, 2019 to February 29, 2020, with organic growth of +3.2%, reflected solid, profitable and sustainable growth, driven by the momentum of most segments and regions, in line with the strategic agenda.

A CHANGING MARKET

The priority for Foodservices is producing healthy, varied and balanced meals that respond to the expectations of clients and consumers. Another challenge for Sodexo is inventing the cuisine of the future, combining healthy, sustainable food with enjoyable, customized experiences, by leveraging its expertise in Facilities Management, Benefits & Rewards Services and Personal & Home Services.

BEING CLIENT AND CONSUMER CENTRIC

With its focused approach on clients and consumers, in-depth knowledge of its markets and differentiating services, Sodexo improved its client retention rate during the first half and won new contracts or significantly extended others such as Merck/MSD in 66 countries and Procter & Gamble in 30 countries (Corporate Services). Numerous local contracts have also been concluded, such as with KLM in the Netherlands (Corporate Services) and Transport for London in the United Kingdom (Government & Agencies), the Tim Horton Field in Canada and the World Market Center Las Vegas in the United States (Sports & Leisure), Grupo Hycsa in Mexico (Benefits & Rewards Services), and Naugatuck Schools and the University of Hawaii in the United States (Education). In order to support new trends, Sodexo adapts its offers to the changing needs of

its consumers: new on-site Foodservices solutions, like the Enjoy offer in France for small spaces, initiatives to fight food waste (such as WasteWatch) or new recipes, nutrition programs like the Melting Pot offer for schools in the Middle East, which enables students to discover the diversity of culinary traditions.

True to this entrepreneurial and collaborative culture, Sodexo also promotes open innovation through Sodexo Ventures and the Accelerators program by building partnerships with startups internationally and developing internal corp-ups, offering specific services such as Wx or Doctor House.

ENHANCING OPERATIONAL EFFICIENCY

To support its operational efficiency objectives, Sodexo has launched initiatives across all segments and activities aimed at optimizing costs and simplifying the organization. The available financial capacity is then dedicated to deploying new offers and digital solutions and strengthening marketing and sales. Regional Marketing & Sales Distribution Centers are gradually being implemented to provide increasing support to segments in the areas of digital marketing, client relations and the commercial approach for Global Strategic Accounts. At the heart of the Group’s strategy is the STEP framework (Sodexo Targets for Enhanced Performance), which is based on common operational indicators to assess, manage and drive performance at all levels of the company.

NURTURING TALENT

Sodexo employees are central to its offering and its culture. Excellent service quality is ensured through three major levers: a performance culture, resource planning, and training and development for all. The Aspire program for performance

management and individual and collective development, aligned with the STEP strategic indicators, new compensation policies and apprenticeship/mentoring solutions for young people in many countries are just a few of the examples of initiatives implemented at Sodexo.

The Group is also fully committed to guaranteeing the health and safety of its teams and to diversity, inclusion and business integrity. In support of inclusion initiatives, the Group has structured an international network, Pride, to provide support and visibility to LGBTQ+ employees and partnered with leading organizations worldwide (Workplace Pride, Out&Equal, Acon...). Long-term support for gender equality is reflected by the renewal of Sodexo’s inclusion in the 2020 Bloomberg Gender-Equality index.

ANCHORING CORPORATE RESPONSIBILITY

Sodexo’s commitment to corporate responsibility is a real competitive advantage today. Each year, an increasing number of clients, with their focused expectations and policies in this area, seek the Group’s expertise. In line with its corporate responsibility roadmap Better Tomorrow 2025, Sodexo acts to strengthen its performance, by promoting healthy and sustainable food choices, reducing carbon emissions, fighting against food waste and boosting local and solidarity-based procurement. For example, Sodexo has joined the Sustainable Coffee Challenge and is committed to ensuring that by 2021, 100% of the coffee served under its own brands are procured from responsible sources. The Group also encourages volunteerism among its teams through the Stop Hunger Goodness Platform. Already operational in North America, the United Kingdom, Belgium and at Sodexo headquarters, this online solution connects employees to the Stop Hunger network of associations.



GOVERNMENT & AGENCIES

RESPONDING TO CLIENT CHALLENGES

“Sodexo teams that support our critical objectives at Montgomery House are quite simply doing an outstanding job. From behind-the-scenes maintenance through enhanced and precision cleaning, to keeping us all fed and snacked via the café, your people are just first class. You know how important it is to keep things working and you know how to take care of us.”

COLONEL ANDY SZABO,
ASSISTANT CHIEF OF STAFF OF THE JOINT
COMMAND AT MONTGOMERY HOUSE
IN ALDERSHOT (UNITED KINGDOM)



HUMAN RESOURCES

PROMOTING INCLUSION OF ALL

“We are committed to ensuring that each employee can reach their full potential, regardless of their personal characteristics, age, gender, culture, origin, sexual orientation or disability. True to its founding values, Sodexo has joined the international initiative “The Valuable 500”, to unlock the potential and social and economic value of people with disabilities around the world. Sodexo is therefore committed to ensuring that, by 2025, 100% of its workforce has access to initiatives supporting the inclusion of people with disabilities. We are proud to be part of this movement and hope that many other companies will do the same so that our collective efforts become the normal way of doing business.”

MARGOT SLATTERY,
GLOBAL CHIEF DIVERSITY & INCLUSION
OFFICER, SODEXO



HEALTHCARE

PLACING FREEDOM OF CHOICE AT THE HEART OF THE MEDICAL EXPERIENCE

Backed by a partnership of more than 20 years, Elsan, the second largest private hospital group in France, joined forces with Sodexo to co-build and deploy the leading brand for healthcare hospitality in its 78 establishments in France. “Symphonia by Elsan” offers a set of services to improve the daily life of patients, healthcare professionals and visitors contributing to the comfort and safety of all: a varied Foodservices offer adapted to nutritional requirements and consumers’ desires, completely redesigned environments and a service to fight against the risk of infection.



BENEFITS & REWARDS SERVICES

INNOVATING FOR RENEWED CONFIDENCE

Since 2008, Sodexo has managed the Belgian service voucher, used to pay for cleaning services, ironing, transport for seniors and assistance with daily tasks for a quarter of Belgian households, or 1.2 million active users. Our solid position in the market and our technical know-how enabled us to win the bids in 2019 for all three regions, Flanders, Brussels and Wallonia, with an offer 100% focused on the digital experience. This market, with total 2019 issue volume of 3.1 billion euro, finances the revenues of about 2,000 home services companies, a sector that is one of Belgium’s major employers.

ORGANIC GROWTH REVENUE FOR FIRST HALF FISCAL 2020

+3.2%
ON-SITE SERVICES



SPORTS & LEISURE

ENRICHING THE LIVE EXPERIENCE

Once again, Sodexo demonstrated its expertise in the field of major international sporting events during the Rugby World Cup, hosted for the first time in Japan. To provide teams and the global public an unforgettable experience, Sodexo designed, developed and offered all of the hospitality services at the 12 stadiums hosting matches as well as Foodservices ranging from snacks to premium dinners, and at the World Rugby Awards ceremony. Emblematic of the event was the main Webb Ellis pavilion, constructed in the International Stadium Yokohama. This temporary structure composed of 19 private suites and a 700-seat restaurant saw 8,600 guests served during the tournament.



CORPORATE RESPONSIBILITY

FIGHTING FOOD WASTE

For Sodexo, the fight against food waste is a daily commitment. Sodexo is the first group in its sector to link its financing to its actions to combat food waste. Through its WasteWatch program and its smart waste measurement technology, Sodexo teams collect waste data at restaurants and implement operational and behavioral changes to eliminate waste generated by kitchens or thrown away by consumers. Since the program start, Sodexo has managed to avoid more than 17,000 tons of carbon emissions.

+4.0%
BENEFITS & REWARDS SERVICES

Full mobilization from the first moments

Since December 2019 and the appearance of Covid-19 in Asia, Sodexo has been fully mobilized to protect the health and safety of its consumers and employees and ensure the continuity of operations with its clients through its support for all stakeholders.

FRONTLINE EMPLOYEES

First in Asia, then around the world, thousands of Sodexo employees working in hospitals, senior residences or public sector entities under pressure have been collectively supporting caregivers, patients and consumers during the crisis, through their professionalism and with the little touches that make the difference.

As the pandemic has spread across the world, more stringent disinfection standards and precautionary measures have been implemented on sites. Sodexo teams have applied their expertise in clinical engineering to ensure the operational management of medical equipment and delivered critical Facilities Management services such as hygiene and cleaning services on Corporate or Education sites that remain open.

Everywhere, adaptation and collaboration have been at the forefront as the crisis deepened in order to ensure the continuity of operations while dealing with reductions in attendance, cancellation of services and the closure of sites. As often as possible, teams with declining business activity have been redeployed to reinforce sites under pressure. Inter-segment collaboration was strengthened in France, for example, through the production of meals by the Education segment for Corporate sites that remained open or, in the United Kingdom, by the support of Sports & Leisure teams for Healthcare teams to help ensure the proper functioning of Covid-19 testing centers deployed across the country.

UNWAVERING SUPPORT FOR CLIENTS AND CONSUMERS

In this exceptional situation, Sodexo's mission to improve quality of life has taken on even greater relevance. More than ever listening to and at the side of clients, whether in person or remotely, Sodexo teams have pooled their strengths and expertise to help them ensure the continuity of their business activities, adapting services and practices at each phase of the pandemic, with the health

and safety of all an absolute priority. Exceptional measures put in place include adapting services in restaurants, creating simplified menus and further reinforcing hygiene measures in the kitchen and on sites. In the United States, for example, Sodexo has adapted the services and operational measures to ensure safety on the U.S. Marine Corps sites.

In Europe and elsewhere, Sodexo teams are personally committed to ensuring their activity's continuity. At the height of the crisis, many employees chose to adapt their personal lives (accommodation, transport, family life) to the constraints imposed by the sanitary situation. The hidden heroes of Foodservices and Facilities Management services have mobilized to ensure the provision of food and the protection of health and safety on client sites, as well as those of Home Services teams which continued to take care of their clients experiencing even more isolation during this period.

The essential work of the supply chain teams and the strength of partnerships with suppliers also contributed to the safety of all and the continuity of activities, including by ensuring the supply of raw materials, masks and personal protective equipment.

CORPORATE RESPONSIBILITY FULLY EXPRESSED

As partners in daily life, it is natural for Sodexo teams to support health professionals dealing with this crisis, keeping open the essential activities such as school meals or childcare centers as well as donating products. In France for example, 1,200 meal trays were offered by Lenôtre in the Paris-region, nearly 30 tons of fruit and vegetables were distributed to over 100 health facilities and staff and hundreds of electronic tablets were provided to patients to maintain the link with their families. In many countries, on-site retail services have been reinvented to help caregivers cope with day-to-day life, such as "Grocery & Meals to Go" in North America and "Key Workers, Key Essentials" in the United Kingdom, solutions that allow

healthcare teams to place orders online and have them delivered directly to the hospital.

Beyond healthcare staff, Sodexo works as closely as possible with local communities to support their needs. In the United States, despite closures of many universities, Sodexo teams continued to prepare more than four million meals per week for students in financial need while teams from Centerplate mobilized to support confined seniors in Miami-Dade County and to support families in Orlando through the "Feed the Need Florida" initiative. In India, more than 2.7 million meals prepared by Sodexo were distributed to those most in need in several cities under confinement. The unprecedented mobilization of Sodexo and its teams, combined with the support of client companies and the action of the global Stop Hunger network, have made it possible to support food aid associations in many countries.

Because the exceptional situation facing the company has unfortunately had an impact on the employment of some of its on-site employees, Sodexo has created a global Employee Relief Program of 30 million euro funded by contributions from the Group's senior executives and the company. This program has notably made it possible to finance the extension of health insurance coverage in the United States and to grant food financial aid in Brazil.

Sodexo also mobilized from the start of the crisis to support its ecosystem of suppliers, impacted by the sudden interruption of numerous Foodservices activities by identifying possible logistical support arrangements, help with the disposal of stocks, volume transfers to active segments and flexible financing solutions, especially for Small and Medium Enterprises (SMEs) and local suppliers. Sodexo has also provided support to its restaurant partners, for example by adopting an early repayment system for restaurant vouchers in France and by organizing the solidarity initiative "Vivent les restos".



EMPLOYEES MOBILIZED ON THE FRONT LINE

“As soon as the first suspected cases appeared, my team and I were fully mobilized to support hospital staff. All of us had a role to play in ensuring the health and safety of healthcare professionals and patients in the face of this crisis. Our corporate values and the trust placed in us by our clients enabled us to cope. I am so very proud of the work accomplished by our teams.”

JUAN XU,
AREA MANAGER FOR RENMIN AND WUHAN UNION HOSPITALS, ON-SITE SERVICES, SODEXO CHINA



COMMITTED TO SUPPORTING CLIENTS

“Nestlé Chile was identified by the government as a primary-level essential company, needed for the continued supply of food products to citizens. Together with Sodexo teams and with constant communication, we quickly adapted to the new requirements defined by the health authorities and by Nestlé, always keeping the health of our workers as the first priority. New standards and risk mitigation measures were implemented for Facilities Management services, with innovative solutions thanks to the global expertise of Sodexo.”

ANDRES AGUILAR MIRANDA,
BUSINESS EXCELLENCE, STUDIES & STRATEGIC PLANNING, WORKPLACE SOLUTIONS MARKET LEAD, NESTLÉ CHILE



COMBINING EXPERTISE WITH RESPONSIVENESS

As a strategic supplier to the UK Government, Sodexo teams from different segments – Healthcare, Sports & Leisure... – worked in partnership with the Department of Health and Social Care and the Boots company to install and operate Covid-19 testing centers. From an initial 16 drive-through testing centers and nine walk-in centers for National Health Service staff and frontline workers, Sodexo expanded the collaboration by deploying 40 additional mobile testing units throughout the country for anyone displaying symptoms. Sodexo applied its expertise throughout the entire process, from infrastructure design, test training and flow management to security, Personal Protective Equipment (PPE) and test kit procurement, cleaning and waste management.



HELPING GOVERNMENT TO SUPPORT CITIZENS

Building on trusting relationships and innovative solutions, Benefits & Rewards Services teams put their expertise at the service of Panama’s humanitarian aid plan. Through a contract worth 51.5 million U.S. dollars, Sodexo enabled nearly 610,000 families to benefit from food baskets and vouchers to meet the essential needs for food, medicines, hygiene and disinfection products through an extended network of affiliates that benefit from a digital reimbursement solution. Globally, Sodexo is proud to support public programs in 19 countries that benefit more than 7.8 million users.



SOLIDARITY IN THE FACE OF THE FOOD EMERGENCY

At the height of the crisis in Brazil, Stop Hunger Brazil supported the “Mãos de Maria” social and solidarity program. With the support of Sodexo and partner companies, they provided nearly 70 women temporary work preparing 10,000 meals a day for families in the Paraisópolis favela. Operations were led out of the public educational restaurant facilities, modernized thanks to the 2018 Women Stop Hunger Award. In addition to the distribution of meals, Stop Hunger has increased its fundraising campaign for social projects, contributing alongside Sodexo clients to distribute more than 45,500 Stop Hunger food cards (valued at approximately 3.3 million euro), helping over 227,500 people obtain necessities from local merchants and survive the health and economic crisis.



SUPPORTING THE HEALTH EMERGENCY

In early April 2020 in California, Sodexo helped re-open the former St. Vincent Hospital, which would become the Los Angeles Surge Hospital dedicated to Covid-19 patients. The unused building was refreshed and brought up to regulatory standards in just 13 days. Sodexo also provides catering, cleaning, servicing, maintenance, as well as biomedical engineering services for the 266 hospital patients.

LISTENING TO SUPPLIERS

Part of the social and solidarity economy, the Bou’Sol network ensures the creation and operation of five “Pain et Partage” bakeries. Since 2003, Sodexo has partnered with the bakeries, which offer paths to employment and ensure the production of breads made with locally produced organic flour. Faced with the closure of Foodservices sites and local food issues, Sodexo connected this trusted partner with preparing solidarity lunches for families from disadvantaged neighborhoods in Marseille. Sodexo also participated in the crowdfunding campaign launched in Bordeaux to ensure the sustainability of the local employment integration system.

“The link with Sodexo is the result of innovative cooperation which strengthens solidarity between people and the territory. It is a partnership for sustainable and inclusive food that allows us to approach the future confidently and to grow together.”

SAMUEL MOUGIN,
CO-FOUNDER OF THE BOU’SOL NETWORK



Effectively managing business activity through an unprecedented crisis

Faced with the rapid spread of Covid-19 around the world, Sodexo's priority has been to adapt its activities to ensure the Group's sustainability.

AN IMMEDIATE OPERATIONAL RESPONSE

To reduce the impact of the drop in revenue caused by the partial or total closure of a significant number of sites, particularly in the Education, Corporate Services and Sports & Leisure segments, Sodexo immediately identified all possible means to reduce costs and capital expenditures, and preserve cash. The Group quickly adopted a set of rigorous measures, including proactive above-site and workforce cost management to adapt to rapid changes in the situation, redeployment of teams to high-demand sites and leveraging government measures to protect employment. Other steps included strict management of cash focused on maintaining ongoing dialogue with clients, appropriate and careful monitoring of inventories and the supply chain, and postponement of all non-essential investments. Adapting services, from enhancing the Foodservices offer to implementing additional Facilities Management services in response to local conditions, also helped to strengthen the confidence of clients and in some cases even expand the business, like the development of Covid-19 testing centers in the United Kingdom. For example, Corporate Services teams deployed a smart App worldwide and in record time that enables real-time monitoring of the situation on 1,400 Global Account client sites: sites open/closed, zones at risk to the spread of the virus, changes in the service offering, business continuity plan, cost management, thus enabling efficient management of the activity.

A SIGNIFICANT IMPACT ON THE GROUP'S PERFORMANCE

The pandemic interrupted the positive growth momentum that had been driven by the strategic agenda launched in 2018. In the second half of Fiscal 2020, organic revenue growth fell by -27.5%. The organic trend nevertheless improved in the fourth quarter, falling only -24.9%, after a -36% decline in the third quarter, adjusted for the first two weeks before lockdown. Consolidated revenues stood at 19.3 billion

euro for the year, down -12% compared to the previous year.

On-site Services revenues declined by -12.1% for the year and by -27.8% in the second half. This downturn is the most severe ever experienced by Sodexo. The revenue decline for the Business & Administrations segment was -29.2% for the second half, with a highly mixed situation among the sub-segments. For example, sales from Sports & Leisure activities, which closed very quickly in mid-March, fell by -88% over the period, while the decline in Corporate Services was -26%. In Healthcare & Seniors, the decrease was limited to -11.1% for the period, due in particular to the slowdown in elective surgery in hospitals. The Education segment was down -47.2% in the second half of the year, strongly impacted by the closure of most schools and universities around the world, although Foodservices were requested by certain governmental authorities in order to provide meals to families.

Revenue from Benefits & Rewards Services was down -18.8% over the second half of the year and -13.4% for the full year, with an improving trend after the end of the lockdown in Europe and the gradual reopening of restaurants.

Despite this crisis, Sodexo's financial situation is solid. The underlying operating profit margin for the year was 2.9%. Underlying Net profit amounted to 306 million euro. The Group has been particularly active in scrupulously watching over its cash flow, by reimbursing the USPP of 1.4 billion euro, thus resolving the issue of the covenant thresholds and by issuing 2.5 billion euro of bonds in April and July. Free cash flow reached 72 million euro and underlying earnings per share stood at 2.10 euro.

SOME RESILIENCE FACTORS OF THE BUSINESS MODEL

This unprecedented crisis has highlighted the resilience of Sodexo's model, including the diversity of its services portfolio and its geographical footprint. The Group's global presence has enabled it to maintain continuous activity in response to the pandemic's spread

around the world. Corporate services activity in China has even returned to growth on a monthly basis by the end of the second half of the fiscal year.

Sodexo can also rely on its Facilities Management services, which represents 40% of On-site Services and which have fallen by only -1.4% during the second half, compared with a drop of -42.2% in Foodservices. This is in a context where cleaning, disinfection or maintenance of installations are key services to ensure that clients are able to gradually reopen sites, and particularly in Global Accounts that represent nearly 10% of sales. Its varied sectoral expertise also enables the Group to face this unprecedented crisis and demonstrate the usefulness of its services, particularly in Healthcare & Seniors, or in Energy & Resources and Government & Agencies; these last two represent 14% of On-site Services revenue and posted a +1.3% increase in revenue in the second half of Fiscal 2020. Despite the pandemic, Sodexo won significant new contracts in multiple segments, including Energy & Resources. In Peru, Sodexo is providing its expertise in Facilities Management and Foodservices for 8,000 Anglo American Quellaveco employees and is extending its contract with Nexa to cleaning services. Sodexo also won a new contract with Antofagasta Minerals in Chile. In Norway, the Group won a significant contract to provide food, cleaning and laundry services for eight offshore platforms with the deployment of innovative technological solutions to improve operational efficiency and safety of services.

Benefits & Rewards Services also contributed to Sodexo's resilience. Although impacted by the drop in revenues in Employee Benefits and Services Diversification, the teams were able to accelerate the digitization of the activity during the crisis by converting clients to digital, developing new partnerships with delivery platforms and strengthening complementarity with On-site Services, in particular through the development of Sodexo cards to improve the meal experience for people working from home. The activity was also supported by contracts concluded with several governments for the distribution of public aid to populations most affected by the crisis.

 For more information on Fiscal 2020 financial performance, see the Universal Registration Document.

Supporting the recovery with confidence

To reopen and feel safe in one’s work environment, at school or at a sporting event, through proven sanitary protocols and to benefit from new services that respond to new needs is a prerequisite for successful adaptation to the world’s new realities.

In creating “rise with Sodexo,” a global program to provide support to organizations based on the complementarity of On-site Services, Benefits & Rewards Services and Personal & Home Services, the Group reaffirms its mission as a privileged partner for its clients and a leader in improving quality of life in the communities it serves. It is an offer designed to respond to the safety, well-being and performance challenges that clients face.

Drawing on its expertise and experience acquired in Asia, Sodexo is implementing a powerful and targeted market strategy supported by a global offer of more than 40 essential services, structured around five areas:

- 
 - Preparing an expert risk assessment and restart process through a structured and personalized approach for the client environment.
- 
 - Protecting people and places through a wide array of services ranging from disinfection to contactless services to ensure both the productivity and the well-being of client teams.
- 
 - Enabling teams to perform at their best with services for both on-site and home workers with healthy and sustainable food offers to simplify life for consumers, grab-and-go solutions, retail and digital convenience and meal cards.
- 
 - Supporting consumer wellness and the maintenance of social links and communication.
- 
 - Optimizing the experience according to new health needs and standards with optimized management of energy efficiency in line with Sodexo’s environmental commitments.



The “rise with Sodexo” program is being rolled out across all segments and locations worldwide. In Germany, for example, the healthcare teams have installed smart sensors to measure and manage restaurant occupancy in real time at Tübingen University hospital. In France, Sports & Leisure is offering new hybrid experiences, combining physical and connected events, to allow audiences to engage and gather safely. In the United Kingdom, Benefits & Rewards Services and On-site Services teams have combined their skills to offer Sodexo’s Employee Experience Card, a new offer combining the on-site or affiliated restaurants card with payment cards for purchasing office supplies for people working from home and gift cards to build employee loyalty and strengthen engagement.

To support the deployment of the “rise with Sodexo” program and offer its clients the guarantees necessary for a confident restart, Sodexo also launched two initiatives to boost the quality of its protocols.

A new Sodexo Medical Advisory Council, responsible for offering technical guidance and validation of health and safety protocols for its services has been set up. This governance body comprises experts from around the world in epidemiology, family medicine, nutrition, occupational and behavioral health, as well as in pandemic planning and operations.



In addition, Sodexo has partnered with Bureau Veritas to introduce a hygiene verification label that is linked to Sodexo’s procedures and services, enabling clients and consumers to resume their activity on site with peace of mind. The label covers both Facilities Management services (reception, cleaning and disinfection services, security and maintenance) and Foodservices (adaptation of Foodservices processes with social distancing, etc.).



SUPPORTING CUSTOMERS WITH CONFIDENCE

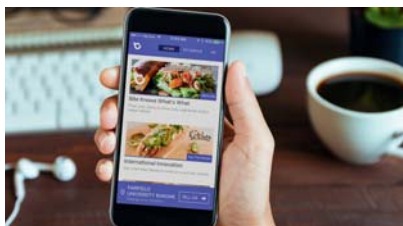
“Since 2014, Sodexo has supported us at all of our 20 sites in France, representing 51,000 m². of office space, with traditional Facilities Management services, such as reception, telephone switchboard and cleaning as well as through innovative services like quality of life hubs, featuring floor captains to ensure the well-being of the teams and the safety of the space. Close collaboration during the various phases of managing the Covid-19 pandemic enabled us to preserve the health and safety of teams by reinforcing cleaning and disinfection services and also during the confinement phase converting correspondence to digital to ensure the continuity of our activities. We were also able to count on the Sodexo team’s agility and expertise in supporting us in reopening the offices and working together on the procedures to be implemented to ensure that our teams could return to our sites with confidence.”

YVES CHÂTELET,
WORK ENVIRONMENT DIRECTOR,
DELOITTE (FRANCE)



INNOVATING TO IMPROVE OPERATIONAL EFFICIENCY

Sodexo’s technical expertise is reinforced by the use of advanced technological solutions. Energy & Resources teams in Australia have implemented a global collaborative project to offer a 2.0 remote maintenance service through connected glasses, in partnership with RealWear and AMA’s Xperyteye solution, for Rio Tinto mining sites, spread over 1,500 kms. This solution, now available for all clients worldwide allows on-site personnel to be guided remotely by specialized technicians and thus limit downtime of essential equipment and ensure continuity of operations at decentralized sites. The service was particularly useful during the lockdown, allowing remote inspections of isolated sites, health and safety audits and virtual site visits.



INNOVATION SERVING CONSUMER EXPERIENCE

Sodexo has accelerated the development of technological solutions to offer a continuously improved workplace experience. In China, a smart retail solution was successfully deployed at more than 30 client sites. With the partnership with Meican, Chinese consumers on some sites can also make their choice, order and pay directly via a digital platform before picking up their “contactless” lunch prepared by Sodexo teams or their dinner from partner restaurants. Everywhere, new services are being deployed to meet the expectations of consumers, such as Bite+ in the United States that facilitates campus Foodservices, and the ordering and remote payment Apps, B by Sodexo in Belgium and Twelve in the United Kingdom.

INTENSIFICATION OF DIGITALIZATION OF BENEFITS & REWARDS SERVICES

Changes in working methods, reinforced by the Covid-19 pandemic, have accelerated the digital transformation of Benefits & Rewards Services. Through new solutions and the adaptation of existing services driven by the acceleration of the migration from paper to cards and the increase in contactless transactions, Sodexo’s priority is to meet the new needs of its clients, partners and users in search of security and flexibility. Sodexo is also capitalizing on its unique service offering with a 360° dining experience focused on consumer practices in the workplace as well as outside. An example can be found in the Czech Republic, where more than 20,000 meal vouchers were provided for people working from home during the lockdown. This expertise and the digital solutions proposed provided responsiveness and flexibility to support government economic recovery plans. In Belgium, for example, Sodexo supports several initiatives, such as the payment of a subsidy to many SMEs in Wallonia and the distribution of food cards for inhabitants living in a precarious situation.



STRENGTHENED PARTNERSHIPS WITH DELIVERY PLATFORMS

With more than 70 partnerships with meal delivery platforms in 7 countries, consumers can now use their Sodexo meal card as a payment method to order at their favorite restaurants. In Portugal, Sodexo is the first and only issuer of meal cards providing online ordering with Uber Eats, now present in nearly 40 cities. In France, in addition to 40 delivery sites that are already partners (FoodChéri, Nestor, Class’Croute, etc.), holders of the Pass Restaurant card have access with Deliveroo to 12,000 restaurants in 300 cities. Its partnership extends to other services such as booking holidays on the Booking.com site in Romania for users of Tourist Pass vouchers and cards.

NEW DELIVERED MEAL OFFERS

In a changing environment, now affected by an unprecedented crisis, new expectations and needs are emerging that are providing numerous development opportunities for Sodexo. The delivery model launched in Brazil has made it possible to approach the B2C market, transforming four existing sites into cloud kitchens by creating virtual restaurant offers and by developing some strategic partnerships with marketplaces such as Rappi and Ifood. Initially launched in three cities, the new service offer is being rolled out across the country and is regularly enriched with new menu options while building synergies with the capabilities of Benefits & Rewards Services and suppliers. Deli Express was also launched in Singapore to offer a convenient and healthy selection of soups and salads for lunch on weekdays available on the Grab mobile App. In the United Kingdom, The Good Eating Company also launched a new workplace food delivery solution for urban markets. In France, Sodexo is already reaching consumers in their homes and offices through FoodChéri as well as with Season, the first subscription offer of freshly cooked meals delivered every week throughout France. Adapted to specific consumer needs, these offers are also provided by Amelis as a home assistance solution.

TOWARDS RESPONSIBLE ECONOMIC RECOVERY

In collaboration with World Wildlife Fund (WWF), Sodexo committed to reducing its carbon emissions by 34% (scopes 1, 2 and 3) between 2017 and 2025. With this ambition validated by the Science-Based Target initiative, Sodexo has become the first company in the Foodservices sector to have a carbon target in line with the Paris Agreement objective of limiting climate warming to 1.5° C.

With the program “rise with Sodexo”, the Group is strengthening its actions to contribute to the preservation of biodiversity and to the efforts against climate change, including through increasing the proportion of low-carbon emission menus, increasing responsible purchasing, reducing food waste and raising employee awareness.

Efficiency and transformation for future growth

In order to adapt to its rapidly changing business sector and to respond to long-term structural challenges, Sodexo is accelerating its transformation to progressively adjust its organization, increase its agility and seize the numerous opportunities for future growth.

The shock wave from the global health crisis has accelerated Sodexo's transformation. The Covid-19 crisis strongly impacted the Foodservices activity in many segments and accelerated certain consumption trends.

In line with major global trends (see page 30), Sodexo is refining its strategy to capitalize on the increasing outsourcing of services and account for demographic changes, particularly in developing economies, while responding to societal forces such as changing consumption choices or resource scarcity.

FREEING UP FINANCIAL CAPACITY

To maintain its competitiveness and increase its agility and ability to act, Sodexo is pursuing and accelerating the transformation initiated in 2018. The Group, which has already reduced its international presence from 80 to 64 countries, is thus continuing to optimize its geographic footprint, with an emphasis on regions with the greatest potential for growth and profitability. The Group thus intends to strengthen its efforts in its main markets, the United States, the United Kingdom and France in particular, and to accelerate its investments in the markets with strong growth potential such as Brazil, China and India.

Additionally, having successfully rebalanced its market dynamics and the balance between global/local contracts and Facilities Management and Foodservices, Sodexo is continuing to rationalize its technical services portfolio to focus its efforts on those with the greatest potential and highest added value.

To meet new post-crisis challenges, particularly the impact of working from home in the Corporate Services segment, the Group is adapting its workforce to the volumes of on-site activity. Sodexo is also embarking on a program to optimize and simplify its central structures, including transitioning from 12 to 7 regions and pooling support functions. This program, which should generate about

175 million euro of SG&A savings, will increase the company's agility and efficiency, to be closer to client needs on the ground.

INVESTING EFFICIENTLY TO REVITALIZE GROWTH

Building on the initial gains in terms of operational efficiency and commercial relevance, the Group is continuing its efforts to anticipate and respond ever better to the needs of its clients and to strengthen their loyalty, around a unique portfolio of services.

To do this, the Group is continuing its targeted investments around key catalysts, such as the deployment of a global client relationship management tool for On-site Services, creating regional centers of marketing-sales expertise in Europe, and building client loyalty with the overhaul of Sodexo's "Clients for Life" program. New technologies, automation, robots and the Internet of Things will also improve the execution and operational efficiency of its services. Building on its investments, Sodexo is strengthening its go-to-market strategies and building unique relationships with its clients.

The transformation of Benefits & Rewards Services is now reflected in a business digitization rate of 86%, up 13 points in just two years. The platform implemented in partnership with Zeta in India, combining both a new consumer-centric approach and robust digital payment technology, is gradually being leveraged in other countries, including Brazil, to deliver a holistic and unique multi-benefits experience. Sodexo now offers a robust digital ecosystem and more than 70 partnerships with e-commerce sites and delivery platforms and has accelerated time to market for its offers. With more than 36 million consumers every day and nearly one billion digital transactions per year, the Benefits & Rewards Services business is now the technological arm of Sodexo.

To stimulate growth, improve its competitiveness and meet the expectations of its clients and consumers, Sodexo is stepping up its efforts to transform its supply chain, through operational efficiency gains, acceleration of digitization and consolidation of its responsible sourcing approach. To differentiate itself, the Group relies in

particular on these commitments in the areas of health, nutrition and well-being, social equality and protection of biodiversity, for win-win partnerships, like its Partner Inclusion Program or its commitments to reduce carbon emissions. With 20 billion euro in annual purchasing capacity from approximately 150,000 suppliers around the world, Sodexo is able to transform its procurement model while having a positive impact on its supplier ecosystem and on the planet.

ACCELERATING THE TRANSFORMATION TO REINVENT THE MODEL

To respond to changing behaviors and expectations, particularly in terms of corporate foodservices, in response to trends greatly reinforced by the pandemic such as working from home or meals delivery, Sodexo is accelerating development of its multi-modal and multi-channel offers and the adaptation of its production and operating models.

The Group's approach is to place the consumer at the heart of its model and to respond to the diversity of situations with relevant services. In particular, the Group intends to develop its operating model through new off-site production sites and strengthening the digitization of services, such as pre-order, click & collect and digital payment solutions, which are gradually being rolled out in all segments and regions, as well as digital platforms such as SoHappy used daily by 250,000 French consumers and solutions implemented in China in partnership with Meican.

Sodexo is thereby reinforcing its value proposition to its clients and meeting the individual needs of consumers, regardless of their place of consumption, through the complementarity of meal delivery offers such as Alchemista in the United States and FoodChéri in France as well as through its Benefits & Rewards Services.

Through the diversity of its offers and the adaptation of its production methods, Sodexo is able to meet the expectations of consumers and thus increase their average purchase, while improving productivity.

CUMULATIVE RESTRUCTURING COSTS

350 MILLION

EURO BY FISCAL 2021



Sodexo

TO OPEN
Strawberry Fat Free Milk
TruMoo
Our Farmers Pledge
NO Artificial
Growth Hormones
When it
comes to
milk!

Leader in Quality of Life services

Focused on its stakeholders and global trends, and inspired by the energy of its 420,000 employees, Sodexo constantly adapts its unique integrated service offering to deliver ever better support to its clients and consumers to meet the challenges of a changing market.

More than ever, Sodexo's ambition is to improve quality of life and contribute to the performance of organizations and the progress of society.

Services adapted for the short- and long-term

Beyond the current crisis, preparing for the long-term future means being aware of the world's great transformations. By defining and analyzing 11 major megatrends with demographic, social, environmental, economic and technological implications, Sodexo is fine-tuning its strategy and adapting its offers. Some of these megatrends are accelerating faster than others as a result of Covid-19 and Sodexo is ready to respond and seize the opportunities.

Demographic shifts

Developed countries are faced with a rapidly aging population due in part to slow population growth estimated at 2.9% between 2015 and 2030. Meanwhile, developing countries, will experience an average population growth of 18.5% between 2015 and 2030⁽¹⁾.

Urbanization

Rapid urbanization is contributing to the increase in GDP per capita, but the emergence of mega-cities (>10 million inhabitants) is creating enormous economic and social challenges. Urbanization projects are expected to be impacted in the short-term but will continue to expand in the long-term.

Emerging middle class

Education and technologies are transforming consumption modes and habits. The middle class, whose purchasing power is on the rise and which will represent most of the consumers in 2022, are dedicating an increasing share of their budget to health and wellness, leisure and culture.

Global economy

Capital, information and talent are now interconnected, providing companies with new sources of growth. As globalization continues to shape the economy, we expect a push toward regional and local sourcing as well.

Developing markets

Developing markets are creating wealth for millions of people. Their weight in the world economy is increasing due to rapid population growth seven times faster than that of developed countries, combined with the rise of the middle class.

Public deficits

The weight of public debt is leading governments to consider more efficient ways to provide public services and to outsource certain services, more so in the current crisis. Between now and 2030, rising public deficits and persistent youth unemployment will strongly impact public policies and taxation.

Environmental issues and resource scarcity

8.6 billion inhabitants in 2030: the demographic boom is weighing on natural resources, heightening global warming and disrupting traditional consumption pattern. The current crisis has raised the level of consciousness on this issue.

Empowered consumers

Consumers and clients now have unlimited access to information and expect personalized services and experiences. The current crisis has definitely accelerated this trend, empowering consumer communities.

Digital transformation

Technology disrupts the relationship between companies and users and generate new expectations. As the value of data grows, offering new insights and usages, companies are able to increasingly personalize their offers.

Ownership vs. use

Why buy if you can subscribe or rent? Collaborative platforms are revolutionizing business models and buying behaviors. With their lower capital intensity, these business models can generate much more rapid growth than traditional ones.

Future of work

Disruptive technologies such as artificial intelligence, robotics or the Internet of Things... all are profoundly transforming the world of work. To succeed, companies must support employability and attract talent.

¹ Roland Berger Trend Compendium, UN DESA.

Many of these rapidly accelerating trends are leading to “new normals”. As an international company, Sodexo is preparing for the future and transforming itself to provide new offers and solutions.



INNOVATIVE MEAL EXPERIENCES

The traditional workplace food offering with kitchens serving on-site employees, at set hours, is one dimensional. As behaviors and perceptions of work have evolved, so have expectations when it comes to food in the workplace and how it supports people during their day. That is why Sodexo is investing in companies like Meican, China's leading corporate Foodservices platform to harness the power of data and digital. With its unique positioning and core competency in the digital Foodservices market, Meican provides a wide range of Foodservice options for multiple company scenarios. In all countries, Sodexo is enhancing its current services with tech-enabled solutions, building partnerships to meet new and evolving guest expectations and developing new capabilities such as the Enjoy offer in France that delivers food solutions to companies without kitchens.

➤ Megatrends impacts: **Digital transformation, Empowered consumer**



CONTINUED BENEFITS FOR WORKING FROM HOME

Working from home is now part of everyday life, especially with the onset of Covid-19 as companies are becoming more flexible on their employee's working location. Sodexo believes that it is of utmost importance to provide at-home offers that boost productivity, wellbeing and quality of life of employees. Through Benefits & Rewards Services, specifically meal and food vouchers, Sodexo has managed to expand its offering to those workers who have been working from home during the sanitary crisis and will continue to do so in the new normal, as for example in the United Kingdom with the launch of the Employee Experience Card or in France with the opportunity to put in place a combination of Foodservice solutions, as well as a meal card thereby giving access to local restaurants and food delivery, through FoodChéri, and food delivery platforms when working from home.

➤ Megatrends impacts: **Future of work, Digital transformation, Empowered consumer**



WORKSPACE SOLUTIONS

70% of top CEOs agree that creating a great workplace experience is essential for productivity, retention, or sense of belonging⁽¹⁾. Specifically, at the end of the Covid-19 confinement, many clients are encouraging their employees to come back to the office. Wx is a Sodexo corp-up that helps organizations optimize their workplace experience through ethnography, IoT and data science. With both their consultancy services and technology solutions, Wx helps clients to define a functional and sustainable working environment. From wireless sensors that measure occupancy to machine learning algorithms and a space analytics platform, Wx ultimately leads to better decision-making and an enhanced employee experience and productivity.

➤ Megatrends impacts: **Empowered consumer, Future of work**



AT-HOME CARE

As people are living longer and are choosing to live at home, Sodexo's goal is to create a life plan with the elderly person and their family in order to ensure that seniors and disabled individuals can live independently and as comfortably as possible at home. For instance, Comfort Keepers in the U.S. as well as Amelis in France and The Good Care Group in the United Kingdom help ensure senior safety and wellbeing particularly today through the current pandemic. Caregivers are specially trained to provide care within the safety and comfort of home. From picking up prescriptions and grocery shopping to providing day-to-day companionship and personal care, Sodexo's services enable seniors to stay at home longer.

➤ Megatrends impacts: **Empowered consumer, Demographic shifts**



FROM GLOBAL TO LOCAL

Mindful of the impact of sourcing choices, and committed to promoting low carbon emission products, Sodexo Supply Management experts favor short circuits and local and seasonal offers, to reduce the ecological footprint and to continually improve the quality of the meals prepared. A global Sodexo Supply Chain Inclusion Program is promoting the integration of small and medium-sized enterprises, businesses owned and/or run by women or persons belonging to minorities, and suppliers who are actively committed to diversity and inclusion. In its Benefits & Rewards Services, Sodexo is also highlighting and giving visibility through digital tools to local restaurants or restaurants sourcing locally to raise awareness and drive more traffic. As part of Better Tomorrow 2025, the objective is to reach 10 billion euro of business value benefiting SMEs by 2025.

➤ Megatrends impacts: **Environmental issues and resource scarcity**

¹ How leaders are managing mental health and wellbeing in the workplace - Deloitte November 2019.

A unique range of Quality of Life services

Through its three business activities, On-site Services, Benefits & Rewards Services and Personal & Home Services, Sodexo offers a complete response to the needs of its clients and accompanies consumers throughout their lives.

Operating in 64 countries, with unmatched leadership in developing economies, Sodexo adapts its integrated offer to local needs while providing consistently high-quality service throughout the world. Its services create value for clients and improve the daily lives of consumers through the fulfillment of its economic, social and environmental commitments.

Sodexo leverages synergies between its three business activities in terms of business development opportunities and global

reputation. Sharing of organization and infrastructure enables the Group to achieve economies of scale, while offering an array of professional career opportunities for its employees.

Detailed knowledge of client and consumer needs is essential to developing and expanding this unique offering of Quality of Life services.



ON-SITE SERVICES

BUSINESS & ADMINISTRATIONS



Corporate Services
Energy & Resources
Government & Agencies
Sports & Leisure
Others

HEALTHCARE & SENIORS



Healthcare
Seniors

EDUCATION



Schools
Universities



BENEFITS & REWARDS SERVICES

EMPLOYEE BENEFITS

SERVICES DIVERSIFICATION



PERSONAL & HOME SERVICES

CHILDCARE

CONCIERGE SERVICES

HOMECARE

On-site Services

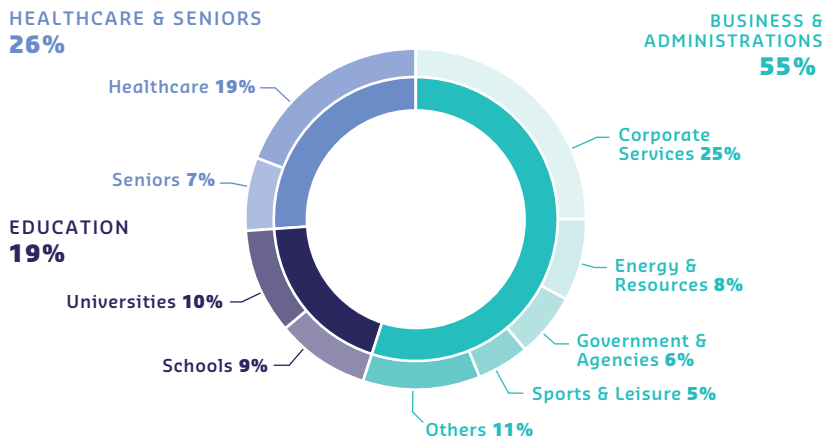
Increasing a company's efficiency, caring for patients in the hospital, fostering a learning environment, providing safety and comfort on a remote site: services delivered improve quality of life for millions of consumers and enable clients to improve their performance.

At the heart of Sodexo's offering, Foodservices, on site or in a specific environment, contribute to improving the quality of life for consumers. Sodexo also offers its clients its multiple expertise and services in many areas, from the design of workplaces to the sterilization of medical devices, reception and cleaning services and so on. To deepen understanding of the challenges its clients face and adapt the organization to the globalization of the market, estimated at 900 billion euro⁽¹⁾,

On-site Services are organized around global segments: Business & Administrations, Healthcare & Seniors and Education. This approach enables Sodexo to leverage its size, its global presence and its sector expertise, and thereby increase the value provided to its clients. It also helps the Group to best meet the needs of consumers, whose expectations can vary considerably from one segment to another.

REVENUES BY CLIENT SEGMENT AND SUB-SEGMENT

as of August 31, 2020



KEY FIGURES⁽²⁾

as of August 31, 2020



96%
of Group revenues



18.6
billion euro
in consolidated
revenues



408,526
employees

Source: Sodexo



BUSINESS & ADMINISTRATIONS

Sodexo promotes quality of life at work through customized solutions that help businesses, public institutions, managers of prestigious venues and organizers of major events to create welcoming, creative, efficient and innovative solutions, for all audiences, employees or visitors, even under challenging conditions.



HEALTHCARE & SENIORS

Sodexo responds to the challenges of healthcare and an aging population. Alongside healthcare professionals throughout the care journey, Sodexo offers equipment engineering and clinical infrastructure solutions and a range of value-added integrated services, designed to improve the quality of life of patients and seniors in residences or health facilities.



EDUCATION

Sodexo supports schools and universities in fostering a fulfilling educational environment in schools and on campuses while helping universities improve their attractiveness. The Group offers educational solutions and tools, and supports clients in their infrastructure design and renovation projects.

¹ Market potential for On-site Services, including Personal & Home Services. Sodexo estimate (Market estimates are likely to evolve over time, given the growing reliability of information sources in various countries.)
² Including Personal & Home Services.

Benefits & Rewards Services

With its range of nearly 250 services, Benefits & Rewards Services strives to improve the quality of life of employees and help improve business performance.

To attract and retain their employees, companies can count on the innovative and personalized solutions offered by Sodexo such as meal or food card solutions.

Driven by technological innovations, these Quality of Life services help to improve employee engagement, recognition, work-life balance, travel and expense management, health and well-being.



EMPLOYEE BENEFITS

From Meal Pass to Gift Pass, Sodexo offers its clients innovative and personalized solutions to improve the quality of life of their employees, as well as services aimed at recognizing their efforts: incentive and recognition programs, professional development tools, etc.



SERVICES DIVERSIFICATION

Sodexo offers simple and easy-to-access solutions to meet mobility challenges, as well as health and wellness, and incentive and recognition via unique platforms such as fuel cards, Mobility Pass travel booking and management of business expenses.



KEY FIGURES

as of August 31, 2020



4%
of Group revenues



773
million euro
in consolidated
revenues



4,708
employees

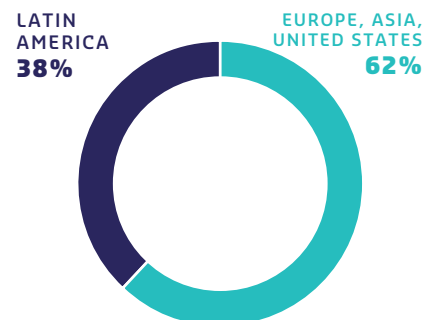
470,000
clients

36 million
beneficiaries and
consumers

1.3 million
affiliated
merchants

REVENUES BY REGION

as of August 31, 2020



Personal & Home Services

Sodexo offers a range of Personal & Home Services that respond to demographic trends and contemporary lifestyles.

Present at each key stage of life, the Group operates in three areas: Childcare services, designed to take care of the youngest children while making life easier for parents; Concierge services, to enhance the development and well-being of our clients' employees; Homecare services, to make life easier for seniors and adults who want to maintain their independence while enjoying the comfort of their home.



CHILDCARE

➤ In France, Germany and Spain, Sodexo offers childcare solutions, whether pre-school or not, optimal alternatives to traditional childcare facilities, with working hours adapted to the needs of working parents. Thanks to genuine educational expertise, these services offer children a variety of activities that reveal and stimulate their potential, and provide parents with the conditions for a fulfilling parenthood balancing between personal and professional life.



CONCIERGE SERVICES

➤ Accelerated by the changes of work life habits, companies are looking for partners that bring the physical and virtual space together so their employees can connect, collaborate and perform at the highest level. With Circles concierge services, Sodexo enhances the quality of life of consumers while improving the organization's productivity, performance and brand reputation.



HOMECARE

➤ Whether an aging senior, a patient requiring skilled hospital care or a person with a disability or illness, people want to stay at home as long as possible. Sodexo offers customized services across the care continuum, from homemaker-companion services such as preparing balanced meals and helping with errands, to highly skilled care provided by therapists, nurses, and doctors. These care and support services are delivered in North America, France, Ireland, the United Kingdom, Brazil, Norway, Singapore and China.

A sustainable value creation model

OUR MISSION

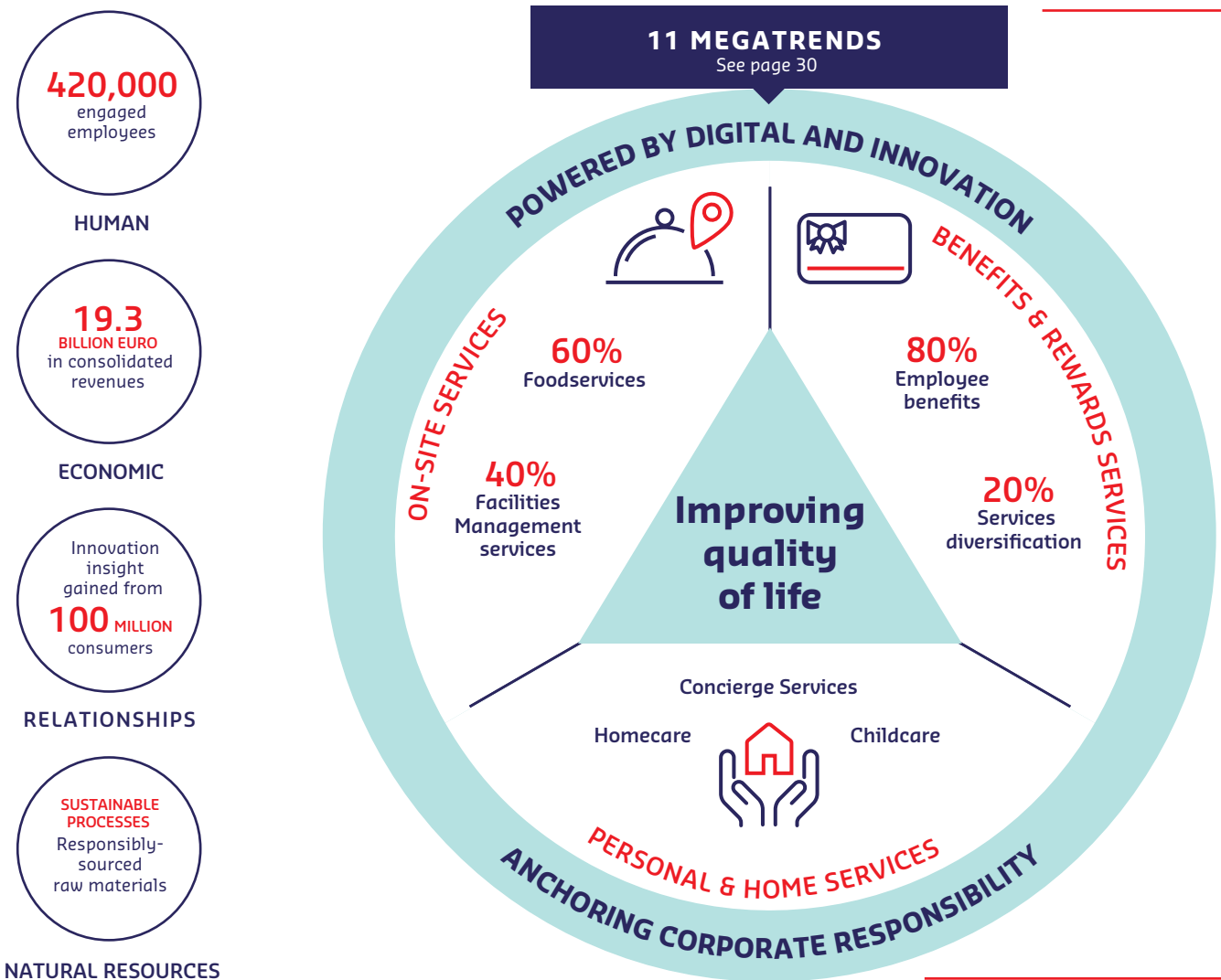
Improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental development of the communities, regions and countries in which we operate.

OUR AMBITION

Our ambition is to one day improve the quality of life of one billion individuals around the world.

INPUTS/RESOURCES

OUR BUSINESS



Sodexo's success, as a service provider, employer and corporate citizen, depends on its ability to build enduring relationships with all of its stakeholders.

OUR VALUES

- Service spirit
- Team spirit
- Spirit of progress

OUR ETHICAL PRINCIPLES

- Loyalty
- Respect for people
- Transparency
- Integrity

STAKEHOLDERS

OUTCOMES/IMPACTS

EMPLOYEES

SUPPLIERS/ AFFILIATED MERCHANTS/NGOs



83.1%
RETENTION RATE
of total workforce

HUMAN

-1.2%
AVERAGE ANNUAL TSR
Total Shareholder
Return (5 years)

ECONOMIC

4.4
BILLION EURO
spent
with SMEs⁽¹⁾

RELATIONSHIPS

22,990
TONS
CO₂ reduction⁽²⁾

NATURAL RESOURCES

CLIENTS/INSTITUTIONS — CONSUMERS



SHAREHOLDERS/COMMUNITIES



¹ Small and Medium Enterprises.
² Scopes 1 and 2, compared to 2017 baseline.

➤ For more information, see chapter 2 of the Universal Registration Document.

Caring about quality of life for all

Listening to our stakeholders is the very foundation of our business activity. The strong relationships that Sodexo develops and maintains with its clients, consumers, employees, shareholders and local communities in the countries where the Group operates allow us to respond to their expectations while expanding the virtuous circle created by solutions that benefit all of its ecosystem.



IN SUPPORT OF THE DEVELOPMENT OF PARTNERS AND AFFILIATES

“Our restaurant has a warm and refined atmosphere and is located in the city center, in a commercial street with a mixed clientele. By joining the Sodexo network, I clearly increased the number of customers, especially during lunch. The development of digital solutions allows me to save time by facilitating customer payments, the management of operations and voucher reimbursement. I appreciate the decision to increase the payment ceiling to 38 euro, which has allowed us to approach the future with a bit more serenity.”

DANA PETRYCKA,
RESTAURANT LA VILLA D'AUBRAC, NANTERRE (FRANCE)



LISTENING TO TRENDS AND NEEDS

“With Sodexo we have developed a long-term business relation based on trust. Since 2018, the 12,000 employees at the Madrid headquarters have benefited from a new digital and sustainable catering experience through the integration of IoT solutions. For example, we can order remotely, pay without contact, and have an easy access to the information of all ingredients in every dish. We also appreciate the efforts that Sodexo has made to eliminate plastic from the restaurant and the work we are doing together to keep making progress in sustainability.”

MARIA DE PUI RUIZ DE LA CUESTA,
HUMAN RESOURCES AND FINANCE MANAGER,
TELEFÓNICA (SPAIN)



REINVENTING SCHOOL CATERING

To offer, to enable discovery and, above all, to provide enjoyment through flavorful taste, over and over again: these are the aspirations of a top chef, who journeys from the kitchens of prestigious restaurants to the world of school food. The goal of this talented enthusiast, an active member of the *Toques Françaises*, *Euro-Toques* and *Cuisiniers de la République*, is to restore a taste for eating well to children through a variety of healthy, sustainable and, at times, amusing recipes. A talent rewarded by increased attendance in the canteen, enabled by Sodexo's understanding of a great chef's motivations and provision of the means to flourish and achieve a great success of which to be proud.

JEAN-CHRISTOPHE BROUDY,
C'MIDY KITCHEN CHEF AT THE GUILLAUME APOLLINAIRE COLLEGE
IN YVELINES (FRANCE)



PERSONALIZED HOME HELP

“My caregiver has a good sense for the daily priorities as well as the flexibility to adapt to my lifestyle and situation. I am very grateful for the essential support she provides me through meals and cleaning and for her consideration, which goes far beyond my physical needs.”

MARIE-CHRISTINE,
BENEFICIARY OF AMELIS HOMECARE SERVICES,
AIX-EN-PROVENCE (FRANCE)



ACTING FOR A HUNGER-FREE WORLD

“The World Food Programme is relentlessly committed to ending hunger and reaching the Sustainable Development Goals, but we cannot do it alone. For six years, we have partnered with Stop Hunger, benefiting from financial support and the expertise of dedicated Sodexo employees who volunteered to work with us around the world. Together, we have built new tools and identified ways to improve our ability to reach school children with safe and nutritious meals prepared with food grown in their own country and communities. Together, we are making a difference in the lives of millions of people and providing a model for how the private sector can deliver impact.”

VALERIE N. GUARNIERI,
ASSISTANT EXECUTIVE DIRECTOR OF THE UNITED NATIONS
WORLD FOOD PROGRAMME



SERVING COMMUNITIES AND FUTURE GENERATIONS

“SodexoMAGIC strives each day to be recognized as an industry leader anchored in social progress that champions supplier diversity, economic development and sustainability. Our mission is to provide quality of life solutions that empower communities and future generations to eat healthy, live well, and provide opportunities to the underserved. Our 6,500 employees offer best-in-class Food and Facilities Management services at more than 1,700 sites in corporate services, healthcare, universities, K-12 schools and aviation.”

SELENA CUFFE,
SODEXO MAGIC PRESIDENT



WELCOME TO THE CLUB

In creating a Shareholders’ Club in 2019, Sodexo further strengthened its direct relations with its long-term individual shareholders. A true forum for discussion, the initiative provides opportunities to better know Sodexo’s activities, services and managers, follow news about the company and benefit from occasional commercial offers and invitations to events in which the Group participates.



SUPPORTING LOCAL COMMUNITIES

Around the world, Sodexo is committed to developing partnership relationships with local communities. In Canada, Sodexo was certified at the Gold level – for the seventh time – by the CCAB⁽¹⁾ for its PAR⁽²⁾ Program in recognition of the Group’s work with 89 suppliers in 23 communities. In Australia, Sodexo achieved a second elevate reconciliation plan (RAP), which highlights the company’s commitment to reconciliation and the advancement of Aboriginal and Torres Strait Islander Peoples through relationship building, direct employment and the economic development of Indigenous businesses.

¹ Canadian Council for Aboriginal Business.
² Progressive Aboriginal Relations.



CLOSE RELATIONSHIPS FOR A POSITIVE IMPACT

“Sodexo has been a partner for many years, and our collaboration is a perfect example of our common vision for a more sustainable future. Together, our chefs created recipes using ingredients from the Future 50 Foods Report, launched in 2019 by Knorr and WWF-UK. These recipes combine familiar foods, such as lentils, wild rice and kale, with lesser-known foods like fonio, pumpkin flowers and amaranth, selected for their lower environmental impact and high nutritional value. This was a unique opportunity to bring more sustainable and nutritious food choices to consumers across the world, while driving positive change and making a real impact. Sodexo has made these recipes available in 13 countries and 6,500 locations. Our teams are now working to make this even bigger in 2021.”

HARRY BROUWER,
CEO UNILEVER FOOD SOLUTIONS



ON-SITE SERVICES



BENEFITS & REWARDS SERVICES

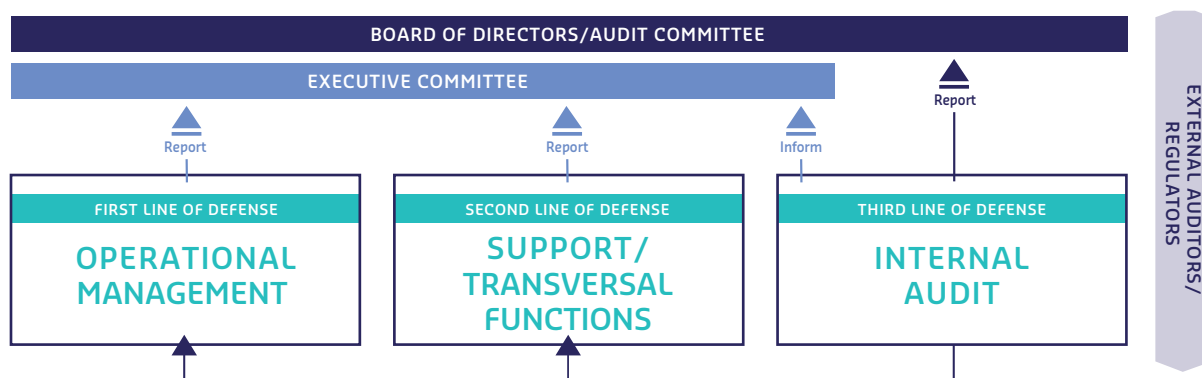


PERSONAL & HOME SERVICES

Identifying and managing risks

As part of its activities and the continuity of its strategy, Sodexo is faced with a certain number of internal and external risks and uncertainties. In order to address them and protect its values, the Group has created an organization and policies aimed at identifying, evaluating, preventing and managing these risks to limit their negative impact.

Operational managers are the first line of defense for identifying and managing risks in their area of activity. Support and transversal functions define the procedures and standards and provide tools and processes for operational staff to manage the risks. Internal audit makes an independent assessment of risk management and recommendations for improvement.



MAIN RISKS

Each year, a risk profile is established based on the risk assessments carried out by senior management of the main entities and interviews with senior executives.

Given the health situation linked to the Covid-19 pandemic and the Group’s current situation, the risk profile has evolved this year to include a risk on the impact of this pandemic.

Thus, the following risks are considered the most significant for Sodexo as of August 31, 2020:

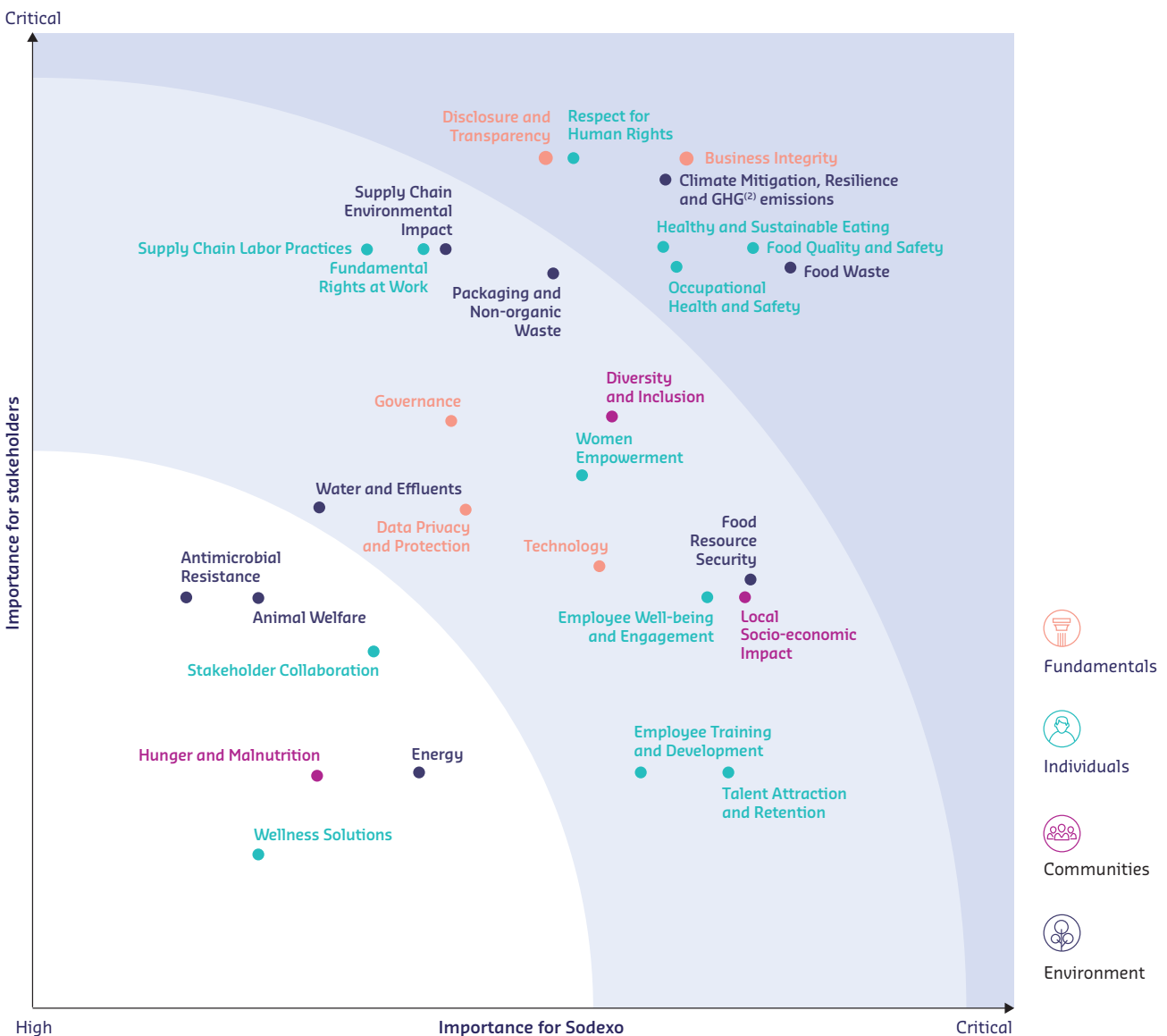
		MEDIUM	HIGH
CLIENT & CONSUMER CENTRIC	Client retention		
	Consumer expectations		
	Bidding risk		
	Competition		
OPERATIONAL EFFICIENCY	Client contract execution		
	Technology and information security		
TALENT	Talent management and development		
	Resource planning		
CORPORATE RESPONSIBILITY	Food, services & workplace safety		
	Environmental impact		
EXTERNAL ENVIRONMENT	Unpredictability of the duration and effects of the Covid-19 pandemic		
	Compliance with laws and regulations		

➤ For more information, see chapter 5 of the Universal Registration Document.

Sharing a common vision

To carry out its mission, Sodexo relies on strong relationships with all of its stakeholders. In 2019, in collaboration with Business for Social Responsibility⁽¹⁾, a new materiality study was conducted to identify and prioritize the key corporate responsibility issues and their impacts. This study was carried out in consultation with internal and external stakeholders, taking into account the evolution of contemporary issues – social, societal and environmental – as well as the evolution of the market and various expectations.

The consultations and analyses with employees, management team members, suppliers, clients, NGO partners, investors and ratings agencies enabled the quantitative and qualitative assessment of the issues identified upstream by Sodexo teams. The 30 issues, clearly defined and ranked by importance, were integrated into and enrich the Better Tomorrow 2025 corporate responsibility roadmap.



¹ Business for Social Responsibility is a non-profit organization that has been developing sustainable business strategies and solutions through consulting, research, and cross-sector collaboration for 25 years.

² GHG: greenhouse gas.

➤ For more information, see chapter 2 of the Universal Registration Document and the dedicated page on [sodexo.com](https://www.sodexo.com).

Our Corporate Responsibility roadmap

Anchored in the Group’s DNA since its creation, Sodexo’s corporate responsibility is expressed through the Better Tomorrow 2025 roadmap. Responding to present and future challenges, it drives the deployment of our actions and measures their impact in the 64 countries where Sodexo operates.




The nine commitments are consistent with the most material issues identified through the materiality process. They are based on tangible and measurable objectives that allow all of its entities to monitor and drive progress.

Faced with the constant increase in the number of people who suffer from hunger, Sodexo reaffirms its commitment and determination to act through Stop Hunger, its main philanthropic cause. Thus the title of the commitment as a corporate citizen in favor of individuals has been changed from “Fight hunger and malnutrition” to “Act sustainably for a hunger-free world”.

This commitment, which is fully in line with the United Nations’ Zero Hunger Sustainable Development Goal, strengthens the notion of sustainability and Sodexo’s willingness to act in the long term. The actions and indicators associated with this commitment have not been impacted by these changes.

In addition, the “500,000 women in communities educated through job training centers” objective has been reformulated to better reflect the actions Sodexo takes in support of women empowerment without limiting itself to training. The new, more ambitious goal is: “500,000 empowered women in communities”.

OUR 9 COMMITMENTS AND 2025 OBJECTIVES

	OUR IMPACT ON INDIVIDUALS	OUR IMPACT ON COMMUNITIES	OUR IMPACT ON THE ENVIRONMENT
 OUR ROLE AS AN EMPLOYER	Improve the quality of life of our employees, safely 80% employee engagement rate	Ensure a diverse workforce and inclusive culture that reflects and enriches the communities we serve 100% of our employees work in countries that have gender balance in their management populations	Foster a culture of environmental responsibility within our workforce and workspaces 100% of our employees are trained on sustainable practices
 OUR ROLE AS A SERVICE PROVIDER	Provide and encourage our consumers to access healthy lifestyle choices 100% of our consumers are offered healthy lifestyle options every day	Promote local development and fair, inclusive and sustainable business practices 10 billion euro of our business value will benefit SMEs ⁽¹⁾	Source responsibly and provide management services that reduce carbon emissions 34% reduction of carbon emissions ⁽²⁾
 OUR ROLE AS A CORPORATE CITIZEN	Act sustainably for a hunger-free world 100 million Stop Hunger beneficiaries	Drive diversity and inclusion as a catalyst for societal change 500,000 empowered women in communities	Champion sustainable resource usage 50% reduction in our food waste

(1) See chapter 2 of the Universal Registration Document.

(2) Absolute reduction in Scope 1, Scope 2 and Scope 3 carbon emissions, compared to a 2017 baseline.

The corporate responsibility roadmap Better Tomorrow 2025 was developed in accordance with the United Nations Sustainable Development Goals (SDGs). The SDGs are a set of global goals in 17 key areas, requiring action by governments, businesses and society to achieve a more just and sustainable world by 2030. All commitments are aligned with these goals.

Enhancing efficiency and promoting performance

As a services company, Sodexo recognizes that employees are central to its ability to create sustainable value.

Sodexo's human resources strategy contributes to achieving its long-term growth objectives. It promotes empowerment, performance and accountability, anticipating resource and skill needs, investing in employee development and ensuring a safe, diverse and inclusive working environment that improves quality of life and fosters professional growth. The company's strategy enables it to manage the identified risks for its 370,000 consumer- and client-facing employees and its 50,000 managers.

A STRATEGY TO ENHANCE OPERATIONAL EFFICIENCY

To reinforce operational efficiencies and provide access to more sustainable employment, Sodexo leverages personnel management programs to connect employees with local opportunities in a huge diversity of roles offered by the company.

In response to shortages in skills and employee turnover, Sodexo helps employees develop skills through comprehensive training programs and the accelerated use of new technologies. Other initiatives include new training centers that enable people to learn new skills, increasing their employability and providing the Group with the right capabilities to deliver its services. In order to anticipate workforce needs, Sodexo implements workforce planning processes and tools.

To ensure fair employment practices (compensation, data management), Sodexo is continuously improving its processes, governance and tools, including deploying a workforce management platform.

SHAPING A CULTURE OF PERFORMANCE

A culture of performance is about differentiating employees based on their individual contribution to the business, rewarding and recognizing their achievements and identifying the talent, that will be key to shaping the future success.

To reinforce its performance culture, Sodexo launched Aspire in 2019, a simplified performance assessment and development tool for its 50,000 managers worldwide. Aspire links manager objectives directly with the business strategy. When combined with the KPIs from the strategic STEP⁽¹⁾ framework, Aspire allows employees to demonstrate real performance impact and contribution to business success. Progress is monitored through ongoing collaborative and constructive dialogue and feedback.

As well as providing the business with an effective tool to support performance-based conversations and help individuals take ownership for their own career development, Aspire provides a framework to capture important information and data, which supports succession planning and talent reviews, which in turn allows Sodexo to support the development of future leaders.

A new compensation philosophy was launched to enhance performance culture and drive ownership through a number of levers. These include salary, which is fair and competitive against internal and external benchmarks; variable pay, which differentiates based on collective and individual achievements; and long-term incentives, which promote future performance and retention.

A STRATEGY TO ANTICIPATE AND ADAPT TO FUTURE NEEDS

The growth of the business relies on the ability to anticipate and adapt to the future needs of clients and consumers. Through research on global trends and insights around the expected impact on clients and consumers, Sodexo is better able to adapt its resource model to meet future needs.

In the context of the Covid-19 pandemic, Sodexo's Human Resources team is working closely with operational teams to assure it provides the relevant support to clients in all segments, both in the immediate and longer-term future.

The short-term focus is on adapting services to ensure that health and safety is prioritized within clients' post-Covid recovery plans. For Sodexo, that means resourcing, training and upskilling employees to deliver standards and services that instill confidence and trust.

In the longer-term, Sodexo must remain agile and responsive to the needs of clients, many of whom will need to re-build and re-shape their businesses to remain competitive and successful. Sodexo also anticipates a war for talent emerging from the pandemic and that as the labor market opens, future candidates will want to work for companies that care for their employees. In line with Sodexo's mission and genuine focus on people, the Group is well positioned to compete for future talent.



¹ STEP for Sodexo Targets for Enhanced Performance.

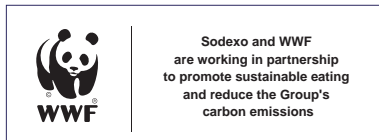


IMPROVING ITS PRACTICES FOR SUSTAINABLE AND RESPONSIBLE SUPPLY

In 2020, Sodexo celebrated the 10th anniversary of partnering with WWF to continuously improve the Group’s operations and procurement practices, as well as to reduce the carbon footprint associated with its activities. The main areas of collaboration are the responsible sourcing of agricultural and seafood products and the reduction of greenhouse gas emissions.

“We are delighted to renew our partnership with Sodexo, a long-standing partner of WWF. With more than 100 million consumers served every day around the world, Sodexo has the ability to drastically reduce its environmental impact in its practices, through its supply chain and in minimizing its carbon footprint. We are fully invested in supporting the company in its transformation and helping to create a collective dynamic throughout the Foodservices sector.”

MARIE-CHRISTINE KORNILOFF,
DEPUTY DIRECTOR FOR ECONOMIC AFFAIRS,
WWF FRANCE



PRESERVING HEALTH, SAFETY AND WELL-BEING

Preserving the health and safety of its employees was Sodexo’s utmost priority during the crisis. This involves not only physical health but also mental health and wellbeing. In the U.S., Sodexo introduced a text campaign to stay connected with frontline teams, when preparing to recall furloughed employees back to the workplace to address any concerns or anxieties they might have about returning to work. In the United Kingdom, the company launched a counseling service dedicated to helping more than 5,000 employees handling the additional pressure of working through the pandemic in healthcare environments.

VIEWING DIVERSITY AS AN OPPORTUNITY

Sodexo joined the Tent Partnership for Refugees in 2018, pledging to hire 300 work-eligible refugees by 2020 in Brazil, Canada, Sweden and the United States. With over 1,500 refugees hired since the initial pledge, Sodexo extended its commitment to hire 2,000 refugees globally by 2025. By providing what is often a first job opportunity in their host communities, Sodexo supports the livelihood and integration of refugees while enriching its teams with new talent.



MAKING INCLUSION A REALITY

In response to the Black Lives Matter movement, Sodexo, like many businesses, reaffirmed its commitment to fighting racism and inequality. In the U.S., Sodexo has deployed a series of race and social justice interventions, training and resources to support its workforce, including a townhall meeting for 5,000 employees, in which leaders engaged in a conversation about race and shared messages of support. In addition, Sodexo hosted several external webinars and mobilized its Diversity Leadership Council. Sodexo’s long-standing commitment to diversity and inclusion is further demonstrated by a 28% increase in African Americans in senior leadership roles and a 17% increase in middle management roles in the U.S. in the past four years alone.

UNDERSTANDING WHAT DRIVES EMPLOYEE ENGAGEMENT

With many employees confined to their homes or working remotely during the pandemic, Sodexo recognized the potential impact of isolation and the increasing importance of engaging teams. Sodexo launched a survey to measure the sentiment of employees and the different feelings and concerns of the teams. The feedback provided important data, which enabled the company to increase the frequency of communications, design e-learning modules to satisfy relevant needs, and further promote regular team and one-to-one conversations. The Group also launched its global engagement survey in September 2020, introducing a far simpler format of 13 key questions – including 3 Covid-related – enabling more agile responses and giving more ownership to site managers to engage their teams and drive performance at a local level. The survey, conducted online and sent to 328,547 employees, attracted a participation rate of 59% (versus 62% in 2018). Despite the pandemic, the employee engagement rate increased by 11 point to 80.1%, expressing employee satisfaction and involvement.



PROMOTING HEALTHY AND SUSTAINABLE FOOD

Sodexo has increased its menu mix target for plant-based meals to more than 30% globally to address the growing consumer demand for sustainable food and more natural, local and healthy ingredients. Sodexo is working with its partners to offer consumers more responsible food choices that positively impact the global food system. Sodexo now offers

its menus based on “Future 50 Foods” that encourage biodiversity at 6,500 sites in 13 countries. This initiative follows Sodexo’s launch of 200 plant-based meals in the U.S. in 2018 and Green & Lean sustainable recipes in the United Kingdom and Ireland in 2017.



FIGHTING AGAINST FOOD WASTE

A member of the United Nations Champions 12.3 initiative, Sodexo has set a 2025 target of reducing food waste by 50% (compared to 2019). To achieve this, the Group is committed to supporting and stimulating the progress made by its chefs and employees on site, like the partnership developed in Australia with the anti-waste food platform Yume. Sodexo also combines its expertise with other member companies of the International Food Waste Coalition (IFWC) as part of a collaborative “from field to fork” approach. In addition, Sodexo joined nine other world leaders in the food industry in founding the 10x20x30 initiative, in which partners engage with their priority suppliers to put in place common processes for measuring waste throughout the value chain.



STRENGTHENING THE ENERGY EFFICIENCY OF SITES

Sodexo is committed to switching to 100% renewable energy by 2025 at its directly operated sites. This ambition extends to its clients, whom the Group supports in improving their energy efficiency and achieving their sustainability goals by offering them a comprehensive energy management service that generates significant savings and significant returns on investment. In Södertälje, Sweden, the external impact of AstraZeneca’s Oazen restaurant was reduced by 67% by accelerating the Sodexo-supported Sparx program in partnership with the innovative company, Klimato, for calculating CO₂ emissions. The Coolab program, developed jointly by Sodexo and Nokia China helped to improve the energy efficiency of Nokia laboratories, saving 1.3 million euro, 12,620 MWh, and 9,945 tons of CO₂ emissions in 2019.



CREATING NEW INCLUSIVE MODELS IN REGIONS

In line with its mission, Sodexo is creating new models for an inclusive, financially sustainable economy that ensures equal opportunity in disadvantaged areas. Embodied by “l’Atelier,” this innovative model is based on consultation with local stakeholders and the needs of the regions. A pilot will be opened in the fall of 2021 in Clichy-sous-Bois (France) and will include a vegetable processing plant, a reception and early childhood center, a community space and a training room. Backed by a partnership with the *Agence nationale de rénovation urbaine*, the model will be deployed in around 20 regions by 2025. This project was also selected in the incubator of the Business for Inclusive Growth (B4IG) coalition, an initiative that Sodexo joined in August 2019. Coordinated by the OECD, the coalition brings together 38 large international companies mobilized to advance human rights within their value chains and to strengthen inclusion throughout their internal and external ecosystems.



CONTRIBUTING TO A HUNGER-FREE WORLD

Created by Sodexo in 1996, Stop Hunger is a global non-profit network acting in 47 countries. The human values and skills of the 26,000 Stop Hunger volunteers benefit local communities and hundreds of NGOs. In Fiscal 2020, they collected 8.6 million U.S. dollars in donations and distributed 7.3 million meals. Over the last 5 years, 44 million beneficiaries have been helped.



INNOVATING FOR THE REDUCTION OF SINGLE-USE PLASTICS

To combat the growing pollution of single-use plastics, Sodexo uses innovative and sustainable packaging and recycling solutions. An internal study identified relevant articles and proposed to replace the plastic articles with reusable, bioplastic and organic materials for clients in 17 countries. In France, FoodChéri, the first foodtech player to have used 100% eco-responsible packaging, is taking up the challenge of the zero-waste offer by proposing companies returnable packaging in reusable plastic. In India, Sodexo has replaced nearly 8 million plastic products with their equivalent in durable materials: paper straws, wooden beverage stirrers, wooden utensils, paper in aluminum packaging.



PRIORITY TO SHORT SUPPLY CHAINS

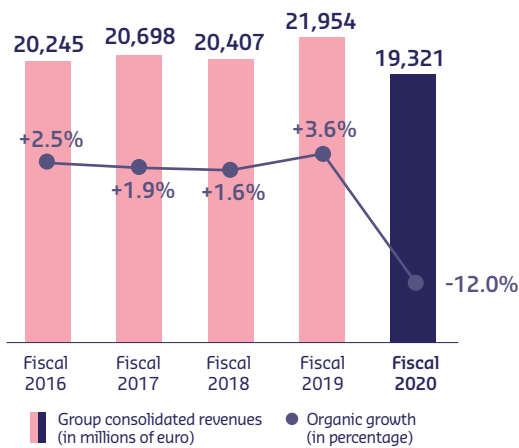
Sodexo’s supply management teams are adopting new supply chain practices, including shorter routes, more local products and increased seasonal offerings. Sodexo gives small businesses priority access to its supply chain through its partner inclusion program and a methodology designed to help small and medium-sized businesses meet the Group’s standards. Globally, 4.4 billion euro of Sodexo business value benefiting small and medium-sized businesses. In France, for instance, 60% of products are sourced from producers through direct supply.

Financial performance

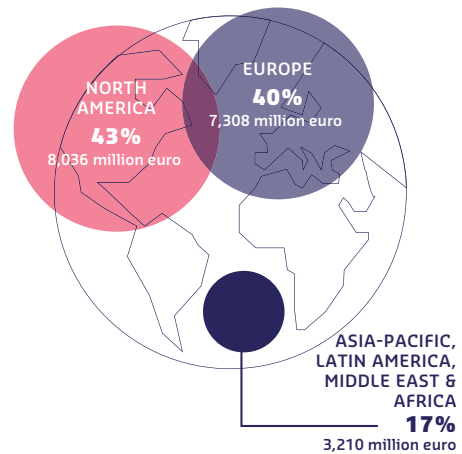
Fiscal 2020

After a first half in line with the Focus on Growth strategic agenda, with organic growth of +3.2%, Sodexo faced an unprecedented decline in business in the second half due to the Covid-19 pandemic, significantly affecting its financial performance and share value. To limit the impact of the crisis and preserve its long-term capacity for action, the Group implemented significant measures during the second half of the year. Sodexo is fully confident in terms of its financial structure, market positioning and medium-term prospects.

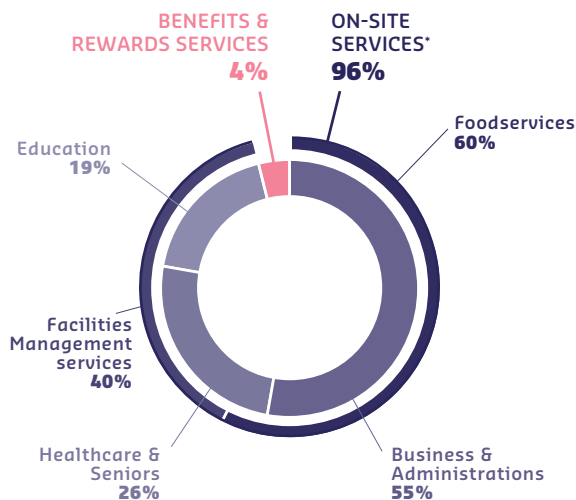
EVOLUTION OF CONSOLIDATED REVENUES AND ORGANIC GROWTH



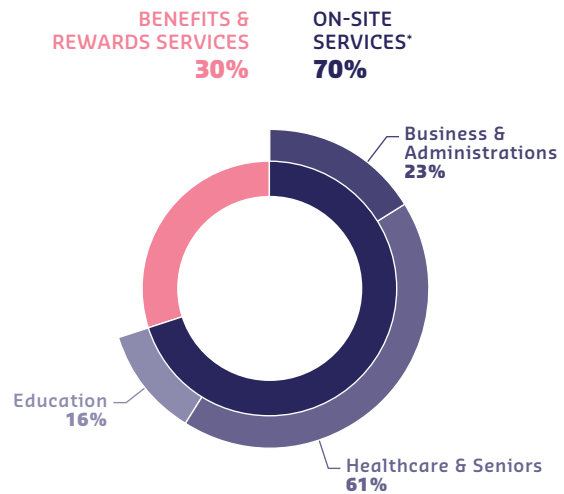
ON-SITE SERVICES REVENUES BY REGION



REVENUES BY ACTIVITY AND CLIENT SEGMENT

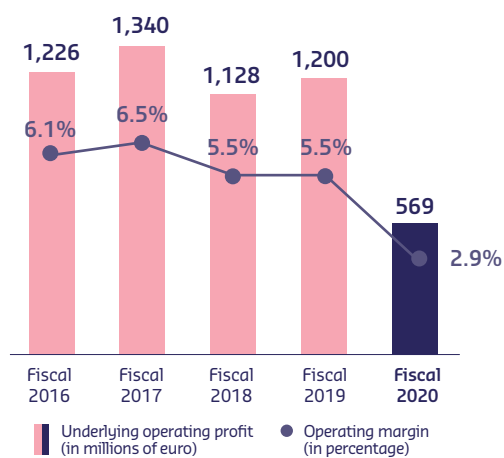


UNDERLYING OPERATING PROFIT BEFORE CORPORATE EXPENSES & INTRAGROUP ELIMINATION BY ACTIVITY AND CLIENT SEGMENT

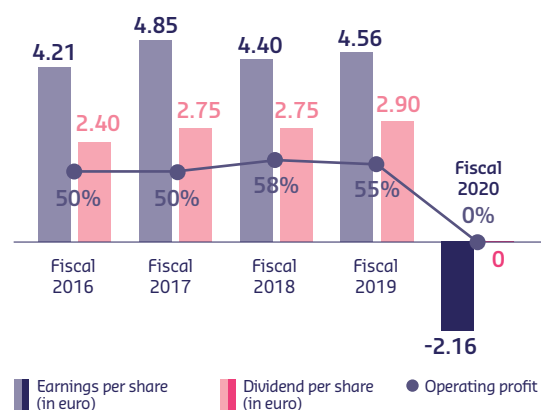


* Including Personal & Home Services.

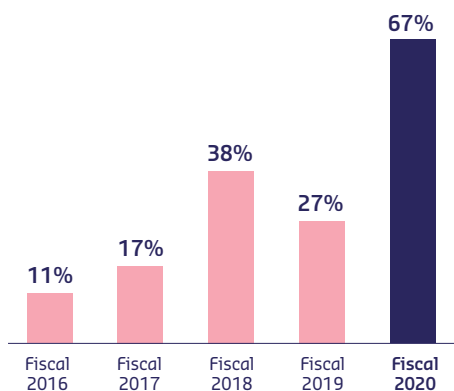
UNDERLYING OPERATING PROFIT AND OPERATING MARGIN



EARNINGS PER SHARE, DIVIDEND PER SHARE AND PAY-OUT RATIO



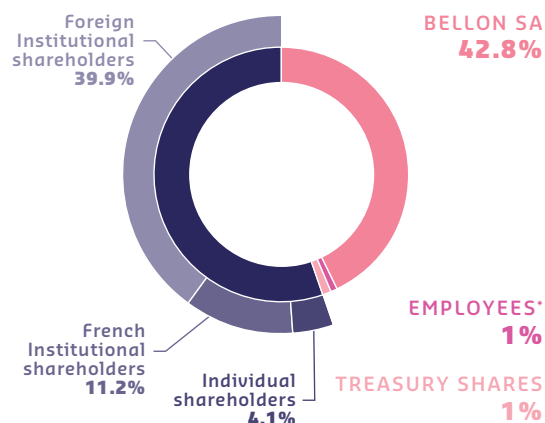
NET DEBT AS A PERCENTAGE OF SHAREHOLDERS' EQUITY*



* Debt net of cash and cash equivalents, restricted cash and financial assets related to Benefits & Rewards Services activity, less bank overdrafts.

SHAREHOLDERS AS OF AUGUST 31, 2020

PUBLIC
55.2%



Source: Nasdaq

* Including shares resulting from restricted share plans held in registered form by employees and still subject to a lock-up period.

SODEXO SHARE PRICE TREND

from September 1, 2019 through August 31, 2020

SODEXO: -42%
CAC 40: -10%

TOTAL SHAREHOLDER RETURN (TSR)

-1.2% per year over the past five fiscal years

$$\frac{\text{Market price at the end of the period} - \text{market price at the beginning of the period} + \text{dividends paid over the period}}{\text{Market price at the beginning of the period}}$$

➔ For more information, see chapter 3 of the Universal Registration Document.

Non-financial performance

Fiscal 2020

Everywhere, Sodexo teams are fully mobilized to ensure the health and safety of all and pursue the Better Tomorrow 2025 corporate responsibility roadmap to contribute to a better future.

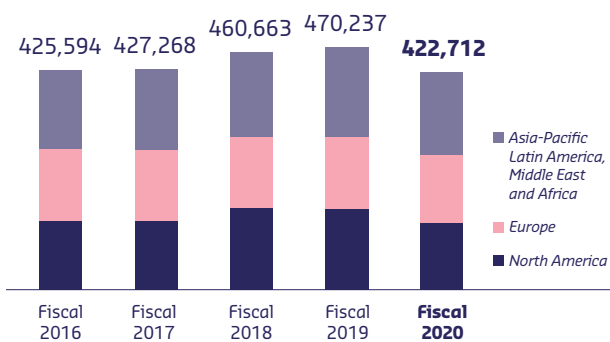
During Fiscal 2020, Sodexo faced an unprecedented decline in business in the second half of the year due to the Covid-19 pandemic, significantly impacting its non-financial performance and the company's workforce.

Disclosure and transparency

Sodexo is convinced that clear, comparable and accessible information on its financial and non-financial performance, enables all of its stakeholders to make informed decisions. Since Sodexo's creation, our financial, social, societal and environmental performance has been publicly disclosed in the Universal Registration Document. To ensure transparency, the information and indicators have been audited by an independent third party for each of the past nine years.

1 IMPROVE THE QUALITY OF LIFE OF OUR EMPLOYEES, SAFELY

EVOLUTION OF WORKFORCE BY GEOGRAPHIC AREA



80.1%

employee engagement rate⁽¹⁾

83.1%

employee retention rate

89.2%

site managers retention rate

0.77

lost time injury rate

8.8 hours

of training on average provided annually per employee (excluding Germany)

INTERNAL PROMOTION RATES BY CATEGORY

5.8%

for Off-site managers

7.3%

for On-site managers

BETTER TOMORROW 2025 OBJECTIVE
80% employee engagement rate

¹ 2020 employee engagement survey sent to 328,547 Sodexo employees of whom 59% responded.

2 ENSURE A DIVERSE WORKFORCE AND INCLUSIVE CULTURE THAT REFLECTS AND ENRICHES THE COMMUNITIES WE SERVE

BETTER TOMORROW 2025 OBJECTIVE
100% of our employees work in countries that have gender balance in their management populations

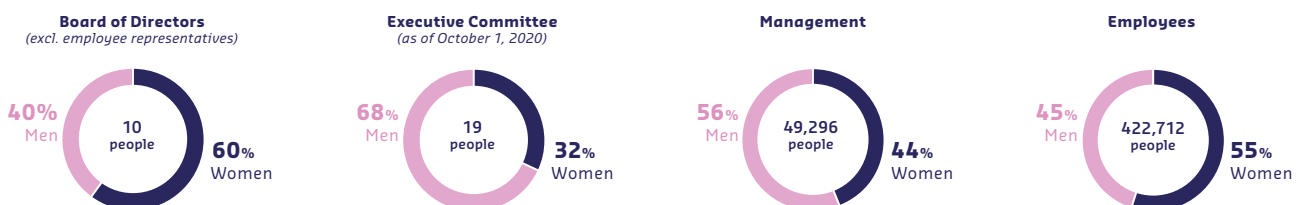
46%

of our employees work in countries that have gender balance in their management

93.5%

of the workforce works in countries with a non-discrimination policy that includes sexual orientation and gender identity

WORKFORCE BY GENDER AND BY CATEGORY (as of August 31, 2020)



3 FOSTER A CULTURE OF ENVIRONMENTAL RESPONSIBILITY WITHIN OUR WORKFORCE AND WORKSPACES

BETTER TOMORROW 2025 OBJECTIVE

100% of our employees are trained on sustainable practices

- > **57,279 employees** trained in sustainable practices
- > **98.3%** of Group revenues from countries employing environmental experts

4 PROVIDE AND ENCOURAGE OUR CONSUMERS TO ACCESS HEALTHY LIFESTYLE CHOICES

BETTER TOMORROW 2025 OBJECTIVE

100% of our consumers are offered healthy lifestyle options every day

- > **5,787 dieticians** employed by Sodexo around the world
- > **96%** of On-site revenues from countries that have a system ensuring that employees with Foodservices responsibilities are trained in accordance with local standards and the overall food safety policy

5 PROMOTE LOCAL DEVELOPMENT AND FAIR, INCLUSIVE AND SUSTAINABLE BUSINESS PRACTICES

BETTER TOMORROW 2025 OBJECTIVE

10 billion euro of our business value will benefit SMEs⁽¹⁾

- > **4.4 billion euro** of our business value benefiting SMEs
- > **57.6%** of the coffee purchased is certified sustainable (in kg)
- > **95.7%** of spend with contracted suppliers having signed Sodexo's Supplier Code of conduct

6 SOURCE RESPONSIBLY AND PROVIDE MANAGEMENT SERVICES THAT REDUCE CARBON EMISSIONS

BETTER TOMORROW 2025 OBJECTIVE

34% reduction of carbon emissions⁽²⁾

- > **15.9%** of reduction in Scopes 1 and 2 carbon emissions (in absolute, compared to 2017 baseline)
- > **10.5%** of reduction in Scope 3 Supply Chain carbon emissions (in absolute, compared to 2017 baseline)
- > **77.7%** of the total of fish and seafood procured is from sustainable sources

7 ACT SUSTAINABLY FOR A HUNGER-FREE WORLD

BETTER TOMORROW 2025 OBJECTIVE

100 million Stop Hunger beneficiaries

- > **44 million** Stop Hunger beneficiaries
- > **26,000** volunteers committed in Stop Hunger solidarity initiatives
- > **7.3 million** meals distributed to the most deprived

8 DRIVE DIVERSITY AND INCLUSION AS A CATALYST FOR SOCIETAL CHANGE

BETTER TOMORROW 2025 OBJECTIVE

500,000 empowered women in communities

- > **45,495** empowered women in communities
- > **94.8%** of Group revenues from countries with initiatives to improve the quality of life of women

9 CHAMPION SUSTAINABLE RESOURCE USAGE

BETTER TOMORROW 2025 OBJECTIVE

50% reduction in our food waste

- > **45.3%** reduction in our food waste at the 291 sites that have deployed the WasteWatch program
- > **90.7%** of Group revenues from countries working to deliver on the United Nations' food waste objective

Acting responsibly is at the heart of our mission and everything we do on a daily basis. Sodexo is recognized for these commitments and encourages its teams to make progress to reduce our impact on ecosystems.

Sodexo is a member of the ESG 80, FTSE4Good and Dow Jones Sustainability Index and ranks as the leader in its sector for the 15th consecutive year. The Group is also ranked 1st among companies in its sector in the SAM Sustainability Yearbook and, for the 11th consecutive year, among the best companies in the DiversityInc ranking for LGBTQ+ employees, recruitment of women of color and executives women leaders. Sodexo also holds Ecovadis Gold certification.



> For more information, see chapter 2 of the Universal Registration Document.

¹ Small and Medium Enterprises.

² Absolute reduction in Scope 1, Scope 2 and Scope 3 carbon emissions, compared to a 2017 baseline.

A responsible compensation policy

In the interest of Sodexo and its stakeholders, and in accordance with our values, the Board of Directors ensures that the company offers a responsible compensation policy to deliver performance and achieve Sodexo’s long-term strategy.



OUR COMPENSATION POLICY, BALANCING INDIVIDUAL AND COLLECTIVE RECOGNITION AND LONG- AND SHORT-TERM PRIORITIES, SEEKS TO STRENGTHEN OUR CULTURE OF PERFORMANCE. THE STRONG AND RESPONSIBLE DECISIONS MADE DURING THE YEAR, IN RESPONSE TO THE EXCEPTIONAL SITUATION WE ARE FACING, REFLECT SODEXO’S VALUES.”

CÉCILE TANDEAU DE MARSAC,
Chairwoman of the Compensation Committee

PRINCIPLES FOR COMPENSATION

- COMPLIANCE
- COMPETITIVENESS
- COMPLETENESS BALANCE
- PERFORMANCE
- TRANSPARENCY
- ALIGNMENT OF INTERESTS

EMPLOYEE RELIEF PROGRAM



In April 2020, faced with the social and economic consequences of the Covid-19 pandemic, Sodexo decided to create an Employee Relief Program. This global program, administered locally according to the specific needs of each country, supports the most vulnerable on-site staff that have been impacted by the business interruption and resulting revenue declines.

This solidarity initiative was enabled by a contribution from the company and by the reduction of the compensation of the Group’s senior executives for a total of 30 million euro.

- The compensation of Sophie Bellon, Chairwoman of the Board of Directors, was reduced by 50% for the second half of the fiscal year.
- The fixed compensation of Denis Machuel, Chief Executive Officer, was reduced by 50% over the second half of the fiscal year and his variable compensation was suppressed for Fiscal 2020.
- Fixed compensation for Executive Committee members was reduced by 10% over the second half of the fiscal year, and their annual variable compensation was suppressed.
- The 200 senior executives, from all geographies, activities and segments, also contributed to this program through the cancellation of their annual variable compensation.

COMPENSATION OF THE CHAIRWOMAN OF THE BOARD OF DIRECTORS



➤ Compensation structure

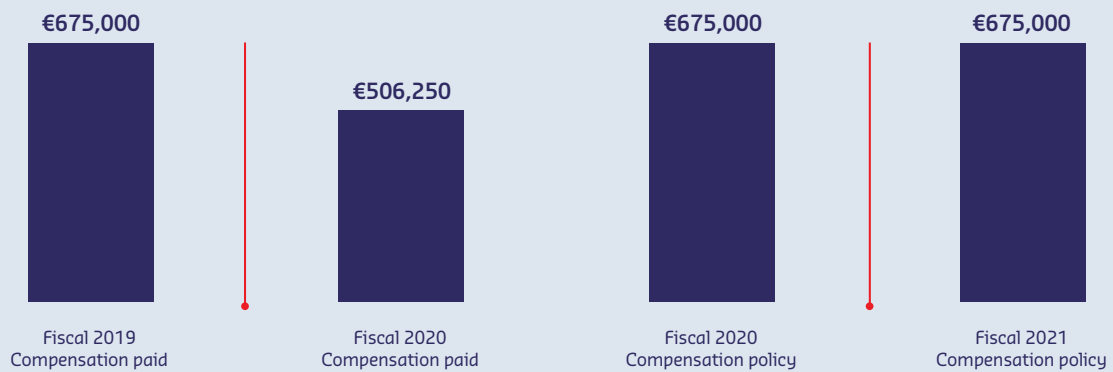
The compensation structure applicable to the Chairwoman of the Board of Directors comprises a fixed compensation payment and collective health and benefit plans. As the Chairwoman is a non-executive director, in line with market

practices in France, she does not receive any variable compensation, either short-term annual or multi-year, nor does she benefit from a long-term incentive plan.

➤ Compensation details

- For Fiscal 2020, annual fixed compensation theoretically attributable to the Chairwoman of the Board of Directors was 675,000 euro.
- The compensation actually paid to Sophie Bellon, Chairwoman of the Board of Directors for Fiscal 2020 was 506,250 euro due to the decision made by the Board of Directors to reduce her fixed compensation by 50% during the second half of Fiscal 2020.
- The compensation of the Chairwoman of the Board of Directors will remain unchanged for Fiscal 2021 (675,000 euro).

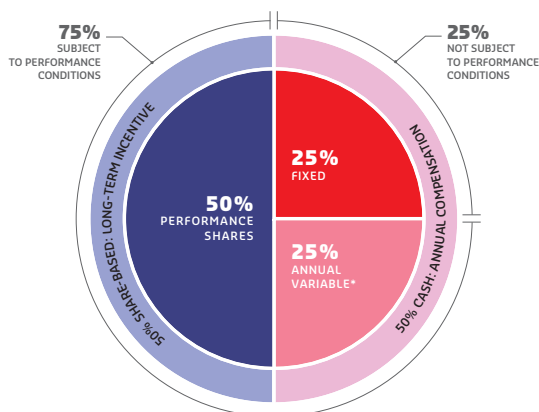
➤ Summary of the fixed compensation of the Chairwoman of the Board of Directors



COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer's compensation policy is structured to achieve a balance between long- and short-term performance in order to promote the Group's development for the benefit of all of its stakeholders.

➤ Compensation structure



* Assuming objectives 100% achieved.

➤ Compensation details

FIXED COMPENSATION

- The Chief Executive Officer's annual fixed compensation, unchanged since his appointment on January 23, 2018, is 900,000 euro, reflecting the inherent responsibilities in the role.
- The fixed compensation actually paid to Chief Executive Officer Denis Machuel for Fiscal 2020 was 675,000 euro, due to the decision of the Board of Directors to reduce his fixed compensation for the second half of Fiscal 2020 by 50%.
- The Chief Executive Officer's fixed compensation for Fiscal 2021 will remain unchanged (900,000 euro).

ANNUAL VARIABLE COMPENSATION

- The Chief Executive Officer’s annual variable compensation is intended to encourage the achievement of the annual performance targets determined by the Board of Directors in line with Sodexo’s strategy.
- If all of the applicable targets are achieved, the annual variable compensation amounts to 100% of his annual fixed compensation (900,000 euro) and may reach up to 150% (1,350,000 euro) if the targets are exceeded.

	Weight	Fiscal 2020 Results	Achievement level
FINANCIAL PERFORMANCE			
Organic growth	20%	-12%	0%
Underlying operating profit margin excl. currency effect	20%	2.9%	0%
Net income growth (in millions of euro)	10%	(315)	0%
Free cash flow (in millions of euro)	20%	72	0%
NON-FINANCIAL PERFORMANCE			
Health and Safety (lost time injury rate)	10%	0.77	100%
Talent management	10%	-	75%
DJSI	10%	#1	100%
TOTAL	100%		27.5%

Given the impact of the sanitary crisis on the Fiscal 2020 performance, the level of attainment of the objectives was 27.5 %, or implicitly, variable compensation amounting to 247,500 euro.

However, given the decision made by the Board of Directors, the variable compensation for Fiscal 2020 has been suppressed.

Exceptionally and given the sanitary crisis caused by the Covid-19 pandemic, the budget for Fiscal 2021 is established for each of the first and second halves of the year, in line with the financial objectives communicated to the market. Thus, the financial performance targets were set in October 2020 for the first semester and will be set in April 2021 for the second semester.

For Fiscal 2021, the achievement rate for the Chief Executive Officer’s variable compensation will be measured at two points in time: following publication of the half-year interim results and following publication of the annual results. This structure will apply to all employees eligible for variable compensation.

LONG-TERM COMPENSATION

The long-term compensation program is intended to increase the Chief Executive Officer’s motivation and loyalty while aligning his interests with those of the Company’s stakeholders.

Long-term compensation currently consists solely of performance share grants.

Pursuant to the decision of the Board of Directors of November 6, 2019 to reduce the vesting-period from four

to three years, and in order to maintain a regular annual delivery of performance shares, no performance shares were granted to the Chief Executive Officer in Fiscal 2020.

Long-term compensation awarded in Fiscal 2021 will be subject to performance criteria and to a presence condition.

Summary of the compensation of the Chief Executive Officer



* Amount of up to 1,350,000 euro if targets are exceeded.

For more information, see chapter 5 of the Universal Registration Document.



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