

# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS FISCAL 2020

April 2021

Dear Global Compact,

Sodexo has been a signatory of the UN Global Compact since 2003.

I am pleased to reconfirm our commitment to the ten principles, and these are reflected in Sodexo's Better Tomorrow 2025, our worldwide Corporate Responsibility roadmap covering 64 countries, 30,000 sites and 420,000 employees. Better Tomorrow 2025 is an evolved version of the Better Tomorrow Plan which was launched in 2009. In Fiscal 2016, we have reinforced our commitments by finalizing Better Tomorrow 2025, which we have thoroughly mapped to the United Nations Sustainable Development Goals.

Specifically, as a signatory of the **Women's Empowerment Principles** (WEPs) we are acting on advancing gender equity and women's empowerment in the workplace; and as a participant in the **Champions 12.3** global coalition we are tackling food loss and waste throughout our value chain.

Whilst we have made progress against our commitments to operate responsibly, as outlined in our Fiscal 2020 Universal Registration Document, we recognize the need to constantly challenge ourselves, both to meet the changing expectations of our stakeholders and to drive long term growth.

*"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."*

*"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."*

Denis MACHUEL, Chief Executive Officer and Chairman of the Executive Committee  
SODEXO, November 2020

In 2003, Sodexo joined the United Nations Global Compact and thereby made a commitment to respecting its ten principles. The Global Compact challenges businesses to operate according to ten principles covering bribery and corruption, human rights, labor and the environment. Since 2004, Sodexo has participated in the program and submitted a Communication on Progress (COP). The following Index is structured according to the 21 criteria for an Advanced Level Communication on Progress (COP) and is compiled from Sodexo's [Fiscal 2020 Registration Document](#) as well as the web site [www.sodexo.com](http://www.sodexo.com).

United Nations Global Compact  
Index for the 21 criteria for an Advanced Level Communication on Progress (COP)

Criterion 1: Mainstreaming into corporate functions and business units	
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives.	<ul style="list-style-type: none"> <li>Corporate Responsibility Governance – <a href="#">p.42</a></li> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> </ul>
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy.	<ul style="list-style-type: none"> <li>Better Tomorrow 2025 – <a href="#">p. 48, 49, 60 - 80</a></li> <li>Sodexo web site – <a href="#">Corporate Responsibility section</a></li> </ul>
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	<ul style="list-style-type: none"> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> </ul>
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	<ul style="list-style-type: none"> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> </ul>
Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts	<ul style="list-style-type: none"> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> </ul>
Other established or emerging best practices: Materiality process	<ul style="list-style-type: none"> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> <li>Identifying and managing risks &amp; material issues - <a href="#">Risk Management and Materiality assessment (p. 40, 41)</a></li> </ul>
Criterion 2: Describes value chain implementation	
Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	<ul style="list-style-type: none"> <li>Sodexo Web site - <a href="#">Responsible Governance section</a></li> <li>Identifying and managing risks &amp; material issues - <a href="#">Risk Management and Materiality assessment (p. 40, 41)</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Environmental practices – <a href="#">p.76 - 80</a></li> <li>Risk factors – <a href="#">p.244-250</a></li> <li>Risk management and internal control process – <a href="#">p. 242, 243</a></li> </ul>
Communicate policies and expectations to suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Responsible Sourcing section</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Partner Inclusion Program – <a href="#">p.76, 77</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>

Implement monitoring and assurance mechanisms (e.g., audits/screenings) for compliance within the company's sphere of influence	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Responsible Sourcing section</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Partner Inclusion Program – <a href="#">p.76, 77</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> <li>Risk management and internal control process – <a href="#">p. 242, 243</a></li> <li>Sodexo Supplier Code of Conduct – <a href="#">all</a></li> </ul>
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Responsible Sourcing section</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Partner Inclusion Program – <a href="#">p.76, 77</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> <li>Our Stakeholders relations – <a href="#">all</a></li> </ul>
Other established or emerging best practices: Participation in collaborative initiatives to accelerate transformation in the value chain: Clinton Global Initiative Global Sustainable Seafood Initiative Seafood Working Group (previously the Sustainable Shrimp Task Force) Technical agreement with WWF	<ul style="list-style-type: none"> <li>Our Stakeholders relations – <a href="#">all</a></li> </ul>
<b>Criterion 3: Robust commitments, strategies or policies in the area of human rights</b>	
Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates	<ul style="list-style-type: none"> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>Sodexo web site – <a href="#">Responsible Business Conduct</a></li> </ul>
Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	<ul style="list-style-type: none"> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li><a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li><a href="#">Human Rights policy</a></li> </ul>
Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1)	<ul style="list-style-type: none"> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li><a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li><a href="#">Human Rights policy</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Partner Inclusion Program – <a href="#">p.76, 77</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> <li>Sodexo Supplier Code of Conduct – <a href="#">all</a></li> </ul>
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)	<ul style="list-style-type: none"> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li><a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li><a href="#">Human Rights policy</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Partner Inclusion Program – <a href="#">p.76, 77</a></li> </ul>

	<ul style="list-style-type: none"> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> <li>• Sodexo Supplier Code of Conduct – <a href="#">all</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>
Other established or emerging best practices: Active participation in ILO working groups	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> </ul>
<b>Criterion 4: Describes effective management systems to integrate the human rights principles</b>	
Process to ensure that internationally recognized human rights are respected	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li>• <a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li>• <a href="#">Human Rights policy</a></li> </ul>
On-going due diligence process that includes an assessment of actual and potential human rights impacts	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li>• <a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li>• <a href="#">Human Rights policy</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
Internal awareness-raising and training on human rights for management and employees	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> </ul>
Operational-level grievance mechanisms for those potentially impacted by the company's activities (BRE 4 + ARE 4)	<ul style="list-style-type: none"> <li>• <a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> <li>• <a href="#">Human Rights policy</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
Allocation of responsibilities and accountability for addressing human rights impacts	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Internal decision-making, budget and oversight for effective responses to human rights impacts	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>

Criterion 5: Describes effective monitoring and evaluation mechanisms of human rights integration	
Monitoring draws from internal and external feedback, including affected stakeholders	<ul style="list-style-type: none"> <li>• <a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> <li>• <a href="#">Human Rights policy</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4)	<ul style="list-style-type: none"> <li>• <a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> <li>• <a href="#">Human Rights policy</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
Criterion 6: Describes robust commitments, strategies or policies in the area of labor	
Reference to principles of relevant international labor standards (ILO Conventions) and other normative international instruments in company policies	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li>• <a href="#">Sodexo Statement of Respect for Human Rights</a></li> <li>• <a href="#">Human Rights policy</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> <li>• <a href="#">Human Rights policy</a></li> </ul>
Reflection on the relevance of the labor principles for the company	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• Sodexo web site – <a href="#">Responsible Business Conduct</a></li> </ul>
Written company policy to obey national labor law, respect principles of relevant international labor standards in worldwide company operations and engage in dialogue with representative organization of the workers (international, sectoral, national).	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Inclusion of reference to the principles contained in the relevant international labor standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• Sodexo web site – <a href="#">Responsible Sourcing section</a></li> <li>• Partner Inclusion Program – <a href="#">p.76, 77</a></li> <li>• Vigilance Plan – <a href="#">p. 233-235</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> <li>• <a href="#">Human Rights policy</a></li> </ul>
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	<ul style="list-style-type: none"> <li>• Diversity and Inclusion - <a href="#">p.21, 44, 704</a></li> <li>• Sodexo web site - <a href="#">Diversity and Inclusion</a></li> </ul>
Participation and leadership by employers' organizations (international and national) to jointly address challenges related to labor standards in the countries of operation,	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> </ul>

possibly in a tripartite approach (business – trade union – government)	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Responsible Business Conduct</a></li> </ul>
Structural engagement with a global union, possibly via a Global Framework Agreement	<ul style="list-style-type: none"> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>Sodexo web site – <a href="#">Responsible Business Conduct</a></li> <li><a href="#">Sodexo and IUF International Framework Agreement</a></li> </ul>
Other established or emerging best practices: Sodexo UK – 2021 Social Impact Pledge - a set of commitments which are designed to help Sodexo UK & Ireland contribute to achieving a fairer and better society	<ul style="list-style-type: none"> <li><a href="#">Sodexo UK Social Impact Pledge</a></li> </ul>
<b>Criterion 7: Describes effective management systems to integrate the labor practices</b>	
Risk and impact assessments in the area of labor	<ul style="list-style-type: none"> <li>Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> </ul>
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labor standards	<ul style="list-style-type: none"> <li>Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> </ul>
Allocation of responsibilities and accountability within the organization	<ul style="list-style-type: none"> <li>Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> </ul>
Internal awareness-raising and training on the labor principles for management and employees	<ul style="list-style-type: none"> <li>Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> </ul>
Active engagement with suppliers to address labor-related challenges	<ul style="list-style-type: none"> <li>Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> <li><a href="#">Human Rights policy</a></li> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>
Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers	<ul style="list-style-type: none"> <li><a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> <li><a href="#">Statement of Business Integrity</a></li> <li><a href="#">Business Integrity Guide</a></li> <li><a href="#">Human Rights policy</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
<b>Criterion 8: Describes effective monitoring and evaluation mechanisms of labor principles integration</b>	
System to track and measure performance based on standardized performance metrics	<ul style="list-style-type: none"> <li>Indicators, reporting methodology and Statutory Auditor's Report - <a href="#">p.81- 88</a></li> </ul>
Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future	<ul style="list-style-type: none"> <li>Constructive Social Dialogue – <a href="#">p.75</a></li> </ul>

Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labor standards.	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>
Process to positively engage with the suppliers to address the challenges through schemes to improve workplace practices	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>
Outcomes of integration of the Labor principles	<ul style="list-style-type: none"> <li>• Human Resources – Our commitments as an employer – <a href="#">p.69-75</a></li> </ul>
<b>Criterion 9: Describes robust commitments, strategies or policies in the area of environmental stewardship</b>	
Reflection on the relevance of environmental stewardship for the company	<ul style="list-style-type: none"> <li>• Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>• Sodexo web site – <a href="#">Environmental impact section</a></li> <li>• <a href="#">Sodexo target to reduce its climate impact</a></li> </ul>
Written company policy on environmental stewardship	<ul style="list-style-type: none"> <li>• Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>• <a href="#">Sodexo target to reduce its climate impact</a></li> <li>• <a href="#">Sodexo Joins RE100 initiative</a></li> </ul>
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• We Engage Suppliers – <a href="#">p.76, 77</a></li> <li>• Sodexo web site – <a href="#">Responsible Sourcing section</a></li> </ul>
Specific commitments and goals for specified years	<ul style="list-style-type: none"> <li>• Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>• Sodexo web site – <a href="#">Environmental impact section</a></li> <li>• <a href="#">Sodexo target to reduce its climate impact</a></li> </ul>
Other established or emerging best practices: Leadership in the establishment of collaborative initiatives for example on waste through the International Food Waste Coalition and on sustainable seafood through the Global Sustainable Seafood Initiative	<ul style="list-style-type: none"> <li>• We Engage – <a href="#">Stakeholder Engagement</a></li> </ul>
<b>Criterion 10: Describes effective management systems to integrate the environmental principles</b>	
Environmental risk and impact assessments	<ul style="list-style-type: none"> <li>• Environmental risks – <a href="#">p.249</a></li> </ul>
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	<ul style="list-style-type: none"> <li>• Our commitments to the environment – <a href="#">p.76 - 80</a></li> </ul>



	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Environmental impact section</a></li> <li>Sodexo web site - <a href="#">Circularity approach</a></li> <li><a href="#">Sodexo Circular Economy paper</a></li> </ul>
Allocation of responsibilities and accountability within the organization	<ul style="list-style-type: none"> <li>Corporate Responsibility Governance – <a href="#">all</a></li> <li>Our commitments to the environment – <a href="#">p.76 - 80</a></li> </ul>
Internal awareness-raising and training on environmental stewardship for management and employees	<ul style="list-style-type: none"> <li>Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>Sodexo web site – <a href="#">Environmental impact section</a></li> </ul>
Other established or emerging best practices: Multi-stakeholder awareness raising processes, for example, WasteLESS Week	<ul style="list-style-type: none"> <li>Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>Sodexo web site – <a href="#">Environmental impact section</a></li> </ul>
<b>Criterion 11: Describes effective monitoring and evaluation mechanisms for environmental stewardship</b>	
System to track and measure performance based on standardised performance metrics	<ul style="list-style-type: none"> <li>Indicators, reporting methodology and Statutory Auditor's Report - <a href="#">p.81- 88</a></li> </ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"> <li>Corporate Responsibility Governance – <a href="#">all</a></li> <li>Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>Indicators, reporting methodology and Statutory Auditor's Report - <a href="#">p.81- 88</a></li> </ul>
Process to deal with incidents	<ul style="list-style-type: none"> <li>Health, Safety and Environment – <a href="#">p. 74, 75</a></li> </ul>
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	<ul style="list-style-type: none"> <li>Responsible Sourcing Practices – <a href="#">p.77</a></li> <li>Vigilance Plan – <a href="#">p. 233-235</a></li> </ul>
Outcomes of integration of the environmental principles	<ul style="list-style-type: none"> <li>Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>Sodexo web site – <a href="#">Environmental impact section</a></li> <li><a href="#">Sodexo target to reduce its climate impact</a></li> </ul>
<b>Criterion 12: Describes robust commitments, strategies or policies in the area of anti-corruption</b>	
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes (B2)	<ul style="list-style-type: none"> <li><a href="#">Human Rights policy</a></li> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li><a href="#">Code of conduct for Senior Managers</a></li> <li><a href="#">Statement of Business Integrity</a></li> <li><a href="#">Business Integrity Guide</a></li> </ul>
Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)	<ul style="list-style-type: none"> <li><a href="#">Human Rights policy</a></li> <li>Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li><a href="#">Code of conduct for Senior Managers</a></li> <li><a href="#">Statement of Business Integrity</a></li> </ul>



	<ul style="list-style-type: none"> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Detailed policies for high-risk areas of corruption (D4)	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Policy on anti-corruption regarding business partners	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>
<b>Criterion 13: Describes effective management systems to integrate the anti-corruption principle</b>	
Support by the organization's leadership for anti-corruption	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Carrying out risk assessment of potential areas of corruption (D3)	<ul style="list-style-type: none"> <li>• Ethics and compliance – <a href="#">p. 231, 232</a></li> </ul>
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8)	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Internal checks and balances to ensure consistency with the anti-corruption commitment	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Actions taken to encourage business partners to implement anti-corruption commitments (D6)	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>• Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>

Management responsibility and accountability for implementation of the anti-corruption commitment or policy	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights policy</a></li> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> <li>• <a href="#">Code of conduct for Senior Managers</a></li> <li>• <a href="#">Statement of Business Integrity</a></li> <li>• <a href="#">Business Integrity Guide</a></li> </ul>
Communications (whistle blowing) channels and follow-up mechanisms for reporting concerns or seeking advice	<ul style="list-style-type: none"> <li>• <a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> </ul>
Internal accounting and auditing procedures related to anticorruption (D10)	<ul style="list-style-type: none"> <li>• Respect for human rights – Our commitments as an employer – <a href="#">p.8, 75, 231, 232</a></li> </ul>
<b>Criterion 14: Describes effective monitoring and evaluation mechanisms for the integration of anti-corruption</b>	
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"> <li>• Ethics and compliance – <a href="#">p. 231, 232</a></li> <li>• Indicators, reporting methodology and Statutory Auditor's Report - <a href="#">p.81- 88</a></li> </ul>
<b>Criterion 15: Describes core business contributions</b>	
Align core business strategy with one or more relevant UN goals/issues	<ul style="list-style-type: none"> <li>• <a href="#">Endorsement of the UN Caring for Climate initiative</a></li> <li>• <a href="#">Endorsement of the Women Empowerment's Principles</a></li> <li>• <a href="#">Partnership with the United Nations World Food Programme (WFP)</a></li> </ul>
Develop relevant products and services or design business models that contribute to UN goals/issues	<ul style="list-style-type: none"> <li>• Our commitments to the environment – <a href="#">p.76 - 80</a></li> <li>• Sodexo web site – <a href="#">Environmental impact section</a></li> <li>• Sodexo web site - <a href="#">Circularity approach</a></li> <li>• <a href="#">Sodexo Circular Economy paper</a></li> </ul>
<b>Criterion 16: Describes strategic social investments and philanthropy</b>	
Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	<ul style="list-style-type: none"> <li>• Our commitments to Local Communities – <a href="#">p.76, 77</a></li> <li>• Sodexo web site – <a href="#">Local Communities section</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>
Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors	<ul style="list-style-type: none"> <li>• Our commitments to Local Communities – <a href="#">p.76, 77</a></li> <li>• Sodexo web site – <a href="#">Local Communities section</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	<ul style="list-style-type: none"> <li>• Our commitments to Local Communities – <a href="#">p.76, 77</a></li> <li>• Sodexo web site – <a href="#">Local Communities section</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>

Criterion 17: Describes advocacy and public policy engagement	
Publicly advocate the importance of action in relation to one or more UN goals/issues	<ul style="list-style-type: none"> <li>• <a href="#">Sodexo target to reduce its climate impact</a></li> <li>• <a href="#">Partnership with the United Nations World Food Programme (WFP)</a></li> <li>• <a href="#">Endorsement of the UN Caring for Climate initiative</a></li> <li>• <a href="#">Endorsement of the Women Empowerment's Principles</a></li> </ul>
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	<ul style="list-style-type: none"> <li>• <a href="#">Quality of Life Conference</a></li> <li>• <a href="#">Quality of Life Conference – Press releases</a></li> <li>• <a href="#">Better Tomorrow Plan Summits</a></li> </ul>
Criterion 18: Describes partnerships and collective action	
Develop and implement partnership projects with public or private organizations on core business, social investments and/or advocacy	<ul style="list-style-type: none"> <li>• Sodexo web site - <a href="#">We Engage Institutions</a></li> <li>• <a href="#">Stop Hunger and the World Food Programme</a></li> <li>• <a href="#">The International Food Waste Coalition</a></li> <li>• <a href="#">Sodexo partners of the Women's Forum</a></li> </ul>
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	<ul style="list-style-type: none"> <li>• <a href="#">The International Food Waste Coalition</a></li> <li>• <a href="#">Partnership with the WWF</a></li> <li>• <a href="#">Partnership for a Healthier America</a></li> <li>• <a href="#">The Global Sustainable Seafood Initiative</a></li> <li>• <a href="#">Roundtable on Sustainable Palm Oil</a></li> <li>• <a href="#">Partnership with the OECD</a></li> <li>• <a href="#">The Global Sustainable Seafood Initiative</a></li> </ul>
Criterion 19: Describes CEO commitment and leadership	
CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	<ul style="list-style-type: none"> <li>• Corporate Responsibility Governance – <a href="#">all</a></li> </ul>
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	<ul style="list-style-type: none"> <li>• UNGC COP CEO Statement (front page of this document)</li> <li>• <a href="#">Towards a more human economy</a> – Michel Landel, Sodexo's CEO</li> <li>• <a href="#">Committed to Gender Balance</a></li> <li>• <a href="#">Endorsement of the UN Caring for Climate initiative</a></li> <li>• <a href="#">Endorsement of the Women Empowerment's Principles</a></li> </ul>
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	<ul style="list-style-type: none"> <li>• <a href="#">Towards a more human economy</a> – Michel Landel, Sodexo's CEO</li> <li>• <a href="#">Committed to Gender Balance</a></li> <li>• <a href="#">Endorsement of the UN Caring for Climate initiative</a></li> <li>• <a href="#">Endorsement of the Women Empowerment's Principles</a></li> </ul>

Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	Corporate Responsibility Governance – <a href="#">all</a>
<b>Criterion 20: Describes Board adoption and oversight</b>	
Board of Directors (or equivalent) assumes responsibility and oversight of long-term corporate sustainability strategy and performance	<ul style="list-style-type: none"> <li>• Messages from the Chairwoman of the Board and the Chief Executive Officer – <a href="#">p.4,5-5</a> and <a href="#">p.16, 17</a></li> <li>• Corporate Responsibility Governance – <a href="#">all</a></li> </ul>
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability	<ul style="list-style-type: none"> <li>• Corporate Responsibility Governance – <a href="#">all</a></li> </ul>
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	<ul style="list-style-type: none"> <li>• Indicators, reporting methodology and Statutory Auditor's Report - <a href="#">p.81- 88</a></li> </ul>
<b>Criterion 21: Describes stakeholder engagement</b>	
Publicly recognizes responsibility for the company's impacts on internal and external stakeholders	<ul style="list-style-type: none"> <li>• Sodexo web site - <a href="#">We Engage section</a></li> </ul>
Define sustainability strategies, goals and policies in consultation with key stakeholders	<ul style="list-style-type: none"> <li>• Materiality Analysis – <a href="#">p.41</a></li> <li>• Sodexo web site - <a href="#">We Engage section</a></li> </ul>
Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	<ul style="list-style-type: none"> <li>• Materiality Analysis – <a href="#">p.41</a></li> <li>• Sodexo web site - <a href="#">We Engage section</a></li> </ul>
Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle blowers'	<ul style="list-style-type: none"> <li>• Materiality Analysis – <a href="#">p.41</a></li> <li>• Sodexo web site - <a href="#">We Engage section</a></li> <li>• <a href="#">Speak Up Ethics Line - Sodexo grievance mechanism</a></li> </ul>

<b>Women's Empowerment</b> <b>The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace</b>	
Achieving and maintaining gender equality in senior management and board positions	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
Achieving and maintaining gender equality in middle management positions	<ul style="list-style-type: none"> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
Equal pay for work of equal value	<ul style="list-style-type: none"> <li><a href="#">Pay gap reporting</a></li> </ul>
Flexible work options	<ul style="list-style-type: none"> <li>As An Employer – <a href="#">p.74</a></li> </ul>
Recruitment and retention, including training and development, of female employees	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
Gender-based violence and harassment	<ul style="list-style-type: none"> <li><a href="#">The Corporate Alliance – 16 days of action against domestic violence</a></li> <li><a href="#">Sodexo Commitment to Action that Addresses Ending Violence Against Women</a></li> </ul>
Education and training opportunities for women workers	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
Mentoring and sponsorship opportunities for women workers	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> </ul>
<b>Women's Empowerment</b> <b>The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace</b>	
Supplier diversity programme	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li><a href="#">Supporting women in communities</a></li> </ul>
Support for women business owners and women entrepreneurs	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li><a href="#">Supporting women in communities</a></li> </ul>
Supplier monitoring and engagement on women's empowerment and gender equality including promotion of the Women's Empowerment Principles to suppliers	<ul style="list-style-type: none"> <li>Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li><a href="#">Supporting women in communities</a></li> <li>Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct</a></li> <li>Sodexo web site – <a href="#">Sodexo Supplier Code of Conduct – Supplier Guide</a></li> </ul>

<b>Women's Empowerment</b> <b>The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community</b>	
Ensuring female beneficiaries of community programmes	<ul style="list-style-type: none"> <li>• Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>• Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li>• <a href="#">Supporting women in communities</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>
Community initiatives specifically targeted at the empowerment of women and girls	<ul style="list-style-type: none"> <li>• <a href="#">Supporting women in communities</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> <li>• <a href="#">Sodexo Chefs Bridge Culture and Food During Hispanic Heritage Month Celebrations</a></li> <li>• <a href="#">Families learn about healthful cooking</a></li> <li>• <a href="#">List as a company providing the most opportunities for Latinos</a></li> <li>• <a href="#">Ecokitchen</a></li> <li>• <a href="#">MALDEF and Sodexo Partner to Bring Health and Wellness Initiative to Chicago Neighborhoods</a></li> </ul>
Strategies to ensure that community investment projects and programmes (including economic, social and environmental) positively impact women and girls	<ul style="list-style-type: none"> <li>• Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>• Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li>• <a href="#">Supporting women in communities</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>
Strategies to ensure that community investment projects and programmes (including economic, social and environmental) include the full participation of women and girls	<ul style="list-style-type: none"> <li>• Diversity and Inclusion – <a href="#">p.69 - 74</a></li> <li>• Sodexo web site – <a href="#">Diversity and Inclusion section</a></li> <li>• <a href="#">Supporting women in communities</a></li> <li>• <a href="http://www.stop-hunger.org">www.stop-hunger.org</a></li> </ul>
<b>Women's Empowerment</b> <b>The COP contains or refers to sex-disaggregated data</b>	
Achieving and maintaining gender equality in senior management and board positions	<ul style="list-style-type: none"> <li>• Diversity and Inclusion – <a href="#">p.69 - 74</a></li> </ul>
Achieving and maintaining gender equality in middle management positions	<ul style="list-style-type: none"> <li>• Diversity and Inclusion – <a href="#">p.69 - 74</a></li> </ul>

## 2.2 EXTRA-FINANCIAL REPORTING

The Covid-19 pandemic had a significant impact on our performance and affected many indicators. Nevertheless, our extra-financial indicators, especially around our ambition to reduce carbon emissions and preserve resources, progressed positively. On that front, WasteWatch, our program to prevent food waste is producing significant results, as are our efforts to build a sustainable and responsible supply chain.

In addition, the Covid-19 crisis brought to light the validity of our approach to strategic Human Resources management, especially regarding talent management and training. Our staff showed remarkable mobilization and resilience throughout the crisis, and their commitment was measured directly in the field.

### 2.2.1 420,000 employees serving clients and consumers

The health crisis experienced during the second half had a significant impact on the number and distribution of employees by region and segment. The most impacted regions are mainly North America and Asia. In Europe, government support measures helped to mitigate the impact on employees. In order to limit the impact of the crisis on our employees, Sodexo implemented a number of initiatives, such as:

- the creation of the Sodexo Employee Relief Program, enabled by the reduction of the remuneration of the Group's key

executives, to provide financial or material assistance to the most vulnerable employees on site, especially in regions where there is no government aid;

- the transfer of employees impacted by the slowdown in activity to other parts of the business or externally to companies in sectors with a higher level of activity and greater demand for staff.

#### 2.2.1.1 Workforce by segment and activity

	NUMBER OF PEOPLE		BREAKDOWN	
	FISCAL 2020	CHANGE	FISCAL 2020	FISCAL 2019*
Business & Administrations ☑	246,785	-30,810	58.4%	59.0%
Health Care & Seniors ☑	81,369	-6,158	19.2%	18.6%
Education ☑	80,372	-9,857	19.0%	19.2%
<b>TOTAL ON-SITE SERVICES ☑</b>	<b>408,526</b>	<b>-46,825</b>	<b>96.6%</b>	<b>96.8%</b>
BENEFITS & REWARDS SERVICES ☑	4,708	-193	1.1%	1.0%
GROUP HEADQUARTERS AND SHARED STRUCTURES ☑	9,478	-507	2.2%	2.1%
<b>TOTAL ☑</b>	<b>422,712</b>	<b>-47,525</b>	<b>100%</b>	<b>100%</b>

\* Restated for inter-segment reclassification.

The total number of employees has decreased by -10%, lower than the decline in revenue of -12% and in organic growth. During the Covid-19 pandemic, government assistance such as partial unemployment schemes implemented in some European countries, helped to retain employees without Sodexo bearing the full cost. As of August 31, 2020, we have 3,000 unpaid employees and 26,000 benefited from partial unemployment

schemes. The number of employees was reduced by 38,000 employees across all segments due to the health crisis.

In the Business and Administrations segment, the decrease in the number of employees was primarily due to the decline in activity in Corporate Services and the sudden stop of Sports & Leisure activity in North America and Europe which occurred mid-March.



In Healthcare, the decrease in the number of employees was mainly due to contract terminations or exits in North America and the United Kingdom.

In the Education segment, given the weight of activity in North America, the significant decline in activity in the region and the absence of partial unemployment measures in the United States,

the workforce was significantly impacted by Covid-19. In Europe, the workforce was stable.

In Benefits & Rewards Services, after a slight increase in the first half of the year, the workforce declined in the second half, ending at a level similar to Fiscal 2019.

### 2.2.1.2 Workforce by region

	FISCAL 2020	FISCAL 2019
North America	30.3%	33.1%
Europe	31.2%	30.0%
Asia-Pacific, Latin America, Middle East and Africa	38.5%	36.9%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

The decline in the share of employees in North America is related to the lack of furlough schemes in the United States and to the significant weight of Sports & Leisure and Education activities.

The decline in the workforce in Europe is more moderate due to the partial unemployment schemes introduced by governments.

Finally, the workforce was down slightly in Asia-Pacific, Latin America, the Middle East and Africa. Only in India did the workforce decline significantly. The decline in the workforce in Brazil was moderate and mitigated by a sustained level of activity despite Covid-19.

### 2.2.1.3 Workforce by category

	FISCAL 2020		FISCAL 2019	
	TOTAL	% FEMALE	TOTAL	% FEMALE
Board of Directors <input checked="" type="checkbox"/> <sup>(1)</sup>	10	60%	10	60%
Executive Committee <input checked="" type="checkbox"/>	20	30%	20	35%
Group Senior Executives <input checked="" type="checkbox"/> <sup>(2)</sup>	204	40%	203	37%
Managers <input checked="" type="checkbox"/>	49,296	44%	52,179	44%
All Employees <input checked="" type="checkbox"/>	422,712	55%	470,237	55%

(1) Excluding the 2 members of the Board who are employee representatives.

(2) Group Senior Executives include the key functions reporting directly to Global Group Executive Committee members, higher-level sales and operations and high potentials.

The percentage of women on the Executive Committee decreased slightly due to the rotation of its members but remains high at 30%.

Conversely, the share of women among the Group's senior executives, the main talent pool of potential members of the Executive Committee, as well as among managers, continues to increase.

#### BETTER TOMORROW 2025 OBJECTIVE

**100 %** of our employees work in countries that have gender balance in their management population

	FISCAL 2020	FISCAL 2019
% of employees working in countries that respect gender balance in their management	46.0%	50.4%

The decrease in the percentage of employees working in countries that respect gender balance in their management is a result of segments in which gender balance fell slightly below

the 40% threshold used for the calculation. The Universities segment in North America, where the percentage is 39.2%, is an example.

## 2.2.1.4 Workforce by age and average seniority

	FISCAL 2020		FISCAL 2019	
	EMPLOYEES	MANAGERS	EMPLOYEES	MANAGERS
Under 30 years	22.9%	10.1%	28.6%	12.1%
30-40 years	24.7%	30.0%	22.7%	29.6%
40-50 years	23.6%	29.9%	21.6%	29.1%
50-60 years	20.6%	22.8%	19.0%	22.1%
Over 60 years	8.2%	7.2%	8.1%	7.0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(in number of years)	FY 2020	FY 2019
Managers	9.2	8.6
Employees	5.1	4.6
<b>AVERAGE SENIORITY</b>	<b>5.6</b>	<b>5.1</b>

## 2.2.1.5 New hires excluding acquired companies and contract transfers

	FISCAL 2020	FISCAL 2019	CHANGE
Employees	126,904	175,599	-48,695
Managers	7,020	9,353	-2,333
<b>TOTAL</b>	<b>133,924</b>	<b>184,952</b>	<b>-51,028</b>

New hires decreased in Fiscal 2020 as a result of the significant impact of the Covid-19 crisis had on our activity leading to site closures and the slowdown of activity on sites that remained open. The redeployment of employees between segments (estimated at 4,000), particularly towards the Healthcare segment, also helped to limit the need for external recruitment during the crisis. This redeployment presented a benefit in terms of both efficiency and safety. As part of their activities

at their initial site, these employees were already trained in the Company's procedures, especially on our Health and Safety protocols.

Finally, the decrease in the number of new hires is consistent with the decline in the number of departures and the higher retention rate of our employees.

## 2.2.1.6 Departures by reason on continuous contracts (excluding site losses)

	FISCAL 2020	FISCAL 2019	CHANGE
Resignations (less than 3 months)	26,347	35,297	-8,950
Resignations (after 3 months) ☑	76,712	85,317	-8,605
<b>TOTAL RESIGNATIONS</b>	<b>103,059</b>	<b>120,614</b>	<b>-17,555</b>
Dismissals or redundancy	48,673	42,152	+6,521
Retirement and other reasons	5,870	6,638	-768
<b>TOTAL NUMBER OF DEPARTURES</b>	<b>157,602</b>	<b>169,404</b>	<b>-11,802</b>

As a result of the health crisis, the number of resignations fell and the number of redundancies was particularly high during the second half of the year in countries in which we experienced a significant slowdown in activity and where there was no partial unemployment scheme in place.

### 2.2.1.7 Talent retention

	FISCAL 2020	FISCAL 2019
Retention rate for total workforce <input checked="" type="checkbox"/>	83.1%	81.6%
Retention rate for site managers <input checked="" type="checkbox"/>	89.2%	87.2%

The retention rate is calculated based on employees present in the Group for more than three months. Fewer resignations during the pandemic and long-term loyalty initiatives, such as

the WinBack policy in India, led to an improvement compared to Fiscal 2019. In addition, we also carry out numerous actions to better target our recruitment efforts in all regions.

RETENTION RATE FOR SITE MANAGERS	COUNTRIES
> 90%	Argentina, Belgium, Brazil, Chile, France, Germany, Italy, Netherlands, Russia, Spain, Sweden, United Kingdom
80%-90%	Australia, Canada, China, Colombia, Finland, India, United States

## 2.2.2 Engaged employees

**BETTER TOMORROW 2025 OBJECTIVE**  
**80% employee engagement rate**

In September 2020, Sodexo conducted its eighth global engagement survey for all employees. The number of employees participating in the survey is 193,704 employees in 64 countries. The survey, conducted online, attracted a high participation rate of 59% (versus 62% in 2018). Despite the Covid-19 crisis, the engagement rate increased by 11 points, expressing both satisfaction and involvement. Engagement rate is a key performance indicator for Sodexo, which seeks to become one of the most admired companies by its employees in the world.

To continue to lead the engagement conversation, Sodexo has evolved the engagement framework and approach to one of continuous listening and management empowerment. The solution enables each manager to be active on engagement, creating their own surveys in between global ones, with instant access to results. This allows managers to engage teams more regularly and dynamically and implement measures quickly to address any challenges.

In 2020, given the Covid-19 context, Sodexo launched Pulse surveys to understand the impact of the pandemic on our management teams. 5,895 responses were received from 8 regions and Benefits & Rewards. The feedback enables Sodexo to identify key action points to enhance support for employees and improve Sodexo's response to the pandemic consequences.

	SEPTEMBER 2020	JUNE 2018	CHANGE
Number of respondents	193,704	239,520	-19%
Response rate <sup>(1)</sup>	59%	62%	-3 pts
Employee engagement rate <input checked="" type="checkbox"/>	80.1%	69%	+11.1 pts
Employee Net Promoter Score <sup>(2)</sup>	39.3	-	-
% of employees believing that Sodexo values diversity, such as age, gender, culture and origin, religion, sexual orientation and providing opportunities for individuals with disabilities, in the workplace	93%	82%	+11 pts
% of employees considering Sodexo to be a socially and environmentally responsible company	93%	80%	+13 pts

(1) Adjusted from employees not present due to furlough.

(2) Employee Net Promoter Score measures whether employees would recommend Sodexo as a place to work. Calculated by subtracting the share of Detractors from share of Promoters. Results go from -100 to 100.

## 2.2.3 Investment in employee skills development

### 2.2.3.1 Employee development

#### BETTER TOMORROW 2025 OBJECTIVE

**100%** of our employees are trained on sustainable practices

Sodexo is convinced that the satisfaction of its clients and consumers depends largely on the skills and talents of its employees.

The Learning and Development Teams offer Sodexo employees a wide range of professional and learning programs.

In today's environment, it is more essential than ever to focus on talent development.

With the pandemic, we reinforced our empowerment and self-learning strategy, which is anchored in our continued investment in digital learning pathways. During the crisis, we launched a

new Learning & Support Hub intended for particular employees. We also continued to work with our executives to enhance their leadership skills through the platform Praditus.

Moreover, training our employees about environmental issues is an essential lever for improving our services, raising awareness, and changing behaviors towards sustainability. In order to reach our ambitious 2025 target, we decided to implement and deploy a global training program starting in fiscal year 2020.

The decline in the number of hours of training per employee over the fiscal year can be mainly explained by the number of employees on furlough, part-time working or taking time off work during the health crisis.

For the first time we are reporting on sustainable practices training.

	FISCAL 2020	FISCAL 2019	CHANGE
Total number of training hours	3,976,387	4,017,650*	~*
Average number of hours of training per employee	8.8	12.4*	~*
Number of employees trained on sustainable practices	57,279	-	

\* For FY 2019, the number of training hours excluded the United States due to data quality and Germany due to constraints imposed by trade unions.

Our desire to promote the training of our employees unfortunately did not produce the expected results this fiscal year. The decline in the number of hours of training per

employee over the fiscal year can be explained namely by partial unemployment or stoppage in activity during the health crisis.

### 2.2.3.2 Internal promotion at the heart of Sodexo's model

Since its creation, Sodexo encourages its employees to give the best of themselves and offer opportunities for advancement. This policy encourages them to develop a career plan, explore new professional horizons and take on new responsibilities.

	FISCAL 2020	FISCAL 2019
% of <b>off-site managers promoted internally</b>	5.8%	7.6%
% of <b>on-site managers promoted internally</b>	7.3%	8.8%
% of employees promoted internally	2.9%	2.2%

## 2.2.4 Flexible organization, respectful of employees, offering good working conditions

Because people work better when they work in a professionally fulfilling, stable and secure environment, Sodexo ensures that its employees are the first to benefit from its mission to improve Quality of Life and is committed to improving their well-being.

The Group's organizational model ensures the quality and continuity of service while remaining attentive to the expectations of its employees, in accordance with local legislation. Part-time work and use of fixed-term contracts provide the flexibility for business needs.

Around the world, Sodexo promotes work flexibility for its employees, taking into account their lifestyle and ways of

working. Where possible, the Group facilitates a good work-life balance, which leads to better individual performance. By being committed and effective, Sodexo employees are better able to deliver quality service to clients and consumers.

	FISCAL 2020	FISCAL 2019
% Workforce working part-time	27.0%	28.4%

The percentage of part-time employees decreased mainly due to the closure of most sites in the Sports & Leisure segment.

### 2.2.4.1 Ensuring employee safety

Health and safety are critical for any organization. As an employer of over 420,000 people who operate in diverse environments with their own specific characteristics and risks, Sodexo is especially concerned by this imperative.

We are convinced that accidents can be prevented, and we are committed to a "Zero Harm" vision. We believe that the best way to achieve this is to create a strong health and safety culture supported by the required processes, systems and tools to manage health and safety risks. Sodexo's global Health and Safety Policy guides its actions in this area by defining minimum standards for each business entity and is based on OHSAS 18001.

Despite the challenges of Covid during the past year, Sodexo has continued to improve its health and safety performance and

standards, including through the creation of a Medical Advisory Council. The Council provides technical guidance and review of the health and safety protocols for our evolving services, especially those related to Covid-19, bringing the necessary confidence to clients and employees to continue or resume their activities. The Council also discusses ways in which Sodexo can interact with populations to encourage compliance with protective measures. Finally, it provides the latest information to ensure rapid adoption of best practices in line with local requirements.

The Council functions as a governance body and is composed of experts from around the world in epidemiology, general medicine, nutrition, occupational and behavioral health, as well as pandemic planning and management.

	FISCAL 2020	FISCAL 2019
% of Group revenues of countries having one or more OHSAS 18001 or ISO 4500 <input checked="" type="checkbox"/>	86.6%	88.4%
Number of work related accidents requiring leave <input checked="" type="checkbox"/>	2,502	3,426
Average number of work day absences per employee due to work-related accident or illness and non-work-related accident or illness	11.0	8.3
LTIR	0.77	0.86
Best performance: LTIR for the Energy & Resources segment	0.16	0.10
% LTIR reduction	11.1%	11.1%
% of Group revenues of countries employing environmental experts	98.3%	97.6%

Sodexo's LTIR is the frequency of accidents per 200,000 hours worked. 200,000 hours worked is a proxy for 100 full time equivalent employees working for a full year.

Fiscal year 2020 LTIR is a composite of work-related lost time safety (injury) cases and work-related lost time health (illness) cases: Fiscal year 2019 LTIR only included lost time safety (injury) cases as lost time health (illness) case data was not available for all global reporting entities.

LTIR for Fiscal year 2020 has been adjusted to remove all furlough (temporary leave) payroll hours related to Covid-19.

LTIR reduction of 11.1% includes lost time health cases. This corresponds to a 12.1% annualized reduction over the last 5 years. Excluding lost time health cases, the Fiscal year 2020 LTIR reduction (lost time safety cases only) was 18.5%.

## 2.2.4.2 Collective agreement for health and safety

Sodexo maintains an open and constructive dialogue with duly recognized trade unions and legal representatives of its employees on issues of mutual concern.

In France, more than ten Committees and a dedicated team work on Health and Safety issues. All managers throughout the organization are incentivized on the reduction of the Lost Time Injury Rate (LTIR).

Sodexo's International Framework Agreement with the IUF (International Union of Food, Agriculture, Hotel Restaurant Catering, Tobacco and Allied Worker's Associations) includes commitments to protect health and safety by implementing measures to prevent sexual harassment, in compliance with local legislation. Sodexo's collective agreements may also include provisions regarding health and safety as deemed appropriate.

	FISCAL 2020	FISCAL 2019
% of workforce covered by collective agreements	43.1%	40.3%
% of workforce working in countries that have collective agreements and are covered by those agreements	88.3%	88.8%

## 2.2.5 Running business with integrity and respect for human rights wherever Sodexo operates

Loyalty, respect for people, transparency and integrity: Sodexo's core values must be known and understood by all employees, who are expected to act in accordance with them. At the center of our ethical principles is our commitment to business integrity. To ensure integrity in all business dealings, Sodexo has adopted strict principles, which are formulated in its Statement of Business Integrity and accompanied by a guide for employees on how to put them into practice.

Sodexo's commitments to Human Rights and Fundamental Rights at Work are laid out in the Human Rights Policy and the Fundamental Rights at Work charter.

The Group's Human Rights policy is based on the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Our occupational Health and Safety policy is captured in the Group Health and Safety Policy and Environmental Policy is covered by the Better Tomorrow 2025 roadmap.

The Sodexo Supplier Code of conduct sets forth the rules to which suppliers and sub-contractors are required to commit as a condition of doing business with Sodexo. This Supplier Code of conduct is supported by a Guide to help our suppliers to understand and act on their obligations.

To strengthen the Group's ethical practices in the conducting of its operations and its governance principles, and to analyze the impact of changes in laws and regulations, Sodexo has set up a working group of executives whose functions are related to these subjects. This group plays a central role in defining, implementing and monitoring systems designed to ensure the soundness and compliance of Sodexo's activities.

In June 2017, Sodexo and the International Union of Food Workers (IUF) signed an agreement to prevent and combat sexual harassment in the workplace. Sodexo and the IUF want to ensure that all employees are aware of what constitutes sexual harassment, that they fully understand what is expected of them and that they are able to report any concern or suspected abuse confidentially. As a result of this agreement, training of all employees in this policy and their responsibilities became mandatory.

	FISCAL 2020	FISCAL 2019
% of workforce working in countries having the Sodexo Statement of Business Integrity available in at least one official language	98.5%	98.1%
% of workforce working in countries having the Group Human Rights policy available in at least one official language	97.6%	97.4%
% of employees working in countries with a non-discrimination policy that includes sexual orientation and gender identity (on-site activity only)	93.5%	-

## 2.2.6 Our commitments as a service provider<sup>(1)</sup>

### 2.2.6.1 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

We serve 100 million consumers every day and are fully aware of the importance to understand and meet their specific needs as well as their longer-term aspirations by providing a healthy, sustainable and personalized offer.

We believe that providing and promoting healthy lifestyle choices, which improve the quality of life for millions of people, is as much an opportunity as it is an obligation.

Because our food choices influence our health and have a decisive impact on our environment, but also on the lives of all those who grow, produce and prepare what we eat, we strive to anchor quality and responsibility at the heart of our catering offer. Every day, our chefs and dietitians work together to create tasty recipes that meet consumers' nutritional needs and respect the environment.

With "Mindful by Sodexo," our quality label, consumers can be assured of the transparency of the ingredients and the nutritional and taste quality of the meals, and thus make informed choices in accordance with their health and well-being objective.

	FISCAL 2020	FISCAL 2019	CHANGE
% of On-site Services revenues of countries having a system to ensure that employees with food service responsibilities are trained in compliance with local laws and regulations and Global Food Safety and Hygiene Policy	96.0%	95.8%	+0.2 pt
% of Group revenues of countries having one or more ISO 9001 certification	94.5%	94.3%	+0.2 pt
% of On-site Services revenues of countries providing Health and Wellness Services including physical wellness services	87.7%	83.3%	+4.4 pts
Number of registered dietitians employed by Sodexo	5,787	5,138	+12.6%

The number of dietitians employed by Sodexo has increased significantly, due to increases in Brazil, France and Chile, reflecting the Group's commitment to provide healthy and sustainable food, developed with experts in the field, even more in the context of the current health crisis.

### 2.2.6.2 Promote local development, fair, inclusive and sustainable business practices



#### BETTER TOMORROW 2025 OBJECTIVE

**10 billion** euro of our business value will benefit SMEs

Convinced of its mission to deliver quality of life, Sodexo has, since its founding, contributed to the economic and social development of the communities, regions and countries in which the Group operates.

We ensure that our activities have a positive impact on the quality of life within local communities. This is why we engage

with them, develop strong and mutually beneficial relationships, and strive to extend the virtuous circle created by our solutions to our entire ecosystem.

Our Partner Inclusion Program was created to encourage the economic development of local businesses around the world. Wherever we are present, we support Small and Medium Enterprises, favor suppliers from minorities and favor companies with inclusive recruitment, which promote diversity within their teams.

<sup>1</sup> The environmental performance indicators are calculated on a 12-month period, from June 1, 2019 to May 31, 2020; therefore the Covid-19 impact is not as significant as for the social indicators.



	FISCAL 2020	FISCAL 2019	CHANGE
% of Group revenues of countries having specific initiatives to integrate SMEs (Small and Medium Enterprises) into Sodexo's Value Chain	92.9%	92.3%	+0.6 pt
Our business value benefiting SMEs (in billions of euro)	4.4	5.5	-19.1%
% in kg of certified sustainable coffee	57.6%	58.1%	-0.4 pt
% of spend with contracted suppliers having signed the Sodexo Supplier Code of conduct <input checked="" type="checkbox"/>	95.7%	95.7%	0 pt

Our business value to the benefit of SMEs declined significantly in fiscal year 2019-2020. This is mainly due to the decline in the revenues, but also to the variation in the Brazilian real exchange rate during the year, Brazil Benefits & Rewards activity representing more than 40% of the total value of the indicator.

### 2.2.6.3 Source responsibly and provide management services that reduce carbon emissions



Our long-term quality of life depends on our ability to preserve our planet and its resources and each of our actions must contribute. The development of responsible sourcing practices and the management of services that contribute to reducing carbon emissions are two major areas of our activities, in line with our commitment to act in a meaningful way for the environment.

Half of Sodexo's carbon emissions come from its supply chain, mostly from products such as beef, dairy, palm oil, soybeans and paper, which also impact deforestation. Ensuring that every euro spent creates a positive impact on individuals, communities and the environment is at the heart of our responsible sourcing roadmap. The natural ecosystem pillar of this roadmap is based

on three key ambitions: promoting sustainable agriculture, co-developing products and services based on the principles of the circular economy and improving the management of the resource efficiency.

Sodexo is convinced of the importance of collaboration throughout its value chain, in service of its ambition for the health and well-being of its employees and consumers, social equity, and the protection and restoration of natural ecosystems. In 2018, Sodexo co-founded the Global Coalition for Animal Welfare (GCAW), the first global food industry-led initiative to improve animal welfare around the world. With the help of our partners, we are building sustainable business practices by creating a more responsible and resilient supply chain.

	FISCAL 2020	FISCAL 2019	CHANGE
<b>Responsible Sourcing</b>			
% of certified sustainable palm oil (including RSPO credits, Mass Balance, Segregation and Identity Preserved)	100%	100%	
% of physical certified sustainable palm oil (Mass Balance, Segregation and Identity Preserved)	32.5%	34.7%	-2.2 pts
% of cage free shell eggs (of the total of shell eggs purchased by Sodexo)	45.0%	56.2%	-11.2 pts
% of cage free liquid eggs (of the total liquid eggs purchased by Sodexo)	67.6%	60.8%	+6.8 pts
% of On-site Services revenues of countries having the 2018 Sodexo Animal Welfare Supplier charter available in at least one official language	88.0%	89.1%	-1.1 pts
% of certified sustainable fish and seafood as a% of total fish and seafood	36.6%	36.3%	+0.3 pt
% of sustainable fish and seafood which is sustainable as a% of total seafood (in kg)*	77.7%	80.3%	-2.6 pts
% of spend on certified sustainable paper disposables as a% of total paper disposables <input checked="" type="checkbox"/>	71.3%	67.3%	+4.4 pts

\* As per Sodexo Sustainable Seafood Sourcing Guide.

The shell eggs indicator has declined significantly from the previous period, due to declines in China and in the United States, the second and third largest volumes of shell egg purchases, respectively. This is explained by an increased level of scrutiny in our data collection process and better traceability of the products purchased.

The liquid eggs indicator has, on the contrary, increased, in particular due to the increase in the share of cage free liquid eggs in the United States, which alone represent more than 72% of the total volume of liquid eggs.

#### BETTER TOMORROW 2025 OBJECTIVE

34% reduction of carbon emissions

	FISCAL 2020	FISCAL 2019	CHANGE
<b>Reduction in carbon emissions</b>			
% of Group revenues of countries having one or more ISO 14001 certification	88.7%	91.1%	-2.4 pt
Scope 1 and Scope 2 (market based) emissions (tCO <sub>2</sub> e)	121,479	126,230	-4,7651
Ratio des émissions de CO <sub>2</sub> rapportées au chiffre d'affaires, exprimé en tonnes de CO <sub>2</sub> sur un million d'euros (tCO <sub>2</sub> e/EUR millions)	5.83	5.75	+0.08 pt
% reduction in absolute Scope 1 and Scope 2 carbon emissions (compared to 2017 baseline)	15.9%	13%	-
% reduction in intensity Scope 1 and Scope 2 carbon emissions (compared to 2017 baseline)	16.5%	18%	-
% Scope 1 and Scope 2 renewable electricity	20.3%	19.6%	+0.7 pt
Scope 3 Supply Chain carbon emissions (tCO <sub>2</sub> e)	6,630,901	5,121,136*	-
% reduction in absolute Scope 3 Supply Chain carbon emissions (compared to 2017 baseline)	10.5%	-	-
% reduction in intensity Scope 3 Supply Chain carbon emissions (compared to 2017 baseline)	12.0%	-	-

\* For Fiscal 2019, the coverage rate for this indicator represented 65% and we decided not to extrapolate the data to 100% of the activity. For Fiscal 2020, the published information represents 100% of supply chain emissions, therefore the data for the previous fiscal year is not comparable.

Starting with Fiscal 2020 we will publish the reductions in carbon emissions compared to the 2017 reference year, which reflects the -34% target set by the Group and validated in July 2019 by the Science Based Target initiative (SBTi).

We are recording significant reductions for all of our carbon emissions, in line with our reduction projections, helped by the reduction in activity linked to the Covid-19 crisis.

The reduction in intensity Scope 1 and Scope 2 carbon emissions (compared to 2017 baseline) is less significant compared to last year. This is mainly due to the improvement in the calculation

methodology as we no longer use the national grid average emissions factors for our electricity consumption, but the country specific residual factors which are more precise and are generally higher.

In a spirit of progress and transparency, we are working on the development of a calculation methodology aimed at identifying and quantifying the results due to Sodexo's actions on the one hand and due to external variations on the other.

## 2.2.7 Our commitments as a corporate citizen

### 2.2.7.1 Act sustainably for a hunger-free world



As proof of constant progress, the title of the commitment as a corporate citizen on individuals has been changed from "Fight hunger and malnutrition" to "Act sustainably for a hunger-free world" to strengthen Sodexo's commitment to Stop Hunger and its mission and to include the notion of sustainability and the willingness to act in the long term.

Acting sustainably for a world without hunger means acting for a better quality of life. Stop Hunger, a global non-profit network created by Sodexo teams in the United States in 1996, is taking

action for a hunger-free world by 2030, in line with the objective set by the United Nations.

Thanks to Sodexo, which administratively supports the organization, 100% of the donations collected go directly to financing sustainable solutions to support the poorest local communities. Empowering women is the key to a world without hunger and the priority of Stop Hunger, which invests in programs designed to empower women who act against hunger in their communities.

Stop Hunger relies on partnerships with local and international NGOs, as well as on Sodexo's unique ecosystem, and in particular on its employees.

For more information, see the Stop Hunger Activity Report: [http://www.stop-hunger.org/files/live/sites/stophunger/files/05-news/2020/StopHunger\\_ActivityReport\\_2020.pdf](http://www.stop-hunger.org/files/live/sites/stophunger/files/05-news/2020/StopHunger_ActivityReport_2020.pdf)

#### BETTER TOMORROW 2025 OBJECTIVE

100 million stop hunger beneficiaries

2015-2020 PERIOD

Number of Stop Hunger beneficiaries (in millions)	44
Funds invested in programs to empower women working to end hunger in their communities (in thousands of euro)	4,427

As part of the Better Tomorrow 2025 roadmap, Sodexo has set itself the ambitious objective of reaching 100 million Stop Hunger beneficiaries, through its various initiatives, over the period 2015-2025. At the end of the Fiscal 2020, the cumulative result represents 44 million beneficiaries, which puts the Group on track to achieve the objective.

### 2.2.7.2 Drive diversity and inclusion as a catalyst for societal change



Each person has their own unique history, experience and skills. This diversity makes the strength of our people and the communities we serve. Wherever we are present, we do everything we can to create a culture of diversity and inclusion in which our employees feel valued and respected. We also work in partnership with local businesses to encourage economic and social innovation and positively impact communities around diversity issues. In particular, we encourage the promotion of

women, who have been at the heart of our vision of economic, social and environmental development since the creation of the Group, and we are committed to supporting causes likely to constitute societal progress. Around the world, our local partnerships contribute to the social fabric of the communities, regions and countries in which we operate. We promote diversity, including in our supplier networks, to permanently integrate businesses run by women, minorities, people with disabilities or members of the LGBT community.

#### BETTER TOMORROW 2025 OBJECTIVE

500,000 empowered women in communities

	FISCAL 2020	FISCAL 2019	CHANGE
Empowered women in communities	45,495	-	-
% of Group revenues of countries with initiatives to improve the quality of life of women	94.8%	93.8%	+1.0 pt

### 2.2.7.3 Champion sustainable resource usage



Given its position in the value chain, the breadth of its offer and the myriad opportunities it has to engage, Sodexo is well placed to contribute to more efficient and reduced consumption of resources. Successful action and collaboration can have significant positive impacts on the consumption of our clients, Sodexo's operations, its industry sectors and supply chains.

Sodexo has developed a waste roadmap adopting the circular economy approach, with the following key elements:

- **value chain collaboration and leadership:** we aim to reinforce collaboration within and across the value chain as a way to drive circular economy and thus, contribute to

the United Nations SDG 12.3 target of halving food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest, by 2030;

- **operational excellence:** we leverage the expertise of our 420,000 employees to provide our clients with best in class waste management services that will help them manage resources more sustainably. We make sure our teams are trained and encouraged to innovate, for the benefit of our clients and consumers;
- **client and consumer engagement:** with 100 million consumers served every day, we are in a unique position to drive behavior change toward waste reduction;
- **marketing & communications:** through our global actions, we help inform clients and consumers so they understand and support the waste prevention challenge;

- **measuring and public reporting:** We ensure that waste management is an integral part of site management and require our sites to measure and report their performance.

**BETTER TOMORROW 2025 OBJECTIVE****50% reduction in our food waste**

	FISCAL 2020	FISCAL 2019	CHANGE
% of food waste reduction on 291 sites having already deployed WasteWatch program	45.3%	-	-
% of Group revenues of countries working to deliver on the United Nations' food waste objective	90.7%	69.2%	+21.5 pts

Sodexo is continuing its actions to achieve its objective of halving food waste on sites that are still active, thanks to its digital-based program: WasteWatch. At the end of the 2020 fiscal year, 732 Sodexo sites were measuring food waste daily and more than 1,200 were actively engaged in this deployment

of WasteWatch powered by Leanpath. The deployment of this program accompanies the reopening of our clients' sites. Since the launch of WasteWatch powered by Leanpath, Sodexo has successfully avoided food waste equivalent to 4.8 million meals.

## 2.2.8 Controversies

Sodexo employs and serves individuals working and living in complex environments and operates in sectors that may be considered controversial, such as the Energy & Resources industry and Justice Services.

In all our operations, we enforce strict Human Rights policies and health and safety protocols, while seeking to mitigate our impact on the environment and contributing to communities' development and inclusion.

### Energy and Resources

As part of our Energy & Resources activities, we provide project management, cleaning, grounds maintenance as well as catering services to support operations in remote areas, away from regional centres or near communities with little infrastructure. Our first priority remains the health and safety of our employees and all individuals working on those remote locations.

We are proud to say, that, to date, this segment has the lowest Lost Time Injury Rate (LTIR) compared to our other activities.

Sodexo also acknowledges that projects in remote areas can also happen on ancestral land and have an impact on indigenous communities. We are fully committed to deepening our understanding and expanding the ways in which we can contribute to building respect, relationships and provide opportunities to improve the Quality of Life of indigenous communities around the world.

### Justice Services

In the face of rising pressure to reduce both reoffending and costs of operations, even as prison populations expand, authorities increasingly look to the private sector to provide an expanding range of services and innovative solutions. Fostering rehabilitation is one of our main priorities. By offering opportunities for detainees to acquire life skills, work experience, qualifications and resources, we support their successful re-entry into society.

Sodexo operates prisons under 4 strict criteria:

- only in democratic countries;
- only in countries that do not administer the death penalty;
- only in countries where rehabilitation is the ultimate goal; and
- only where our team members are not required to carry firearms.

Thus, in line those criteria, Sodexo Justice Services provides a range of services in public prisons in France, Chile, Belgium, Italy, the Netherlands and in the United Kingdom.

Sodexo decided 20 years ago to exit the largest prison private services market in the world, the USA.

## 2.2.9 Our reporting methodology

### Choice of indicators

In Fiscal 2020, we continue to disclose our Corporate Responsibility related information and data in our Integrated Report (Chapter 1) and Chapter 2 of the present report.

- As part of the Integrated Report we have presented our Value Creation Model, our Materiality Matrix and our Corporate Responsibility Roadmap Better Tomorrow 2025. These three elements are linked and interdependent.
- Chapter 2 presents our 9 Better Tomorrow 2025 commitments, the highlights of the year and our key performance indicators as well as their progress compared to the previous year.

Sodexo's Corporate Responsibility strategy requires that workforce and environmental performance be measured with clear indicators. These indicators take into consideration the decentralized and primarily client site-based nature of Sodexo's operations and were selected to meet the following reporting objectives:

- to comply with legal requirements such as the European non-financial Directive;
- to address the expectations of other external stakeholders, including shareholders and rating agencies;
- to provide reporting that is consistent with the requirements of the Global Reporting Initiative (GRI) and the United Nations Global Compact.

In addition, Sodexo's indicators:

- are key in allowing us to monitor progress in the areas identified as key topics following our materiality assessment;
- include measures of the tangible benefits Sodexo brings to its clients;
- enhance employee knowledge about Sodexo, increasing awareness and engagement;
- provide visibility on progress for Group and country management.

As part of its progressive journey, Sodexo has added some additional indicators this year and will continue to do so (see List of indicators).

### Scope of consolidation

Indicators generally include all entities which are fully consolidated for financial reporting purposes, with the following exceptions:

- a new country added during the fiscal year is included in the reporting scope in the following fiscal year; and
- acquired entities are included as from the date of acquisition.

Additional restrictions may be applicable and are specified in the "Limits" section below.

### Fiscal 2020 workforce indicators

Workforce indicators are consolidated for all Sodexo entities, except for:

- the number of training hours which excludes the Germany data (see limitations section below);
- the average number of work day absences per employee due to work-related accidents or illnesses and non-work-related accidents or illnesses excludes accident or illness and non-work-related accident or illness for Brazil (including only work-related accidents or illnesses).

Safety indicators cover On-site Services activity only, representing more than 96% of Group revenues and 97% of our total workforce.

### Fiscal 2020 societal and environmental indicators

Societal and environmental indicators are calculated and consolidated for entities representing over 84.3% of Group revenues.

In order to streamline the collection and reporting process for the societal and environmental indicators, we have changed the reporting period. The new reporting period starts on June 1, 2019 and ends on May 31, 2020.

Certain environmental indicators are applicable only to On-site Services or to Benefits & Rewards Services due to the nature of the indicator itself; for example, an indicator relating to the percentage of sustainable seafood purchased relates only to On-site Services entities which provide Foodservices.

### Reporting framework and tools

Sodexo's commitments to social and environmental responsibility have always been central to the Group's fundamentals. The Group reinforced its workforce and environmental reporting in 2005 with the publication of its first Corporate Responsibility Report and further developed its sustainability performance processes in 2009 when its Corporate Responsibility roadmap, the Better Tomorrow Plan was launched. At the time, the Group committed to report its progress regularly and transparently. In 2016, Sodexo reconfirmed its commitment to continued progress as an employer, a service provider and a corporate citizen through an updated version of our roadmap, Better Tomorrow 2025.

Each year, Sodexo endeavors to improve its processes and to this end, has implemented a reporting tool with two modules for gathering and consolidating information.

Consistency checks are embedded within the tools and additional control testing is performed.

The consolidation of workforce data is performed by Group Human Resources with the exception of the Health and Safety data which is consolidated by Group Health and Safety and the consolidation of environmental data is performed by Group Corporate Responsibility.

Certain strategic workforce indicators are consolidated monthly or quarterly for a detailed follow up as part of the STEP dashboard.

All information published in this report was also examined by the Group's external auditors.

In addition to the "limited assurance" delivered by the external auditors in relation to indicators published for the requirements of the European directive, Sodexo obtained a higher level of assurance called "reasonable assurance" for the following key indicators:

- total workforce, per activity and client segment;
- retention rate for total workforce;
- retention rate for site management;
- departures related to Resignation of Continuous Contract > 3 months (Excluding Site Loss);
- % of women on the Board of Directors;
- % of women on the Executive Committee;
- % of women among Group Senior Leaders;
- % of women in management positions;
- % of women in total workforce;
- number of work related accidents requiring leave (LTSC);
- % of Group revenues of countries having one or more OHSAS 18001 or ISO 45001 certification;
- % of spend with contracted suppliers having signed the Sodexo Supplier Code of conduct;
- % of spend on certified sustainable paper disposables as a % of total paper disposables.

## Limitations

Sodexo employs 422,712 people, in 64 countries, with differing regulations and operates on a significant number of client sites of different sizes and types of activity.

- Certain indicators therefore require some specific explanation as follows:
  - number of work-related accidents requiring leave:
    - excludes commuting accidents,
    - includes Sodexo workforce only,
    - excludes temporary labor, sub-contracted labor and other personnel that are not Sodexo employees,
    - may have insignificant differences created by the way that work-related illness is accounted for locally;
  - average number of days absence:
    - includes absences for work-related accidents and illness as well as personal accidents and illness,
    - may have insignificant differences created by the way the number of days of absence is accounted for locally; as some include weekend and others only working days, the minimum number of days of absence from which the absence is recorded;
  - number of training hours:
    - the number of training hours in the U.S. is based on an estimation. The estimation is an extrapolation of actual data covering 15% of the population.

- Certain information is extremely difficult to gather given the nature of the Group's activities:

- total business value benefitting SMEs: Data for Sodexo On-site Services USA includes non-contracted suppliers;
- 22% of the total volume of fish and seafood purchased by Sodexo cannot be categorized as per Sodexo Seafood Guide (green, orange or red species), thus the result for Fiscal 2020 is underestimated. A process will be put in place to eliminate this limit next year;
- to ensure that the entire volume of Sodexo palm oil is certified as sustainable, the purchasing teams have implemented a process for analyzing and purchasing RSPO credits between the months of May and April following the end of the fiscal year;
- number of empowered women in communities: this indicator allows the monitoring of one of our Better Tomorrow 2025 objectives and is calculated on the basis of 3 types of programs and initiatives aimed at the empowerment of women:
  - specific programs led by Stop Hunger,
  - specific programs led by the Diversity and Inclusion teams, in particular She Works,
  - the number of women-owned SMEs in our supply chain;
- food waste reduction: this indicator allows the monitoring of one of our Better Tomorrow 2025 objectives and is calculated through the WasteWatch program. The waste reduction is expressed as a volume of waste reduced compared to an observed reference period (generally for a period of 3 weeks minimum). The measurement is carried out daily, at each site using connected scales;
- Scope 1 and Scope 2 energy consumption and related carbon emissions are extrapolated for the Group based on the energy consumption and carbon emissions calculation for a set of 25 major countries representing 84.3% of Group revenues;
- Scope 1 includes energy consumption and carbon emissions related to the fuel consumed by vehicles used by Sodexo as well as from its consumption of natural gas for the offices and sites where Sodexo has operational control;
- Scope 2 includes the electricity consumption for the offices and sites where Sodexo has operational control and is market-based;
- this year, for the second year in a row, we are publishing our supply chain Scope 3 emissions which correspond to indirect emissions, based on actual data covering 90.4% On-site activity revenues. The emissions were thus extrapolated to 100% of the activity;

- certain heterogeneities in the reporting methods for emissions linked to commodities transport are observed, particularly in France and the United Kingdom. Consequently, for these two countries, the emissions are slightly overestimated, because they take into account the emissions linked to the transport from production location to the transformation location and not the transport from the last point of transformation to the delivered site.

The calculation of carbon emissions related to the supply chain takes into account the following elements:

- a list of 30 commodities must be compiled by the different countries, which corresponds to 90% of the total purchased in 2014. The rest is optional. We then estimate the emissions for the remaining 10%. If the estimate is greater than the reported total, we consider the estimated emissions. If the country's reported total is greater (this is the case for countries reporting optional commodities), we consider the reported emissions,
- transportation from the last point of processing to the delivered site,
- emission factors by product (when the emissions factors are not available, for example for prepared foods – we calculate the emissions based on the main ingredients).

- One of Sodexo's missions is to improve quality of life for its employees and all who it serves. Sodexo's services are, in the majority of cases, provided by its own employees on a significant number of client sites where the Company operates throughout the world. The following information is therefore not applicable or not material for Sodexo:

- preventive or corrective actions with regard to discharges into the atmosphere, water and soil with a significant negative impact on the surrounding environment;
- consideration of noise and any other activity-specific pollution;
- land usage;
- importance of sub-contracting.

## Reconciliation tables

The reconciliation table is included in the section "Other information" of this report.



## 2.2.10 Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement

*This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

### Sodexo S.A.

Head Office: 255, quai de la Bataille-de-Stalingrad  
92130 Issy-les-Moulineaux

For the year ended August 31, 2020

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049<sup>(1)</sup>, we hereby report to you on the consolidated non-financial statement for the year ended 31<sup>st</sup> August 2020 (hereinafter the "Statement"), included in the Group Management Report pursuant to the requirements of articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (*Code de commerce*).

### Responsibility of the entity

The Management Board's is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

### Independence and quality control

Our independence is defined by the requirements of article L.822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

### Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R.225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R.225-105 I, 3<sup>o</sup> and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

At the request of the entity and outside of the scope of accreditation, our responsibility is also to provide a report expressing a reasonable assurance conclusion that information selected by the entity, presented in Appendix and identified with the symbol ☒ in chapter 2.2 has been prepared, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

<sup>1</sup> Accreditation Cofrac Inspection, number 3-1049, scope available at [www.cofrac.fr](http://www.cofrac.fr)

## Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A.225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) applicable to such engagements and with ISAE 3000<sup>(1)</sup>:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L.225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R.225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
  - corroborate the qualitative information (measures and outcomes) that we considered the most important and presented in Appendix. Concerning certain risks<sup>(2)</sup>, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities<sup>(3)</sup>;
- we verified that the Statement covers the scope of consolidation, *i.e.* all the consolidated entities in accordance with article L.233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection<sup>(3)</sup> of contributing entities<sup>4</sup> and covers between 37% and 55% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## Means and resources

Our work was carried out by a team of nine people between July and October 2020 and took a total of twelve weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some fifteen interviews with the people responsible for preparing the Statement.

1 ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information

2 Risks related to compliance with laws and regulations: Business integrity, Respect for Human Rights, Disclosure and transparency; Consumer expectations: Healthy and sustainable eating, Food quality and safety; Unpredictability of the duration and effects of the Covid-19 pandemic.

3 Entities that were selected for limited assurance:

- Sodexo On Site services: France, United States of America.

Entities that were selected for reasonable assurance:

- Sodexo On-Site Services: Brazil, United Kingdom & Ireland.

- Sodexo Benefits & Rewards Services: Brazil.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

## Comments

Without modifying our conclusion and in accordance with article A.225-3 of the French Commercial Code, we have the following comment:

The Group has strengthened its reporting processes and extended the scope of indicators related to training and Scope 3 greenhouse gas emissions, to reach 100% of the consolidated scope for the fiscal year ended August 31, 2020. However, these indicators have methodological limitations related to estimates and heterogeneity in the reporting practices of certain entities, as mentioned in paragraph “2.2.9 Our reporting methodology” of the Statement.

## Reasonable assurance report on a selection of non-financial information

### Nature and scope of our work

With regard to the information selected by the entity presented in Appendix and identified with the symbol √ in chapter 2.2, we conducted the same procedures as those described in the paragraph “Nature and scope of our work” (for the most important non-financial information). However, these procedures were more in-depth, particularly regarding the number of tests.

Consequently, the selected sample represents between 56% and 65% of the information identified with the symbol ☑.

We believe that these procedures enable us to express reasonable assurance regarding the information selected by the entity and identified with the symbol ☑.

## Conclusion

In our opinion, the information selected by the entity and identified with the symbol ☑ in chapter 2.2 has been prepared, in all material respects, in accordance with the Guidelines.

Paris-La Défense, on October 28, 2020

### KPMG SA

Fanny Houlliot  
*Partner*  
*Sustainability Services*

Caroline Bruno-Diaz  
*Statutory Auditor*