

Release

Animation and services agreement between Sodexo and Bellon SA

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Publication on related-party agreements pursuant to Articles L.22-10-13 and R.22-10-17 of the French Commercial Code

Bellon SA is the animating holding company of the Sodexo Group and provides Sodexo with assistance and consulting services in various areas: strategic planning, finance and human resources. Sodexo and Bellon SA entered into an initial service agreement in 1991.

The agreement was most recently renewed for a five-year period from November 17, 2016 through November 17, 2021. Sodexo and Bellon SA have now agreed on the terms of a new agreement, under similar conditions.

On June 23, 2021, on the recommendation of the Audit Committee, the Board of Directors unanimously decided to renew this agreement, which is subject to Article L.225-38 of the French Commercial Code, which was signed on October 26, 2021 and will be effective on November 17, 2021 for another five-year period. It will be submitted for approval at the Shareholders' Meeting to be held on December 14, 2021.

■ Nature and purpose of the agreement

Within the framework of this agreement, Bellon SA provides Sodexo with three managers who hold the positions of Group Chief Financial Officer, Group Chief People Officer and Group Chief Growth Officer within Sodexo, positions that are key to the implementation of Sodexo's strategy, thus benefiting Sodexo.

■ Terms and financial conditions

Bellon SA will continue to invoice Sodexo for the compensation of the three managers for the duration of their tenure, with no margin and therefore no additional financial burden for Sodexo. Amounts invoiced include fixed and variable compensation, bonuses and benefits in kind as well as all related social security contributions and payroll taxes. The process for determining the compensation of these managers is fully aligned with that for the other members of the Group's Executive Committee.

Total amounts due under this agreement, as well as their evolution, are reviewed annually by Sodexo's Audit Committee (composed of 75% independent directors and chaired by an independent director).

In addition, and in accordance with legal requirements, the agreement is reviewed annually by Sodexo's Board of Directors.

■ Interested persons

Sophie Bellon, Nathalie Bellon-Szabo and François-Xavier Bellon are directors of Sodexo and members of the management Board of Bellon SA, which holds 42.8% of the share capital and 57.2% of the voting rights of Sodexo.

■ Benefits of the agreement for Sodexo

The Board of Directors considers that this agreement is in the interests of all shareholders given:

- The strategic advantage for Sodexo of a business model based on the strong values inherent in a family-controlled company,
- The quality of the profiles of the managers with in-depth knowledge of the Group and significant experience in similar functions,
- The existence of governance mechanisms that guarantee a good balance of power and avoid abusive control,
- The absence of any additional cost ensuring that the agreement is financially neutral for the Company.

Indeed, this agreement guarantees that the values, culture and ambitions initially defined by the founder, Pierre Bellon, are shared throughout Sodexo. From its creation more than fifty years ago, Pierre Bellon created Sodexo as the community of its customers, consumers, employees and shareholders. His vision of a company, precursor to the current rise in social and environmental concerns, is one of the fundamental principles behind Sodexo's development and guarantees a business model that creates value for all stakeholders. It is through these three key functional managers that Sodexo ensures that this business model remains the foundation of all decisions.

This agreement is fully aligned with the interests of all Sodexo shareholders and stakeholders due to:

- The presence of a very long-term family shareholder, embodied by the commitment made by Mr. and Mrs. Pierre Bellon and their children not to sell their shares to third parties for 50 years.
- The sole asset of Bellon SA being its 42.8% holding in Sodexo shares, which it has no intention of selling to third parties.
- The independence provided by Bellon SA's holding in the Group's capital guarantees the values, dual mission, and long-term strategy of sustainable and profitable growth.
- The attachment that Sodexo's teams have to this independence, confirmed by the very high engagement rate of 78%, even during the pandemic.

This independence has largely contributed to the Group's resilience in the current context of unprecedented crisis. Sodexo is able to seize development opportunities, accelerate its transformation and focus on its objective of returning to sustainable and profitable growth, without being influenced by short-term pressures.

Finally, to ensure that this agreement does not unduly favor Bellon SA, the Board of Directors is committed to ensuring that the rights of all shareholders are effectively protected, through various governance mechanisms:

- A high rate of independence on the Board of Directors (70%, well beyond the recommendation of the AFEP-MEDEF Code for a controlled company) and continuously increasing during the last few years;
- Majority independent committees, each chaired by an independent director;
- Internal rules and a policy for managing conflicts of interest.

About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in services that improve Quality of Life, an essential factor in individual and organizational performance. Operating in 56 countries, Sodexo serves 100 million consumers each day through its unique combination of On-site Services, Benefits & Rewards Services and Personal & Home Services. Sodexo provides clients an integrated offering developed over more than 50 years of experience: from foodservices, reception, maintenance and cleaning, to facilities and equipment management; from services and programs fostering employees' engagement to solutions that simplify and optimize their mobility and expenses management, to in-home assistance, childcare centers and concierge services. Sodexo's success and performance are founded on its independence, its sustainable business model and its ability to continuously develop and engage its 412,000 employees throughout the world.

Sodexo is included in the CAC Next 20, CAC 40 ESG, FTSE 4 Good and DJSI indices.

Key figures

- 17.4 billion** euro in Fiscal 2021 consolidated revenues
- 412,000** employees as at August 31, 2021
- #1** France-based private employer worldwide
- 56** countries
- 100 million** consumers served daily
- 11.5 billion** euro in market capitalization (as of October 26, 2021)

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