

Sodexo Group Tax Policy

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Sodexo is the global leader in services that improve Quality of Life, an essential factor in individual and organizational performance. Operating in 64 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, child care 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 420,000 employees throughout the world. Sodexo is included in the CAC Next 20, CAC 40 ESG, FTSE 4 Good and DJSI indices.

Sodexo Group Tax Policy

The Group Tax Policy is designed to achieve tax consistency worldwide and to ensure that appropriate taxes are paid in line with local tax rules and the substance of our business in the various geographic regions in which we operate. Sodexo's core values guide how we do business, support economic growth, and enhance social development for local communities.

Sodexo's global tax function ensures that a consistent approach is applied on tax issues in all countries in which it operates.

Compliance and Business Structure

Sodexo's activities are subject to a substantial number of taxes (mainly corporate income tax, sales taxes, business taxes, employment taxes and social contributions) and we also collect levies for the benefit of local Government authorities (value added taxes, social contributions, withholding taxes on employee compensation and other withholding taxes).

As a Corporate citizen contributing to the funding of local economies, Sodexo is committed to act with integrity and pay its fair share of taxes in the countries where it operates. Our tax positions are based on reasonable interpretation of applicable laws and are fully aligned with the substance of the economic activity of our business locally.

Sodexo also has the responsibility to be financially efficient to protect its competitiveness and deliver long-term shareholder value; therefore, it may decide to choose the most tax-efficient structure. We shall sometimes use tax incentives and/or exemptions explicitly and legally offered by local tax systems, that serve the overarching business goal and that are compliant with the letter and spirit of applicable tax laws.

Sodexo is not using secrecy jurisdictions for tax avoidance. The Group is committed not to use tax structures without commercial substance and does not transfer value created to so-called "tax havens" jurisdictions.

Attitude towards tax planning & risk level acceptance

We have a low tolerance for tax risk and reject tax opportunities which are not in line with the Sodexo's Business Integrity Guide. As such, Sodexo neither supports nor engages in aggressive tax planning or artificial tax avoidance. We expect our suppliers and business partners to observe the same high standards of ethics.

Sodexo will always:

- perform risk management assessments before adopting a tax position; however diverging interpretations from tax authorities may arise and may trigger tax litigation;
- ensure that each controlled entity has a sound commercial, business or financial justification and has the sufficient level of substance;
- frame transfer pricing policy for intra-Group exchanges of goods and services on an arm's length basis, in line with international standards (e.g. OECD Guidelines); this principle is applied consistently across the Group and adequately documented;
- monitor tax compliance in jurisdictions where Sodexo operates.

Tax Governance

All significant tax positions and matters are regularly reported by the Group VP Tax to the Group Audit Committee which reports to the Board of Directors. The Group Tax Policy was reviewed and approved by the Group Audit Committee.

Our tax policy and principles apply to all controlled subsidiaries. Our internal process ensure that all significant tax positions are reported to the Group VP Tax who, when appropriate, escalates issues to the Group Chief Financial Officer and Group Audit Committee. We also provide opportunities for employees to confidentially raise issues of concern to the Group Ethics Officer or through the dedicated platform SpeakUp.

Tax affairs are managed on a daily basis by a global tax team which is suitably qualified and which undergoes regular training to provide up to date technical advice, ensure appropriate tax treatment and verify the application of arm's length principle in our inter-company transactions.

Relationships with tax authorities and transparency

The Group engages in open and constructive relationships with tax authorities to seek appropriate solutions and limit unnecessary litigation. It responds on a timely basis to tax officials' enquiries and follows established procedures and channels for all interactions with tax authorities. We will not bribe or otherwise induce tax officials, government officials or ministers with the aim of obtaining tax beneficial outcomes.

Sodexo seeks to anticipate the impact on its activities of main changes in taxation policies and provides constructive business input to policy makers through professional associations at domestic, European and OECD levels. We support initiatives to ensure stability and predictability of tax regulations and increase legal certainty and fairness for taxpayers.

Each year the Group publishes a detailed explanation of our overall effective tax rate as well as a detailed list of all controlled entities, by country, scope of activity and ownership percentage. For entities directly owned by Sodexo SA, their capital, net equity, gross and net book values, revenues and net

income are published in our Universal Registration Document. We also disclose in this Document information on main ongoing tax litigations.

In an increasingly complex international environment, Sodexo expects Government authorities to cooperate in tax matters in order to avoid or resolve double taxation cases, to simplify and harmonize tax systems and to limit compliance burden for the business.