

SODEXO DIGEST

FISCAL 2013



sodexo
QUALITY OF LIFE SERVICES

OUR FUNDAMENTAL DEVELOPMENT PRINCIPLES

Sodexo, founded in 1966 in Marseilles, France, by Pierre Bellon, Chairman of the Board of Directors, is built on fundamental principles that today unite the Group's 428,000 employees worldwide.



> CHOOSING GROWTH

"During the 1960's in Marseilles, I witnessed the disappearance of three of the world's largest shipyards. Before even creating the company, I made the audacious statement: Sodexo will be a growth company," says Pierre Bellon.

> OUR CONCEPT OF A COMPANY

Sodexo is the community of its clients, its consumers, its employees and its shareholders. To meet their expectations, we have given priority to **organic growth** in revenues and operating profits.

> A CULTURE FOCUSED ON THE CLIENT AND CONSUMER

Retaining our clients and satisfying our consumers and beneficiaries is our priority. By focusing on our clients by segment, broadening our services offer and expanding geographically, we seek to accelerate our development.



> OUR HUMAN RESOURCES

At the time of Sodexo's creation, Pierre Bellon recognized two key factors:

- "Alone, I could not do anything and I was the obstacle to development, so I recruited women and men better than me".

In order for Sodexo to develop, one of the key roles of a manager at any level is to identify and train their successor.

- The **recognition of all our field teams** is essential: they are in daily contact with consumers, know their needs, ensure their satisfaction and convey the image of the company.

Our human resources is one of the reasons for our past development but also the key to our future development.

> OUR VALUES

Our mission, values and ethical principles defined at the time of Sodexo's founding provide the common vision and direction for our initiatives and efforts.

OUR MISSION

Our mission is twofold:

- Improve the Quality of Life each day of our employees and all those we serve.
- Contribute to the economic, social and environmental development of the communities, regions and countries in which we operate.

OUR VALUES

- Service Spirit
- Team Spirit
- Spirit of Progress

OUR ETHICAL PRINCIPLES

- Loyalty
- Respect for people and equal opportunity
- Transparency
- Business integrity

Today, 47 years after Sodexo's creation, **these values are the foundation** of our commitment, uniting us and serving as a common bond for our teams throughout the world. This is what sets us apart from our competitors.

Consistent with our mission, we have sought to make Sodexo the world leader in Quality of Life services.



> OUR STRATEGIC POSITION

Our **3 activities** contribute to improving quality of life:

ON-SITE SERVICES

Through its more than 100 professions, Sodexo provides an **integrated services offer** to clients including reception, foodservices, cleaning, security and technical maintenance of facilities and equipment.

This broad services offering is delivered in eight client segments: Corporate, Defense, Justice Services, Remote Sites, Health Care, Seniors, Education and Sports and Leisure.

BENEFITS AND REWARDS SERVICES

4 categories of services for private and public organizations, of any size:

- **Employee Benefits** to attract, engage and retain employees (restaurant vouchers and cards, food, culture and transportation, etc.)
- **Expenses management** to reinforce monitoring and control of expenses to facilitate employees' lives (fuel cards, travel, professional uniforms...)
- **Incentives and Recognition** programs to help organizations achieve their qualitative and quantitative objectives in providing specific recognition to employees (online platforms, gift vouchers and cards...)
- **Public Benefits** to manage and control the distribution of public assistance.



PERSONAL AND HOME SERVICES

Sodexo designs and deploys services that improve **quality of life** across 3 categories of services:

- In-home support
- Childcare
- Concierge services

> CHOOSING TO **BECOME GLOBAL**

"We quickly understood that, like our clients and suppliers, we too had to become global and that France represented only 1% of the world's population," says Pierre Bellon.

For this reason, Sodexo generates 85% of its revenues today outside France.

> SODEXO IS AND WILL REMAIN AN **INDEPENDENT COMPANY**

Independence enables us to maintain our values, focus on a long-term strategy, maintain management continuity and ensure our durability.

Sodexo's **financial independence** is ensured through family shareholding (Pierre Bellon's children own 2/3 of the Bellon SA holding company), which protects the company from falling into the hands of a financial or industrial group. As of August 31, 2013, our controlling holding company, Bellon SA, held 37.7% of Sodexo's capital and 50.9% of the voting rights.

A 50-year agreement was concluded between Pierre Bellon, his wife and his children: this agreement commits the grandchildren and fully protects Sodexo's independence.



OUR AMBITION

- to become, ultimately, **the global leader** in operating profit, free cash flow and revenues generated in our three activities, in each client segment and sub-segment and in every country where we operate
- to provide opportunities for **employee development**
- to be among the global companies most **admired** by its employees
- to make Sodexo a **globally** known, chosen and beloved **brand**
- to generate **+7% annual** average revenue **growth** over the medium term
- to reach a **6.0%** consolidated **operating margin** by the end of Fiscal 2015; currently, it is **5.2%**.



> TO ACHIEVE OUR AMBITION, OUR APPROACH IS TWOFOLD

- tenaciously reaffirm and share the **fundamental principles** on which our development has been based to date;
- deploy actions that will allow us to continue to succeed in the future, with **5 priorities**:

Ensuring the evolution of the company's culture

- The truth in facts: everyone must be realistic, whatever their level
- Transparency: it is necessary to build trust at all levels of the company
- The inverted pyramid: flip the pyramid to give more power and responsibilities to field staff and have good listening skills.

Developing our human resources

This is one of our major economic and social responsibilities.

Transforming our organization

Our geographic organization today will evolve gradually toward a global organization by client segment.

Improving our competitiveness

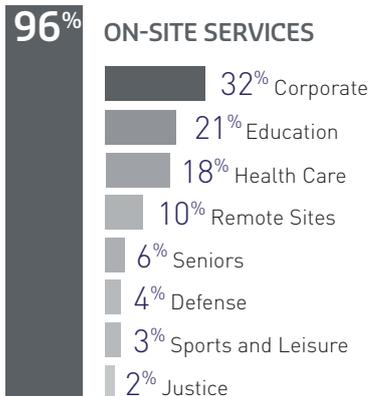
Even if it is improving, we must continue to make progress.

Establishing a major global brand that is known, loved and chosen by clients and consumers

SODEXO TODAY

As of August 31, 2013

BREAKDOWN OF REVENUES BY CLIENT SEGMENT



4% **BENEFITS AND REWARDS SERVICES**

€16 billion in issue volume

Consolidated revenues
have increased an average of

5.4%

annually over the past 5 years
(including average annual
organic growth of 3.6%)

Operating profit
increased an average

8.7%

annually over the past 5 years,
at constant exchange rates

Group net income
increased an average of

7.7%

annually over the past 5 years,
at constant exchange rates

Net debt
represents only

16%

of the Group's equity
as of August 31, 2013,
and gross debt represents less than
3 years of operating cash flow

18.4 billion
€
in consolidated
revenues

953 million
€
operating profit*

530 million
€
in Group
net income*

428,000
employees

33 300 sites

75 million
consumers served daily

80 countries

18th
largest employer worldwide

Leader
worldwide in most
of its markets

* Operating profit and Net income are before exceptional items from operational efficiency improvement program in Fiscal 2013

SODEXO IN THE WORLD

BREAKDOWN OF REVENUES BY GEOGRAPHIC ZONE



Find details on our subsidiaries and services in each of these countries at www.sodexo.com

OUR ECONOMIC, SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Through its activity, Sodexo creates value for its clients and employees, contributing to the economic development of the countries in which it operates and generating significant local employment.



01 DEVELOP OUR HUMAN RESOURCES AND PROMOTE DIVERSITY

To achieve our development potential, which is 50 times greater than our current revenues, we have set **2 objectives**.

- **Have the necessary resources available**, in terms of both quantity and quality, with the skills to respond to the needs of our clients and provide them with innovative solutions.

Investment in training for our employees at all levels is a priority.

- **Being one of the world's employers most admired** by its employees.

We conduct an employee engagement survey every two years in 60 countries to better understand the key factors for progress and to define action plans.

Because we believe that **diversity** is a powerful tool in our development, we have identified priorities for progress at all levels of the company, including **gender balance**, representation of all **generations**, integration of **individuals with disabilities**, respect for **ethnic and cultural diversity** (134 nationalities are represented in Sodexo's workforce today) and respect for **sexual orientation** and gender identity.



Sodexo **was ranked N°1 in Diversity** by DiversityInc in 2013, in the list of 50 top companies for diversity.

ENGAGEMENT RATE*
+9 points
in 4 years

85%
of our employees consider Sodexo
a better employer than its competitors*

RETENTION RATE
82.2%
for site managers

38%
representation by women
on the Board of Directors

TRAINING
4.8
million hours of training
provided in Fiscal 2013

INTERNAL PROMOTION
1,848
employees were promoted to
management positions in Fiscal 2013

23%
of women in top leadership positions

* Source: 2012 Sodexo employee engagement survey conducted with 130,000 employees in 60 countries

02

PROMOTE BETTER NUTRITION, HEALTH AND WELL-BEING

Sodexo plays a key role in the daily life of **75 million people every day** and has made nutrition education, a balanced diet, health and well-being part of its fundamental offer.

03

ENGAGE WITH LOCAL COMMUNITIES

Our business is local by nature: **95%** of our employees are hired locally and more than **80%** of our supplies are sourced from local or regional producers and suppliers.

Sodexo supports local communities in leveraging its resources, particularly in the fight against hunger and malnutrition.

04

PRESERVE THE ENVIRONMENT

Our subsidiaries are implementing programs on client sites in **3 main areas**

- Purchasing of environmentally-friendly products
- Reducing water and energy consumption
- The fight against food waste.



In 2013, for the 9th straight year, Sodexo was named **“Global Sustainability Industry Leader”** in the Dow Jones Sustainability Index (DJSI).



A GROWING COMMITMENT TO THE FIGHT AGAINST HUNGER AND MALNUTRITION

Through our **STOP Hunger** program, now being implemented in **42 countries**, we mobilize our employees, clients, consumers and suppliers. In partnership with **nearly 600 NGOs** and associations, to fight against hunger and malnutrition we provide training and information on nutrition, distributing food and donating financially.



SODEXO'S SHARES

Since its initial public listing in March 1983, Sodexo has experienced **average annual growth, ex-dividend, of 13.1%**, compared with 8% for the CAC 40* over the same period.

Sodexo shares are listed on NYSE-Euronext Paris (code Euroclear: FR 0000121220), and Sodexo is included in the Next 20 index.

In addition, since its initial listing, the value of the Sodexo share has increased by a factor of more than 43.1, while the CAC 40* has multiplied by 10.6 over the same period.

* Actual performance of the CAC 40 index for the period after December 31, 1987 and a reconstruction of the index over the previous period.

For more information on Sodexo and news on the Group's Fiscal 2013 performance, connect to: www.sodexo.com



Sodexo Headquarters

255, quai de la Bataille de Stalingrad
92866 Issy-les-Moulineaux Cedex 9 - France
Tel: +33 (0) 1 30 85 75 00
www.sodexo.com

