

RELEASE

INFORMATION ON THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

Issy les Moulineaux, June 21, 2019

At its meeting held on June 19, 2019, following the recommendation of the Compensation Committee, Sodexo's Board of Directors approved the following decisions related to the compensation of Denis Machuel, Chief Executive Officer of Sodexo. These compensation elements are fully in line with the compensation policy approved by the Annual Shareholder's Meeting held on January 22, 2019.

Grant of performance shares to the Chief Executive Officer

The Extraordinary Shareholders' Meeting held on January 22, 2019 authorized, in its 18th resolution, the Board of Directors to grant for a period of thirty-eight (38) months existing or newly issued shares, free of consideration pursuant to article L. 225-197-1 *et seq.* of the French Commercial Code.

The Board of Directors, at its meeting held on June 19, 2019, decided to grant 22,000 performance shares to Denis Machuel, representing 2.7% of the Group's 2019 performance share plan which is attributed to a total of 2,144 people.

The Board of Directors has capped the value of the performance shares that may be granted to the Chief Executive Officer at 150% of his total annual compensation (including fixed compensation and annual variable compensation at target). In addition, the performance shares granted to him may not represent more than 5% of the total number of free shares granted by the Board of Directors in any given fiscal year.

The vesting of the shares is subject to a vesting period of four (4) years, until June 19, 2023.

All shares are subject to the same continued presence and performance conditions as those imposed on the Executive Committee members.

The performance conditions, summarized in the compensation policy of the Chief Executive Officer and approved at the Annual Shareholder's Meeting held on January 22, 2019 (pages 251 *et seq.* of the Fiscal 2018 Registration Document) are as follows:

The proportion of the performance shares that will vest depends on the achievement of both internal and external performance conditions as measured over a four-year period. The achievement levels will be disclosed on a criterion-by-criterion basis once the Board of Directors has assessed whether the performance targets have been reached.

The aim of the criteria used is to measure the Group's overall performance and they are directly related to the Group's main strategic goals, i.e.:

- financial performance: 50%;
- stock market performance: 30%;
- Corporate Responsibility performance: 20%.

At its "Capital Markets Day" on September 6, 2018, Sodexo announced its ambition of returning to market-leading growth. The Group plans to deliver organic revenue growth of over 3% as from Fiscal 2020 and then return its underlying profit margin to above 6% (excluding currency effects) on a sustainable basis.

For performance shares granted in 2019, in view of the need to restimulate growth, the Board has decided to add an organic revenue growth performance condition and to change the underlying operating profit target to a target based on underlying operating profit margin so that the performance conditions are fully in line with the objectives announced to the markets.

The allocation of the shares contingent on the organic revenue growth and underlying operating profit margin performance conditions will be subject to a trigger achievement level corresponding to the objectives announced to the markets, with 100% of the shares concerned only awarded if these objectives are exceeded.

As the Group has not announced any specific medium-term objectives to the markets, these target achievement levels will be fully disclosed only at the end of the plan, with the actual achievement levels.

For the performance shares to vest in 2019, the following performance conditions will apply:

- 25% of the shares are subject to average organic growth;
- 25% of the shares are subject to an increase in underlying operating profit margin;
- 30% of the shares are subject to a Total Shareholder Return (TSR) objective. Sodexo's TSR will be compared to the TSR of a peer panel of 12 companies (ABM Industries, Aramark, CBRE, Compass, Edenred, Elixor, Elis/Berendsen, G4S, ISS, Jones Lang LaSalle, Rentokil and Securitas), selected based on their size, the similarity of their operations with those of Sodexo and the fact that they all operate in outsourced facilities management.

In line with the prior grant, the shares will be allocated depending on Sodexo's ranking within the panel:

Quartile of Sodexo within the panel TSR	TSR allocation rate
1 st quartile	100%
2 nd quartile	50%
3 rd quartile	15%
4 th quartile	0%

- 20% of the shares are subject to a diversity and inclusion objective set by Sodexo with a view to encouraging the promotion of women to top management positions.

For the purposes of this objective, and based on the Group's current organizational structure, top management comprises all executives who report directly to a member of the Group Executive Committee.

On August 31, 2017, this population was composed of one hundred sixty-five (165) persons, of which 32% are women. The Corporate Social Responsibility objective of Sodexo is to reach 37% of women at the highest level of hierarchy on August 31, 2022.

The vesting of performance shares under this objective is the following:

Representation of women at the highest level of the hierarchy	CSR allocation rate
Less than 35%	0%
Between 35% and 37%	from 50% to 100%
37% or more	100%

In accordance with article L. 225-197-1 of the French Commercial Code, the Board of Directors also decided that the Chief Executive Officer must hold as registered shares (for as long as he holds this position) a number of shares vested under this grant for which the value is equivalent to 30% of his fixed salary at the vesting date.

Furthermore, in accordance with article 24.3.3 of AFEP-MEDEF Corporate Governance Code of June 2018, Denis Machuel has formally committed not to engage in any hedging transactions related to these performance shares.

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 72 countries, Sodexo serves 100 million consumers each day through its unique combination of On-site Services, Benefits and Rewards Services and Personal and 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 460,000 employees throughout the world.

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

Key figures (as of August 31, 2018)

20.4 billion euro in consolidated revenues

460,000 employees

19th largest employer worldwide

72 countries

100 million consumers served daily

15 billion euro market capitalization (as of June 4, 2019)

Contacts

Analysts and Investors

Virginia JEANSON

Tel. : +33 1 57 75 80 56

virginia.jeanson@sodexo.com

Corporate Legal Department

Olivia GUILLAUME

Tel. : +33 1 57 75 85 90

olivia.guillaume@sodexo.com