

INTERNAL RULES OF THE BOARD OF DIRECTORS

(approved by the Board of Directors on
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1. MISSION OF THE BOARD OF DIRECTORS

The Board of Directors determines the Company's strategy, appoints the corporate officers responsible for its implementation, supervises their management of the business, assesses the internal control procedures and oversees the quality of the information provided to shareholders and the financial markets in the financial statements and in connection with major financial transactions.

As required by law, the Board of Directors approves the financial statements for publication, proposes dividends, and makes decisions on investments and financial policy.

The Board of Directors creates specialized committees to support it in its work and decision-making.

It may appoint one or more advisers to provide the directors with the benefit of their expertise and experience.

These advisers attend certain Board meetings at the Chairman's request and, if necessary, certain meetings of the Board's specialized committees.

They take part only in an advisory capacity and do not have the right to cast a vote.

2. THE DIRECTORS' CHARTER

All directors are bound by the following obligations:

- Before accepting office, directors must ensure that they are familiar with the general or specific obligations incumbent on them. In particular, they must be familiar with the laws, regulations, by-laws of the Company, this charter and any revisions made to it by the Board, the Board's internal operating procedures and the minutes of Board meetings held the previous year.
- Directors must be constantly mindful of the corporate interest, exercise good judgment (particularly of situations, strategies and people), and look to the future in order to identify the risks and strategic challenges that lie ahead. Directors must also be focused, active and engaged, and act with integrity.
- Directors are required to personally own 400 Sodexo shares each by the end of their first year in office. These shares must be held in registered form, including those already owned by the directors at the time of their election and those acquired during their term of office. In accordance with the law, this requirement does not apply to directors representing the employees.
- Although the directors are themselves shareholders, they represent all the shareholders and must act in all circumstances in the corporate interest.
- Directors are required to disclose to the Board all actual or potential conflicts of interest and to abstain from voting on those matters.
- Directors must devote the time and attention necessary to fulfilling their duties. They may not hold more directorships or corporate offices (Chairman, Chief Executive Officer or Deputy Chief Executive Officer) than the number provided for by law and the corporate governance rules applicable to listed companies.
- Directors are required to attend all Board meetings and all meetings of any specialized committees of which they are members.
- Directors may ask senior management for further information if they believe they have not been sufficiently well informed.
- Directors must not disclose any non-public information they receive in the course of their duties and in that respect should consider themselves bound by an obligation of strict confidentiality that goes beyond the duty of discretion provided for in the laws and regulations.
- Executive directors must obtain prior consent from the Board before accepting a directorship or corporate office in a listed company.

Directors, the Chief Executive Officer and other participants in Board meetings may not trade in Sodexo shares while they have information about the Company, obtained during the course of their duties, that has not yet been made public.

Accordingly, they may not trade in Sodexo shares at the following times:

- During the period commencing 30 calendar days before the Board meeting that approves the interim and annual consolidated financial statements for publication and up to and including the date of their publication;
- During the period commencing 15 calendar days prior to the date of publication of the consolidated financial information for the first and third quarters up to and including the date of their publication.

Consequently, they may not trade in Sodexo shares until the day after publication of the relevant information.

More generally, it is prohibited for any participants in Board meetings to trade speculatively in Sodexo shares. Directors must comply with the notice on the prevention of insider trading adopted by the Board of Directors.

Directors are required to disclose their dealings in Sodexo shares to the public by means of a press release. Accordingly, they must notify the Group Legal Department of their share dealings in accordance with the applicable laws and regulations. Share dealings must be disclosed no later than three business days after the transaction date. The threshold for disclosure is €20,000.

Once the cumulative amount of share dealings exceeds that threshold, directors are required to disclose all their dealings in Sodexo shares.

Directors must provide the Secretary of the Board with a list of all persons with whom they have close ties. In French law, "a person with whom they have close ties" means:

- a) Non-separated spouse or civil partner;
- b) Children over whom the director exercises parental authority or of whom he or she has full or shared custody or for whom he or she has effective, continuous responsibility;
- c) Parents or relatives who have been living in the director's home for at least one year on the transaction date;
- d) A legal entity, trust or *fiducie*, or partnership over which the director or a person referred to in a), b) or c) above has executive responsibility, which is directly or indirectly controlled by or has been created for the benefit of or whose economic interests are substantially the same as those of that director or person.

Except in cases of *force majeure*, all directors are required to attend Shareholders' Meetings.

3. COMPOSITION OF THE BOARD OF DIRECTORS

3.1 Number of directors

In accordance with the law, the Board of Directors has no more than 18 and no less than 10 members.

3.2 Composition of the Board of Directors

Directors are chosen for their ability to act in the interests of all shareholders and for their expertise, experience and understanding of the strategic challenges in markets where Sodexo operates.

The composition of the Board is intended to reflect the geographic mix of the business (insofar as possible), to provide a range of technical skills, and to include individuals with in-depth knowledge of Sodexo's activities. It is also intended to reflect the diversity of the men and women working for the Group through a balanced gender mix and a broad range of nationalities.

3.3 Independence criteria

The Bouton report of September 2002 provides as follows:

"For the sake of simplicity, the definition of independent director shall be the following:

A Board member is independent if he or she has no relationship of any kind whatsoever with the Company, its Group, or the Management of either that is liable to compromise his or her judgment."

Based on this definition, the Board considers that all Sodexo directors are independent.

The Board is a collegiate body that collectively represents all the shareholders. Each Board member has a duty to act at all times in the interest of all Sodexo's shareholders and in the corporate interest.

However, to comply with the corporate governance rules applicable to listed companies and, in particular, the AFEP-MEDEF Code, to which the company refers, the Board periodically assesses the independence of its members in order to establish a list of independent directors, after taking advice from the Nominating Committee.

3.4 Term of office of Directors

Directors hold office for a term of three years and may be re-elected. Exceptionally, the Ordinary Shareholders' Meeting may, on the recommendation of the Board of Directors, elect or re-elect one or several directors for a period of one or two years, to enable the re-election of directors to be staggered.

4. BOARD'S OPERATING PROCEDURES

4.1. Number of meetings

Six meetings per year are scheduled at the beginning of the fiscal year. Additional meetings may be called to take urgent decisions. At least once a year, the Board meets without the executive or internal directors being present.

4.2. Information provided to the directors

At least five days ahead of Board meetings, directors are given briefing documents so that they can review and/or investigate the issues to be addressed.

5. CORPORATE GOVERNANCE

The Board of Directors has created three specialized committees which report to it. Their purpose is to support the Board in its decision-making process and prepare certain deliberations falling within their respective remits.

The committee members are appointed by the Board from among the directors. For the purposes of their work, they may make inquiries of any Group employee and seek advice from outside experts.

Each Committee has its own charter, approved by the Board.

5.1. Audit Committee

The Committee has at least three members, appointed from among the directors. At least two-thirds of the Committee members must be independent directors. None of the members may be executive directors. The Chairman of the Audit Committee is appointed by the Board at the proposal of the Chairman of the Board.

The Audit Committee meets at least four times per year and, in any event, prior to Board meetings held to review the annual or interim financial statements, in order to give an opinion.

The presence in person, or exceptionally by telephone or video conference, of at least two-thirds of the members is required to constitute a quorum.

Briefing documents on agenda items are sent to the members at least five business days before the meeting.

In accordance with its Charter, the role of the Audit Committee is to ensure that the Company's accounting policies are appropriate, reliable and applied consistently from year to year, and that internal control procedures are effectively applied. It reviews the Group's risk map and periodically reviews senior management reports on risk exposure and prevention.

It examines the Company's fraud detection procedures and its whistleblowing system.

It may review requests for guarantees and make a recommendation to the Board.

It assesses proposals from external audit firms and makes a recommendation to the Board on the firms to be nominated for appointment at the Shareholders' Meeting.

It also performs an annual review of the fees paid to the Company's external auditors and assesses their independence.

To perform its role, the Audit Committee relies on the Chief Executive Officer, the Group Finance and Internal Audit Departments and the external auditors.

5.2. Nominating Committee

In accordance with its Charter, the role of the Nominating Committee is to examine proposals made by the Chairman of the Board of Directors and to advise the Board on:

- the appointment of directors;
- the appointment of the Chief Executive Officer and, as appropriate, the Deputy Chief Executive Officer(s), and their succession plans;
- the appointment of members of the Group Executive Committee and their succession plans;
- succession plans for the Group's key executives.

The Committee must also be able to propose potential replacements to the Board at any time if a position suddenly becomes vacant, while maintaining confidentiality.

It assesses the circumstances of directors prior to their election and whenever it sees fit in relation to the criteria set by the Board regarding its composition. It nominates candidates for appointment to the various Board committees as and when necessary. It assesses the independence of the directors and provides the Board of Directors with a list of directors qualifying as independent.

It regularly reviews the training plans for directors as well as the welcome and induction process for new directors.

5.3. Compensation Committee

In accordance with its Charter, the role of the Compensation Committee is to review proposals made by the Chairman of the Board of Directors and, in particular, to:

- Review the Group's executive compensation and performance-based incentive policy, and in particular, performance share grants and employee share ownership plans; more specifically, the Committee ensures that compensation packages take into account the Company's strategy, objectives and results, market practices, and the individual performance of the senior executives and corporate officers;
- Review and make proposals to the Board of Directors on compensation packages for the corporate officers (Chairman, Chief Executive Officer and, if applicable, Deputy Chief Executive Officers), and in particular their basic salary, performance-related compensation, as well as stock option and performance share grants and any other items of compensation (termination benefits, pension benefits, non-compete benefits, etc.);
- Make proposals to the Board of Directors on the amount of directors' fees to be submitted for approval at the Shareholders' Meeting and their allocation among the members of the Board and its specialized committees;
- Provide the Board of Directors with a proposed resolution on executive compensation to be submitted to the Shareholders' Meeting;

- Check that all components of compensation comply with the AFEP-MEDEF Code of corporate governance;
- Review Senior Management's key objectives and proposals for the compensation of Executive Committee members and the Group's key executives.

6. DIRECTORS' COMPENSATION

Travel expenses incurred by Board members for attending Board meetings are reimbursed on presentation of supporting documents.

The total annual amount of directors' fees is set by the Shareholders' Meeting on the recommendation of the Board of Directors.

The Board decides on the allocation of directors' fees based on the following criteria:

- Directors receive a fixed fee and a variable fee based on the number of Board meetings held in the year and the number of Board meetings attended;
- Board Committee members receive a fixed fee equivalent to about one-third of the fixed fee received by directors and a variable fee based on the number of Committee meetings held in the year and the number of Committee meetings attended. The Chairmen of each Committee receive a specific fee;
- Directors do not receive stock options or free shares, with the exception of the Chief Executive Officer.

7. POLICY FOR ISSUING GUARANTEES

The Board of Directors has sole authority to issue guarantees. It may, upon initial review of a guarantee, seek an opinion and recommendation from the Audit Committee.

Between two meetings during which the Board has taken a decision on guarantees, the Board of Directors authorizes the Chief Executive Officer to issue guarantees in a cumulative amount of 150,000,000 euro, within the following limits:

- Nominal amount of less than 50 million euro when the term is less than or equal to five years.
- Nominal amount of less than 30 million euro when the term is more than five years but less than 10 years.
- Nominal amount of less than 15 million euro when the term is more than 10 years but less than 15 years.
- With the consent of the Audit Committee Chairman: nominal amount of less than 100 million euro when the term is less than 25 years.

Guarantees must be of a fixed sum in principal and must not be indexed in any way whatsoever. However, the Board of Directors may decide to make exceptions to this general rule.

Guarantees must have a fixed term. The final maturity date of the guarantee may not be more than two years after the relevant services have been completed, except in exceptional circumstances.

Any new services requested by the contracting party may not give rise to a change in the scope of the obligations or to an automatic increase in the amount of the guarantee. The Board of Directors must issue a new decision.

For complex contracts awarded by public authorities for the construction, operation and financing of public facilities (Public-Private Partnerships – PPP, or Private Finance Initiatives – PFI), the Group enters into partnerships with construction companies and investors in order to obtain a long-term operating contract.

For such projects:

- No guarantee may be given directly to the banks, as there is no contractual relationship with them.
- If the guarantee encompasses construction risk, a counter-indemnity must be obtained to protect Sodexo against the financial impact of such risks.

Any guarantee given in breach of these rules, duly notified to the beneficiary of the guarantee, will be deemed to be null and void and not binding on Sodexo.

8. EVALUATION

Once a year, the Board of Directors devotes an agenda item to discussing its operating procedures. This evaluation includes:

- Reviewing the Board's operating procedures;
- Making sure that key issues are properly prepared and discussed and assessing the quality of the information provided to the directors.

In addition, an external evaluation of the Board's operating procedures is organized once every three years.

9. SEPARATION OF THE ROLES OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

The Board of Directors has elected to separate the roles of Chairman and Chief Executive Officer and has defined their respective roles.

The Chairman of the Board of Directors represents the Board. He organizes and directs its work, and reports to the shareholders at the Shareholders' Meeting. He represents the Board in its dealings with third parties, such as the Chief Executive Officer, employee representatives, external auditors and shareholders

The Chairman oversees the functioning of all of the Company's corporate governance structures and, in particular, ensures that the Board members are able to fulfill their duties.

The Chief Executive Officer has the broadest powers to act in the name of the Company in all circumstances within the limits of the Company's corporate purpose and subject to the powers expressly vested in shareholders' meetings and the Board of Directors. The Group's operational and functional departments report to the Chief Executive Officer.

The Chief Executive Officer represents the Company in its dealings with third parties. The Company is bound by the acts of the Chief Executive Officer even where they fall outside the scope of the corporate purpose, unless the Company can prove that the third party knew the act fell outside said scope or should have known, given the circumstances. Publication of the by-laws alone does not constitute sufficient proof.

The Board of Directors may also limit the Chief Executive Officer's powers, based on the recommendations of the Chairman. In accordance with the law, such limits set either by decision of the Board or in the by-laws are not enforceable against third parties.

The powers of the Chairman and the Chief Executive Officer are described in the appendix to these Internal Rules. Limits on powers are reviewed annually.

10. HONORARY CHAIRMAN

The Board may appoint an outgoing Chairman as Honorary Chairman of the Board of Directors.

APPENDIX
Limits on the Chief Executive Officer's powers

Financial transactions having a material impact on the consolidated financial statements	Total annual amount	By transaction
Acquisitions of property, plant and equipment and intangible assets (client investments or investments for internal needs):	<ul style="list-style-type: none"> ○ Total budgeted amount approved by the Board of Directors (upon budget sign-off) ○ Plus overrun of 10% of the total budgeted amount 	
Disposals of property, plant and equipment and intangible assets:	○ Total amount: €50 million*	
Acquisition of equity interests	○ Total budgeted amount approved by the Board of Directors (upon budget sign-off)	< €50 million per transaction**
	○ With consent of Chairman: total budgeted amount plus overrun of less than €100 million	With consent of Chairman: transactions** of €50 million-€100 million
		Transactions** > €100 million – consent of Board
Disposal of equity interests		< €20 million* per transaction (enterprise value)
Settlement, compromise, disputes and litigation	○ €30 million	
Material changes to the range of business activities		With consent of Chairman
Start-up in a new country		With consent of Chairman if estimated losses in the first year > €4 million or cumulative losses > €10 million
Medium- and long-term borrowings		
Refinancing of existing medium- and long-term borrowings	< €200 million	< €200 million
Leasing or project financing arranged as part of a client investment (e.g.: office leases, central kitchens covered by a tripartite agreement in the French education segment, etc.)	< €100 million	
Arrangement of new medium- and long-term borrowings	< €100 million	

*Except where the impact on revenue is more than €500 million.

**For acquisitions of equity interests, the limits are expressed in enterprise value for 100% of the shares.

Guarantees issued between two Board meetings	< €150 million between two Board meetings	< €15 million for a term of 10 to 15 years < €30 million for a term of 5 to 10 years < €50 million for a term of less than 5 years Any amount for a term of more than 15 years
		With consent of the Chairman of the Audit Committee: < €100 million for a term of less than 25 years