

# Internal Rules of the Board of Directors

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In addition to its bylaws, the Board of Directors of Sodexo (hereinafter, the "**Company**" or "**Sodexo**") has adopted these Internal Rules of the Board of Directors (hereinafter, the "**Internal Rules**").

The Internal Rules, which are reviewed regularly and most recently on February 15, 2022, set out in particular the Directors' rights and obligations, the composition, mission and operation of the Board of Directors and its Committees, the form of its governance organization (combination or separation of the functions of Chairman of the Board and Chief Executive Officer), the roles and powers of the Chairwoman of the Board of Directors (hereinafter, the "**Chairwoman**") and the Chief Executive Officer, in accordance with the provisions of the French Commercial Code, the Company's bylaws and the AFEP-MEDEF Corporate governance code of listed corporations, to which the Company refers (hereinafter, the "**AFEP-MEDEF Code**").

The Internal Rules apply to all Directors of the Board, including the Directors representing employees (subject to the legal provisions specific to them). All members of the Board are deemed to have adhered to the Internal Rules upon taking their office and must comply with all their provisions.

## **1. MISSION OF THE BOARD OF DIRECTORS**

The Board of Directors endeavors to promote long-term value creation by the Company and to do so, the Board defines the Company's strategic orientation by considering the social and environmental challenges of its activities.

The Board of Directors determines the Company's organizational structure and governance, appoints and removes the corporate officers, sets their compensation, supervises their management, 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, proposes the appropriation of net income and any dividend payment, convenes the Shareholders' meeting and makes decisions on investments and financial policy.

The Board of Directors regularly reviews, in connection with the strategy it has defined, the opportunities and risks (financial, legal, operational, social and environmental) as well as the measures taken accordingly.

The Board of Directors ensures:

- the implementation of a mechanism to prevent and detect corruption and influence peddling;
- the implementation of a vigilance plan;
- that the Chief Executive Officer implements a policy of non-discrimination and diversity, notably within governing bodies for which the Board defines diversity objectives.

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 Directors with the benefit of their expertise and experience. These advisers may attend Board meetings at the Chairwoman's request and, if necessary, meetings of the Board's Committees. They take part only in an advisory capacity.

## **2. THE DIRECTOR'S CHARTER**

### **2.1 Information provided to new Directors**

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 laws and regulations, the AFEP-MEDEF Code, the bylaws of the Company, the Internal Rules and the minutes of Board meetings held the previous year.

### **2.2 Corporate Interest**

The Director must be constantly mindful of the corporate interest, exercise good judgment (particularly in situations, strategies and people), and look to the future in order to identify the risks and strategic challenges that lie ahead. The Director must also maintain his/her independence, act with integrity, be focused, active and engaged.

### **2.3 Share ownership**

Directors are required to personally own 400 Sodexo shares within one (1) year from their appointment.

In accordance with the law, this requirement does not apply to Directors representing employees.

These shares must be held in registered form, including those already owned by the Directors at the time of their appointment and those acquired during their term of office. This requirement also applies to the Directors' spouses not judicially separated and their under aged children.

## **2.4 Conflict of interest**

Directors are required to disclose to the Board any actual or potential, direct or indirect, conflict of interest and to abstain from attending the debate and voting on those matters.

Directors must obtain prior consent from the Board before accepting any directorship or corporate office in a competing company.

In order to prevent potential conflicts of interest, Directors must also declare to the Board of Directors as soon as they become aware of them, and at least once (1) a year, within one (1) month following the end of the fiscal year:

- any office or position held in any company,
- any conviction for fraud,
- any association with a bankruptcy, receivership or liquidation,
- any official public incrimination and/or sanction by statutory or regulatory authorities,
- any disqualification by a court from acting as a member of an administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of an issuer.

This declaration must be made in respect of the past fiscal year and in respect of the past five years.

## **2.5 Number of Directorships**

Directors must devote the time and attention necessary to fulfilling their duties. They must strictly follow the overboarding rules provided for by law and the AFEP-MEDEF Code.

Executive corporate officers must obtain prior consent from the Board before accepting a directorship or corporate office in a listed company.

## **2.6 Participation in the work of the Board**

Directors are required to attend Board meetings and all meetings of any specialized Committees of which they are members.

As far as possible, Directors are required to attend Shareholders' Meetings.

Directors undertake to analyze any matter dealt with by the Board of Directors. Directors may ask the Chairwoman or the Secretary of the Board of Directors for further information if they believe they have not received sufficient information.

## **2.7 Confidentiality**

As a rule, all records of the Board of Directors' meetings and the information gathered during or outside the meetings of the Board are normally considered as confidential without exception, whether or not the information collected is presented as being confidential.

In addition to the simple obligation of discretion provided by the existing laws and regulations, Directors must consider themselves to be bound by a strict confidentiality obligation. As such:

- A Director may not use, in whole or in part, information brought to his or her knowledge in the course of his or her mandate or benefit a third person for any reason whatsoever;
- Directors undertake not to express themselves individually outside the internal deliberations of the Board of Directors on the matters referred to in the Board and on the meaning of the opinions expressed by each Director; and
- Each Director shall take all necessary measures to ensure that confidentiality is maintained, including any measures to secure the records or documents communicated to him or her.

However, Directors may be required to disclose confidential information in the event that legislative or regulatory provisions, a judicial authority, an administrative authority or a relevant market authority would impose such disclosure on them and provided that they limit such disclosure to what is strictly necessary because of these obligations.

Information is no longer confidential when it has been brought to the attention of the public in accordance with laws and regulations applicable to the Company.

In addition to this obligation, Directors undertake not to speak publicly, as a member of the Board of Directors, on any matter concerning the Company, whether linked to the decisions of the Board or not, unless the Chairwoman of the Board of Directors has agreed beforehand.

## **2.8 Prevention of insider trading**

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 during the “blackout” periods:

- thirty (30) calendar days prior to the date of publication of the annual and half-year consolidated financial statements up to and including the date of their publication;
- fifteen (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 said information.

Furthermore, the Company may draw up specific insider lists if insider information has been identified but a decision has been taken to postpone the publication of the relevant information.

In any event, even outside "blackout" periods, Directors and the Chief Executive Officer are required to determine, prior to each transaction, whether they are in possession of inside information and, if so, to refrain from carrying out any transaction.

More generally, it is prohibited for any participants in Board meetings to trade speculatively in Sodexo shares.

Directors must provide the Secretary of the Board with a list of all persons to whom they are closely related. A “person closely related” means:

- a) the Director’s spouse not judicially separated 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 (1) year on the transaction date;
- d) A legal entity, trust or “fiducie”, or a 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.

### **Disclosure of transactions carried out by persons discharging managerial responsibilities:**

In accordance with the European Directive on Market Abuse, the General Regulations of the AMF and the French Monetary and Financial Code, transactions in the Company’s securities carried out by Directors or the Chief Executive Officer, together with the persons closely related to them, must be disclosed within three (3) trading days of the transaction date.

Consequently, Directors and the Chief Executive Officer are required to inform the Group Legal Department of their transactions made in accordance with the applicable laws and regulations.

The threshold for disclosure is 20,000 euros per calendar year for all transactions made by the same person.

Once the cumulative amount of share transactions exceeds that threshold, all transactions made in Sodexo shares must be disclosed.

## **3. COMPOSITION OF THE BOARD**

### **3.1 Number of Directors**

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

### **3.2 Composition of the Board and training**

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

The composition of the Board is intended to reflect, as far as possible, the different geographical areas where Sodexo operates, to provide a range of technical skills, and to include among its members Directors with in-depth knowledge of Sodexo's activities. Furthermore, the Board is intended to reflect a balanced gender mix and a broad range of nationalities.

Each Director should be provided with training adapted to his or her needs when taking office and, if he or she considers it to be necessary, with additional training relating to the Group's specific features, its business, its business sector and its challenges in terms of social and environmental responsibility.

Furthermore, Directors representing employees should be provided with time necessary for the preparation of any Board and/or Committee as well as training provided for by the law.

### **3.3 Independence criteria**

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

In compliance with the AFEP-MEDEF Code, following advice from the Nominating Committee, the Board of Directors periodically assesses the independence of its members in order to establish the list of the independent Directors.

### **3.4 Term of the Director's office**

Directors hold office for a term of three (3) years (renewable). Exceptionally, the Shareholders' Meeting may, following recommendation of the Board of Directors, elect or re-elect one or several Directors for a one-year or two-year period in order to allow a staggered renewal of the Directors appointment.

## **4. BOARD'S FUNCTIONING AND OPERATION**

### **4.1. Meetings**

Notices of Board of Directors meetings may be given by any means, no less than eight (8) days before the date of the meeting (save in exceptional circumstances).

The Board of Directors meets as often as required in the interest of the Company and at least six (6) times a year.

Meetings are held by any means and wherever specified in the notice.

At least once (1) a year, the Board meets without the executive or internal Directors being present.

Directors are allowed to request another Director to represent them at Board meetings. Each Director may represent only one other Director during the same Board meeting.

### **4.2. Written consultations**

The Board of Directors may take any decisions by written consultations (including by electronic means) of Directors, in accordance with the conditions provided by the applicable laws and regulations.

Only Directors who have answered the consultation within the deadline specified in the notice are taken into account for the quorum and the majority rules are applied to this quorum.

After consultation, the Secretary of the Board signs the attendance register in lieu of the participating Directors.

### **4.3. Use of videoconference or telecommunication means**

Directors may participate in Board meetings by any means of videoconference or telecommunication in accordance with laws and regulations in force. Participation by videoconference or telecommunication may also be refused by the Chairwoman, for example for technical reasons.

The means implemented must allow the identification of the participants and ensure their effective participation in the Board of Directors meeting. Failing that, the Board of Directors meeting will be adjourned. Any technical incident is mentioned in the minutes.

Directors who wish to participate in a Board meeting by videoconference or telecommunication means must indicate this by e-mail to the Chairwoman no later than one (1) hour before the Board meeting. They are deemed present for the calculation of the quorum and the majority, except for decisions for which the use of videoconference or telecommunication is specifically excluded by the legal and regulatory provisions in force. Their participation by means of videoconference or telecommunication is mentioned in the minutes.

The Secretary signs the attendance register in lieu of the Directors who attend the Board meeting by means of videoconference or telecommunication and are unable to sign this register (for them and for those they represent).

#### **4.4. Information provided to Directors**

At least five (5) days prior to each Board meeting, Directors are given briefing documents so that they can review and/or investigate the issues to be addressed.

Directors are required to request to the Chairwoman or the Secretary of the Board, the appropriate information that they consider as necessary to perform their duties.

Directors may meet with the Company's principal executive managers, in the absence of the corporate officers, upon request to the Chairwoman or the Secretary of the Board.

#### **4.5. Attendance register - minutes**

At each Board meeting, the attending Directors are required to sign the attendance register. The Secretary signs in lieu of the Directors participating by means of videoconference or telecommunication and for written consultations.

Unless impossible due to time constraints, at each Board meeting Directors approve the minutes of the preceding Board meeting.

### **5. BOARD COMMITTEES**

The Board of Directors has created three (3) specialized Committees, in order to support the Board in its decision-making process and prepare certain deliberations falling within its remit. These committees report to the Board on their work. The Board of Directors may also create at any time other *ad hoc* Committees in charge of specific topics.

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 Audit Committee is composed of at least three (3) members of the Board of Directors. At least 2/3 of the members of the Committee must be independent. The Audit Committee must not include any executive corporate officer.

The Chairman of the Audit Committee is appointed by the Board of Directors on the recommendation of the Chairwoman.

The Audit Committee meets at least four (4) times a year, and in any event before the meetings of the Board of Directors at which the annual or half-year financial statements are submitted.

The Audit Committee may only validly deliberate if at least 2/3 of its members are present or represented.

The Audit Committee is responsible in particular for the following tasks:

#### **Financial information, review of accounts and accounting policies:**

- Monitoring the process of preparing financial information and, where appropriate, making recommendations to ensure its integrity;
- Examining the accounts and accounting methods used by the Company, in particular, in the case of significant transactions, as well as the presentation by the Company's General Management of the exposure to risks, including those of a social and environmental nature, and of the Company's significant off-balance sheet commitments, as well as the accounting options adopted;
- Examining requests for the issuance of guarantees falling within the competence of the Board of Directors and make recommendations.

#### **Relations with the Statutory Auditors:**

- Making a recommendation to the Board on the Statutory Auditors proposed for appointment, especially when the renewal of the term of office of the Statutory Auditor(s) is being considered. This recommendation for the appointment of a Statutory Auditor must include at least two (2) choices and the Committee's preference must be justified;
- Monitoring the performance of the Statutory Auditors' mission and take into account their findings and conclusions;

- Ensuring that the Statutory Auditors comply with the independence requirements and, if necessary, take the necessary measures;
- Reviewing the Statutory Auditors' fees for the Company and its subsidiaries.

#### Risk management, control and internal audit:

- Monitoring the effectiveness of the Group's internal control and risk management systems and, where appropriate, of the internal audit function, with respect to procedures relating to the preparation and processing of accounting, financial and non-financial information, without undermining the latter's independence;

To this end, the Committee hears the heads of the Internal Audit and Internal Control Department and gives its opinion on the organization of the departments. The Committee is informed of the internal audit program and receives internal audit reports or a periodic summary of these reports;

- Making recommendations to the Company's General Management concerning the governance of risk management, especially concerning the structure, the scope and the organization of the risk management;
- Reviewing the Company's procedures for detecting fraud and ethical whistleblowing;
- Making recommendations on the regular assessment of the conditions for the conclusion of agreements which are in the ordinary course of business and related-party agreements within the Group.

In performing its role, the Audit Committee is supported by the Chief Executive Officer and the Group's Finance and Internal Audit departments, as well as by the external auditors.

#### **5.2. Nominating Committee**

The majority of the members of the Nominating Committee must be independent Directors, and no executive corporate officer must be a member of the Committee.

The Chairman of the Nominating Committee is appointed by the Board from among the members of the Committee on the recommendation of the Chairwoman.

The Nominating Committee meets as often as necessary and at least twice (2) a year.

The Nominating Committee can only validly deliberate if at least half of its members are present or represented.

The Nominating Committee is responsible for examining the proposals made by the Chairwoman and for advising the Board on the appointment of Directors, the Chief Executive Officer and, where applicable, the Lead Independent Director, Deputy Chief Executive Officer(s) and members of the Group Executive Committee.

It also ensures that it is in a position at all times to propose to the Board solutions for succession in the event of an unforeseen vacancy, even if these must remain confidential.

The Nominating Committee assesses at any time, if it deems it useful, the desirable evolution of the Board, the useful skills and experience, and examines the situation of Directors prior to their appointment in the light of the criteria defined by the Board concerning its composition.

It nominates candidates for appointment to the various Committees when their membership is renewed. It assesses the independence of Directors and proposes to the Board of Directors the list of Directors considered as independent.

It regularly reviews the training plans for Directors together with the process for the welcoming and induction of new Directors.

The Nominating Committee also assesses the minimum investment expected from Directors in terms of number of days devoted to their office.

#### **5.3. Compensation Committee**

The majority of the members of the Compensation Committee must be independent Directors, and no executive corporate officer must be a member of the Committee.

The Chairman of the Compensation Committee is appointed by the Board from among the members of the Committee on the recommendation of the Chairwoman.

The Compensation Committee meets as often as necessary and at least three (3) times a year.

The Compensation Committee may validly deliberate only if at least half of its members are present or represented.

The Compensation Committee is responsible in particular for the following tasks:

#### Directors and Executive Corporate Officers

- Proposing to the Board of Directors the compensation policy for Directors to be submitted to the Shareholders' Meeting, and especially the amount of the envelope and the methods of distribution of the compensation allocated to the Directors and the members of the Committees, taking into account the effective participation of the Directors in the Board meetings and, where applicable, in the Committee(s) of which they are members, as well as the level of responsibility and the time they devote to their duties;
- Examining and proposing to the Board of Directors the compensation policy for the Company's executive corporate officers (Chairwoman, Chief Executive Officer and, where applicable, any Deputy Chief Executive Officer(s)): fixed compensation, annual variable compensation, long-term compensation, benefits and any other compensation components (severance pay, non-compete commitments, supplementary pension plans, etc.). To this end, the Committee proposes compensation structures that take into account the Company's strategy, objectives and results, market practice, as well as the individual performance of the executive corporate officers;
- Proposing to the Board of Directors the draft resolutions relating to the compensation policy for the Directors and the executive corporate officers and to the components of compensation paid or awarded during the fiscal year to be submitted to the approval of the Shareholders' Meeting;
- In the event of a negative vote by the Shareholders' Meeting on the compensation policy for Directors, the compensation policy for executive corporate officers, the compensation report or on the application of compensation policies, the Committee will meet as soon as possible to analyze the expectations expressed by shareholders and to conduct a rigorous review of the structure and content of the compensation of Directors and/or the executive corporate officer concerned, before submitting a report to the Board on the new proposals to be taken into account, indicating how the shareholders' vote and, if applicable, the opinions expressed at the Shareholders' Meeting have been taken into account.

#### Senior executives of the Company and the Group who are not Corporate Officers

- Examining the compensation policy proposed by the General Management for the principal executives of the Company and the Group, and in particular for the members of the Executive Committee, including long-term remuneration plans;
- Examining the proposals of the General Management concerning the compensation of the Executive Committee members: fixed compensation, annual variable compensation, as well as long-term incentives, any benefits and any other compensation components (severance pay, non-compete commitments, supplementary pension plans, etc.). To this end, the Committee ensures that compensation structures take into account the Company's strategy, objectives and results, market practice, as well as the individual performance of any executives.

## **6. DIRECTORS' COMPENSATION**

The total amount of compensation allocated annually to Directors is set by the Shareholders' Meeting on the recommendation of the Board of Directors.

Directors' compensation consists of fixed and variable compensation based on the number of Board meetings and attendance, as well as a fixed travel allowance for directors travelling from the United States.

Committee members receive a fixed compensation, as well as a variable compensation based on the number of Committee meetings and attendance at these meetings. Each Committee Chairman is entitled to a specific compensation.

Directors are not eligible for any long-term compensation, supplementary pension plan, or compensation or benefits that may result from any change in their duties, new duties or a removal from office.

The Chairwoman does not receive any compensation for her position as Director. Accordingly, this policy does not apply to the Chairwoman.



## **7. POLICY FOR THE ISSUANCE OF GUARANTEES**

Only the Board of Directors has the power to authorize the issuance of a guarantee. The Board of Directors may rely on a preliminary review by the Audit Committee, which shall issue a recommendation.

Between two (2) meetings at which the Board has taken a decision on the matter, the Board of Directors authorizes the person acting in his/her capacity as Chief Executive Officer to issue guarantees for a cumulative amount of 150 million euros, within the following limits:

- up to (and including) 50 million euros when the term is less than or equal to five (5) years.
- up to (and including) 30 million euros when the term is greater than five (5) years but equal or less than ten (10) years.
- up to (and including) 15 million euros when the term is greater than ten (10) years but equal or less than fifteen (15) years.
- with the approval of the Chairman of the Audit Committee: up to (and including) 100 million euros when the term is less than twenty-five (25) years.

Unless otherwise decided by the Board of Directors, guarantees must be for a fixed principal amount, excluding any indexation of any kind.

Guarantees must be limited in time. The final date of validity of the guarantee may not exceed two (2) years after the end of the services, except in exceptional cases.

Any new service requested by the co-contractor may not result in a change in the scope of the obligations or an automatic increase in the guaranteed amount. A new decision by the Board of Directors is required.

In the context of complex projects awarded by the public authorities and involving the construction, operation and financing of facilities (Public-Private Partnerships, PPP, or Private Finance Initiative, 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 can be given directly to the banks in the absence of a contractual relationship with them.

If the guarantee covers construction risks, a counter-guarantee must be obtained to financially exonerate Sodexo from any such risk.

Any guarantee given in contravention of these rules and duly notified to the third-party beneficiary will be considered null and void and not binding on Sodexo.

## **8. EVALUATION OF THE FUNCTIONING AND OPERATION OF THE BOARD**

Once (1) a year, the Board shall devote an item on its agenda to a discussion on its operations.

The evaluation shall:

- Review the Board's operating procedures;
- Check that important issues are properly prepared and debated and assess the quality of the information made available to Directors;
- Assess the effective contribution of each Director to the work of the Board.

In addition, every three (3) years, the Board conducts an evaluation of its operations with the support of an external firm.

## **9. FORM OF GOVERNANCE ORGANIZATION – COMBINATION OF THE FUNCTIONS OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

### **9.1 Governance Organization**

General management is carried out, under his or her responsibility, either by the Chairwoman, who then bears the title of Chairwoman and Chief Executive Officer, or by another individual bearing the title of Chief Executive Officer.

The Board of Directors has chosen to combine the functions of Chairman and Chief Executive Officer. The provisions relating to the Chief Executive Officer are therefore applicable to the Chairwoman, who thus bears the title of Chairwoman and Chief Executive Officer (the "**Chairwoman**" or the "**Chairwoman and Chief Executive Officer**").

The Chairwoman and Chief Executive Officer represents the Board. She organizes and directs its work and reports on it to the Shareholders' Meeting. On behalf of the Board, relations with third parties such as employee representatives, statutory auditors and shareholders are entrusted to her.

The Chairwoman and Chief Executive Officer ensures the proper functioning of the Company's bodies and, in particular, that Directors are able to perform their duties.

The Chairwoman and Chief Executive Officer has the broadest powers to act in all circumstances on behalf of the Company and exercises these powers within the limits of the corporate purpose and subject to those powers expressly granted by law to the shareholders' meetings and the Board of Directors. In this capacity, the Group's operational and functional departments report to her.

The Chairwoman and Chief Executive Officer represents the Company in its relations with third parties. The Company is bound by the acts of the Chairwoman and Chief Executive Officer even when they do not fall within the corporate purpose, unless the Company can prove that the third party knew that the act exceeded that purpose or could not have been unaware of it given the circumstances. The publication of the bylaws shall not constitute such sufficient proof.

The limitations on the powers of the Chairwoman and Chief Executive Officer are set by the Board of Directors. In accordance with the law, any such limitation on the powers of the Chairwoman and Chief Executive Officer, by decision of the Board of Directors or in the bylaws, shall not be binding on third parties.

The powers of the Chairwoman and Chief Executive Officer are described in the attached schedule. The limitations of powers are regularly reviewed by the Board of Directors.

## **9.2 Lead Independent Director**

### Appointment of a Lead Independent Director

When the general management of the Company is assumed by the Chairwoman of the Board of Directors, the Board of Directors appoints, on the recommendation of the Nominating Committee, a Lead Independent Director from among the Directors qualified as independent.

This obligation continues as long as the functions of Chief Executive Officer and Chairman of the Board of Directors are combined. His/her duties as Lead Independent Director will end on the occurrence of the first of the following events: (i) the separation of the functions of Chairman and Chief Executive Officer, (ii) the termination of his/ her term as a director, (iii) the loss of independent director status for any reason, or (iv) a decision of the Board at any time.

When the functions of Chairman of the Board and General Management of the Company are separated, the Board may decide to appoint a Lead Independent Director, if it deems it useful or necessary.

### Missions and powers of the Lead Independent Director

The main mission of the Lead Independent Director is to ensure the proper functioning of the Company's governance bodies:

- ✓ Missions
  - The Lead Independent Director is consulted by the Chairwoman on the agenda of each meeting of the Board of Directors as well as on the calendar of meetings;
  - The Lead Independent Director may request the Chairwoman to convene the Board of Directors on a specific agenda. The Chairwoman is bound by the requests thus addressed to her;
  - The Lead Independent Director liaises between the independent directors and the other members of the Board of Directors, and the quality of the information provided to the Directors. He/she is, if necessary, the spokesperson of all the Directors to the Chairwoman;
  - The Lead Independent Director meets, at least once a year, the members of the Board of Directors without the presence of the Executive Directors and the Directors representing employees ("Executive Session"). These meetings are intended in particular for the evaluation of the performance of the Chairwoman and, where applicable, the Chief Executive Director. He/she organizes and animates the debates during these meetings which he/she chairs and reports to the Chairwoman;
  - The Lead Independent Director brings to the attention of the Chairwoman and the Board of Directors any situations of conflict of interest that he/she has identified.

- ✓ Relationship with shareholders
  - The Lead Independent Director, in coordination with the Chairwoman, is the Board's spokesperson to investors and shareholders on governance issues. He/she makes himself available to meet with some of them and reports to the Board on shareholders' governance issues;
  - The Lead Independent Director takes note of shareholders' requests for governance and ensures that they are answered.
- ✓ Report
  - The Lead Independent Administrator reports on the execution of his/her mission once a year to the Board of Directors;
  - During the Shareholders' meetings, the Lead Independent Director may be invited by the Chairwoman to report on his/her action.

#### Means of the lead Independent Director

To carry out his/her mission entrusted to him/her, the Lead Independent Director:

- ✓ has access to all documents and information he/she deems necessary for the performance of his/her tasks. He/she may, in the exercise of his/her powers, request the carrying out of external technical studies, at the expense of the Company;
- ✓ is regularly informed of the Company's activity. He/she may also, at his/her request, and after informing the Chairwoman and, where applicable, the Chief Executive Officer, meet with operational and functional leaders;
- ✓ may request to participate in the meetings of the Committees of which he/she is not a member, in agreement with the Chairman of the Committee in question;
- ✓ is associated with the work of the Nominating Committee and/or the Compensation Committee even if he/she is not appointed by the Board of Directors to be a member of the latter. As such, he/she ensures the evaluation process of the Board of Directors and reports on this evaluation to the Board of Directors. He/she participates in the Committees' reflections on governance issues related to the functioning of the Board of Directors (frequency and timing of meetings, quality of information provided prior to their meetings, relevance of meeting agendas...).

## **10. HONORARY CHAIRMAN**

The Board may appoint the outgoing Chairman as Honorary Chairman of the Board of Directors upon termination of his or her duties. The Honorary Chairman has no voting rights on the Board of Directors.

**APPENDIX  
LIMITS ON THE CHIEF EXECUTIVE OFFICER'S POWERS**

<b>For financial transactions having a material impact on the consolidated financial statements (excluding intercompany transactions):</b>	<b>Total annual amount</b>	<b>By transaction</b>
Acquisitions of property, plant and equipment and intangible assets (client investments or investments for internal needs)	<ul style="list-style-type: none"> <li>○ Total budgeted amount approved by the Board of Directors (upon budget sign-off)</li> <li>○ Plus overrun of 10% of the total budgeted amount</li> </ul>	
Disposals of property, plant and equipment and intangible assets	<ul style="list-style-type: none"> <li>○ Total amount: 50 million euros *</li> </ul>	
Acquisition of equity interests	<ul style="list-style-type: none"> <li>○ Total budgeted amount approved by the Board of Directors (upon budget sign-off)</li> </ul>	≤ 50 million euros per transaction**
	<ul style="list-style-type: none"> <li>○ In case of dissociation of the functions of Chairman and Chief Executive Officer, with consent of the Chairwoman: total budgeted amount plus overrun of less than 100 million euros</li> <li>○ In case of combination of the functions of Chairman and Chief Executive Office: total budgeted amount plus overrun of less than 100 million euros</li> </ul>	In case of dissociation of the functions of Chairman and Chief Executive Officer, with consent of the Chairwoman: transactions** from 50 to 100 million euros In case of combination of the functions of Chairman and Chief Executive Office: up to 100 million euros
		Transactions** > 100 million euros – with consent of the Board
Disposal of equity interests		≤ 20 million euros * per transaction (enterprise value)
Settlement, compromise, disputes and litigation	<ul style="list-style-type: none"> <li>○ 30 million euros</li> </ul>	
Material changes to the range of business activities		In case of dissociation of the functions of Chairman and Chief Executive Officer, with consent of the Chairwoman
Start-up in a new country		In case of dissociation of the functions of Chairman and Chief Executive Officer, with consent of the Chairwoman if estimated losses in the first year > 4 million euros or cumulative losses > 10 million euros

<b>Medium and long-term borrowings (excluding intercompany borrowings) :</b>		
Refinancing of existing medium- and long-term borrowings	≤ 200 million euros	≤ 200 million euros
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 euros	
Arrangement of new medium- and long-term borrowings	≤ 100 million euros	
<b>Guarantees</b> issued between two (2) Board meetings	≤150 million euros between two (2) Board meetings	≤ 15 million euros for a term greater than 10 years and up to 15 years ≤ 30 million euros for a term greater than 5 years and up to 10 years ≤ 50 million euros for a term equal or less than 5 years Any amount for a term greater than 15 years
		With consent of the Chairman of the Audit Committee: ≤ 100 million euros for a term less than 25 years.

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

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