

First quarter Fiscal 2021 revenues

January 8, 2021

Agenda

1 First quarter Fiscal 2021 highlights

2 Review of Operations

- › On-Site Services
- › Benefits & Rewards Services

3 Outlook

Figures have been prepared in thousands of euro and published in millions of euro

Please refer to Appendix 4 for Alternative Performance Measures definitions

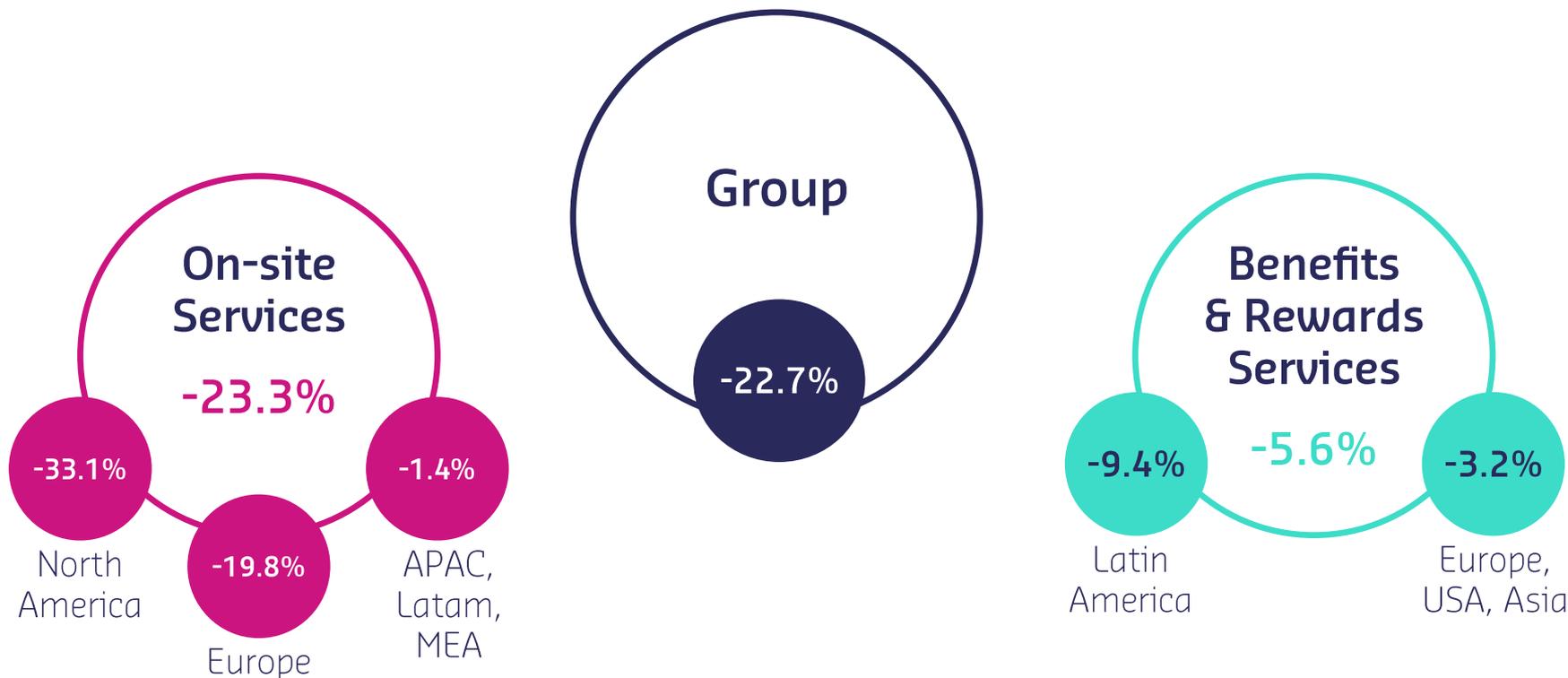
Q1 Fiscal 2021 highlights



1

Q1 Organic growth recovery impacted by second wave

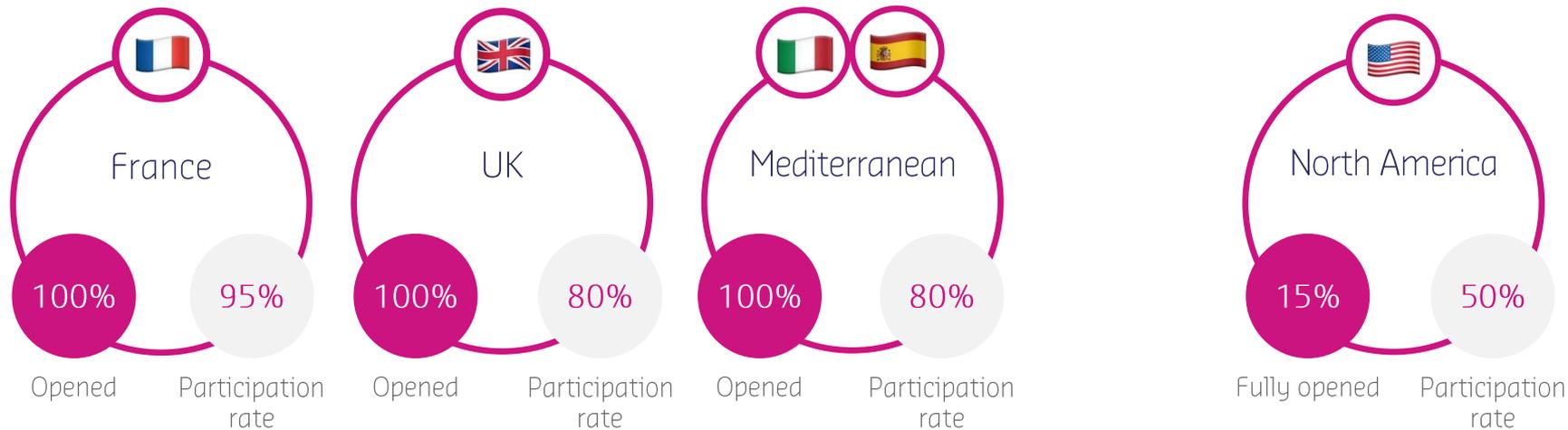
First quarter Fiscal 2021 highlights





Good recovery in Schools, contrasted trends

First quarter Fiscal 2021 highlights



European schools all opened with participation rate varying:

- Strong reopening since September in **France**
- Fluctuating attendance with progressive improvement in the **UK**
- Progressive reopening of schools during the quarter in **Italy** and **Spain**

North American Schools helped by “Emergency meals” distribution



Focus on Schools

First quarter Fiscal 2021 highlights



Contract negotiations

70% of contract portfolio renegotiated



Continuous efforts to promote healthy nutrition



Strong support to communities
~ 60 million meals provided despite school closures in North America



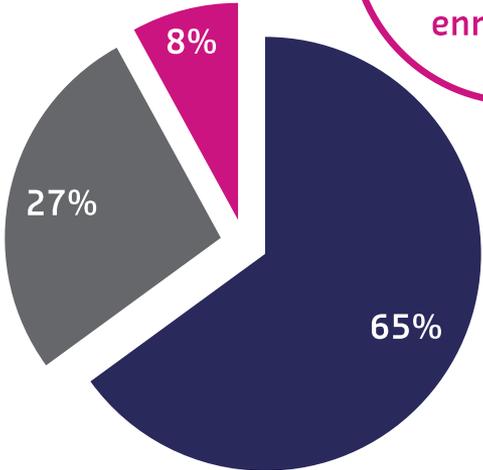


Universities are still overwhelmingly Hybrid

First quarter Fiscal 2021 highlights



-16%*
decline
in 2020
Freshman
enrollment



- Hybrid learning
- Physical learning
- Fully online learning



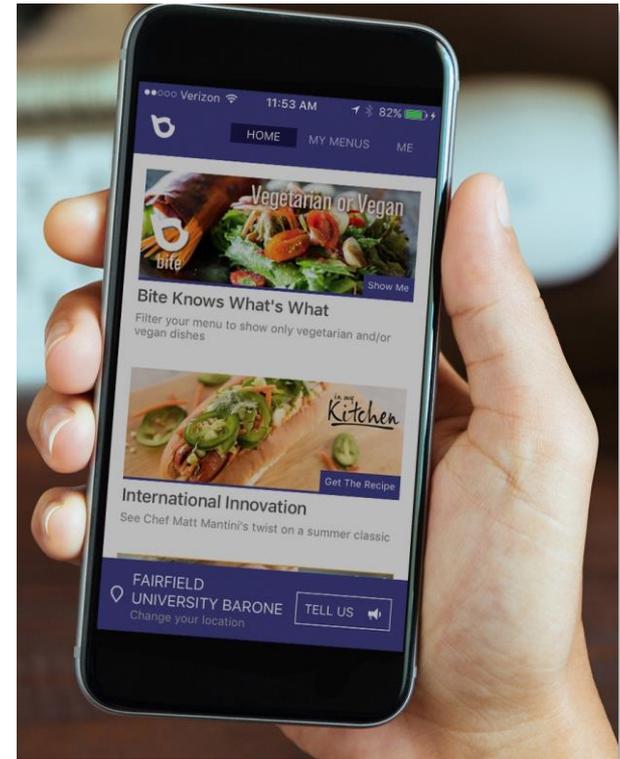
* Source: New York Times research. Total enrollment for Fall down 5%



Focus on Universities

First quarter Fiscal 2021 highlights

- **Still very fluid** situation.
- **~70% renegotiated contracts** mainly in food.
Cost+ contracts representing 30% now (vs 10% pre-Covid)
- Launch of a cleaning process, **Clean4**, adapted to Campus that significantly reduces pathogens on surfaces through a specially selected array of cleaning tools and supplies.
- Deployment of **Bite payment App** for Universities:
 - **170+** locations.
 - **25,000+** users.





Strong digital festive season gift campaign in BRS

First quarter Fiscal 2021 highlights



10 Countries



42% Digital
+11 pts (vs last year)

Increased one-off tax exemptions and conversion of other HR budgets to Gifts:
France, Germany and Austria

Change in client behavior
in favor of more digital solutions

Strong development and cross selling through:
Launch of new offers
Enhanced targeting
Dedicated sales and marketing campaigns

Review of operations

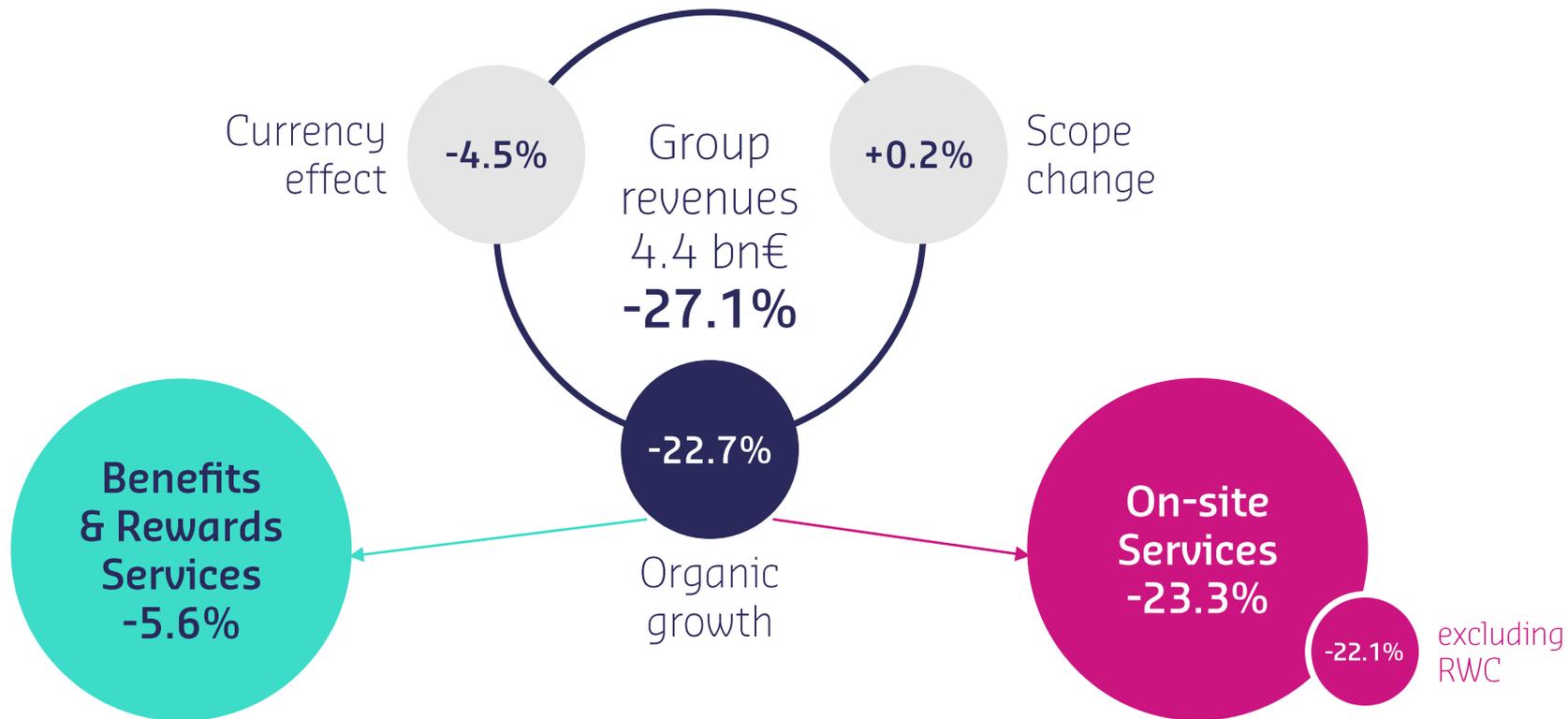


On-site Services

Benefits & Rewards Services

Growth decline due to Covid-19 impact

Q1 Fiscal 2021 Financial Performance

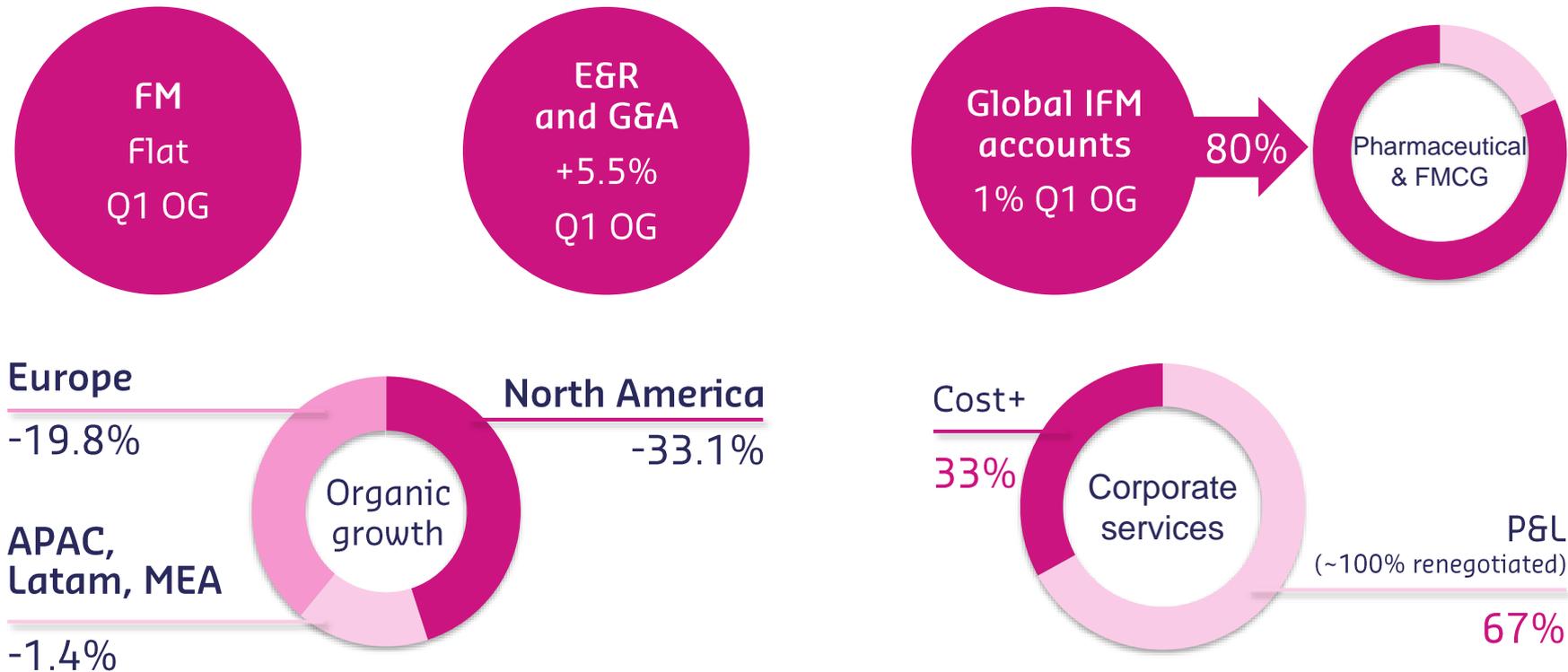


Review of operations

OSS

On-site Services levers of resilience

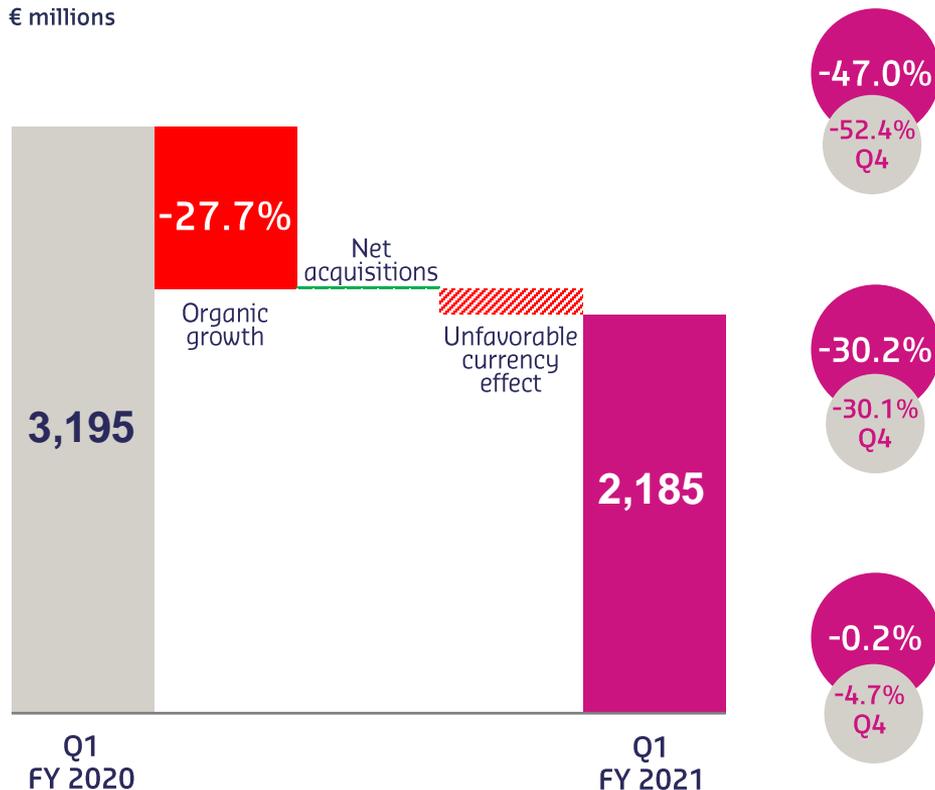
Q1 Review of operations



Business & Administrations – Revenues

55%
On-site
Services
FY20

€ millions



North America

- Improving trends in G&A and E&R activities.
- Corporate Services still impacted by office closures with no significant improvement in trend.
- S&L sites still mainly closed.

Europe

- -26% excluding Rugby World Cup
- Recovery in all sub-segments, slowed by second wave of lockdown starting November.
- FM and Global accounts resisting very well.

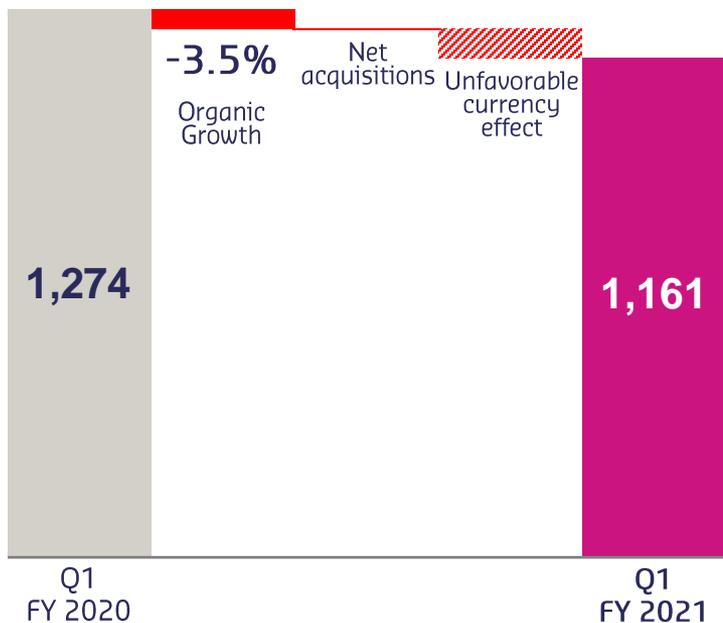
APAC, Latam, MEA

- Growth in Corporate services in China and Latam offsetting very progressive recovery elsewhere and hard lockdown in India.
- Strong growth in E&R boosted by extra Covid-19 related services in mining in Asia.

Healthcare & Seniors – Revenues



€ millions



North America

- Impact of Covid-19 and last year lost business in Healthcare. More cross-selling.
- Encouraging new wins in Seniors.



Europe

- Strong contribution from the rapid testing centers in the UK and return to growth in France thanks to large contract start-up in Healthcare.
- Low retail sales and patient food particularly in Southern Europe.
- Seniors more or less back to previous year levels.

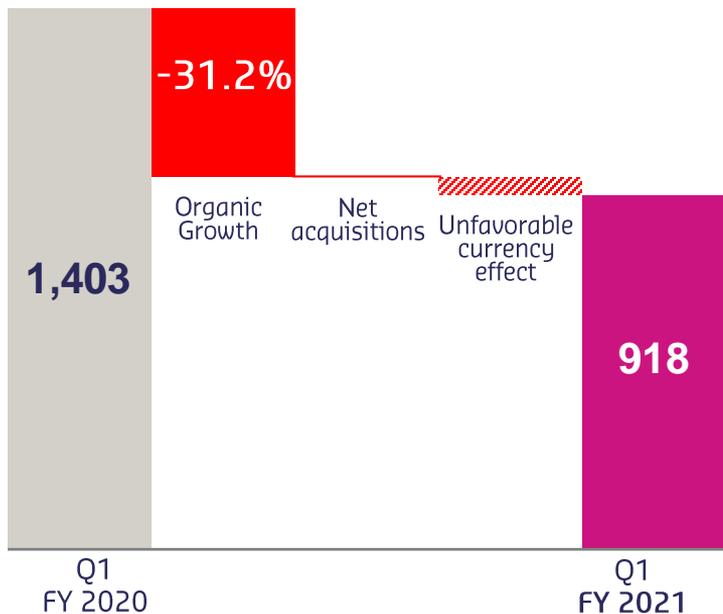


APAC, Latam, MEA

- Good recovery in Asia mainly driven by strong activity in China.
- Partially offset by continued impact of Covid-19 in Latam.

Education – Revenues

19%
On-site
Services
FY 20



-38.5%
-36.3%
Q4

North America

- Significant impact of site closures in Schools. Emergency programs still in place.
- Strong decline in volume in Universities due to late start of the academic year, enrollment decline and reduction in meal count due to virtual or hybrid system.
- Successful contract renegotiations and encouraging FM cross-selling.

-7.4%
-33.4%
Q4

Europe

- Significant improvement in Schools driven by full reopening in France.
- Fluctuating attendance with progressive improvement in UK.
- Late but progressive reopening in Italy and Spain.

-21.5%
-42.8%
Q4

APAC, Latam, MEA

- Good reopening and attendance in China, but still seriously impacted by lockdown in India.

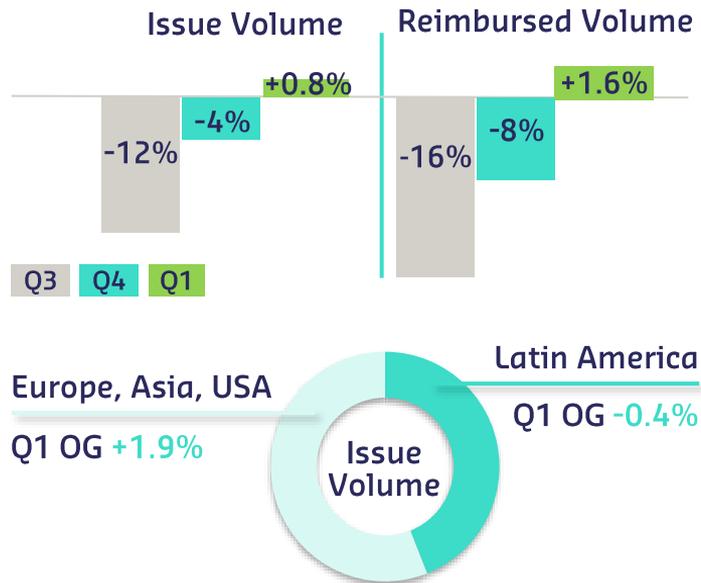
Review of operations

BRS

Benefits & Rewards Services levers of resilience

Q1 Review of operations

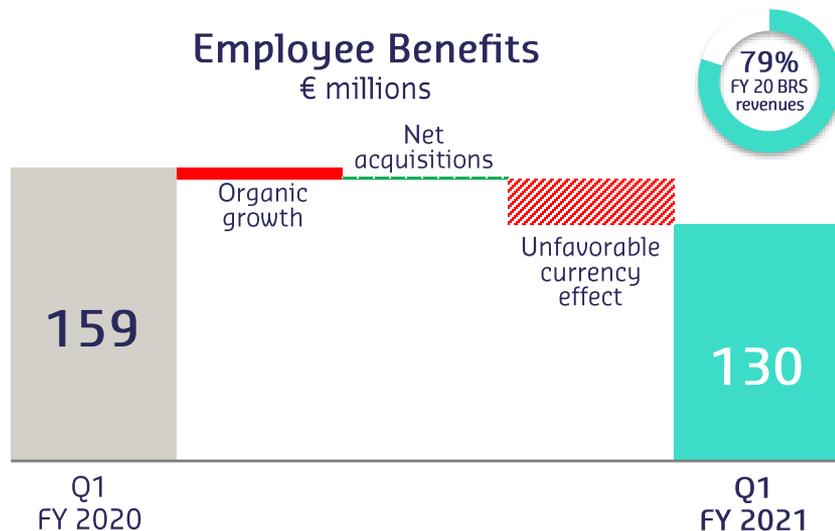
Continued improvement in Employee Benefits



India innovating to adapt to lockdown with virtual card issuance

- Clients looking for digital benefit issuance with the option to opt for physical card delivery later
- Digital issuance for Meal, Cafeteria, Multi-Benefit & Reward solutions
- **3,200+ contracts** set-up for digital issuance
- **225,000+ cards** issued virtually
- **Joint OSS-BRS** contract wins.

BRS revenues by service line



Issue volume €2.9bn, +0.8% Organic growth

-4%
OG

-17%
Q4

- Strong improvement thanks to restaurant re-openings, and higher reimbursement volumes.
- Mild impact from second wave of lockdown, partly offset by digitalization
- Deterioration in Brazil due to competitive pressures and interest rate decline.

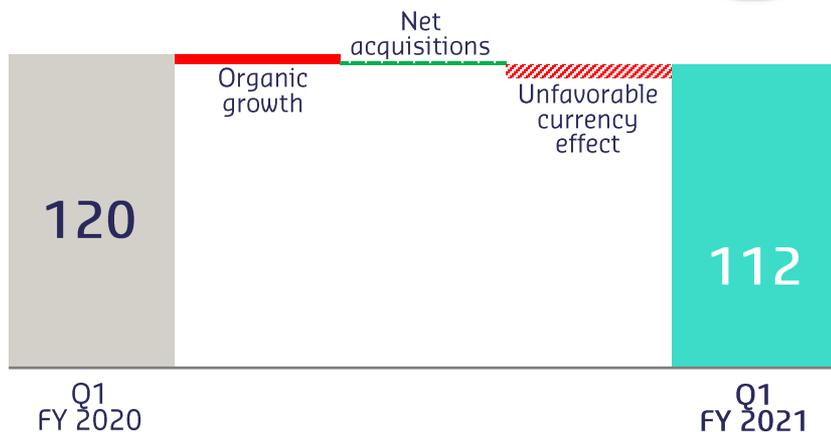
-10.7%
OG

-7.4%
Q4

- Continued growth in Public Benefits.
- Rydoo still impacted by travel decline compared to high comparative basis. Fuel & Fleet still showing more resilience.

BRS revenues by region

Europe, Asia, USA € millions

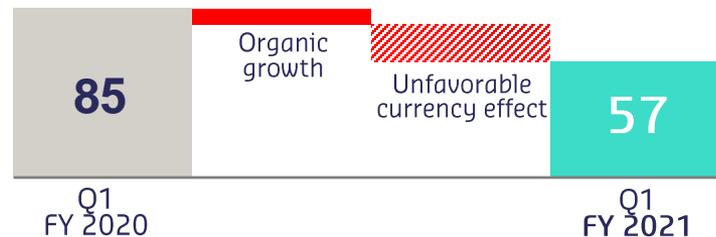


-3.2%
OG

-9.9%
Q4

- Improved trend, helped by restaurants re-opening and progressive catch-up in reimbursements.
- Slight slow-down at the end of the quarter due to second wave of lockdowns.

Latin America € millions



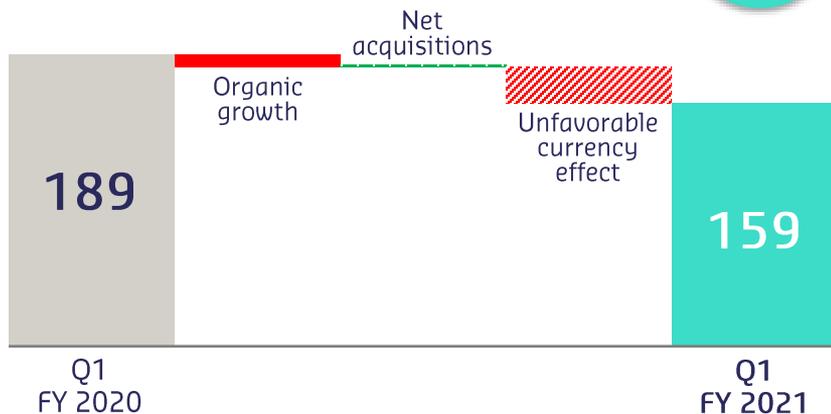
-9.4%
OG

-22.2%
Q4

- Better trend although Brazil still impacted by interest rate declines. Expected stabilization thanks to easier comparative basis.
- Rest of the region still growing, except Chile.

BRS revenues by nature

Operating revenues € millions

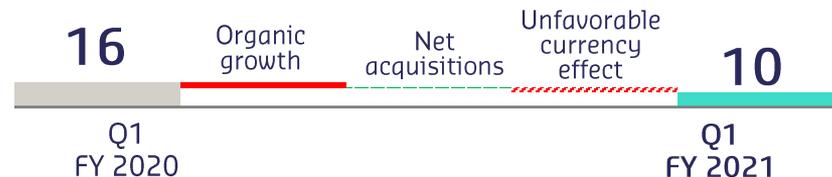


-4.2%
OG

-14.0%
Q4

- Improvement in trend although Covid-19 is still impacting.

Financial revenues € millions



-23.5%
OG

-28.2%
Q4

- Significant fall in interest rates in Brazil, though stabilizing.

Outlook



H1 FY2021 assumptions

Outlook

OG: -20 to -25%

UOP Margin at constant rate: **At least 2.5%**

Recurrent Free Cash Flow: ~ €-100m

Free Cash Flow including non-recurrent elements: ~ €-350m

- ▶ Restructuring costs
- ▶ Government support payment delays reversals
- ▶ Reimbursement of the 2020 Olympic Games hospitality packages

Mid-term guidance

Outlook

On the basis that the pandemic will be over by 2021 calendar year end, the Group aims to return to sustained growth and to rapidly increase the Underlying operating margin back over the pre-Covid level.

Q&A



4

Appendices



Contract Wins and extensions

Appendix 1

Contract Wins



Kimberly Clark

Corporate contract
in Latin America
and Brazil



Shanghai Public
Health Clinical
Center

Healthcare contract
in China



AC Camargo Cancer Center

Healthcare contract
in Brazil

Contract Retention



Solent University

University contract
in the UK



Campus Jules Carteret

Corporate contract
in France



Eton End

Schools contract
in the UK

Contract Extensions / Expansions



ODDO BHF

Integrated contract
in France



Mina Escondida

Energy & Resources contract
in Chile



Vanderbilt University
Medical Center

Healthcare contract
in the US

Q1 Fiscal 2020 Exchange rates

Appendix 2

1€ =	Average Rate Q1 Fiscal 21	Average Rate Q1 Fiscal 20	Average Rate Q1 Fiscal 21 vs. Q1 Fiscal 20	Closing Rate Q1 Fiscal 21 at 30/11/2020	Closing Rate Fiscal 20 at 31/08/2020	Closing Rate 30/11/20 vs. 31/08/20
U.S. DOLLAR	1.179	1.102	-6.5%	1.198	1.194	-0.3%
POUND STERLING	0.904	0.875	-3.2%	0.898	0.896	-0.3%
BRAZILIAN REAL	6.601	4.532	-31.3%	6.352	6.474	+1.9%

Organic growth excluding Rugby World Cup

Appendix 3

	Organic growth excluding RWC	Organic growth
Group	-21.5%	-22.7%
On-Site Services	-22.1%	-23.3%
On-Site Services Europe	-16.6%	-19.8%
Business & Administrations	-25.6%	-27.7%
Business & Administrations Europe	-26.0%	-30.2%

Organic growth

Organic growth corresponds to the increase in revenue for a given period (the "current period") compared to the revenue reported for the same period of the prior fiscal year, calculated using the exchange rate for the prior fiscal year; and excluding the impact of business acquisitions and divestments, as follows:

- for businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- for businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- for businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

For countries with hyperinflationary economies all figures are converted at the latest closing rate for both periods when the impact is significant.

As a result, for the calculation of organic growth, Argentine Peso figures for Q1 FY2021 and Q1 FY 2020, have been converted at the exchange rate of EUR 1 = ARS 96.738 ARS vs 65.789 for Q1 FY 2020.

Starting FY19 Venezuela is accounted for using the equity method. Consequently, Venezuela is no longer in revenue.

Issue volume

Issue volume corresponds to the total face value of service vouchers, cards and digitally-delivered services issued by the Group (Benefits and Rewards Services activity) for beneficiaries on behalf of clients.

Reimbursement volume

Reimbursement volume corresponds to the total face value of service vouchers, cards and digitally delivered services (Benefits and Rewards Services activity) reimbursed to the Merchants

Underlying Operating margin

The Underlying operating profit margin corresponds to Underlying operating profit divided by revenues

Underlying Operating margin at constant rate

The Underlying operating profit margin at constant rate corresponds to Underlying operating profit divided by revenues, calculated by converting FY2021 figures at FY 2020 rates, except for countries with hyperinflationary economies.

Modelling details for H1 FY2021

At constant rates

Appendix 5

Other income
and expenses:
around
€140m

Net financial
expenses:
€53m
including
IFRS16

Tax charge:
around €70m

Financial calendar

Appendix 6

Fiscal 2020 Annual Shareholders Meeting	January 12, 2021
Fiscal 2021 Half-year Results	April 1, 2021
Fiscal 2021 Nine months Revenues	July 1, 2021
Fiscal 2021 Annuals Results	October 28, 2021
Fiscal 2021 Annual Shareholders Meeting	December 14, 2021

These dates are purely indicative and are subject to change without notice.
Regular updates are available in the calendar on our website www.sodexo.com



Sodexo key figures

Appendix 7

As of August 31, 2020



€19.3 bn revenues



420,000 employees



#1 Largest private French employer worldwide ⁽¹⁾



100 million consumers served daily



64 countries



€10.3 bn market capitalization
(as of January 7, 2021)

- Founded in 1966 by Pierre Bellon
- As at 31/08/2020, Bellon S.A. holds 42.8% of capital (57.1% of voting rights)

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM
Leader in its industry sector

SAM
Sustainability Award
Gold Class 2020
#1 in its industry sector



FTSE4Good



Strong Investment Grade S&P "A-/A-1"

⁽¹⁾ 2020 Forbes Global 2000 ranking (as of April 30, 2020)

Investor relations contacts

Appendix 8

Head of Investor Relations

▪ Virginia JEANSON

Tel: + 33 1 57 75 80 56

virginia.jeanson@sodexo.com

Investor Relations Manager

▪ Sarah JAMALI-KLEIN

Tel: + 33 1 57 75 83 68

sarah.jamali@sodexo.com

Investor Relations Coordinator

▪ Cynthia CATTY

Tel: + 33 1 57 75 80 54

cynthia.catty@sodexo.com

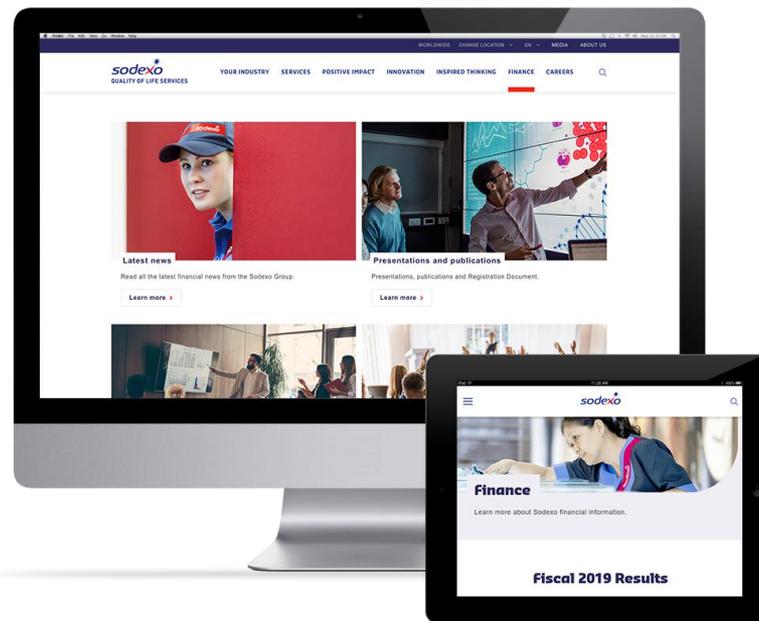
Sodexo

255 Quai de la Bataille de Stalingrad

92130 Issy-Les-Moulineaux

Email: communication.financiere@sodexo.com

www.sodexo.com



Thank you