

Announcement of solicitation of consents by SODEXO

Issy-les-Moulineaux, July 3, 2023

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Neither this announcement nor the Consent Solicitation Memorandum constitutes an invitation to participate in the Consent Solicitation in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws or regulations. The distribution of this announcement or of the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law or regulations. Persons into whose possession this announcement or the Consent Solicitation Memorandum comes are required by the Issuer (as defined below), Citigroup Global Markets Limited, HSBC Continental Europe and J.P. Morgan SE (the “**Solicitation Agents**”), D.F. King (the “**Information and Tabulation Agent**”) and Citibank, N.A. and BNP Paribas (the “**Fiscal Agents**”) to inform themselves about, and to observe, any such restrictions.

Announcement of solicitation of consents by SODEXO (incorporated as a société anonyme in France) (the “Issuer”) to the holders of each of its bonds in the table below

Description of Bonds	ISIN / Common Code	Outstanding principal amount of Bonds	Early Voting Fee (as a % of the principal amount)
EUR 500,000,000 0.500 per cent. Bonds due 17 January 2024 (the “ 2024 Bonds ”)	ISIN: XS2203995910 Common Code: 220399591	EUR 500,000,000	0.25%
EUR 700,000,000 0.750 per cent. Bonds due 27 April 2025 (the “ April 2025 Bonds ”)	ISIN: XS2163320679 Common Code: 216332067	EUR 700,000,000	
EUR 300,000,000 1.125 per cent. Bonds due 22 May 2025 (the “ May 2025 Bonds ”)	ISIN: XS1823513343 Common Code: 182351334	EUR 300,000,000	
EUR 500,000,000 2.500 per cent. Bonds due 24 June 2026 (the “ 2026 Bonds ”)	ISIN: XS1080163964 Common Code: 108016396	EUR 500,000,000	
EUR 800,000,000 0.750 per cent. Bonds due 14 April 2027 (the “ 2027 Bonds ”)	ISIN: XS1505132602 Common Code: 150513260	EUR 800,000,000	
GBP 250,000,000 1.750 per cent. Bonds due 26 June 2028 (the “ June 2028 Bonds ”)	ISIN: XS2017471983 Common Code: 201747198	GBP 250,000,000	
EUR 500,000,000 1.000 per cent. Bonds due 17 July 2028 (the “ July 2028 Bonds ”)	ISIN: XS2203996132 Common Code: 220399613	EUR 500,000,000	
EUR 800,000,000 1.000 per cent. Bonds due 27 April 2029 (the “ 2029 Bonds ” and together with the bonds listed in this table, the “ Bonds ”)	ISIN: XS2163333656 Common Code: 216333365	EUR 800,000,000	

Sodexo hereby announces the launch of a consent solicitation (the “**Consent Solicitation**”) to solicit consents from the beneficial holders of the outstanding Bonds of each Series (the “**Bondholders**”) to consider and, if thought fit, approve by an extraordinary resolution (each an “**Extraordinary Resolution**”) at a separate meeting of Bondholders of each Series (each a “**Meeting**” and together, the “**Meetings**”) (i) the proposed spin-off by the Issuer of its Benefits & Rewards Services (“**BRS**”) branch (the “**Transaction**”) by way of a full spin-off whereby BRS shall no longer be consolidated within the Issuer’s group (the “**Spin-Off**”), and (ii) the waiver and authorization of any breach or any alleged breach whatsoever of any obligation or any potential Event of Default or Event of Default, under or in respect of the Bonds, the Conditions and the relevant Fiscal Agency Agreement which may have arisen or may arise under the Bonds, the Conditions and the relevant Fiscal Agency Agreement solely as a result of or in connection with the announcement, execution and/or completion of the proposed Spin-Off for any reason under Condition 8 (save for Condition 8(a) (*Non-Payment*)). This approval and waiver will be valid provided the Spin-Off occurs on or before 31 December 2024.

The Issuer is currently considering the exact Transaction structure, including separation of its businesses by way of the Spin-Off (i.e. full spin-off of BRS whereby BRS shall no longer be consolidated within the Issuer’s group) or partial spin-off of BRS whereby BRS shall remain consolidated within the Issuer’s group. The Issuer intends to take into account the results of the Consent Solicitation for the purposes of determining the appropriate Transaction structure and will assess its options as to implementation of the full or partial spin-off of BRS, bearing in mind that the partial spin-off does not require the approval of the Bondholders.

The Consent Solicitation is being made on the terms and subject to the conditions set out in the Consent Solicitation Memorandum dated July 3, 2023 (the “**Consent Solicitation Memorandum**”). Capitalised terms used in this announcement but not defined have the meanings given to them in the Consent Solicitation Memorandum.

THE DEADLINE FOR RECEIPT BY THE INFORMATION AND TABULATION AGENT OF ELECTRONIC VOTING INSTRUCTIONS FROM BONDHOLDERS WISHING TO VOTE IN FAVOUR OF THE RELEVANT EXTRAORDINARY RESOLUTION AND TO BE ELIGIBLE TO RECEIVE THE EARLY VOTING FEE IS 5.00 P.M. (PARIS TIME) ON JULY 13, 2023, AS MAY BE EXTENDED OR AMENDED AT THE SOLE AND ABSOLUTE DISCRETION OF THE ISSUER.

The Proposal

Sodexo (the “**Issuer**”) is a global leader in quality-of-life services. The business of the Issuer is currently built around two business units:

- (i) On-Site Services (“**OSS**”) which provides food and facility management services for companies, campuses, governments, healthcare & seniors and schools. Food services include an increasing range of services on top of the traditional onsite restaurants, with on-site and off-site production, click & collect, smart fridges, delivery and commissary services; and
- (ii) Benefits & Rewards Services operating under the name “Pluxee” (“**BRS**”) which provides a wide range of employee benefits, focused on meal and food benefits, as well as a range of other connected activities, such as employee rewards & recognition, engagement, gift cards, public benefits delivered through paper vouchers, cards, etc. and fuel & fleet management.

On April 5, 2023, the Issuer announced that its Board has unanimously approved the potential Transaction which is expected to take place in 2024 subject to market conditions and following the completion of a number of customary steps, including consultation of the employee representative bodies.

Detailed Transaction parameters and terms will be presented at a later stage and submitted to the approval of the Issuer’s Board and shareholders at an extraordinary general meeting. The main shareholder of Sodexo, Bellon S.A., holding 42.75% of share capital and 57.5% of the exercisable voting rights of the Issuer as at the date of the Consent Solicitation Memorandum, has indicated its support for the potential

Transaction and its intention to continue to play a long-term controlling shareholder role in both OSS and BRS.

The potential Transaction is not expected to have any negative impact on strategy, operational or financial conditions or the rating profile of the Issuer. It can be explained by the limited synergies existing between OSS and BRS which have different growth and profitability drivers, different business models, different client bases and different geographies.

OSS Net Debt resulting from the Spin-Off assumes an improvement of OSS' cash position in excess of 1.0 billion euros, by way of (i) a repayment by BRS to the Issuer of its existing intercompany loan in the amount of approximately 545 million euros and (ii) a debt allocation to BRS from the Issuer in an amount of approximately 500 million euros at the time of completion of the Spin-Off. These numbers remain indicative as of the date hereof and subject to finalization of the Spin-Off structure.

It is important to note that the Issuer remains committed to its long-standing target net debt ratio¹ of 1.0x - 2.0x, and a strong investment grade rating following the Spin-Off as has been clearly stated in the April 2023 announcements of both the Issuer and its major shareholder Bellon SA. Given the robust cash generation and increase in EBITDA expected during Fiscal Year 2023, combined with the cash improvement outlined above, the Issuer intends to reduce its net debt ratio so that it would fall close to the targeted range within 12 to 18 months of the Spin-Off completion, and would remain within that range over the medium term. This is in line with the Issuer's clear track record of maintaining a conservative financial policy over many years.

The Issuer expects that as a result of the implementation of the Transaction the rating of both the Bonds and the Issuer will remain stable at BBB+ from S&P Global Ratings Europe Ltd ("**S&P**") and Baa1 from Moody's France S.A.S ("**Moody's**"), respectively. In addition, the Issuer also initiated a rating by Fitch Ratings Ireland Limited ("**Fitch**") that assigned the rating of BBB+ to the Issuer and expects that as a result of the implementation of the Transaction the rating of the Issuer assigned by Fitch will remain stable at BBB+. Therefore, the potential Transaction, including by way of the Spin-Off, is not expected to have any impact on the solvency of the Issuer and its financial structure would remain solid.

In anticipation of the potential Transaction, the Issuer obtained unconditional approvals of the Transaction from its lender creditors under the Revolving Credit Facilities.

The Issuer, therefore, seeks approval by the Bondholders of the Proposal in case the Issuer subsequently decides to implement the potential Transaction by way of the Spin-Off.

The Proposed Modifications in relation to each Series of Bonds described in the Consent Solicitation Memorandum shall be conditional upon each Consent Solicitation in relation to each other Series of Bonds being successful (the "Cross Condition"), provided that the Issuer reserves the right to, in its sole discretion, waive the Cross Condition at any time before the notice of results of the relevant Meeting is published by the Issuer.

Assuming the passing of the relevant Extraordinary Resolution at the Meeting of any Series of Bonds, such Extraordinary Resolution will be binding on all the Bondholders of such Series, including those Bondholders of such Series who do not vote in favour of such Extraordinary Resolutions or who do not attend the Meeting and/or vote.

The Early Voting Fees

Subject to (i) the Extraordinary Resolution relating to the Meeting of the Bondholders being duly passed at the Meeting or at an Adjourned Meeting of such first convened Meeting, as the case may be, (ii) the Issuer not having previously terminated the Consent Solicitation in accordance with the provisions for such termination set out in the Consent Solicitation Memorandum, and (iii) the Cross

¹ Net debt ratio means net debt (being borrowing at the balance sheet date less operating cash) divided by underlying EBITDA (being underlying operating profit before interest, taxes, depreciation and amortization) as further described on page 189 of the 2022 Universal Registration Document of the Issuer.

Condition being satisfied or waived, each Bondholder who submits an Electronic Voting Instruction in favour of the Extraordinary Resolution relating to the Meeting of the Bondholders which is received by the Information and Tabulation Agent on or prior to the Early Instruction Deadline and does not subsequently validly revoke such instruction, shall be eligible to receive a one-time cash payment in an amount of 0.25 per cent. of the principal amount of its Bonds of such Series specified in the table above which are the subject of such Electronic Voting Instruction (an “Early Voting Fee”).

Expected timetable

The times and dates below are indicative only. All references to times throughout the Consent Solicitation Memorandum are to Paris time, unless otherwise stated. All of the dates set out below are subject to change to comply with any earlier deadlines that may be set by the Clearing Systems or any intermediary. Bondholders who are not direct accountholders in the Clearing Systems should read carefully the provisions set out under “Voting and Quorum” in the copy of each Notice of Meeting appearing in Appendix A to the Consent Solicitation Memorandum.

Event, date and time

Announcement of Consent Solicitation and relevant Proposal

July 3, 2023

Notice of Meetings of Bondholders is published on the website of Euronext Paris and through the Clearing Systems and the Notifying News Service and the Consent Solicitation Memorandum is delivered to the Bondholders.

Consent Solicitation Memorandum is made available to Bondholders on the Consent Website and at the offices of the relevant Fiscal Agent (copies of which are obtainable, upon request, free of charge).

Early Instruction Deadline

5.00 p.m. (Paris time) on July 13, 2023

Latest time and date for receipt by the Information and Tabulation Agent of Electronic Voting Instructions in order to be eligible to receive the Early Voting Fee, if any.

Instruction Deadline

5.00 p.m. (Paris time) on July 20, 2023

Latest time and date for submission or delivery (or revocation) of Electronic Voting Instructions.

The Instruction Deadline is also the deadline for obtaining a Voting Certificate or a form of proxy from the relevant Fiscal Agent and for revocation or amendments to Voting Instructions.

Time and date of the initial Meeting

On July 25, 2023 at 10.00 a.m. (Paris time) (in respect of the 2024 Bonds)

Five minutes after the conclusion of the meeting for the 2024 Bonds (in respect of the April 2025 Bonds)

Five minutes after the conclusion of the meeting for the April 2025 Bonds (in respect of the May 2025 Bonds)

Five minutes after the conclusion of the meeting for the May 2025 Bonds (in respect of the 2026 Bonds)

Five minutes after the conclusion of the meeting for the 2026 Bonds (in respect of the 2027 Bonds)

Five minutes after the conclusion of the meeting for the 2027 Bonds (in respect of the June 2028 Bonds)

Five minutes after the conclusion of the meeting for the June 2028 Bonds (in respect of the July 2028 Bonds)

Five minutes after the conclusion of the meeting for the July 2028 Bonds (in respect of the 2029 Bonds).

If an Extraordinary Resolution is passed at a Meeting:

Effective Date

On or about July 25, 2023

Notice of the Result of the relevant Meeting to be given to Bondholders (in any event not later than 14 days after the conclusion of the relevant Meeting)

On or about July 25, 2023

Settlement Date

Up to 3 Business Days following the Effective Date

If a Meeting is adjourned:

Notice of relevant Adjourned Meeting, including a revised timetable, intended to be given to the relevant Bondholders

On or about July 25, 2023

Latest time and date for submission and delivery (or revocation) of Electronic Voting Instructions through the Clearing Systems for any Adjourned Meeting (Adjourned Instruction Deadline)

5.00 p.m. (Paris time) on August 3, 2023

Latest time for obtaining a Voting Certificate or a form of proxy from the relevant Fiscal Agent and for revocation or amendments to Voting Instructions for any Adjourned Meeting given other than by way of an Electronic Voting Instruction

5.00 p.m. (Paris time) on or about August 3, 2023

Earliest time and date of Adjourned Meeting (if any)

On August 8, 2023 at 10.00 a.m. (Paris time) (in respect of the 2024 Bonds, if any)

Five minutes after the conclusion of the meeting for the 2024 Bonds (in respect of the April 2025 Bonds, if any)

Five minutes after the conclusion of the meeting for the April 2025 Bonds (in respect of the May 2025 Bonds, if any)

Five minutes after the conclusion of the meeting for the May 2025 Bonds (in respect of the 2026 Bonds, if any)

Five minutes after the conclusion of the meeting for the 2026 Bonds (in respect of the 2027 Bonds, if any)

Five minutes after the conclusion of the meeting for the 2027 Bonds (in respect of the June 2028 Bonds, if any)

Five minutes after the conclusion of the meeting for the June 2028 Bonds (in respect of the July 2028 Bonds, if any)

Five minutes after the conclusion of the meeting for the July 2028 Bonds (in respect of the 2029 Bonds, if any).

If any Extraordinary Resolution is passed at an Adjourned Meeting:

Effective Date

On or about August 8, 2023

Notice of Result of any relevant Adjourned Meeting to be given to the relevant Bondholders (in any event not later than 14 days after the conclusion of the relevant Adjourned Meeting)

On or about August 8, 2023

Settlement Date

Up to 3 Business Days following the Effective Date

In addition, unless stated otherwise, all announcements in connection with the Consent Solicitation will be made by the Issuer by delivery of a notice to the Clearing Systems for communication to Direct Participants. Such announcements will also be (i) made by the issue of a press release to a Notifying News Service and (ii) published on the website of Euronext Paris. Copies of all announcements, notices and press releases can also be obtained from the Information and Tabulation Agent, whose telephone number and email address are set out on the back cover page of the Consent Solicitation Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Bondholders are urged to contact the Information and Tabulation Agent for the relevant announcements during the course of the Consent Solicitation. In addition, Bondholders may contact the Solicitation Agents for information at their telephone number and email address set out on the back cover page of the Consent Solicitation Memorandum.

Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold their Bonds when such intermediary would need to receive instructions from a Bondholder in order for such Bondholder to participate in, or (in the limited circumstances in which revocation is permitted) to validly revoke their instruction to participate in, the Consent Solicitation and/or the Meeting by the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the submission and (where permitted) revocation of Voting Instructions will be earlier than the relevant deadlines above.

Required Quorum

The quorum required at each Meeting of any Series of Bonds shall be at least two Bondholders (as defined in the relevant Fiscal Agency Agreement) representing or holding Voting Certificate(s) or being proxies or representatives and holding or representing in the aggregate not less than a clear majority of the principal amount of such Bonds for the time being outstanding. Each of the relevant Fiscal Agency Agreements provides that, while the Bonds of any Series are represented by the relevant Permanent Global Bond, the holder of such Permanent Global Bond shall be deemed to be two Bondholders for the purposes of forming a quorum at any Meeting.

If within 15 minutes after the time fixed for any relevant Meeting, a quorum is not present, the Meeting shall be adjourned for such period, being not less than 14 days but not more than 42 days, and to such place as the chairman determines provided that the Meeting shall be dissolved if the Issuer decides. Notice of any Adjourned Meeting shall be given in the same manner as notice of the relevant first convened Meeting, save that 10 days' notice, shall be sufficient and such notice shall contain the quorum requirements which will apply when the Meeting resumes.

At any Adjourned Meeting, the quorum shall also be at least two Bondholders representing or holding Voting Certificate(s) or being proxies or representatives and holding or representing whatever the principal amount of the Bonds of the relevant Series for the time being outstanding held or represented and while the Bonds of any Series are represented by the relevant Permanent Global Bond, the holder of such Permanent Global Bond shall be deemed to be two Bondholders for the purposes of forming a quorum at any Meeting.

Required Majority

The relevant Extraordinary Resolution must be passed at the Meeting duly convened and held in accordance with the Meeting Provisions by a majority of at least seventy-five per cent. (75%) of the votes cast at such Meeting.

Further Details of the Consent Solicitation

The Consent Solicitation Memorandum, each Fiscal Agency Agreement and each Notice of Meeting are available for viewing on the Consent Website. Additionally, Bondholders may, at any time during normal business hours on any weekday (Saturdays, Sundays and bank and other public holidays in the relevant jurisdiction excepted) prior to the Meetings, inspect copies of such documents at the office of the Issuer set out below. Any questions regarding the terms of the Proposal or the Consent Solicitation may be directed to the Issuer, the Solicitation Agents or the Information and Tabulation Agent at the addresses and telephone numbers specified below:

The Issuer

SODEXO

255, quai de la Bataille-de-Stalingrad,
92130 Issy-les-Moulineaux, France

Bondholders who have questions regarding the Proposal may contact:

The Solicitation Agents

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom
Attention: Liability Management
Group
Telephone:
+44 20 7986 8969
Email:
liabilitymanagement.europe
@citi.com

HSBC Continental Europe

38, avenue Kléber
75116 Paris
France
Attention: Liability Management,
DCM
Telephone:
+44 (0) 20 7992 6237
Email: LM_EMEA@hsbc.com

J.P. Morgan SE

Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany
Attention: EMEA Liability
Management Group
Telephone:
+44 20 7134 2468
Email:
liability_management_EMEA
@jpmorgan.com

Requests for documents or information in relation to the procedures for submitting Voting Instructions should be directed to:

D.F. King

In New York:

48 Wall Street, 22nd Floor
New York, New York
10005
United States

In London:

65 Gresham Street
London EC2V 7NQ
United Kingdom

In Hong Kong:

Suite 1601, 16/F, Central
Tower
28 Queen's Road Central
Hong Kong

Tel. +44 20 7920 9700

Banks and Brokers call:
+1212 269 5550

Tel: +852 3953 7208

All others call toll free
(U.S. only): (800) 549-
6697

Email: sodexo@dfkingltd.com

Consent Website: <https://www.dfkingltd.com/sodexo/>

DISCLAIMER

By participating in the Consent Solicitation and attending, and/or submitting Voting Instructions or approving a proxy in relation to the Meeting, the Bondholders will be deemed to have made and given the representations, warranties and undertakings set out in the Consent Solicitation Memorandum.

In particular, the Proposal is not being made to Bondholders who are persons resident or located in any jurisdiction in which the making of the Proposal would not be in compliance with the securities laws of such jurisdictions.

Neither the Consent Solicitation Memorandum nor this announcement constitutes an invitation to participate in the Consent Solicitation in any jurisdiction in which, or to any person to whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws or regulations. The distribution of the Consent Solicitation Memorandum and this announcement in certain jurisdictions may be restricted by laws or regulations.

Persons into whose possession the Consent Solicitation Memorandum and this announcement comes are required by each of the Issuer, the Solicitation Agents, the Fiscal Agents, and the Information and Tabulation Agent to inform themselves about, and to observe, any such restrictions. None of the Issuer, the Solicitation Agents, the Fiscal Agents or the Information and Tabulation Agent will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

Neither the Consent Solicitation Memorandum nor this announcement is an offer of securities for sale in the United States or to any U.S. person. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The Bonds have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available.

*For the purpose of the Consent Solicitation Memorandum and this announcement, “**United States**” means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia. Terms used in this paragraph have the meaning given to them by the Securities Act.*

*In addition, the communication of the Consent Solicitation Memorandum, this announcement and any other documents or materials relating to the Proposal is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. Such documents and/or materials are only directed at and may only be communicated to (1) any person within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, which includes a creditor or member of the Issuer, and (2) to any other persons to whom these documents and/or materials may lawfully be communicated in circumstances where section 21(1) of the FSMA does not apply.*

About Sodexo

Founded in Marseille in 1966 by Pierre Bellon, Sodexo is the global leader in sustainable food and valued experiences at every moment in life: learn, work, heal and play. Operating in 53 countries, our 422,000 employees serve 100 million consumers each day. The Sodexo Group stands out for its independence and its founding family shareholding, its responsible business model and its portfolio of activities including Food Services, Facilities Management Services and Employee Benefit Solutions. This diversified offer meets all the challenges of everyday life with a dual goal: to improve the quality of life of our employees and those we serve, and contribute to the economic, social and environmental progress in the communities where we operate. For Sodexo, growth and social commitment go hand in hand. Our purpose is to create a better everyday for everyone to build a better life for all.

Sodexo is included in the CAC Next 20, CAC 40 ESG, CAC SBT 1.5, FTSE 4 Good and DJSI indices.

Key figures

- 21.1 billion euros in Fiscal 2022 consolidated revenues
- 422,000 employees as at August 31, 2022
- #2 France-based private employer worldwide
- 53 countries
- 100 million consumers served daily
- 14.9 billion euros in market capitalization (as at June 30, 2023)

Contacts

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