

GENDER PAY REPORT 2018



Transparency the key to closing gender pay gap

Welcome to our second annual gender pay report published in line with UK Government regulations.

Transparency remains the key to closing the gender pay gap, particularly in these opening years of Government reporting. The World Economic Forum forecasts it will take 217 years to achieve gender equality, and this year through our 'make every day International Women's Day' we supported the campaign to press for greater progress.

As you will read in our report, we continue to work hard on building an inclusive workplace where everyone can flourish. Both globally and in the UK, Sodexo promotes visible role models in senior positions and non-traditional roles, sharing their career path with the next generation of leaders.

Employees completing our talent management programmes in the UK this year were a balanced split of men and women. When it comes to non-traditional roles, we've seen a seven per cent rise in female security officers at Sodexo over the last six years.

The balance between men and women as a business case remains crystal clear to us at

Sodexo. We published fresh global research in March 2018 showing gender balanced management teams (those with a 40-60 per cent ratio of men and women) perform better across a range of financial and non-financial indicators.

We shared this research widely, as well as contributing to external research and hosting events to help organisations better understand the benefits of gender balance, and the challenges around the gender pay gap. For the fifth straight year in 2018, Sodexo was included in The Times Top 50 Employers for Women.

Societal factors continue to be a primary driver of the gender pay gap. As a large employer in the UK committed to improving quality of life, we remain focused at Sodexo to disrupting these factors in the attainment of gender equality.



Andy Rogers
HR director, Sodexo UK & Ireland



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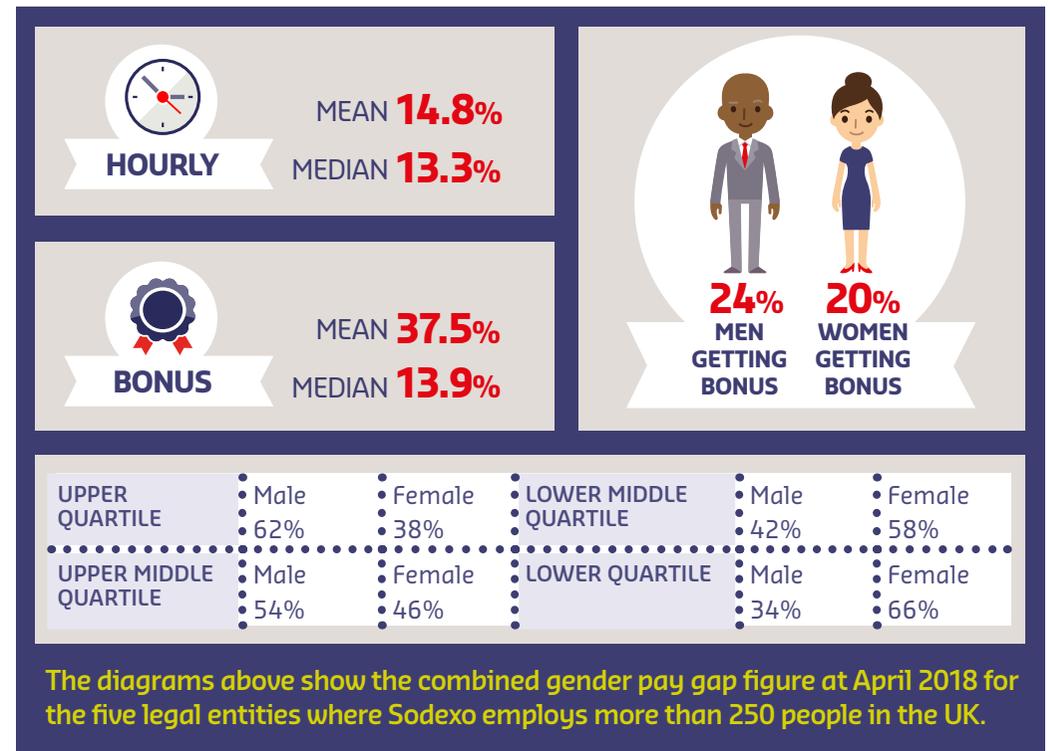
Sodexo's overall gender pay gap in the UK

The primary cause of the gender pay gap is an imbalance in the number of men and women throughout the organisational hierarchy, because inevitably people in more senior positions receive the highest pay.

We aspire for a 40-60% representation of women because our own internal gender balance business case research shows this is the range in which better business outcomes are achieved (see page 7).

Occupational segregation is another issue. As a facilities management service provider with 34,000 employees, our experience is often men or women are over-represented in specific roles. For example, cleaning roles, which tend to be lower paid, are traditionally dominated by women whilst engineering is higher paid and tends to be dominated by men.

We look to encourage better gender balance throughout the organisation through our HR processes and our gender balance employee network, which regularly highlights women in senior leadership positions and people in non-traditional roles. We aim to give people internally and externally visibility of these role models to raise aspirations and challenge gender stereotypes.



Sodexo's commitment to gender balance

Global commitment to gender balance



Sodexo's commitment to gender balance started in 2009 with the formation of the Sodexo Women's International Forum for talent.

Rebranded this year as SoTogether, in part to emphasise the need for men and women to

work together on this agenda, the group is made up of 30 Sodexo senior leaders from around the world, men and women, who are visible role models committed to gender balance.

SoTogether is co-chaired by Sodexo chief diversity officer Rohini Anand and Sophie Bellon, Sodexo's global executive committee chair (pictured above). Sophie is the only female chair in the CAC40 (the top 40 companies on the French stock exchange).

SoTogether is committed to driving gender balance in leadership across the world. Women hold 33 per cent of our leadership positions worldwide. We have aspirational targets to increase this figure to 36 per cent by 2020 and 40 per cent by 2025.

Flexible working is a key focus area for SoTogether, as a culture supporting flexibility can encourage better gender equality. In the UK in 2018, Sodexo introduced Flexibility Optimises Work (FLOW) to champion this. FLOW is a global initiative to promote a flexible culture.

Gender is one of three pillars of Sodexo's corporate sustainability strategy, Better Tomorrow 2025, along with reducing waste and tackling malnutrition.

Four SWIFt members are from Sodexo UK & Ireland:



Janine McDowell
CEO JUSTICE, SODEXO
UK & IRELAND



Monika Dulnikiewicz
OPERATIONS MANAGER
HEALTHCARE, SODEXO
UK & IRELAND



Susan Elston
SENIOR VP OFFSHORE
AND MARINE, SODEXO
ENERGY & RESOURCES



Margot Slattery
COUNTRY PRESIDENT,
SODEXO IRELAND

SoTogether

UK & Ireland

A gender network for a better tomorrow

Sodexo's commitment to gender balance

Gender balance employee network

The Sodexo gender balance employee network group in the UK and Ireland was founded in 2011. Rebranded this year as SoTogether UK & Ireland, the network is made up of men and women who champion gender balance at Sodexo.

SoTogether UK & Ireland organises development and networking opportunities for members, such as access to senior leaders and skills workshops with industry experts.

The network runs live and recorded interviews with women and men in senior leadership positions and non-traditional roles. Podcasts and blogs of these interviews are shared with the network's members, the wider group of Sodexo employees and outside the company.

Interviewees in the last 12 months ranged from Sodexo's director of talent acquisition & deployment Rachel Jones to England and Olympique Lyonnais footballer Lucy Bronze (both pictured).

As part of Sodexo's 'make every day International Women's Day' campaign this year, we co-hosted a Women in Engineering event at Sodexo's London office with the British Institute of Facilities Management special interest group, Women in FM. The event was attended by 100 people (pictured right).

We have also launched the Sodexo Working Parents Group. Now made up of more than 200 members, the group offers advice and support to parents and those with childcare responsibilities whilst promoting work/life balance and career development.



Rachel Jones
SODEXO DIRECTOR OF
TALENT ACQUISITION
& DEPLOYMENT



Lucy Bronze
ENGLAND AND OLYMPIQUE
LYONNAIS FOOTBALLER



SoTogether

UK & Ireland

A gender network for a better tomorrow

Sodexo's commitment to gender balance

External engagement

Our commitment to gender balance has seen Sodexo listed in The Times Top 50 Employers for Women for the last five years. Engaging with external partners and clients has been essential to this achievement.

For example, the head of diversity & inclusion Megan Horsburgh and director of reward and recognition Mark Goodyer spoke to HR experts in the oil and gas industry about Sodexo's experience of collating and publishing its gender pay data. The event was hosted at Sodexo's Aberdeen office.

Megan also spoke at the Everywoman event to an audience of 50 CEOs, MDs and HR directors about Sodexo's experience of publishing its gender pay gap, and spoke at the Women on Boards: Unleashing the Mighty Middle report launch.

As well as contributing to that report, Megan's interview with People First was published in its report on gender balance in the workplace.

Sodexo sponsored the Women's Professional Footballers Association awards for the third year running. The 2017 Young Player of the Year Jess Carter visited Oasis Academy Short Heath, a school in Birmingham where Sodexo provides catering services. Jess took a training session with the girls' football team and spoke about her career (pictured right).

Karen Pleva, Sodexo global head of pharma & life services, became the chair of the Living Wage Foundation Service Providers forum this year, putting Sodexo at the head of challenging the market to pay the real living wage. Paying the real Living Wage supports gender equality as nationally women are overrepresented in lower paid roles.



Jess Carter with school football team



Gender balance business case

Sodexo published fresh evidence of how gender balance is good for business earlier this year.

Sodexo's Gender Balance Study 2018 expanded on previous internal and external research on the business case for gender balanced management teams. Data was collected and analysed from 50,000 managers around the world and comparisons drawn between units with a 40-60 per cent gender split and those without.

In common with previous research showing better financial and non-financial performance indicators from gender-balanced teams, the fresh study also evidenced less workplace accidents where there was gender balance.

This study was shared widely inside and outside Sodexo to coincide with International Women's Day.



The future of Sodexo relies on our people

If we are to grow, we recognise that we need engaged employees performing at their best.

Historically, reward practices at Sodexo have varied geographically and across the global business segments. Sodexo has reviewed its total rewards strategy and developed a model that drives consistency and fairness across the global business.

This model is guided by the following global principles:

- Our employee's package will be reviewed from a Total Rewards perspective. Not just compensation but everything of measurable value provided to an individual employee
- We will use market-driven third party survey data, aligning our salary midpoints to general industry market medians
- Pay for performance and results will require a more robust performance management system
- Transparency includes communication and relies heavily on the involvement of the line manager
- Equity and fairness is the result of doing the first four well, with a focus on not discriminating for any reason

The promotion of these core principles and the recently developed and deployed global pay and incentive policies (both short and long term), will assist in driving down our gender pay gap in future years.



Talent management

The diversity of Sodexo's business as a service provider means we can offer employees a wide range of careers.

Apprenticeships are a crucial element of Sodexo's people strategy. Working with external training providers, we ensure we have gender-balanced representation, and we were pleased to see Patricia Gora win our Apprentice Chef of the Year culinary competition in September (pictured). More than half of all our apprentices are women and that goes up to 64 per cent on the higher-level courses.

Sodexo runs a global women's leadership programme which supports emerging talent with career progress. The programme offers learning and mentoring circles with two senior leaders and other participants.

Nearly 50 per cent of employees completing Sodexo's advanced middle manager and advanced senior manager programmes in 2018 will be women, and 60 per cent of employees participating in Sodexo's internal career coaching programme are women too.

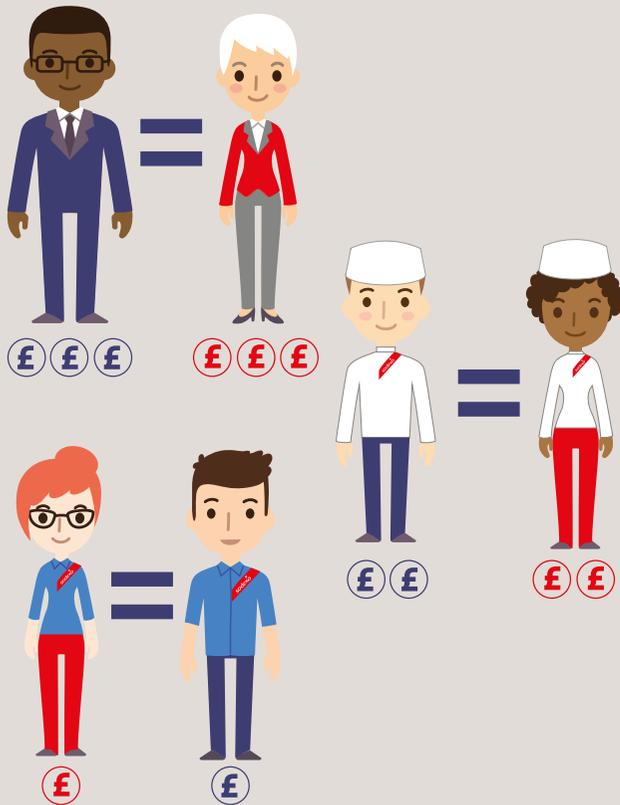


Patricia Gora wins Apprentice Chef

The difference between equal pay and the gender pay gap

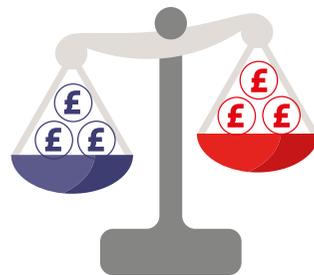
EQUAL PAY...

is men and women being paid the same for the same work



THE GENDER PAY GAP...

is the difference between the gross hourly earnings for all men and the gross hourly earnings for all women



Sodexo's overall gender pay gap is 13.3%*



* Sodexo's April 2018 overall median average hourly gender pay difference based on the five legal entities.

Gender pay gap data for Sodexo's five legal entities

Sodexo legal entity of 250 or more employees	Hourly gender pay difference - mean (%)	Hourly gender pay difference - median (%)	Proportion of men/women in lower quartile pay band (M%/F%)	Proportion of men/women in lower middle quartile pay band (M%/F%)	Proportion of men/women in upper middle quartile pay band (M%/F%)	Proportion of men/women in upper quartile pay band (M%/F%)	Bonus gender difference - mean (%)	Bonus gender difference - median (%)	Proportion of employees receiving bonus (M%/F%)
Sodexo Ltd	14.4	10.8	34/66	42/58	54/46	62/38	38.8	30	25/20
Bedfordshire Northamptonshire Cambridgeshire and Hertfordshire Community Rehabilitation Company	-4	0	28/72	27/73	31/69	22/78	-100	-100	0/1
Cumbria & Lancashire Community Rehabilitation Company	8.4	10.6	19/81	20/80	42/58	33/67	-15.3	38.5	9/19
Sodexo Remote Sites Scotland Ltd (Sodexo Energy & Resources)	17.7	18.8	41/59	65/35	72/28	89/11	30.3	31.6	25/20
Tillery Valley Foods	3.8	0	68/32	56/44	78/22	71/29	51.4	25	76/74
Overall	14.8	13.3	35/65	44/56	55/45	63/37	37.5	13.9	24/20

The data in this document is accurate and in line with Government reporting regulations.



Sean Haley

Regional chair, Sodexo UK & Ireland



Andy Rogers

HR director, Sodexo UK & Ireland

Sodexo
One Southampton Row
London WC1B 5HA

www.sodexo.com

