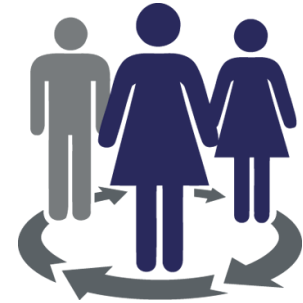


Image by Gerd Altmann from Pixabay

Diversity & Inclusion MEASUREMENT & ACCOUNTABILITY: SODEXO

AGENDA

- BACKGROUND NARRATIVE
- SYSTEMS CONTEXT
- METRICS AND ACCOUNTABILITY
- LESSONS LEARNED



THAT WAS THEN....



- Sodexo went from \$80 million litigation to inclusive company with iconic D&I leadership brand.
- From “class action” to “best in class” in under a decade

Sodexo Settles Discrimination Suit for \$80 Million

Separate but Equal: Alive and Well at Sodexo

Feature Story by Clayola Brown - 5/19/2004

Related Links

Separate but Equal: Alive and Well at Sodexo

represents more than 200,000 apparel, textile, and laundry workers in the United NAACP.

Fifty years ago, Brown v. Board of Education swept the doctrine of “separate but equal” into the dustbin of history. In many ways, the Brown case helped launch the civil rights movement and our half-century-long fight to banish racism from our nation’s public institutions.

Yet there is one sector of American society where our movement has not fully penetrated: corporate America. In some companies “separate but

NOW....SODEXO THOUGHT LEADER IN D&I

**SODEXO IS A WORLD
LEADER IN DIVERSITY
AND INCLUSION AND
AMPLIFIES OUR BRAND**



**IT POWERS OUR
PEOPLE AND
CULTURE**



**IT IS A DRIVER
FOR BUSINESS
GROWTH**

**OVER 15 YEARS OF
BEST IN CLASS D&I
PROGRAMMING**

**Recognition including
Catalyst and
DiversityInc Hall of
Fame; 23% of external
media related to D&I**

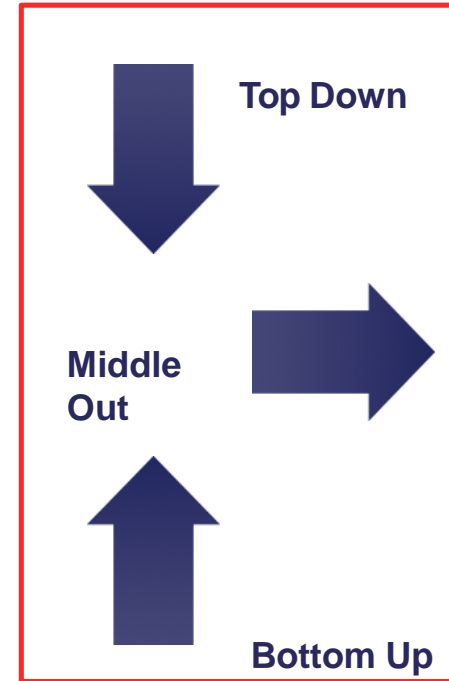
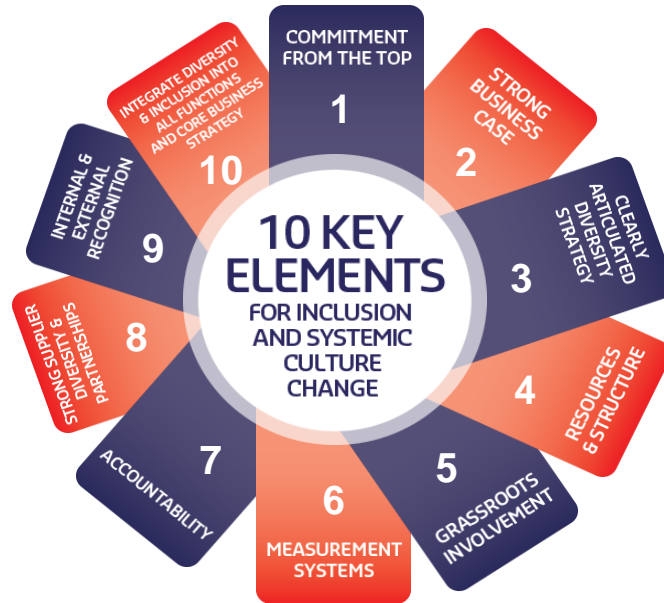
**DIVERSITY &
INCLUSION IS A KEY
DRIVER OF
ENGAGEMENT**

**One of the top
drivers of
engagement for 6
consecutive years**

**GENDER BALANCED
MANAGEMENT TEAMS
AT SODEXO
CONSISTENTLY
PRODUCE HIGHER
SALES AND
PROFITABILITY**

**Over \$1B business
touched in 2017
providing access; sales
support, benchmarking
and services**

TEN KEY ELEMENTS FOR CULTURE CHANGE AT BEHAVIORAL AND STRUCTURAL LEVEL



DEI BUSINESS CASE



SODEXO GENDER BALANCE STUDY – OUTCOME OVER 5 YEARS

- Internal Study to better understand the correlation between **Gender Balance** and **Performance**
- Latest study released in March 2018 which includes expanded outcome over 5 years
- This second edition of the study was first launched in 2015
- Optimal gender balance at Sodexo is between 40% and 60%

40-60% Optimal
Gender Balance



70
Subsidiaries

50 000
Managers



Sodexo's Gender Balance Study 2018: Expanded Outcomes Over 5 Years

The goal of Sodexo's Gender Balance Study was to expand previous research on the business case for women in leadership to the business case for parity in representation of men and women in management positions ("gender balance"). The study therefore aimed to test the performance implications of a gender-inclusive work culture, as opposed to a culture in which one gender dominates over the other.

Furthermore, Sodexo's study took a broader approach by examining women across all levels of management—not just upper-level leadership positions. This wider lens was designed to shed light on the "pipeline" that will ultimately affect gender balance at the top tier of leadership.

Data was collected and analyzed from over 50,000 managers from 70 entities worldwide. Management teams from a diverse range of functions, ranging from top leadership to site management, were all included.

In an effort to build upon previous studies by Catalyst, McKinsey and other agencies that have largely focused on financial performance indicators, both financial and non-financial business indicators were examined as outcomes of gender balance in management. Sodexo's previous research suggests that the optimal outcomes are evidenced when management teams have a gender ratio of 40% – 60% women, and this ratio was used in the current study to define gender-balanced management.

Download the study



► [Download: 2018 Gender Balance Study](#)

SODEXO GENDER BALANCE STUDY

WHAT ARE THE KEY FINDINGS?

Entities with gender-balanced management scored higher on 5 key performance indicators

- ✓ Gender Balance is a significant driver of Performance
- ✓ Entities with gender balanced management outperform those outside 40-60% balance range

1. OPERATING MARGINS

Number of entities significantly increasing operating margins between FY14 and FY16



+8
percentage
points

2. EMPLOYEE RETENTION

Average employee retention rate in FY16



+8
percentage
points

3. CLIENT RETENTION

Number of entities with a client retention rate of 90% or more in FY16



+9
percentage
points

4. SAFETY

Number of entities that decreased workplace accident rates between FY14 and FY16



+12
percentage
points

5. EMPLOYEE ENGAGEMENT

Number of entities with an employee engagement rate higher than the external benchmark in FY16



+14
percentage
points

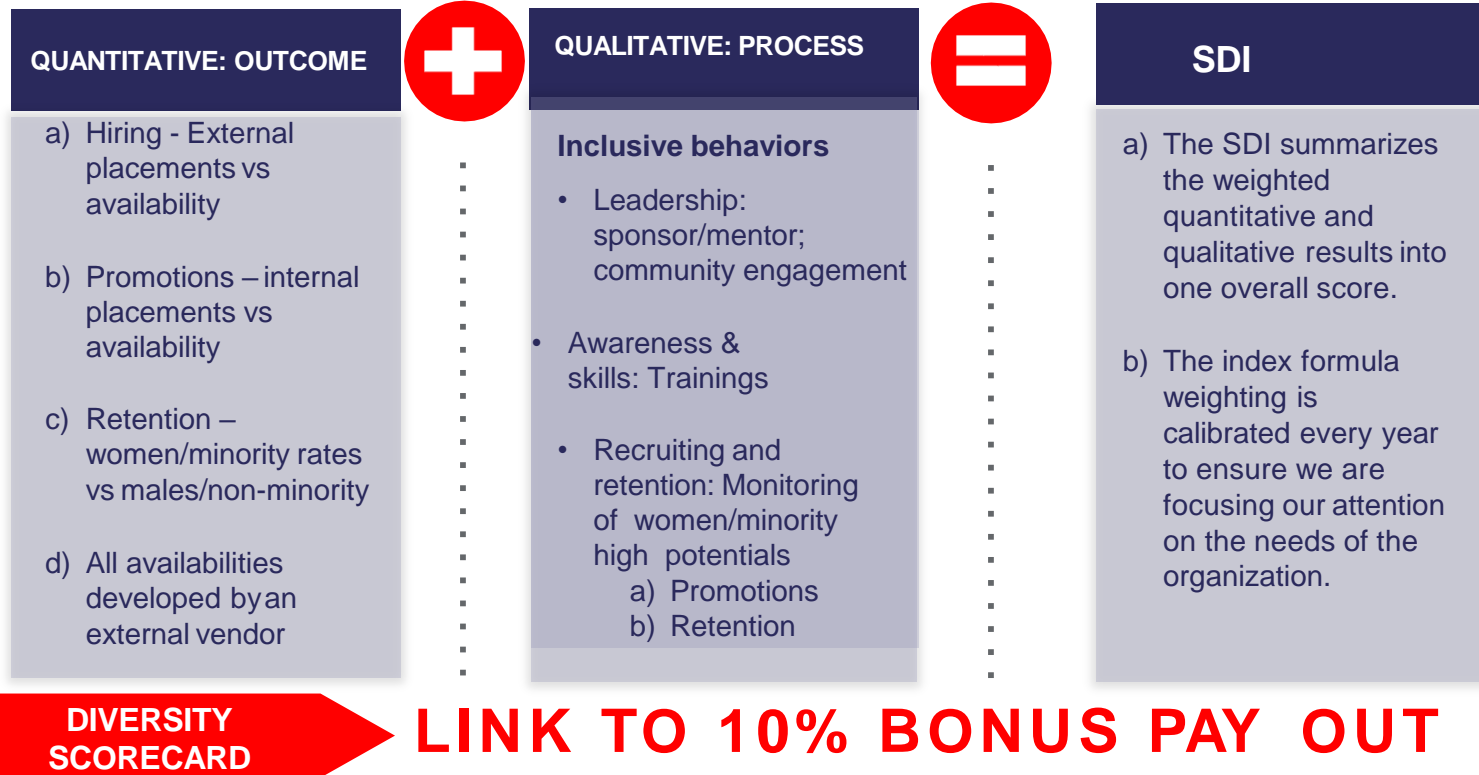


MEASUREMENT AND ACCOUNTABILITY

DIVERSITY EMBEDDED IN PERFORMANCE MANAGEMENT



DRIVING ACCOUNTABILITY – SODEXO DIVERSITY INDEX (SDI) COMPONENTS



SDI AS A MANAGEMENT TOOL

Strategic management tool that is used to measure Sodexo's progress in advancing a diverse and inclusive organization.



As a management tool, the scorecard allows Sodexo to:

- Direct attention to key focus areas for diversity
- Focus on targeted outcomes while tracking the underlying processes that drive those outcomes
- Measure workforce diversity against internal and external labor force availabilities
- Measure diversity progress monthly with quarterly and yearly trending
- Calibrated each year as priorities evolve and to ensure measures are relevant and impactful

➤ Development

- Industry Best Practices
- Divisional input to ensure buy in across all Business Units

➤ Application

- Based on point scoring
- Monitored on a monthly basis by senior leadership
- Enterprise and business unit specific scorecards are developed
- Recruitment and retention are measured in two tiers
 - Senior Leaders
 - Entry and Middle Management

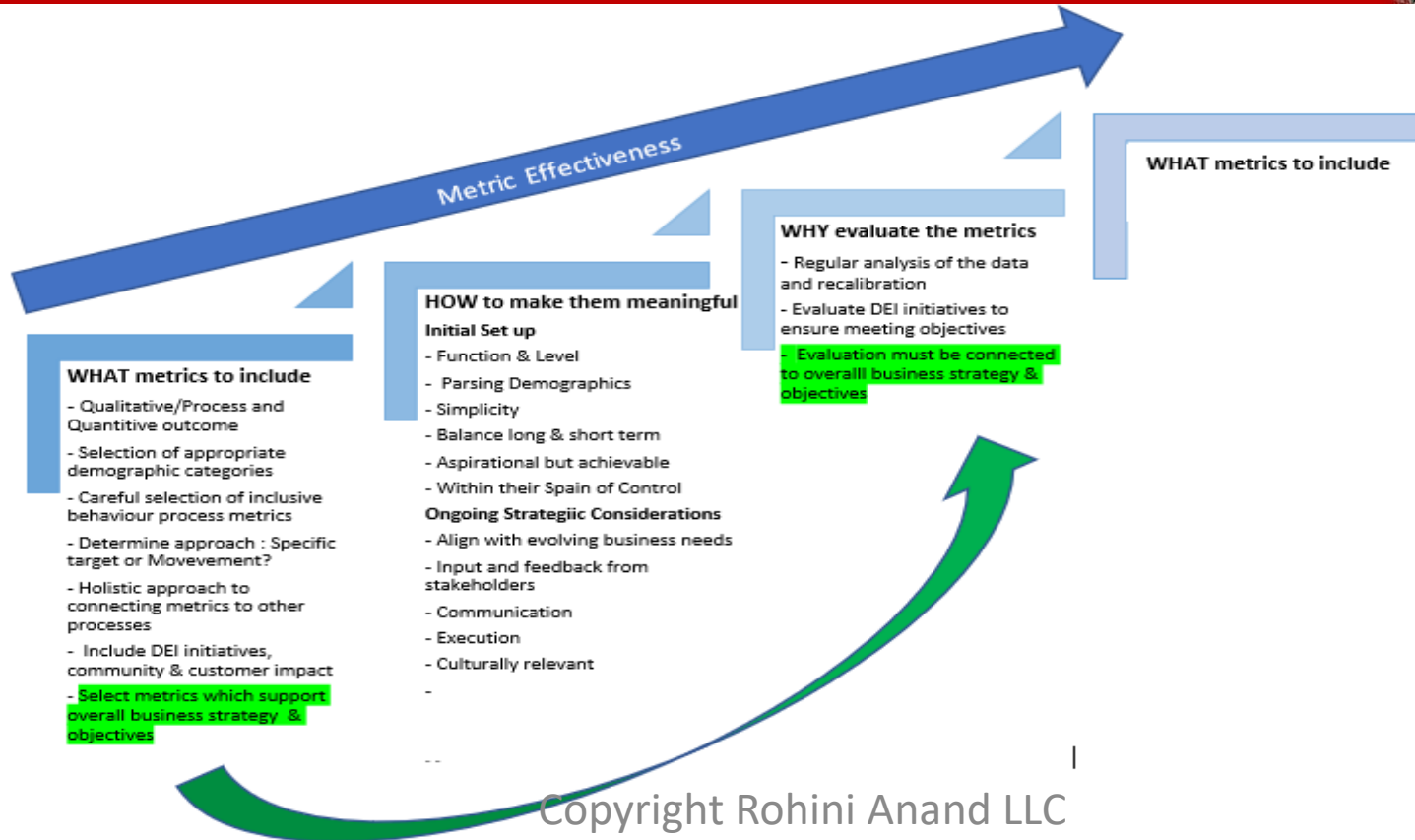
QUALITATIVE METRICS



- ❑ Cornerstone of the Sodexo Diversity Index: Worth 40% of the total score.
- ❑ Contains inclusive behaviors to enable an inclusive culture critical to meet the numeric outcomes.
- ❑ Not all managers make placement decisions measured in the quantitative section
- ❑ Qualitative measures provide connectivity between diversity initiatives and quantitative outcomes
- ❑ Re-calibrated each year depending on focus area
- ❑ Other elements that can be included: Supplier diversity; revenue from targeted marketing; lawsuits; engagement; development initiatives....



Metric Effectiveness



SODEXO BUSINESS & EMPLOYEE IMPACT | 2018

FY2013 – FY2018,
FEMALE MANAGER
REPRESENTATION
INCREASED 6% AND
SENIOR LEADERS
INCREASED 17%

\$1B
IN BUSINESS
TOUCHED

7144
DIVERSITY ENGAGEMENT
ACTIVITIES COMPLETED BY
MANAGERS

9000+
DIVERSITY LEARNING
LABS ATTENDEES

9 US EBRGs
3512 MEMBERS
5339 MEMBERSHIPS
39 REGIONAL CHAPTERS

9300+
U.S. EMPLOYEES
ATTENDED 87 EBRG
HOSTED EVENTS

FY2013 – FY2018,
POC MANAGER
REPRESENTATION
INCREASED 43% AND
SENIOR LEADERS
INCREASED 20%

One of the first companies to be
named to DiversityInc's inaugural
Top 50 Hall of Fame;
their 11th year being recognized
by the company

91+
CLIENT
ENGAGEMENTS

igracias dankie спасибо
감사합니다 obrigado teşekkür ederim
grazie ၍ဝပ်ရူဝ်း ありがとう
dziękuję **Thank you** hvala
ارکیش х в а л а dank u
matur nuwun σας ευχαριστώ
merci tack 謝謝 děkuji