

## 1. Parties

- 1.1. This agreement is between “Sodexo” and “IUF” ;
- 1.2. “Sodexo” refers to Sodexo SA and its controlled subsidiaries;
- 1.3. “IUF” refers to the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Employees’ Associations and all of its affiliated unions, in the business sectors of “Sodexo”;

## 2. Preamble

- 2.1. “Sodexo” and “IUF” state their commitment to the respect of fundamental rights of human beings, and each acknowledges the respect of these fundamental rights by the other party.
- 2.2. “Sodexo” acknowledges the important role that labor unions play in representing employees’ interests and acknowledges that the IUF is the most representative global union federation, as its affiliates represent more “Sodexo” employees than any other global union federation.
- 2.3. “IUF” acknowledges “Sodexo’s” commitment to be a socially responsible corporation.
- 2.4. “Sodexo” seeks to promote a steady and constructive social dialogue, both locally and internationally, without hindering business growth. “Sodexo” will work with “IUF” to mutually explore solutions which permit the exercise of the rights mentioned in this Agreement and social progress through dialogue between parties in the countries where “Sodexo” does business, and which human resources leadership within “Sodexo” and the “IUF Secretariat” identify, by mutual agreement, as not effectively protecting employees’ rights to freedom of association and collective bargaining.
- 2.5. The parties acknowledge that “Sodexo” operates in a highly competitive environment and is facing, in numerous countries, competition by enterprises that disregard national law and practice with respect to the principles set forth in this Agreement. “IUF” commits to establishing a dialogue with other multi-national enterprises in the sectors in which “Sodexo” operates in order to negotiate agreements similar to this one and to create an environment in which all companies in the sector will be able to improve social and working conditions without compromising their competitive position.
- 2.6. “Sodexo” commits to see to it that all its employees can access the following fundamental rights, while conforming to the local legislation :
  - equal treatment for men and women concerning salary and work conditions for work of equal value ;

- freedom from all discrimination based on sex, language, ethnic origin, age, political opinions, religion and sexual orientation ;
- protection of health and workplace safety through prevention and improvement measures.

2.7. “IUF” underlines its special concerns regarding:

- the access to health insurance for employees<sup>1</sup>,
- the use of casual rather than regular employees,
- the terms and conditions of any workers transferred as a result of the acquisition of a new contract.

“Sodexo” human resource leadership and the “IUF Secretariat” will work cooperatively in order to examine the conditions under which they may progressively address these concerns, without creating a competitive disadvantage which could hinder “Sodexo’s” business growth or have negative consequences on employment.

2.8. Nothing in this agreement is intended to restrict or affect existing labor relations practices or agreements concerning labor rights or their already existing application between “Sodexo” and any union.

### **3. Framework of rights**

3.1. For the application of this agreement, “Sodexo” and “IUF” acknowledge the obligation to respect, in the countries where “Sodexo” operates, the laws and regulations relative to work, along with the rights of employees concerning freedom of association and collective bargaining. “Sodexo” and “IUF” acknowledge that certain elements included in internationally defined principles may be contradictory to national laws. “Sodexo” and “IUF” will explore through dialogue the means to promote the principles in clause 3.2. Nothing in this agreement is intended to require “Sodexo” to violate the laws of any of these countries, or to forego the rights afforded by those laws.

3.2. “Sodexo” and “IUF” recognize their obligation to respect the rights of employees in accordance with principles established at the international level. “Sodexo” and “IUF” further acknowledge that as a signatory of the UN Global Compact, “Sodexo” is committed to respect the UN Universal Declaration of Human Rights and the ILO’s 1998 Declaration on Fundamental Principles and Rights at Work. “Sodexo” further acknowledges the employment and industrial relations chapter of the OECD Guidelines for Multinational Enterprises.

3.3. “Sodexo” and “IUF” confirm their commitment to the respect of the principles of the rights of association and collective bargaining, and the rights of employees to establish and join labor organizations at their own free will and choice. “Sodexo” and “IUF” mutually affirm that “Sodexo” employees may exercise these rights without fear of retaliation, repression, or any other form of discrimination.

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<sup>1</sup> This specifically applies to those countries where health insurance is not in place through the State or the local authorities

#### 4. Responsibility of parties

- 4.1. Human resources leadership at “Sodexo” will communicate this agreement in national languages throughout its organization and will communicate its global and local commitment to the terms of this agreement. The “IUF Secretariat” will communicate this agreement in national languages throughout its affiliated unions and will communicate the commitment of the “IUF” to the terms of this agreement.
- 4.2. In the event that one of the parties fails in their obligation to diffuse this agreement throughout their respective organization, the two parties agree to put in place rapid measures to appropriately correct the situation.
- 4.3. “Sodexo” and “IUF” acknowledge the importance to maintain an ongoing communication between both organizations, in order to review the implementation of the agreement, to jointly work for resolving any differences arising from the implementation of the agreement and for finding ways to advance social dialogue relating to labor and human rights issues covered by this agreement. In this purpose, both parties agree to implement the following means:
  - regular contact between “Sodexo” human resources leadership and the “IUF Secretariat” ;
  - annual meeting between senior representatives of “Sodexo”, human resources leadership at “Sodexo” and the “IUF” delegation (“Sodexo-IUF annual meeting”); an additional launch meeting may be organized, for the first year following the signature of this agreement;
  - local visits by a representative of “Sodexo” human resources leadership and a representative of the “IUF Secretariat” based on the modalities and planning to be defined by a joint agreement.
- 4.4. The goal of the “Sodexo-IUF annual meeting” will be to review the implementation of this agreement by both parties, as well as to explore ways to improve social dialogue in the countries where it is not favored. Other matters, such as a presentation of the strategic orientations of the company, may be added to the agenda of the meeting by mutual agreement of “Sodexo” human resources leadership and the “IUF Secretariat”, provided that information on these matters can be publicly disclosed.
- 4.5. The “Sodexo-IUF annual meeting” will not be a forum for national, multinational, or international collective bargaining, and nothing in the “Sodexo-IUF annual meeting”, the ongoing communications, or this agreement shall substitute for or supersede existing collective bargaining agreements between “Sodexo” and the representatives of its employees.
- 4.6. The “IUF” delegation to the “Sodexo-IUF annual meeting” will consist of representatives designated by the “IUF Secretariat”, as follows :
  - two representatives of the “IUF Secretariat” who will be responsible for reporting back to other affiliate unions potentially concerned;

- “IUF” will designate up to 12 representatives to ensure representation that is both global and consistent with “Sodexo” major markets and workforce distribution
- other representatives who may be added only by mutual agreement with “Sodexo” human resources leadership.

4.7. “Sodexo” human resource leadership and the “IUF Secretariat” will agree to the modalities of the assumption of costs by “Sodexo” for the “Sodexo-IUF annual meeting” and for the local visits mentioned in section 4.3

## **5. Freedom of association , union recognition and collective bargaining**

5.1. “Sodexo” and « IUF » agree as follows in order to allow « Sodexo » employees to implement in practice the rights set forth above :

5.1.1. According to a timetable to be mutually agreed, the « Sodexo » HR department and the « IUF Secretariat » will meet to consider how to implement locally new conditions that allow practical application of this agreement, including without limitation :

5.1.1.1. Informing employees of their rights with respect to freedom of association and collective bargaining;

5.1.1.2. Enabling union representatives to communicate to employees, without violating their privacy, their right to form and join union organizations freely as they see fit, in compliance with local property laws and clients’ wishes including with respect to safety, hygiene and confidentiality and without disrupting service;

5.1.1.3. Enabling free circulation of information, opinions and expression corresponding to full exercise of freedom of association, provided this does not curtail employees’ rights to freely decide whether to join a union and to choose which union if any;

5.1.1.4. Establishing procedures consistent with the principles of this Agreement for appropriate and straightforward means of recognition without undue delay of representative and legitimate labor organizations as provided for by applicable legislation. In view of different national laws and practices, a condition of implementation of this paragraph will be procedures, if any, agreed upon between Sodexo local leadership and any IUF affiliate in a particular country;

5.1.1.5. Furnishing appropriate protection to employee representatives ;

5.1.1.6. Putting in place – in any country where it has been established that the procedures and recourse provided for by national law and practice do not sufficiently protect employees’ right to freedom of association – appropriate means for recognizing a union as representative for the negotiation of collective agreements. It is understood that such means must be compatible with the norms referred to in this agreement.

- 5.2. "Sodexo" will recognize representatives of personnel, designated or elected according to the laws of each country where "Sodexo" operates, with the purpose of holding constructive dialogue with its employees and their representatives.
- 5.2.1. Upon formal recognition of a union as a legitimate employee representative, "Sodexo" local leadership and the local representatives of the IUF affiliated unions agree to engage in constructive and good faith collective bargaining and to make every effort to come to an agreement expeditiously in the spirit of ongoing cooperation.
- 5.3. "Sodexo" human resources leadership and the "IUF Secretariat" will mutually identify and agree upon countries where the rights and remedies afforded under law do not protect employees' rights of freedom of association and collective bargaining and will establish a protocol for engaging dialogue about how to implement practices that promote such rights without impairing "Sodexo" 's competitiveness and growth.

## **6. Implementation**

- 6.1. To the extent that the parties reach any agreements that impose obligations on one or the other that may go beyond local legislative requirements or existing agreements, those obligations will be implemented in phases so that the parties can work together to ensure the success of the agreement and minimize any potential adverse impact on either party. The exact phasing of the roll out will be mutually agreed by "Sodexo" human resources leadership and the "IUF Secretariat", after consultation with the delegation of its representatives participating to the "Sodexo-IUF annual meeting".
- 6.2. All unresolved issues regarding the implementation of and compliance with this agreement will be reviewed at the "Sodexo-IUF annual meeting"; and urgent or severe matters will be raised during the course of ongoing communication between the "IUF Secretariat" and "Sodexo" human resources leadership, at the initiative of one or the other of the parties to resolve the issue.
- 6.3. The parties agree to provide evidence supporting allegations of non-compliance with this agreement, and, upon presentation of such evidence, the parties will attempt to resolve any disagreements or to fashion appropriate means of compliance through good faith and direct dialogue, which may include dialogue at the "Sodexo-IUF annual meeting", a formal special meeting between senior leadership of "Sodexo" and the "IUF Secretariat", or other means of dialogue as agreed upon between the "IUF Secretariat" and "Sodexo" human resources leadership.
- 6.4. In the event that the disagreement still persists after the efforts in Sections 6.2 and 6.3 are exhausted, the matter may be referred to a mutually agreed independent mediator to facilitate negotiated resolution.

6.5. The dispute resolution procedure set forth above shall exclusively apply to disputes arising from the interpretation or implementation of this global agreement, and not from disputes arising from any other agreement or law.

6.6. "IUF" agrees that it will not initiate or support any international boycotts, adverse publicity, corporate campaign or other similar adverse activity against "Sodexo", as long as dialogue on the questions at stake is pursued under this agreement.

## 7. Term and interpretation

7.1. This global agreement shall become effective as from the date on which both parties sign it and shall remain effective for as long as "Sodexo" and "IUF" deem it appropriate, but it may be terminated or renegotiated by either party upon giving the other party at least three months' written notice.

7.2. The procedures for resolution of differences set forth above shall be the exclusive remedy available to the parties, and nothing in this agreement shall provide the basis for any cause of action of any kind in any court or administrative body by "IUF", "Sodexo", or any other entity or individual.

The French version of this agreement shall control over any other language version of this agreement.

Paris, December 12, 2011



Chief Executive Officer  
Michel Landel



General Secretary  
Ron Oswald

## Conventions recognized as principles in this agreement

- Convention on Freedom of Association and Protection of the Right to Organize, 1948 (n° 87)
- Convention on the Right to Organize and Collective Bargaining, 1949 (n° 98)
- Convention concerning employees' representatives, 1971 (n° 135)
- Convention on forced labor, 1930 (n° 29)
- Convention on abolition of forced labor, 1957 (n° 105)
- Convention on minimum age, 1973 (n° 138)
- Convention on the elimination of the worst forms of child labor, 1999 (n° 182)
- Convention on equal remuneration, 1951 (n° 100)
- Convention on discrimination (employment and occupation) 1958 (n° 111)