



# FY2014 Annual Incentive Plan (AIP) —Market Management

Sodexo rewards eligible managers for their success in achieving personal, division and company goals with an Annual Incentive Plan (AIP) award.

Your award is based on a combination of line of sight and division results.

Your incentive Norm and Maximum opportunities are a percentage of fiscal year eligible earnings based on your salary grade. The award you receive is determined by your achievement of objectives for the year. If you reach your maximum targets on financial measures and achieve all your MPOs and Diversity targets, you could receive the AIP Maximum award. AIP payments are also based on funding, which is determined by division results.

## Eligibility

Eligibility for this plan is limited to Market Management approved positions in grade 9 through 15, except for General Managers and District Managers in Corporate Services, Government Services, Education and Healthcare.

## Performance Measures

The FY2014 Annual Incentive Plan's performance measures support Sodexo's corporate strategies and goals. You receive an award based on your results in each of three areas:

- Financial
- Measured Performance Objectives (MPOs)
- Diversity

## AIP At a Glance

Plan Features	Financial	MPO	Diversity
<b>Components</b>	The financial measures are Controllable Profit (CP), Revenue and Accounts Receivable. These measures support our focus on attracting and retaining profitable business, and creating operating efficiencies.	Each person has up to two MPOs. To support our mission of maintaining a safe working environment, if you are in an operations position that is responsible for other employees, one of your MPOs will be the safety metric—Employee Injury Frequency (EIF).	The Diversity component supports Sodexo's goal to be an inclusive organization representative of the communities, clients, customers and employees we serve. Your AIP award is based on the Sodexo Diversity Index (SDI) target for your division.
<b>% of AIP Norm Award</b>	<b>50%</b>	<b>35%</b>	<b>15%</b>
<b>Measurement Level</b>	Line of Sight	Line of Sight	Division
<b>Metrics</b>	Controllable Profit Revenue Accounts Receivable (Days Sales Outstanding - DSO)	2 MPOs	Diversity Index Score
<b>Threshold for Award to be paid</b>	Payment contingent on line of sight Controllable Profit exceeding 95% of target	None	
<b>Units with Accounts Receivable</b>	Controllable Profit (weighted 60%): prorated payout for exceeding 95% up to 100% of target Revenue (weighted 20%): prorated payout for exceeding 95% up to 100% of target Accounts Receivable (weighted 20%): calculated based on meeting or missing target each quarter	MPOs can be weighted differently  MPO prorated payments permitted if one MPO is met  Full payment for achieving both MPOs	100% payment if Diversity Index Score is met  0% payment if Diversity Index Score is not met
<b>Units without Accounts Receivable</b>	Controllable Profit (weighted 60%): prorated payout for exceeding 95% up to 100% of target Revenue (weighted 40%): prorated payout for exceeding 95% up to 100% of target	Payment is not dependent on division financial results	Payment is not dependent on division financial results
<b>Calculation for Plan Norm Payouts</b>			
<b>Calculation for Payout above Norm up to Maximum</b>	Controllable Profit (weighted 75%): straight line calculation for reaching 100% to 103% of target Revenue (weighted 25%): straight line calculation for reaching 100% to 103% of target	No additional payment for exceeding MPO target	No additional payment for exceeding Diversity Index Score target
<b>Funding</b>	Payment is based on funding determined by division  Plan must be fully funded for maximum payout	None	

For details on how your award is measured in your division, go to [SodexoNet > Employee Center > Rewarding > Incentive Programs](#) and click on the link to the Annual Incentive Plan.