



2022 Half Year Results

11 May 2022

Disclaimer

Certain information included in this presentation is forward looking and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward looking statements. Forward looking statements cover all matters which are not historical facts and include, without limitation; the direct and indirect impacts and implications of public health crises such as the coronavirus COVID-19 on the economy, nationally and internationally, and on the Group, its operations and prospects, including disruptions and inefficiencies in the supply chain; UK domestic and global political, economic and business conditions (such as the UK's exit from the EU); projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, expected expenditures and divestments; risks associated with changes in economic conditions, the strength of the food and support services markets in the jurisdictions in which the Group operates; fluctuations in food and other product costs and labour costs; and prices and changes in exchange and interest rates. Forward looking statements can be identified by the use of forward looking terminology, including terms such as 'believes', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'plans', 'projects', 'goal', 'target', 'aim', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. Forward looking statements in this presentation are not guarantees of future performance. All forward looking statements in this presentation are based upon information known to the Company on the date of this presentation. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on forward looking statements when making their investment decisions. Additionally, forward looking statements regarding past trends or activities should not be taken as a representation or warranty that such trends or activities will continue in the future. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), the Company undertakes no obligation to publicly update or revise any forward looking statement, whether as a result of new information, future events or otherwise. Nothing in this presentation shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.



Dominic Blakemore

Group Chief Executive



Our clear focus on growth is delivering results

**Revenue run rate above
2019 level**

**Another record of new wins
and client retention**

**Broad based growth
across all regions**

**Proven resiliency and
balanced sector footprint**

**Inflation: medium-term
pressure but
long-term tailwind**

**Stepping up shareholder
returns with a share
buyback programme**

**Compass is strongly positioned for
long-term sustainable growth and continued margin recovery**



Palmer Brown

Group Chief Financial Officer



Positive momentum continued into HY 2022

98%

of 2019 REVENUE¹

5.8%

OPERATING MARGIN

£2.5bn

RECORD NEW WINS²

95.8%

CLIENT RETENTION

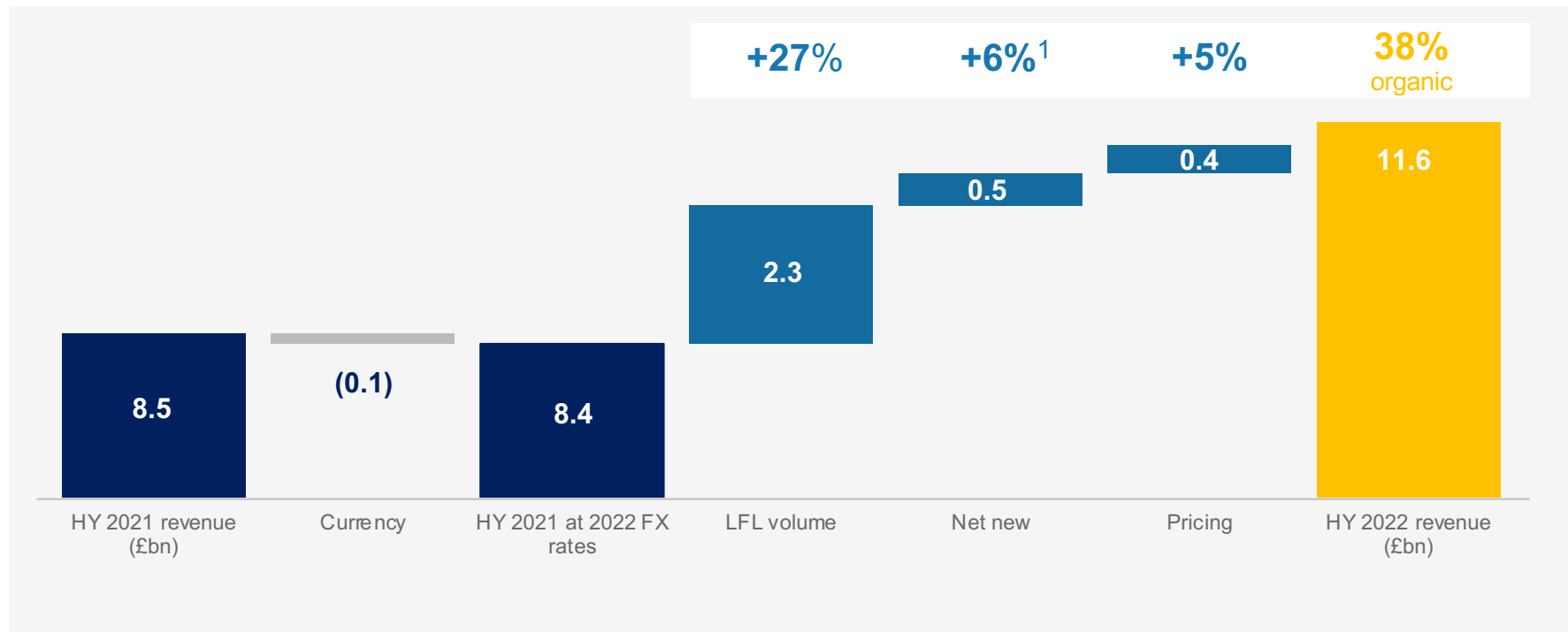
9.4p

INTERIM DIVIDEND PER SHARE

£500m

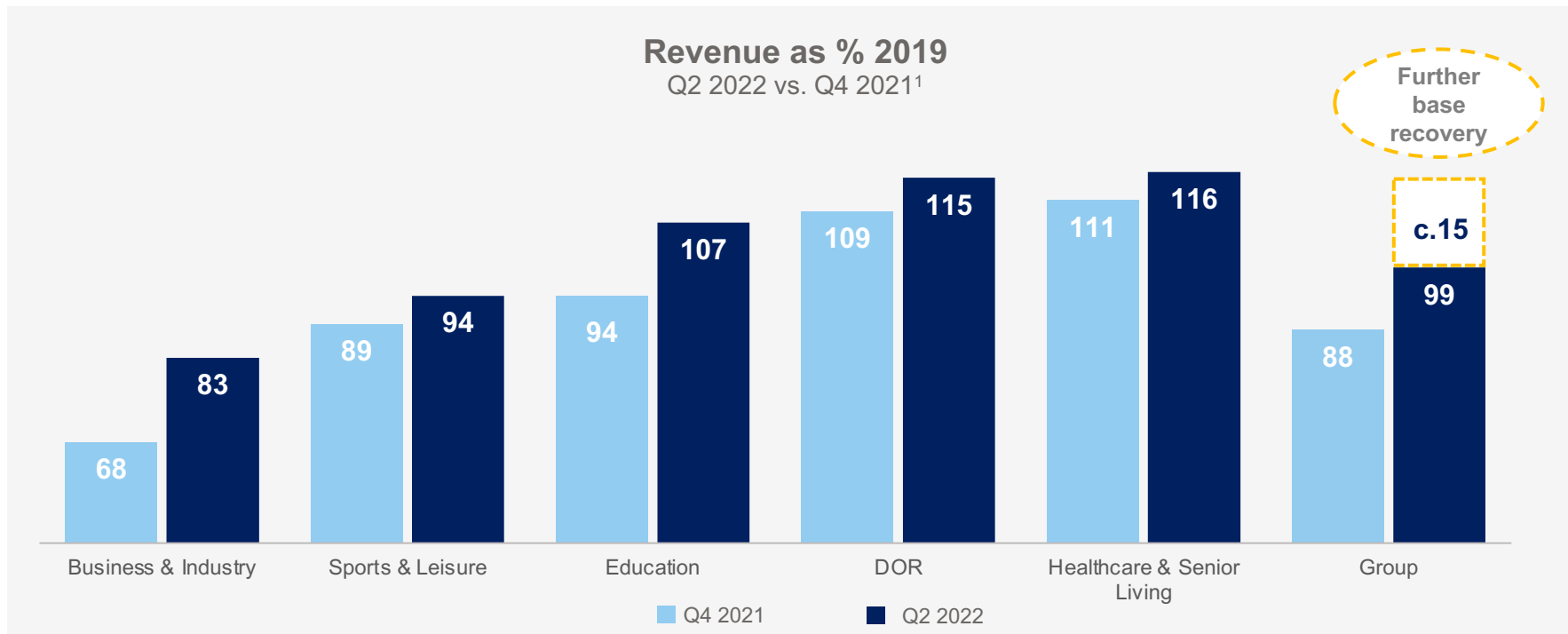
SHARE BUYBACK

Continued strong net new growth, pricing and...



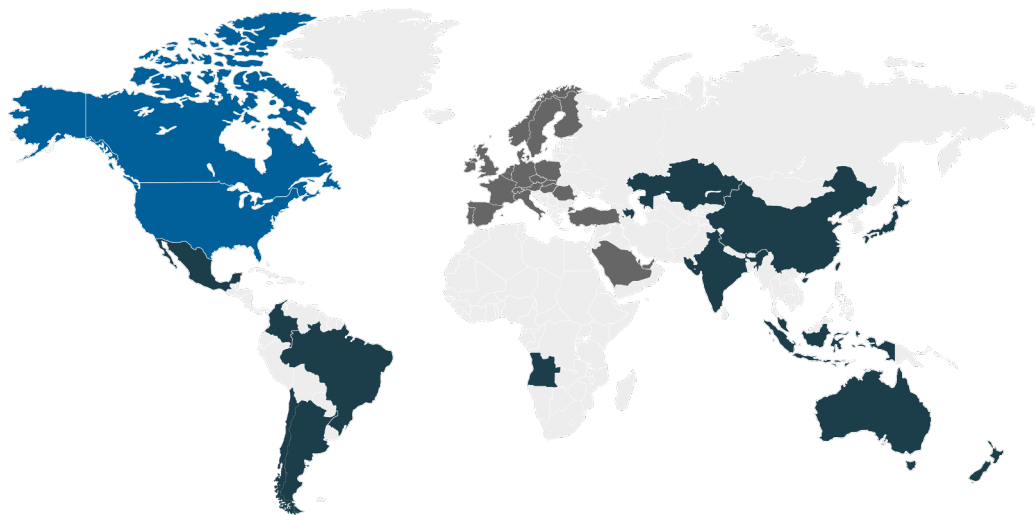
Notes: On a constant currency basis. ¹ Net new rebased to 2019 revenues is 4.4%.
 Based on underlying performance at reported exchange rates unless otherwise indicated. See definitions in the supplementary slides.

...volume recovery, particularly in B&I and Education



Notes: ¹ On a constant currency basis. Based on underlying performance at reported exchange rates unless otherwise indicated. See definitions in the supplementary slides.

Strong revenue recovery across the regions



	Organic revenue	% of 2019 revenues	Net new	Operating margin
North America	47.9%	103%	8.2%	7.0%
Europe	28.3%	90%	3.7%	4.5%
Rest of World	9.6%	90%	1.2%	4.7%

Notes: 1 HY 2022 revenue on a constant currency basis.
Based on underlying performance at reported exchange rates unless otherwise indicated. See definitions in the supplementary slides.

Challenging inflationary environment

Procurement efficiencies



- Benefits of scale supported by further growth
- Consolidate SKUs
- Key partner for suppliers and other GPO partners
- Proprietary data platform

Operational mitigation



- Menu and inventory planning
- Food waste reduction
- Digital innovation
- Dynamic labour scheduling
- Pricing analytics

Contract structures



Dynamic pricing in ~ 70% of contracts:

- Cost-plus – pass through
- Consumer paid - value vs. high street

Timing lag ~ 30% of contracts:

- fixed price with indexation clauses

Inflation is also a tailwind to outsourcing

Good underlying operating cash flow conversion

£m	HY 2022	HY 2021
Operating profit	673	290
Depreciation and amortisation	366	380
EBITDA	1,039	670
Net capital expenditure	(306)	(272)
Trade working capital	(142)	119
Lease payments of principal	(73)	(80)
Other	39	49
Operating cash flow	557	486
Net interest	(40)	(52)
Net tax	(133)	(60)
Other	(24)	(15)
Free cash flow	360	359

- OCF conversion 83%
- Working capital swing due to:
 - HY 2021 tax deferral benefit
 - HY 2022 restarted bonus payments
- HY 2022 capex 2.6% of revenue
- FY 2022 capex expected to be c.3.5% of revenue

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise. See the definitions in the supplementary slides.

Clear capital allocation priorities



We are stepping up shareholder returns

Shareholder returns

Ordinary dividend

Additional shareholder remuneration



HY 2022 announcement

- Interim dividend 9.4p
- c. 50% of underlying FY earnings
- Share buyback programme with up to £500m capital return

Strong balance sheet with leverage down to 1.3x¹

FY 2022 guidance

Increasing organic revenue growth and maintaining margin

Full year organic
revenue growth

around 30%

Full year underlying
operating margin

over 6%

Exit rate underlying
operating margin

around 7%

A young man with curly hair, wearing a grey suit, white shirt, and purple tie, is smiling and looking towards the right. He is standing in a food truck or market stall. In the background, a chef in a white shirt and dark apron is working at a counter. There are wooden crates filled with bread, a pizza oven, and various food items. The scene is brightly lit, suggesting an outdoor or well-lit indoor environment. A dark blue semi-transparent banner is overlaid on the left side of the image, containing the text 'Dominic Blakemore Strategy' and the Compass Group logo.

Dominic Blakemore

Strategy



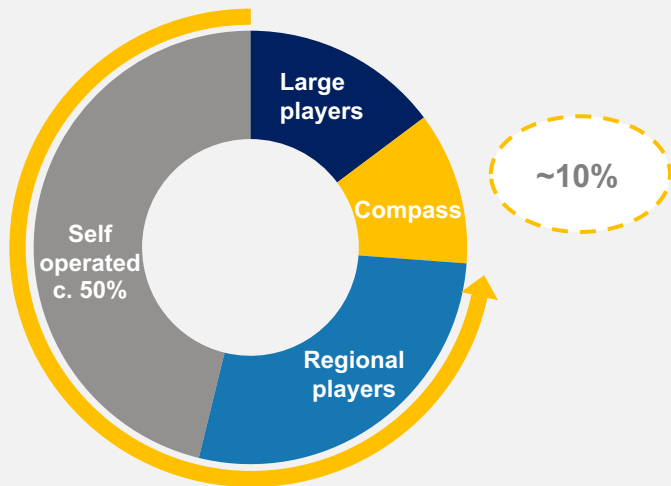
A clear strategy to capture the growth opportunity

- Significant runway for growth
- Stronger, more resilient business
- Scale, focus and expertise
- Relevant offer: Digital and sustainability
- Balanced portfolio limiting risk
- Disciplined capital allocation



Within the context of a large addressable market

Addressable global food services market at least £220bn



- Best placed to capitalise on changed market conditions and unlock core opportunity:
- ~75% self-op or regional players
- >60% self-op in Healthcare and Education
- Further growth opportunities in vending, delivery and support services

The list of reasons to outsource is growing

- 
- Talent attraction and retention
 - Invest to improve offer
 - Health & Safety
 - Business continuity
 - Climate change/Net Zero
 - Increase in regulations
 - Entice employees back to work
 - Improve productivity and morale
 - Outsource risk
 - Reduce costs
 - Innovation and agility
 - Digital capability
 - Manage supply chain
 - Support local community

We have the most relevant offer and focused team

- People and culture are key to continued success
- Tailored solutions through sectorisation
- Local leaders closest to the client and consumer
- Agile and nimble response to market needs
- Leveraging economies of scale
- Support from the centre / best practice sharing



5

Sectors,
30+ sub-sectors



c.480,000

Colleagues



55,000

Client locations

Underpinned by an expanding digital capability

Bespoke food offer through sectors and sub-sectors



In-house capability tailors digital offer



A range of flexible digital channels to suit clients' needs

- | | |
|---|--|
| <ul style="list-style-type: none"> • Self check out and apps • Click & collect and delivery • Unattended micro markets | <ul style="list-style-type: none"> • Recruitment tools • Engagement tools • Digital menus and procurement |
|---|--|

Benefits

MAP 1

Alignment with client expectation

MAP 2

Stronger consumer participation

MAP 3

Reduced waste and food costs

MAP 4

Increased productivity

MAP 5

Synergies from shared capabilities

Our ESG focus is a competitive advantage

Planète Chef : Compass Culinary School

- All candidates come from socially disadvantaged backgrounds
- No CV recruitment process
- 100% of apprentices trained in our units, mentored by chefs
- Career progression plans
- 20+ different nationalities



Helping our client reduce CO₂ and costs

- Crothall's engineering team helped a Healthcare client increase energy efficiency
- Operational improvements resulted in payback on investment in Year 1
- Estimated savings of \$70m over 25 years
- CO₂ emissions reduced by 20% with the hospital halfway to its carbon reduction goal for 2030



Case study: From traditional to digital food offer

More sustainable digital food model at Brunel University

- In-house and high street brands
- Order by app or at digital kiosk
- Open all day
- Pick up or delivery (on / off site)
- Batch preparation and cook to order
- Partnering with 3rd parties for delivery and food kits

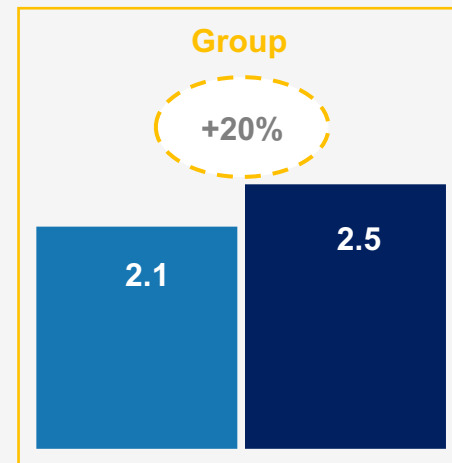
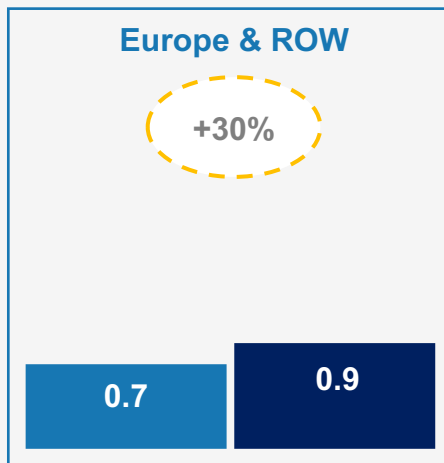
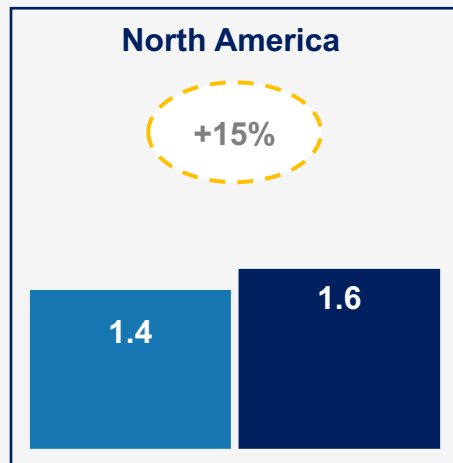
Benefits include

- ✓ Higher average transaction value
- ✓ Reduced food waste by 33%
- ✓ Double-digit labour efficiencies
- ✓ 30% sales are off campus
- ✓ Better positioned to win new contracts



Record new business wins in all regions...

New business wins (£bn)¹
Last 12 months

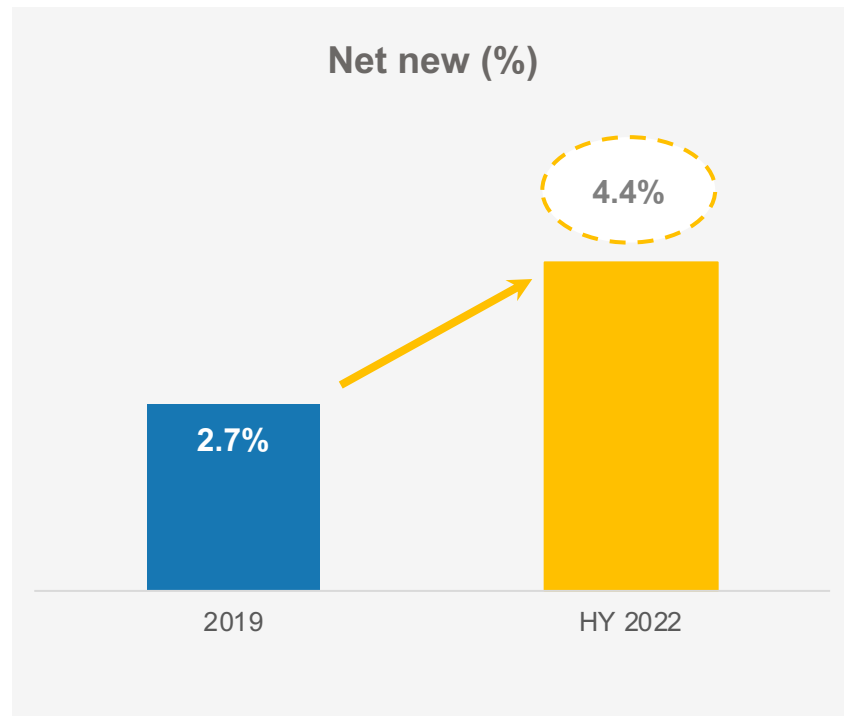
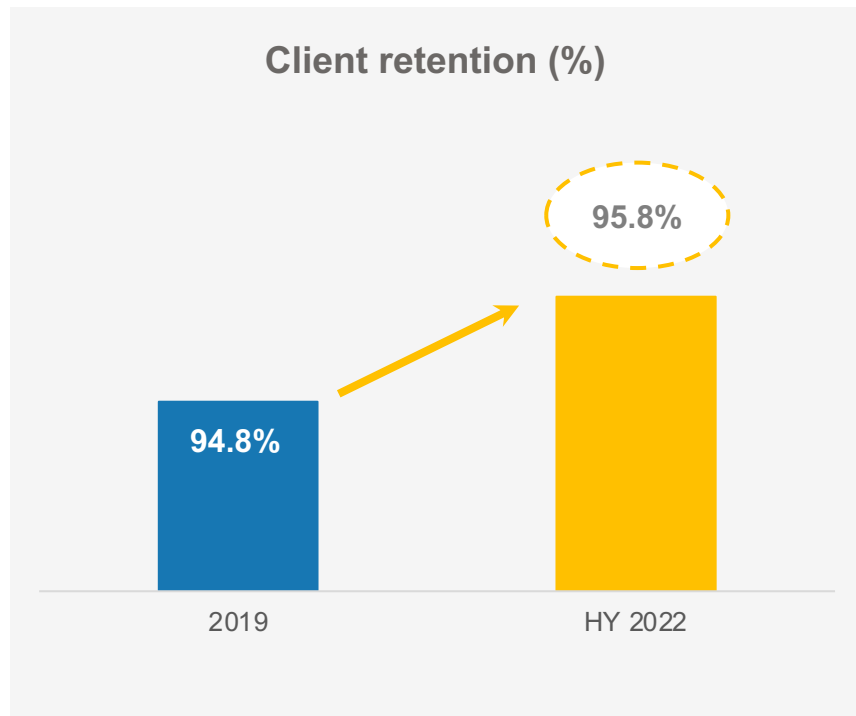


■ 2021 ■ LTM

Strong focus leading to broad based new business wins

Notes: ¹ARO value is the annual revenue of new business wins.

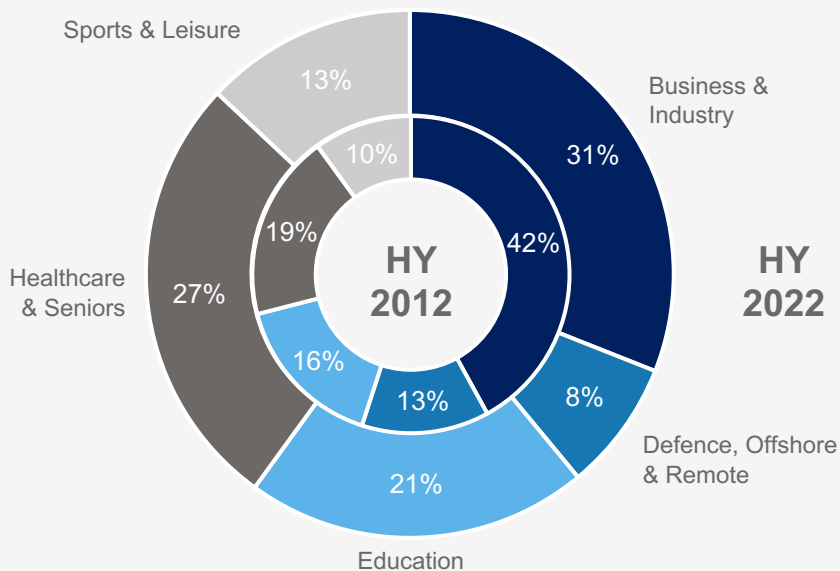
...record retention and an increase in net new growth



Notes: HY 2022 net new is rebased to 2019.

Our portfolio is more balanced and lower risk

Revenues by sector



In the last 10 years, we focused our portfolio

- Focused on sectors and countries with growth potential
- Exited 7 countries and other non-core businesses
- Limited concentration risk:
 - 95% of revenues from 20 countries
 - Top 10 clients ~10% of revenues
 - Continued portfolio review

Well positioned to accelerate growth

- Continued record new business wins and retention
- Resilient business model with a balanced portfolio
- Operational tools to help mitigate inflation
- Increasing organic revenue growth guidance for FY22
- Maintaining margin guidance for FY22
- Confidence in future underpins share buyback programme



We expect revenue and profit growth above historical rates, returning margin to pre-pandemic levels

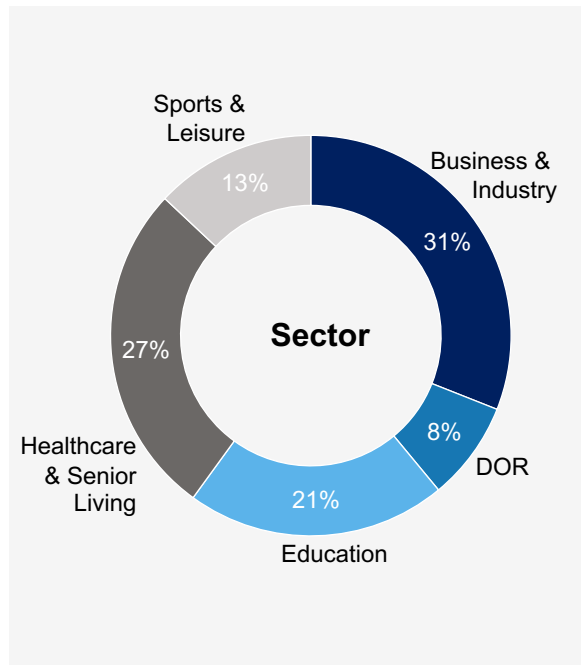
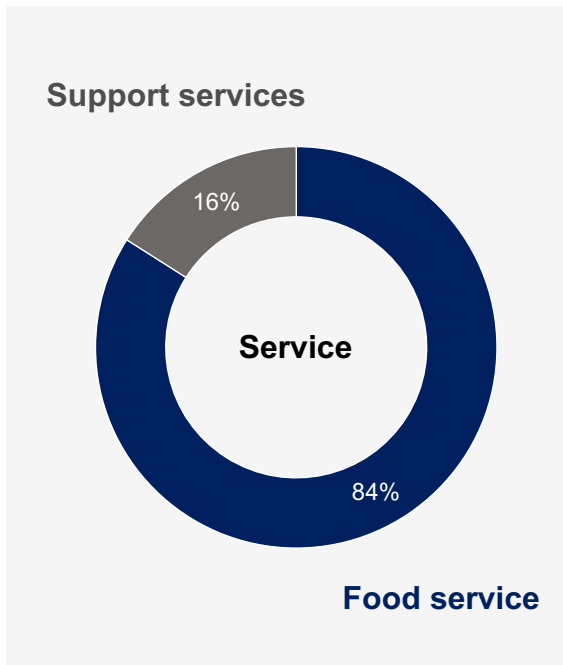
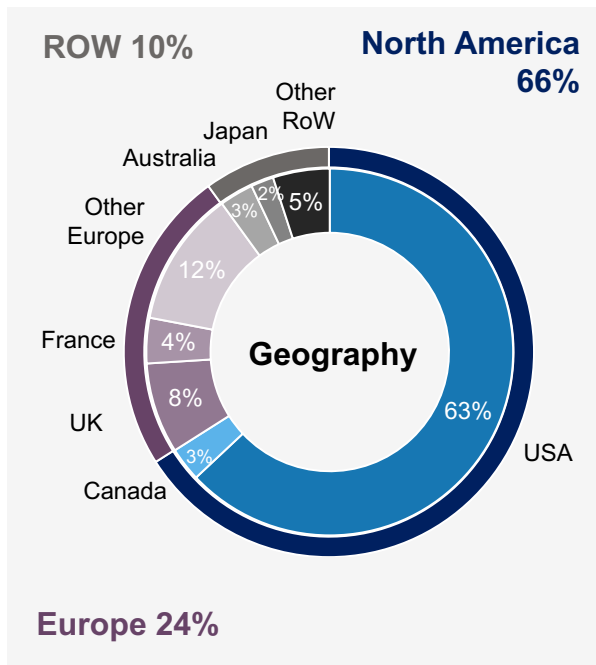


Supplementary Information

FY 2022 further guidance for modelling purposes

- Capex c.3.5% of revenue
- Interest charge c.£100m
- Effective tax rate c.24%
- Cash outflows:
 - c.£115m resizing charges
 - c.£110m due to payroll timings, reverses in FY24

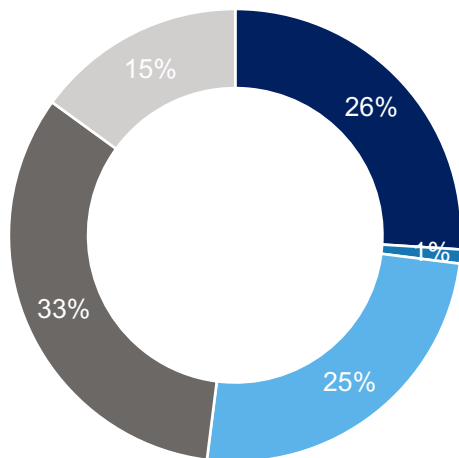
Revenue



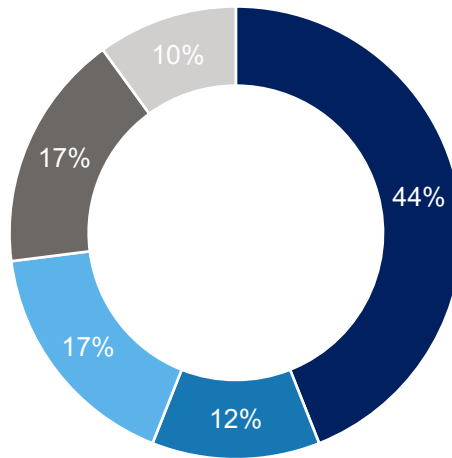
Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Geographic revenue by sector

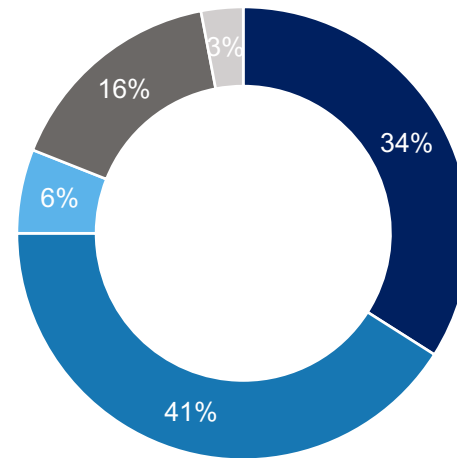
North America



Europe



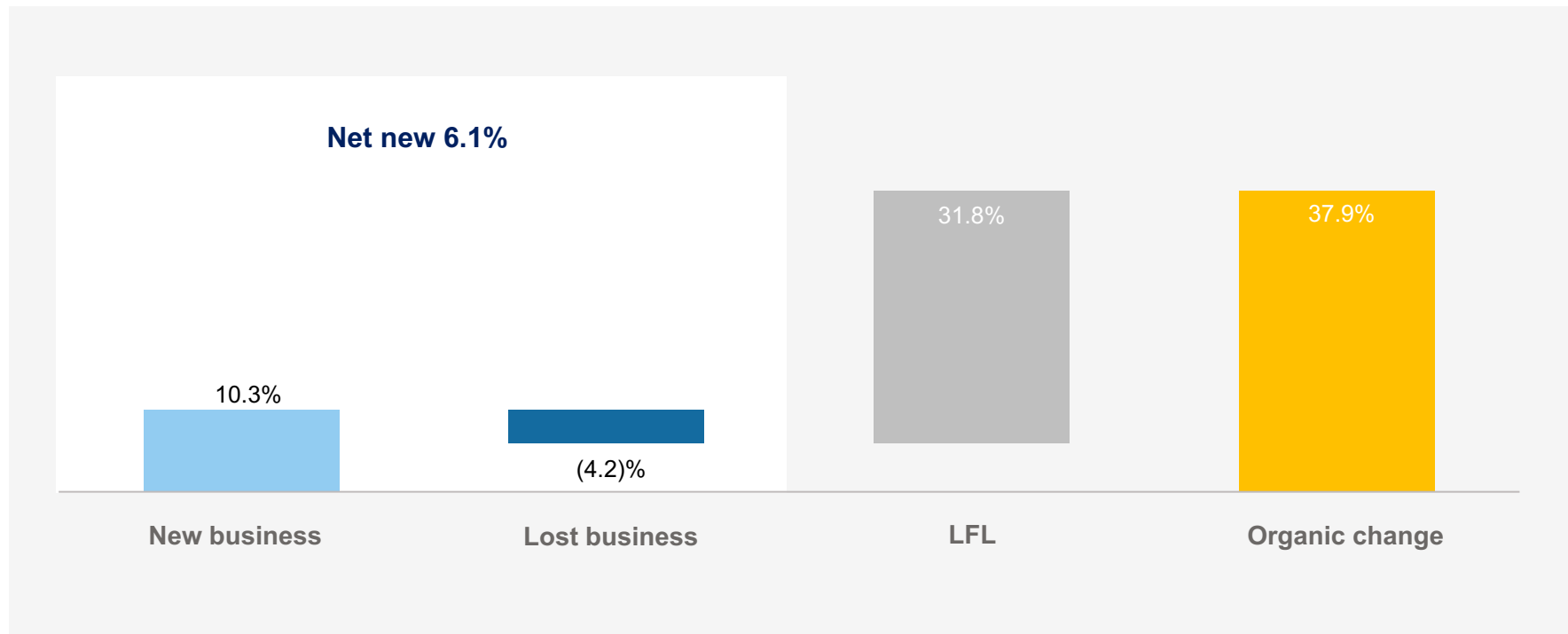
Rest of World



Business & Industry
 Defence, Offshore & Remote
 Education
 Healthcare & Senior Living
 Sports & Leisure

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Organic growth split



Notes: Mobilised new business. Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Underlying revenue as % of 2019¹

	Q1	Q2	HY 2022
Business & Industry	76.6%	82.9%	80.4%
Education	101.2%	107.3%	103.9%
Healthcare & Senior Living	114.6%	116.3%	115.0%
Sports & Leisure	107.3%	93.8%	99.4%
Defence, Offshore & Remote	116.6%	115.3%	116.1%
Group	96.9%	99.2%	98.0%
North America	101.8%	103.7%	102.7%
Europe	89.2%	91.7%	90.0%
Rest of World	88.5%	90.8%	89.7%

Income statement

£m

	HY 2022	HY 2021
Revenue	11,625	8,551
Operating profit	673	290
<i>Operating profit margin</i>	5.8%	3.4%
Net finance costs	(37)	(56)
Profit before tax	636	234
Tax expense	(153)	(63)
Profit after tax	483	171
Non-controlling interests	(3)	-
Attributable profit	480	171
Average number of shares (millions)	1,784	1,784
Basic earnings per share (pence)	26.9p	9.6p
Dividend per share (pence)	9.4p	-

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Geographic financials

£m	North America	Europe	Rest of World	Other ¹	Total
HY 2022					
Revenue	7,657	2,766	1,202		11,625
<i>Organic growth</i>	47.9%	28.3%	9.6%		37.9%
Operating profit	535	125	56	(43)	673
<i>Margin</i>	7.0%	4.5%	4.7%		5.8%
Cash flow	487	92	39	(258)	360
<i>Cash flow conversion</i>	91%	74%	70%		53%
HY 2021					
Revenue	5,160	2,260	1,131		8,551
<i>Organic growth</i>	(32.8)%	(32.8)%	(9.4)%		(30.4)%
Operating profit ²	242	32	53	(37)	290
<i>Margin</i>	4.7%	1.4%	4.7%		3.4%
Cash flow	392	94	30	(157)	359
<i>Cash flow conversion²</i>	162%	294%	57%		124%

Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

1. Other operating profit represents unallocated overheads. Other cash flows includes net interest and tax.

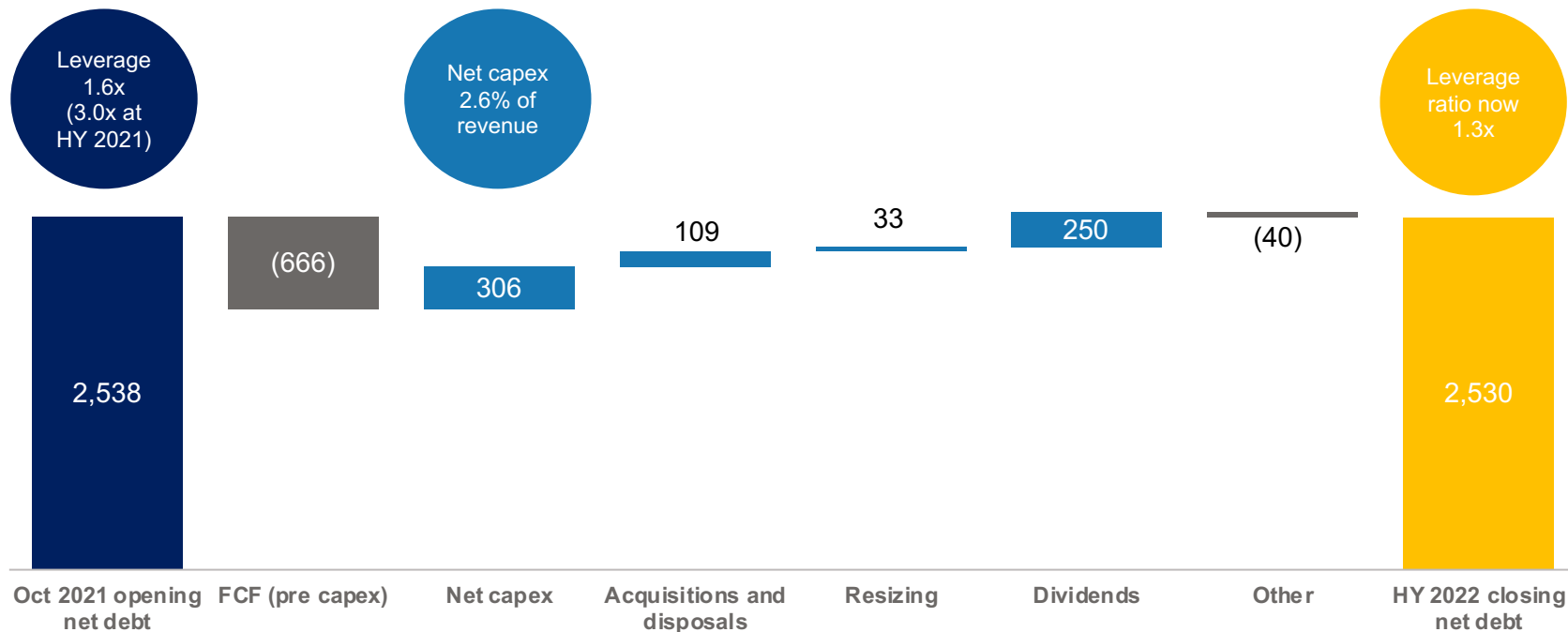
2. 2021 re-presented to reflect the change in the definition of regional operating profit to include the share of results of associates.

Balance sheet

Overview (£m)	HY 2022	HY 2021	FY 2021
Goodwill	4,620	4,487	4,550
Other non-current assets	4,665	4,494	4,556
Working capital	(1,105)	(1,293)	(1,255)
Net assets held for sale	26	21	17
Provisions	(601)	(573)	(581)
Net post employment benefit assets	360	119	129
Current tax payable	(120)	(99)	(87)
Net deferred tax asset	72	78	128
Net debt	(2,530)	(2,627)	(2,538)
Net assets	5,387	4,607	4,919
Shareholders' equity	5,362	4,584	4,891
Non-controlling interests	25	23	28
Total equity	5,387	4,607	4,919

Reduction in net debt and leverage

£m



Notes: Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Components of net debt

	£m
Bonds	2,277
Private placements	799
Financing	3,076
Overdrafts	163
Other loans and fair value accounting adjustments	(36)
Borrowing as per balance sheet	3,203
Leases	827
Derivatives	(20)
Gross debt	4,010
Cash	(1,480)
Closing net debt at 31 March 2022	2,530

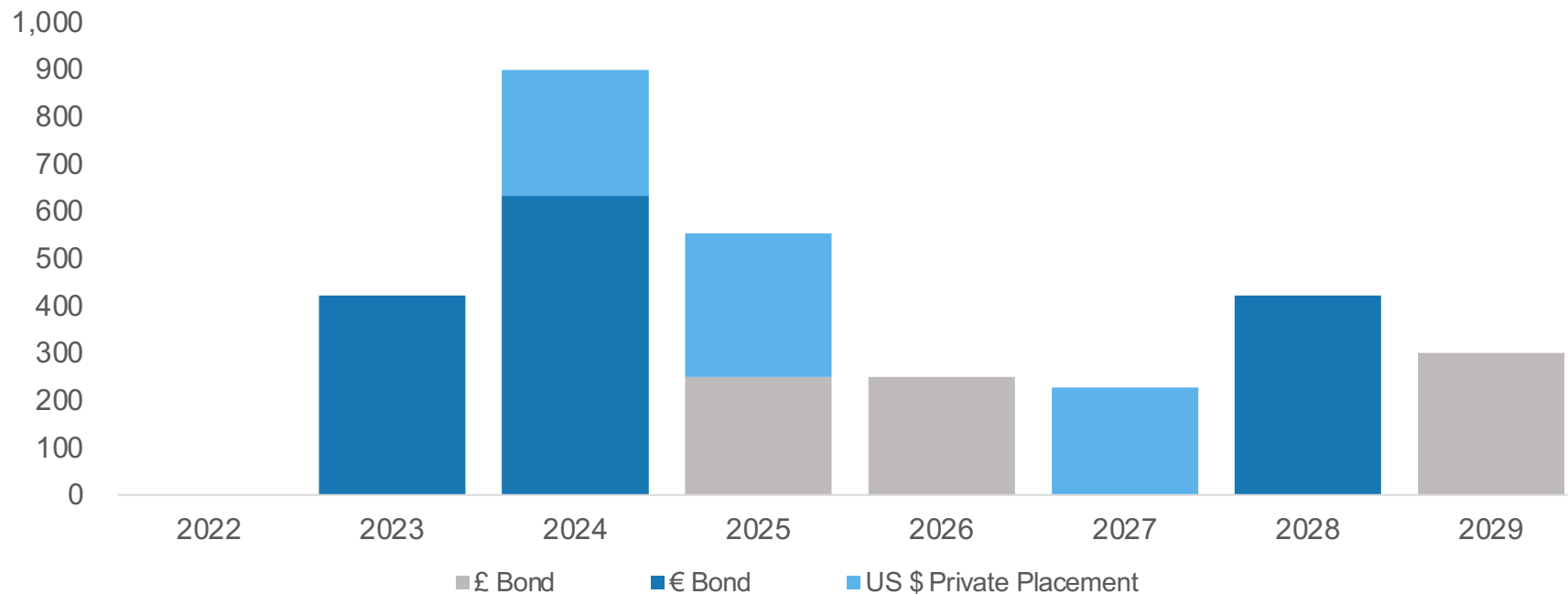
Financing

Principal borrowings	Coupon	Maturing in Financial Year	Drawn £m
Bonds			
€500m	1.875%	2023	422
€750m	0.625%	2024	633
€500m	1.500%	2028	422
£250m	2.000%	2025	250
£250m	3.850%	2026	250
£300m	2.000%	2029	300
Total			2,277
US private placements			
\$352m (2011 Notes)	4.12%	2024	267
\$300m (2014 Notes)	3.81%	2025	228
\$400m (2015 Notes)	3.54% - 3.64%	2025 - 2027	304
Total			799
Bank loans			
£2,000m syndicated facility		2026	-
Total			-
Total			3,076

Notes: Based on borrowings as at 31 March 2022. Interest rates shown are those in force on the date the debt was issued. The Group uses interest rate swaps to manage its effective interest rate. No other adjustments have been made for hedging instruments, fees or discounts. Bonds, private placements and bank loans are held by Compass Group PLC apart from the €750m 2024 & €500m 2028 bonds which are held by CGFNBV, which is a wholly owned subsidiary. Of the £2,000m syndicated facility, £140m expires in 2024 and the remaining £1,860m expires in 2026.

Maturity profile

£m



Notes: Based on borrowings and facilities in place as at 31 March 2022, maturing in the financial year ending 30 September. The average life of the Group's principal borrowings is 3.5 years (30 September 2021:3.7 years).

Financing

Debt ratios and credit ratings

Ratings	Short term	Long term	Outlook	Latest Update
Standard & Poor's	A-1	A	Negative	16 Dec 21
Moody's	P-2	A3	Stable	01 Feb 22

Ratios for USPP covenant purposes	HY 2022	FY 2021
Net debt ¹ / EBITDA ²	1.0x	1.5x
EBITDA ² / net interest ³	27.0x	14.7x

Reported ratios ⁴	HY 2022	FY 2021
Net debt / underlying EBITDA	1.3x	1.6x

Notes: 1.Net debt excludes leases, derivatives and restricted cash in line with the covenant definitions.

2. EBITDA includes share of profit of associates and profit from discontinued business but excludes exceptional profits and is adjusted where necessary for covenant definitions.

3. Interest excludes leases, the element of finance charges resulting from hedge accounting ineffectiveness and the change in the fair value of investments.

4. Based on underlying performance at reported exchange rates unless indicated otherwise, see the definitions.

Currency impact on operating profit and revenue

£m

	IMPACT ON FY 2021	IMPACT ON HY 2021
USD	34	1
CAD	2	-
AUD	1	(1)
BRL	1	-
TRY	(5)	(2)
EUR	(2)	(1)
JPY	(1)	-
Other	3	-
Total currency impact on profit	33	(3)
Total currency impact on revenue	535	(109)

Exchange rates

Rates used in consolidation

	Income Statement ¹		Balance Sheet ²	
	2022 per £	2021 per £	2022 per £	2021 per £
Australian Dollar	1.85	1.81	1.75	1.81
Brazilian Real	7.20	7.44	6.26	7.79
Canadian Dollar	1.70	1.74	1.64	1.73
Chilean Peso	1091.06	1,003.19	1,036.11	991.17
Euro	1.18	1.13	1.18	1.17
Japanese Yen	154.55	142.45	159.81	152.46
Norwegian Krone	11.81	11.94	11.51	11.78
Swedish Krona	12.18	11.56	12.27	12.03
Turkish Lira	16.66	10.46	19.31	11.42
UAE Dirham	4.93	4.95	4.84	5.07
US Dollar	1.34	1.35	1.32	1.38

Notes: 1. Income statement uses average monthly closing rates for the 6 months to 31 March.

2. Balance sheet uses the closing rate as at 31 March.

Exchange rates

Effect on 2021 revenue and profit

US DOLLAR

£m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
1.62	(1,651)	(88.1)
1.57	(1,363)	(72.7)
1.52	(1,056)	(56.3)
1.47	(728)	(38.8)
1.42	(377)	(20.1)
1.37	-	-
1.32	406	21.6
1.27	843	45.0
1.22	1,317	70.3
1.17	1,831	97.7

CANADIAN DOLLAR

£m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
1.98	(66)	(4.6)
1.93	(54)	(3.9)
1.88	(42)	(3.0)
1.83	(29)	(2.0)
1.78	(15)	(1.0)
1.73	-	-
1.68	16	1.1
1.63	32	2.3
1.58	50	3.5
1.53	69	4.9

AUSTRALIAN DOLLAR

£m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
2.08	(93)	(8.1)
2.03	(76)	(6.7)
1.98	(59)	(5.1)
1.93	(40)	(3.5)
1.88	(21)	(1.8)
1.83	-	-
1.78	22	1.9
1.73	45	3.9
1.68	69	6.0
1.63	95	8.3

Exchange rates

Effect on 2021 revenue and profit

EURO

£m cumulative change for an incremental 5 cent movement

Exchange Rate	Revenue Change	Profit Change
1.40	(360)	(14.4)
1.35	(299)	(12.0)
1.30	(233)	(9.3)
1.25	(161)	(6.5)
1.20	(84)	(3.4)
1.15	-	-
1.10	92	3.7
1.05	192	7.7
1.00	303	12.1
0.95	425	17.0

TURKISH LIRA

£m cumulative change for an incremental 20 kuruş movement

Exchange Rate	Revenue Change	Profit Change
12.07	(21)	(1.1)
11.87	(17)	(0.9)
11.67	(13)	(0.7)
11.47	(9)	(0.5)
11.27	(5)	(0.2)
11.07	-	-
10.87	5	0.3
10.67	10	0.5
10.47	15	0.8
10.27	20	1.1

BRAZILIAN REAL

£m cumulative change for an incremental 20 centavo movement

Exchange Rate	Revenue Change	Profit Change
8.35	(38)	(1.4)
8.15	(31)	(1.2)
7.95	(24)	(0.9)
7.75	(16)	(0.6)
7.55	(8)	(0.3)
7.35	-	-
7.15	9	0.4
6.95	18	0.7
6.75	28	1.1
6.55	39	1.5

Definitions

INCOME STATEMENT

Underlying revenue	Revenue plus share of revenue of joint ventures.
Underlying operating profit	Operating profit excluding specific adjusting items*.
Underlying operating margin	Underlying operating profit divided by underlying revenue.
Organic revenue	Current year: Underlying revenue excluding businesses acquired, sold and closed in the year. Prior year: Underlying revenue including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.
Organic operating profit	Current year: Underlying operating profit excluding businesses acquired, sold and closed in the year. Prior year: Underlying operating profit including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.
Underlying net finance costs	Net finance costs excluding specific adjusting items*.
Underlying profit before tax	Profit before tax excluding specific adjusting items*.
Underlying income tax expense	Income tax expense excluding tax attributable to specific adjusting items*.
Underlying effective tax rate	Underlying tax charge divided by underlying profit before tax.
Underlying profit for the year	Profit for the year excluding specific adjusting items* and tax attributable to those items.
Underlying earnings per share	Earnings per share excluding specific adjusting items* and tax attributable to those items.
Net operating profit after tax (NOPAT)	Underlying operating profit excluding the operating profit of non-controlling interests, net of tax at the underlying effective tax rate.
Underlying EBITDA	Underlying operating profit excluding underlying impairment, depreciation and amortisation of intangible assets, tangible assets and contract related assets.

* Specific adjusting items are acquisition related costs, COVID-19 resizing costs, one-off pension charge, tax on share of profit of joint ventures, gains and losses on sale and closure of businesses and other financing items, including hedge accounting ineffectiveness and change in the fair value of investments.

Definitions

BALANCE SHEET

Net debt	Bank overdrafts, bank and other borrowings, lease liabilities and derivative financial instruments, less cash and cash equivalents.
Net debt to EBITDA	Net debt divided by underlying EBITDA.

CASH FLOW

Capital expenditure	Purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment and investment in contract prepayments, less proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets.
Underlying operating cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, repayment of principal under lease liabilities and share of results of joint ventures and associates, and excluding interest and net tax paid, post employment benefit obligations net of service costs, cash payments related to cost action programme and COVID-19 resizing costs and acquisition transaction costs.
Underlying operating cash flow conversion	Underlying operating cash flow divided by underlying operating profit.
Free cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, purchase of other investments, proceeds from sale of other investments, dividends received from joint ventures and associates, interest received, repayment of principal under lease liabilities and dividends paid to non-controlling interests.
Underlying free cash flow	Free cash flow excluding cash payments related to cost action programme and COVID-19 resizing costs and acquisition transaction costs.
Underlying free cash flow conversion	Underlying free cash flow divided by underlying operating profit.
Underlying cash tax rate	Net tax paid included in net cash flow from operating activities divided by underlying profit before tax.

* Specific adjusting items are acquisition related costs, COVID-19 resizing costs, one-off pension charge, tax on share of profit of joint ventures, gains and losses on sale and closure of businesses and other financing items, including hedge accounting ineffectiveness and change in the fair value of investments.