

Sodexo SA

Sodexo SA’s ratings reflect the France-based company’s resilient business model, which is underpinned by its leading position as the second-largest provider of on-site food and facility management services, large scale and globally diversified operations. It also benefits from high retention rates and supportive outsourcing trends among public and private sector clients.

Rating constraints include its lower margin than peers’ and shareholder-friendly returns that reduce its deleveraging capacity. Headroom under Fitch Ratings’ rating guidance is improving, with EBITDA net leverage likely to fall to 1.8x by financial year end August 2028 (FY28), down from 2.0x in FY25.

The Stable Outlook reflects Fitch’s expectations that Sodexo will continue to see low-to-mid-single digit organic growth and target acquisitions to reinforce its position in its key markets, while maintaining leverage at levels that are consistent with the rating.

Key Rating Drivers

**Business Profile Intact After Spin-Off:** The impact on Sodexo’s credit profile of the February 2024 spin-off of Pluxee is limited. We assume a slower organic revenue rise and a mild reduction in the operating margin after the spin-off of the faster-growing and more profitable Pluxee. However, this is balanced by Sodexo’s improved revenue visibility and stability, given the former’s potential higher customer churn, which, together with a greater exposure to emerging markets, led to greater performance volatility than the remaining on-site services business.

The on-site services business has maintained its large scale and leading market positions globally, with sufficient diversification, which is consistent with the rating.

**Disciplined Financial Policy Is Key:** Sodexo’s credit profile is strongly supported by its public commitment to a conservative financial policy with a company-calculated EBITDA net leverage target of 1x-2x. Disciplined investments in business expansion (capex and M&A) and shareholder distributions, without compromising its leverage target, are critical to maintaining its credit profile at ‘BBB+’. This should also ensure sustained positive free cash flow (FCF) and headroom for bolt-on M&A opportunities, which are part of the company’s growth strategy.

**Forecast Moderate Growth in FY25:** We forecast an organic revenue increase of about 3% in FY25–FY26, driven by expansion, the return-to-office trend and continued price increases as Sodexo aims to pass on cost inflation to customers. We assume bolt-on acquisitions of up to EUR300 million a year until 2028. We expect organic revenue growth in low-to-mid-single digits from FY26, supported by further growth investments and benefitting from a continued outsourcing trend.

**Improving Rating Headroom:** We forecast EBITDA net leverage at marginally below our 2.0x negative sensitivity in FY25 (FY24: 2.0x), and a post-dividend FCF margin at about 1%. Our estimates of steady mid-single digit revenue growth and a gradually improving operating margin, supported by Sodexo’s strategy to focus on core higher-margin-activities, should improve rating headroom with EBITDA net leverage trending to 1.8x by FY28. We expect it to increase its capex to align closer with the industry average at 2.5%, which will constrain FCF margins to below 1%.

Ratings

|  |      |
|--|------|
| Long-Term Issuer Default Rating          | BBB+ |
| Senior Unsecured Debt – Long-Term Rating | BBB+ |

Outlook

|  |        |
|--|--------|
| Long-Term Foreign-Currency Issuer Default Rating | Stable |
|--|--------|

[Click here for the full list of ratings](#)

ESG and Climate

Highest ESG Relevance Scores

|                                    |    |
|------------------------------------|----|
| Environmental                      | 3  |
| Social                             | 3  |
| Governance                         | 3  |
| 2035 Climate Vulnerability Signal: | 22 |

Applicable Criteria

- [Corporate Hybrids Treatment and Notching Criteria \(April 2025\)](#)
- [Corporates Recovery Ratings and Instrument Ratings Criteria \(August 2024\)](#)
- [Sector Navigators – Addendum to the Corporate Rating Criteria \(June 2025\)](#)
- [Corporate Rating Criteria \(June 2025\)](#)

Related Research

- [Global Corporates Macro and Sector Forecasts](#)
- [European Services to Focus on Pricing, Cost Savings to Offset Weak Growth \(May 2025\)](#)
- [European Services - Peer Credit Analysis \(May 2025\)](#)
- [European Services Outlook 2025 \(December 2024\)](#)

Analysts

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**High Profit Visibility and Resilience:** Sodexo has market-leading client retention rates, at 94.2% in FY24 (FY23: 95.2%). This, together with high contracted revenue and medium-to-long term tenor contracts, ensures high revenue visibility. We also understand from management that Sodexo uses dynamic pricing mechanisms in its contracts that allow pass-through of most cost inflation to customers, supporting the resilience of operating profits.

**Strong Business Profile:** Sodexo has leading market positions as an established provider of on-site services, with diversification by geography and end-market, a reasonable execution record, and a wide offering of services and customisation to customers.

**Limited Tariff Effect:** Sodexo has no direct exposure to tariffs, as 90% of its purchases are made locally, but some of its customers may be affected by trade tensions, leading to a decrease in volume as the number of employees it serves in sectors such as automotive in Europe may decline. On the other hand, distressed economic environments can lead to an increase in first-time outsourcing, as seen during the 2008 global financial crisis.

## Financial Summary

| (EURm)                                | 2022   | 2023   | 2024   | 2025F  | 2026F  | 2027F  |
|---------------------------------------|--------|--------|--------|--------|--------|--------|
| Gross revenue                         | 21,125 | 22,637 | 23,798 | 24,732 | 25,800 | 26,903 |
| EBITDA margin (%)                     | 6.0    | 5.8    | 6.2    | 6.2    | 6.3    | 6.4    |
| FCF margin after net acquisitions (%) | 1.0    | 2.2    | 5.6    | -0.4   | 0.1    | -0.4   |
| EBITDA net leverage (x)               | 2.0    | 2.9    | 2.1    | 2.0    | 1.9    | 1.8    |
| EBITDA interest coverage (x)          | 23.6   | 20.1   | 39.8   | 16.6   | 15.3   | 16.3   |

Source: Fitch Ratings, Fitch Solutions

## Peer Analysis

Sodexo has modest profitability versus similar catering services operators, such as Compass Group PLC and Aramark, while maintaining good cash flow generation, supported by a conservative capital structure.

Sodexo has a more balanced revenue mix by geography, which provides stronger diversification benefits and more revenue growth opportunities, while exposing it to foreign-currency volatility. Sodexo's defensive and resilient business profile is similar to Compass's, reflecting the former's large scale and diversified operations.

We also compare Sodexo with Darden Restaurants, Inc. (BBB/Stable), a multi-brand restaurant operator in North America. Darden has comparable scale but higher operating profitability and lower leverage metrics, which is offset by narrower diversification, lower revenue visibility and exposure to stiffer market competition in its sector.

Rentokil Initial plc (BBB/Stable) has a similar breadth of global and service diversification to Sodexo, but benefits from stronger profitability and cash flow metrics, with a route-based business model and largely resilient demand for pest control across the cycle. Sodexo's rating is supported by larger scale and more conservative leverage targets, which is why we rate it one notch higher.

We also compared Sodexo with Elior Group S.A. (B+/Positive). The large rating difference is warranted by the latter's lower geographical diversification, much smaller scale and weaker credit metrics overall, with leverage expected to be above 5.5x until financial year ending September 2026.

## Rating Sensitivities

### Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Non-renewal of multiple contracts and like-for-like sales decline, alongside EBITDA margin erosion to below 6%
- A shift toward a more aggressive financial policy leading to EBITDA net leverage above 2.0x and EBITDA gross leverage above 3.0x, as well as FCF margin deteriorating to neutral on a sustained basis
- EBITDA interest coverage below 12.0x

### Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Maintenance of its leading market positions with high revenue visibility supported by high client retention rates at or above 95%

- Deleveraging through debt repayment, leading to EBITDA net leverage below 1.5x and EBITDA gross leverage below 2.5x on a sustained basis
- EBITDA margin above 9% on a sustained basis
- Post-dividend FCF margin in mid-single digits

## Liquidity and Debt Structure

Sodexo's liquidity is strong. At FYE24 it had about EUR1.7 billion of cash, excluding about EUR0.3 billion that Fitch deems as not readily available for debt service. This, together with positive post-dividend FCF generation and access to about a EUR1.75 billion revolving credit facility due in July 2029, is sufficient to cover short-term debt maturities.

## ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

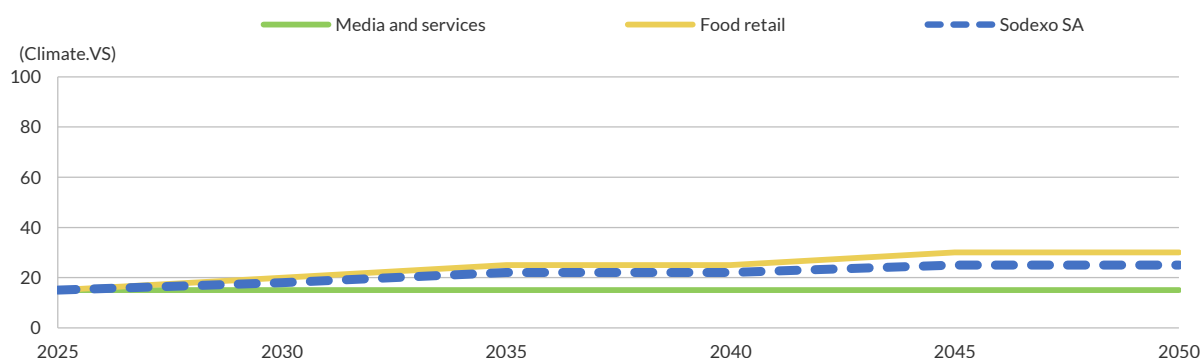
## Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's [Corporate Rating Criteria](#). For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see [Climate Vulnerability Signals for Non-Financial Corporate Sectors](#).

The FY24 revenue-weighted Climate.VS for Sodexo for 2035 is 22 out of 100, suggesting low exposure to climate-related risks in that year. The chart below shows the time profile of revenue-weighted Climate.VS for the issuer and curves for relevant sectors.

### Climate.VS Evolution

As of 31 December 2024



Source: Fitch Ratings

## Liquidity and Debt Maturities

### Liquidity Analysis

| (EURm)  | 2025F             | 2026F             | 2027F        |
|---|-------------------|-------------------|--------------|
| <b>Available liquidity</b>                          |                   |                   |              |
| Beginning cash balance                              | 1,730             | 1,769             | 987          |
| Rating case FCF after acquisitions and divestitures | -103              | 14                | -103         |
| New debt issued in 2025                             | 1,000             | —                 | —            |
| Early debt repayment in 2025                        | -155 <sup>a</sup> | —                 | —            |
| <b>Total available liquidity (A)</b>                | <b>2,472</b>      | <b>1,783</b>      | <b>884</b>   |
| <b>Liquidity uses</b>                               |                   |                   |              |
| Debt maturities                                     | -703              | -796 <sup>a</sup> | -800         |
| <b>Total liquidity uses (B)</b>                     | <b>-703</b>       | <b>-796</b>       | <b>-800</b>  |
| <b>Liquidity calculation</b>                        |                   |                   |              |
| Ending cash balance (A+B)                           | 1,769             | 987               | 84           |
| Revolver availability                               | 1,750             | 1,750             | 1,750        |
| <b>Ending liquidity</b>                             | <b>3,519</b>      | <b>2,737</b>      | <b>1,834</b> |
| Liquidity score (x)                                 | 4.8               | 4.4               | 3.3          |

<sup>a</sup> Debt maturities in 2026 differ from Scheduled Debt maturities because of early debt repayment of EUR155 million in 2025

Source: Fitch Ratings, Fitch Solutions, Sodexo SA

### Scheduled Debt Maturities

| (EURm)       | 31 Aug 2024  |
|--------------|--------------|
| 2025         | 703          |
| 2026         | 951          |
| 2027         | 800          |
| 2028         | 797          |
| 2029         | 800          |
| Thereafter   | 679          |
| <b>Total</b> | <b>4,730</b> |

Source: Fitch Ratings, Fitch Solutions, Sodexo SA

## Key Assumptions

### Key Assumptions within our Rating Case for the Issuer

- Revenue growth of 3.9% in FY25, followed by 3%- 4% a year to FY28
- EBITDA margin at 6.2% in FY25, gradually improving to 6.6% in FY28
- Minimal to neutral working capital outflows over FY25–FY28
- Capex at 2%–2.3% of sales until FY28
- Fitch-estimated annual M&A spend of up to EUR300 million at an enterprise value/EBITDA multiple of 10x
- Annual dividend at 50% of prior year's net income

## Financial Data

| (EURm)  | 2022   | 2023   | 2024   | 2025F  | 2026F  | 2027F  |
|---|--------|--------|--------|--------|--------|--------|
| <b>Summary income statement</b>                                       |        |        |        |        |        |        |
| Gross revenue   | 21,125 | 22,637 | 23,798 | 24,732 | 25,800 | 26,903 |
| Revenue growth (%)  | 21.2   | 7.2    | 5.1    | 3.9    | 4.3    | 4.3    |
| EBITDA before income from associates                                  | 1,272  | 1,324  | 1,468  | 1,522  | 1,633  | 1,733  |
| EBITDA margin (%)   | 6.0    | 5.8    | 6.2    | 6.2    | 6.3    | 6.4    |
| EBITDA after associates and minorities                                | 1,273  | 1,326  | 1,471  | 1,522  | 1,633  | 1,733  |
| EBIT  | 1,006  | 959    | 1,051  | 1,272  | 1,370  | 1,456  |
| EBIT margin (%)   | 4.8    | 4.2    | 4.4    | 5.1    | 5.3    | 5.4    |
| Gross interest expense  | -91    | -140   | -137   | -92    | -107   | -106   |
| Pretax income including associate income/loss                         | 968    | 749    | 996    | 1,216  | 1,299  | 1,370  |
| <b>Summary balance sheet</b>  |        |        |        |        |        |        |
| Readily available cash and equivalents                                | 3,220  | 1,723  | 1,730  | 1,772  | 990    | 886    |
| Debt  | 5,752  | 5,593  | 4,745  | 4,875  | 4,079  | 4,079  |
| Net debt  | 2,532  | 3,870  | 3,015  | 3,103  | 3,089  | 3,193  |
| <b>Summary cash flow statement</b>                                    |        |        |        |        |        |        |
| EBITDA  | 1,272  | 1,324  | 1,468  | 1,522  | 1,633  | 1,733  |
| Cash interest paid  | -54    | -66    | -37    | -92    | -107   | -106   |
| Cash tax  | -200   | -123   | -179   | -334   | -257   | -301   |
| Dividends received less dividends paid to minorities (inflow/outflow) | 1      | 2      | 3      | —      | —      | —      |
| Other items before FFO  | -156   | 398    | -121   | -20    | -20    | -20    |
| FFO   | 883    | 1,535  | 1,134  | 1,111  | 1,285  | 1,325  |
| FFO margin (%)  | 4.2    | 6.8    | 4.8    | 4.5    | 5.0    | 4.9    |
| Change in working capital   | -63    | -222   | -43    | -30    | -30    | -30    |
| CFO (Fitch-defined)   | 820    | 1,313  | 1,091  | 1,081  | 1,255  | 1,295  |
| Total non-operating/nonrecurring cash flow                            | —      | —      | 172    | —      | —      | —      |
| Capex   | -345   | -478   | -493   | —      | —      | —      |
| Capital intensity (capex/revenue) (%)                                 | 1.6    | 2.1    | 2.1    | —      | —      | —      |
| Common dividends  | -294   | -352   | -455   | —      | —      | —      |
| FCF   | 181    | 483    | 315    | —      | —      | —      |
| FCF margin (%)  | 0.9    | 2.1    | 1.3    | —      | —      | —      |
| Net acquisitions and divestitures                                     | 30     | 12     | 1,016  | —      | —      | —      |
| Other investing and financing cash flow items                         | 76     | -426   | -1,517 | —      | —      | —      |
| Net debt proceeds   | -593   | -6     | -823   | 145    | -796   | —      |
| Net equity proceeds   | -9     | -50    | -52    | —      | —      | —      |
| Total change in cash  | -315   | 13     | -1,096 | 42     | -782   | -103   |
| <b>Calculations for forecast publication</b>                          |        |        |        |        |        |        |
| Capex, dividends, acquisitions and other items before FCF             | -609   | -818   | 240    | -1,185 | -1,241 | -1,399 |
| FCF after acquisitions and divestitures                               | 211    | 495    | 1,331  | -103   | 14     | -103   |
| FCF margin after net acquisitions (%)                                 | 1.0    | 2.2    | 5.6    | -0.4   | 0.1    | -0.4   |
| <b>Gross leverage ratios (x)</b>                                      |        |        |        |        |        |        |
| EBITDA leverage   | 4.5    | 4.2    | 3.2    | 3.2    | 2.5    | 2.4    |
| (CFO-capex)/debt  | 8.3    | 14.9   | 12.6   | 12.0   | 17.5   | 17.2   |
| <b>Net leverage ratios (x)</b>  |        |        |        |        |        |        |
| EBITDA net leverage   | 2.0    | 2.9    | 2.1    | 2.0    | 1.9    | 1.8    |
| (CFO-capex)/net debt  | 18.8   | 21.6   | 19.8   | 18.9   | 23.1   | 22.0   |
| <b>Coverage ratios (x)</b>  |        |        |        |        |        |        |
| EBITDA interest coverage  | 23.6   | 20.1   | 39.8   | 16.6   | 15.3   | 16.3   |

CFO — Cash flow from operations.  
Source: Fitch Ratings, Fitch Solutions

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**How to Interpret the Forecast Presented**

The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

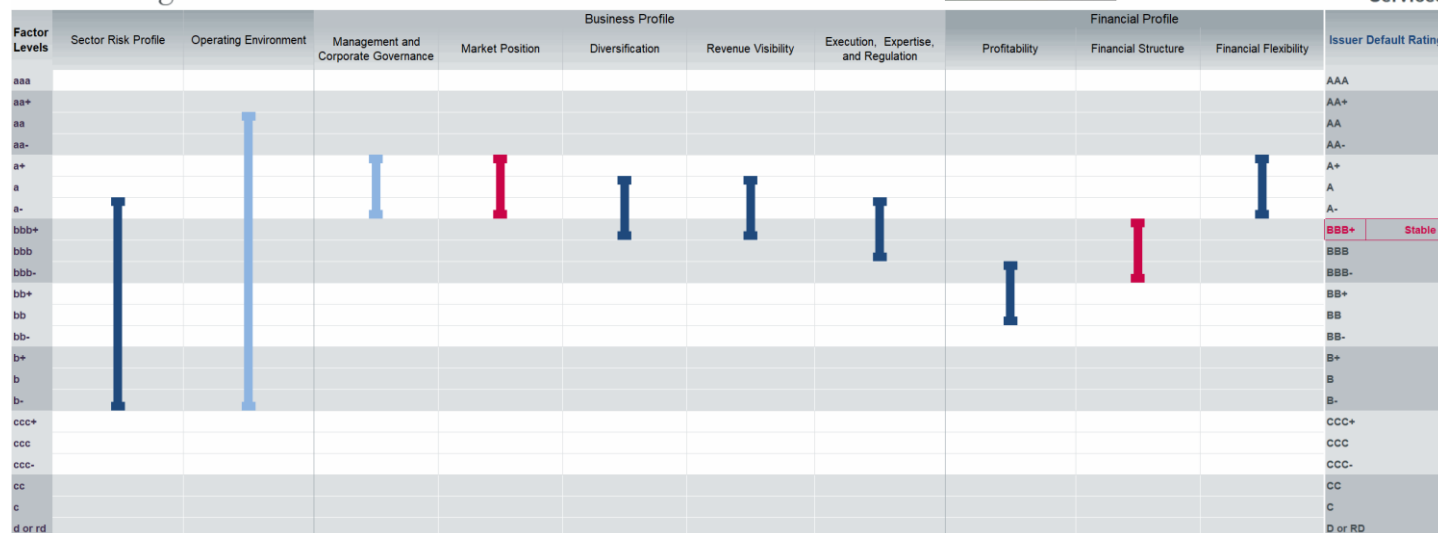
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## Ratings Navigator

FitchRatings

Sodexo SA

ESG Relevance:

Corporates Ratings Navigator  
Services

### Bar Chart Legend:

Vertical Bars = Range of Rating Factor

Bar Arrows = Rating Factor Outlook

Bar Colors = Relative Importance

Higher Importance

Average Importance

Lower Importance

Positive

Negative

Evolving

Stable

**Operating Environment**

|      |                      |    |  |
|------|----------------------|----|--|
| aa+  | Economic Environment | aa | Very strong combination of countries where economic value is created and where assets are located.                                       |
| aa   | Financial Access     | aa | Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.           |
| b-   | Systemic Governance  | aa | Systemic governance (eg rule of law, corruption, government effectiveness) of the issuer's country of incorporation consistent with 'aa' |
| ccc+ |                      |    |  |

**Management and Corporate Governance**

|      |                        |   |  |
|------|------------------------|---|--|
| aa-  | Management Strategy    | a | Coherent strategy and good track record in implementation.   |
| a+   | Governance Structure   | a | Experienced board exercising effective check and balances. Ownership can be concentrated among several shareholders. |
| a    | Group Structure        | a | Group structure shows some complexity but mitigated by transparent reporting.  |
| a-   | Financial Transparency | a | High quality and timely financial reporting.   |
| bbb+ |                        |   |  |

**Market Position**

|      |                           |   |   |
|------|---------------------------|---|---|
| aa-  | Market Share              | a | Leading global market share and established position. Proven ability to secure international multi-service contracts.                     |
| a+   | Scale                     | a | Large size (EBITDA > USD/EUR 1.5bn) and comprehensive network provide significant economies of scale and bargaining power with suppliers. |
| a    | Customisation of Services | a | Highly customised services with cross-selling opportunities and ability to offer new services to customers.                               |
| a-   |                           |   |   |
| bbb+ |                           |   |   |

**Diversification**

|      |                            |     |   |
|------|----------------------------|-----|---|
| a+   | Range of Services          | bbb | Moderately diversified range of services but with opportunity to expand the services proposition. |
| a    | End-Markets                | a   | Range of services reaches a diverse spectrum of end-markets.                                      |
| a-   | Customer Base              | a   | High customer diversification. Largest customers represent less than 5% of total revenue.         |
| bbb+ | Geographic Diversification | a   | Highly diversified with significant presence in both developed and emerging markets.              |
| bbb  |                            |     |   |

**Revenue Visibility**

|      |  |     |  |
|------|--|-----|--|
| a+   | Level of Recurring / Contracted Earnings | a   | 90% of total revenue and EBITDA is contracted or considered recurring.   |
| a    | Maturity Profile of Contracts            | a   | Primarily long-term contracts (between five and seven years and/or well spread and balanced maturity profile). |
| a-   | Customer Churn and Switching Costs       | a   | Extremely low customer churn (<5%) due to essential nature of services and high switching costs for customers. |
| bbb+ | In-Sourcing Risk                         | bbb | Moderate in-sourcing risk, subject to economic environment or other macro trends.                              |
| bbb  |  |     |  |

**Execution, Expertise, and Regulation**

|      |                                     |     |  |
|------|-------------------------------------|-----|--|
| a+   | Brand, Reputation and Quality       | a   | Global brand associated with high service quality standards and expertise.   |
| a-   | Pricing Mechanisms and Cost-Sharing | bbb | Proven ability to monitor operating costs and contract profitability through price increases and favourable cost-sharing agreements. |
| bbb+ | Staff Retention and Subcontracting  | bbb | Staff continuity on most projects. Recourse to subcontracting has historically been well managed.                                    |
| bbb  | Regulatory Environment              | a   | Low regulatory oversight.  |
| bbb- |                                     |     |  |

**Profitability**

|      |  |     |                               |
|------|--|-----|-------------------------------|
| bbb  | EBITDA Margin                              | b   | 6%                            |
| bbb- | EBIT margin                                | bb  | 5%                            |
| bb+  | FFO margin                                 | bb  | 5%                            |
| bb   | FCF margin                                 | bb  | 1%                            |
| bb-  | Volatility of Profitability and Cash Flows | bbb | Limited throughout the cycle. |

**Financial Structure**

|      |                     |     |       |
|------|---------------------|-----|-------|
| a-   | EBITDA Leverage     | bbb | 2.5x  |
| bbb+ | EBITDA Net Leverage | bbb | 2.0x  |
| bbb  | (CFO-Capex)/Debt    | bbb | 12.5% |
| bbb- |                     |     |       |
| bb+  |                     |     |       |

**Financial Flexibility**

|      |                          |   |  |
|------|--------------------------|---|--|
| aa-  | Financial Discipline     | a | Clear commitment to maintain a conservative policy with only modest deviations allowed.  |
| a+   | Liquidity                | a | No need for external funding beyond committed facilities in the next 12 months even under a severe stress scenario. Well-spread maturities. Diversified funding. |
| a    | EBITDA Interest Coverage | a | 11.0x  |
| a-   | FX Exposure              | a | Profitability potentially exposed to FX but efficient hedging in place. Debt and cash flows well matched.  |
| bbb+ |                          |   |  |

**How to Read This Page:** The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

**Credit-Relevant ESG Derivation**

|   |  |  |  | Overall ESG         |   |
|---|--|--|--|---------------------|---|
| Sodexo SA has 9 ESG potential rating drivers  |  |  |  | key driver          | 0 |
| n.a.  |  |  |  | driver              | 0 |
| n.a.  |  |  |  | potential driver    | 9 |
| Impact of waste and hazardous materials (including recycling and disposal of goods and materials) |  |  |  | not a rating driver | 0 |
| Impact of labor negotiations and employee (dis)satisfaction; employee recruitment and retention   |  |  |  |                     | 5 |
| n.a.  |  |  |  |                     |   |
| Governance is minimally relevant to the rating and is not currently a driver.                     |  |  |  |                     |   |

For further details on Credit-Relevant ESG scoring, see page 3.



### Credit-Relevant ESG Derivation

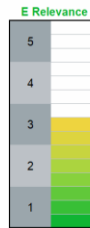
Sodexo SA has 9 ESG potential rating drivers

- ➔ Sodexo SA
- ➔ Sodexo SA
- ➔ Sodexo SA has exposure to waste & impact management risk but this has very low impact on the rating.
- ➔ Sodexo SA has exposure to labor relations & practices risk but this has very low impact on the rating.
- ➔ Sodexo SA
- ➔ Governance is minimally relevant to the rating and is not currently a driver.

| ESG Relevance to Credit Rating |   |        |   |
|--------------------------------|---|--------|---|
| key driver                     | 0 | ISSUES | 5 |
| driver                         | 0 | ISSUES | 4 |
| potential driver               | 9 | ISSUES | 3 |
| not a rating driver            | 0 | ISSUES | 2 |
|                                | 5 | ISSUES | 1 |

### Environmental (E) Relevance Scores

| General Issues   | E Score | Sector-Specific Issues  | Reference   |
|--|---------|---|---|
| GHG Emissions & Air Quality                                | 1       | Emissions from route-based services   | Execution, Expertise, and Regulation; Profitability |
| Energy Management  | 3       | n.a.  | n.a.  |
| Water & Wastewater Management                              | 3       | n.a.  | n.a.  |
| Waste & Hazardous Materials Management; Ecological Impacts | 3       | Impact of waste and hazardous materials (including recycling and disposal of goods and materials) | Execution, Expertise, and Regulation; Profitability |
| Exposure to Environmental Impacts                          | 1       | n.a.  | n.a.  |

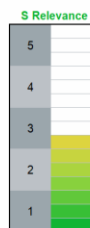


#### How to Read This Page

ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant. The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance. The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact. Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

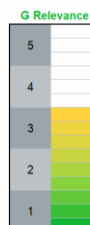
### Social (S) Relevance Scores

| General Issues   | S Score | Sector-Specific Issues  | Reference                         |
|--|---------|---|-----------------------------------|
| Human Rights, Community Relations, Access & Affordability  | 1       | n.a.  | n.a.                              |
| Customer Welfare - Fair Messaging, Privacy & Data Security | 1       | Data security   | Revenue Visibility; Profitability |
| Labor Relations & Practices                                | 3       | Impact of labor negotiations and employee (dis)satisfaction; employee recruitment and retention | Revenue Visibility; Profitability |
| Employee Wellbeing   | 3       | n.a.  | n.a.                              |
| Exposure to Social Impacts                                 | 1       | n.a.  | n.a.                              |



### Governance (G) Relevance Scores

| General Issues         | G Score | Sector-Specific Issues  | Reference                           |
|------------------------|---------|---|-------------------------------------|
| Management Strategy    | 3       | Strategy development and implementation                       | Management and Corporate Governance |
| Governance Structure   | 3       | Board independence and effectiveness; ownership concentration | Management and Corporate Governance |
| Group Structure        | 3       | Complexity, transparency and related-party transactions       | Management and Corporate Governance |
| Financial Transparency | 3       | Quality and timing of financial disclosure                    | Management and Corporate Governance |

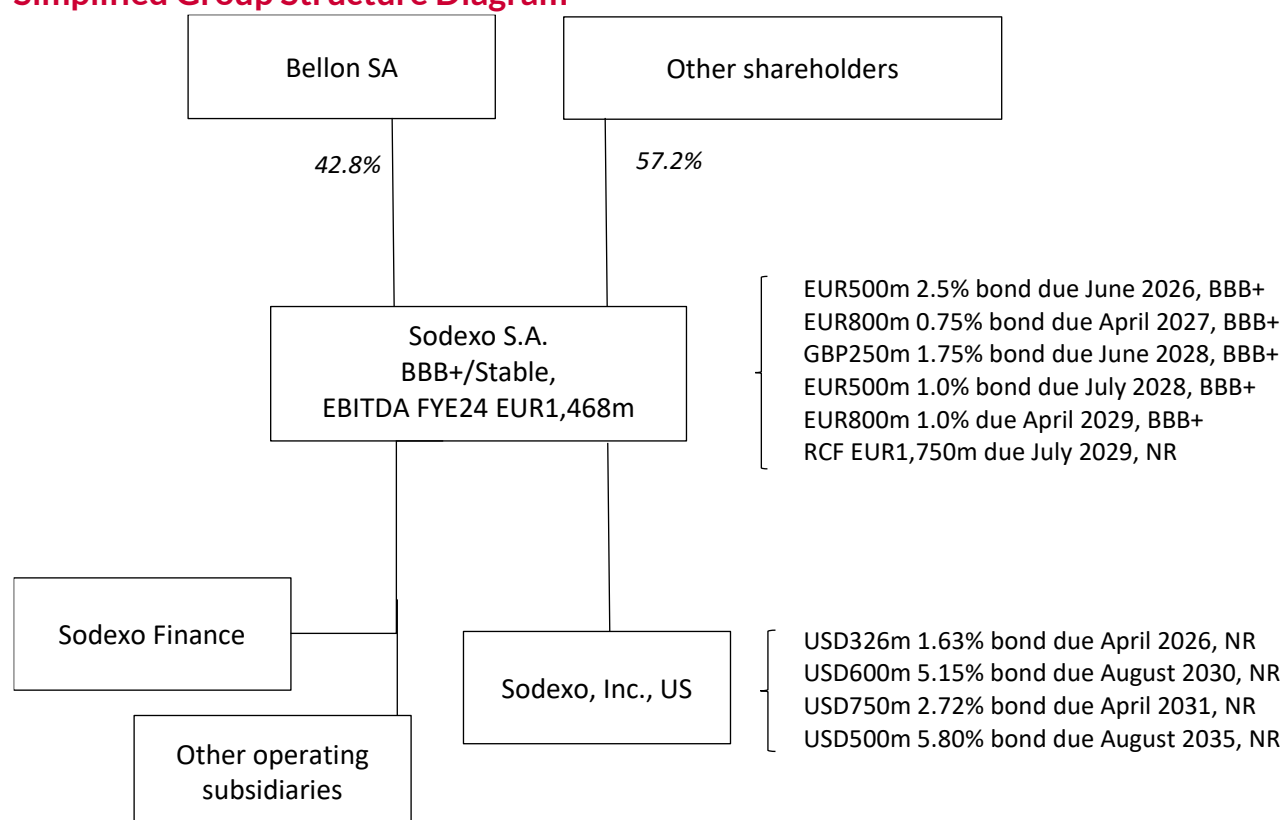


### CREDIT-RELEVANT ESG SCALE

#### How relevant are E, S and G issues to the overall credit rating?

|   |   |
|---|---|
| 5 | Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.                         |
| 4 | Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.                 |
| 3 | Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator. |
| 2 | Irrelevant to the entity rating but relevant to the sector.   |
| 1 | Irrelevant to the entity rating and irrelevant to the sector.   |

## Simplified Group Structure Diagram



NR — Not rated.

Source: Fitch Ratings, Fitch Solutions, Sodexo SA. As of 31 May 2025

## Peer Financial Summary

| Company                  | Issuer Default Rating | Financial statement date | Gross revenue (EURm) | EBITDA margin (%) | FCF margin (%) | EBITDA net leverage (x) | EBITDA interest coverage (x) |
|--------------------------|-----------------------|--------------------------|----------------------|-------------------|----------------|-------------------------|------------------------------|
| Sodexo SA                | BBB+                  |                          |                      |                   |                |                         |                              |
|                          | BBB+                  | 2024                     | 23,798               | 6.2               | 1.3            | 2.1                     | 39.8                         |
|                          | BBB+                  | 2023                     | 22,637               | 5.8               | 2.1            | 2.9                     | 20.1                         |
|                          |                       | 2022                     | 21,125               | 6.0               | 0.9            | 2.0                     | 23.6                         |
| Darden Restaurants, Inc. | BBB                   |                          |                      |                   |                |                         |                              |
|                          | BBB                   | 2024                     | 10,507               | 15.4              | 2.7            | 0.8                     | 21.7                         |
|                          | BBB                   | 2023                     | 9,755                | 14.9              | 3.1            | 0.4                     | 41.0                         |
|                          | BBB                   | 2022                     | 8,982                | 15.9              | 2.7            | 0.3                     | 46.7                         |
| Rentokil Initial Plc     | BBB                   |                          |                      |                   |                |                         |                              |
|                          | BBB                   | 2024                     | 6,681                | 18.3              | 2.2            | 2.9                     | 6.5                          |
|                          | BBB                   | 2023                     | 6,096                | 19.6              | 3.7            | 2.7                     | 6.4                          |
|                          |                       | 2022                     | 4,290                | 19.1              | 5.5            | 4.1                     | 16.9                         |
| Elior Group S.A.         | B+                    |                          |                      |                   |                |                         |                              |
|                          |                       | 2024                     | 6,053                | 3.5               | 0.5            | 6.8                     | 2.3                          |
|                          |                       | 2023                     | 5,223                | 2.2               | -4.2           | 12.9                    | 1.7                          |
|                          |                       | 2022                     | 4,451                | 0.5               | -4.0           | 50.4                    | 0.6                          |

Source: Fitch Ratings, Fitch Solutions

## Fitch Adjusted Financials

| (EURm as of 31 Aug 2024)   | Standardised values | Cash adjustment | Lease treatment | Other adjustments | Adjusted values |
|--|---------------------|-----------------|-----------------|-------------------|-----------------|
| <b>Income statement summary</b>                                      |                     |                 |                 |                   |                 |
| Revenue  | 23,798              | —               | —               | —                 | 23,798          |
| EBITDA   | 1,656               | —               | -211            | 23                | 1,468           |
| Depreciation and amortisation  | -470                | —               | 188             | —                 | -282            |
| EBIT   | 1,051               | —               | -23             | 23                | 1,051           |
| <b>Balance sheet summary</b>   |                     |                 |                 |                   |                 |
| Debt   | 4,745               | —               | —               | —                 | 4,745           |
| Of which other off-balance-sheet debt                                | —                   | —               | —               | —                 | —               |
| Lease-equivalent debt  | —                   | —               | —               | —                 | —               |
| Lease-adjusted debt  | 4,745               | —               | —               | —                 | 4,745           |
| Readily available cash and equivalents                               | 2,137               | -407            | —               | —                 | 1,730           |
| Not readily available cash and equivalents                           | —                   | 407             | —               | —                 | 407             |
| <b>Cash flow summary</b>   |                     |                 |                 |                   |                 |
| EBITDA   | 1,656               | —               | -211            | 23                | 1,468           |
| Dividends received from associates less dividends paid to minorities | 3                   | —               | —               | —                 | 3               |
| Interest paid  | -37                 | —               | —               | —                 | -37             |
| Interest received  | —                   | —               | —               | —                 | —               |
| Preferred dividends paid   | —                   | —               | —               | —                 | —               |
| Cash tax paid  | -179                | —               | —               | —                 | -179            |
| Other items before FFO   | -121                | —               | 23              | -23               | -121            |
| FFO  | 1,187               | —               | -188            | 135               | 1,134           |
| Change in working capital  | -43                 | —               | —               | —                 | -43             |
| CFO  | 1,144               | —               | -188            | 135               | 1,091           |
| Non-operating/nonrecurring cash flow                                 | 172                 | —               | —               | —                 | 172             |
| Capex  | -358                | —               | —               | -135              | -493            |
| Common dividends paid  | -1,373              | —               | —               | 918               | -455            |
| FCF  | -415                | —               | -188            | 918               | 315             |
| <b>Gross leverage (x)</b>  |                     |                 |                 |                   |                 |
| EBITDA leverage  | 2.9                 | —               | —               | —                 | 3.2             |
| (CFO-capex)/debt (%)   | 16.6                | —               | —               | —                 | 0.1             |
| <b>Net leverage (x)</b>  |                     |                 |                 |                   |                 |
| EBITDA net leverage  | 1.6                 | —               | —               | —                 | 2.1             |
| (CFO-capex)/net debt (%)   | 30.1                | —               | —               | —                 | 0.2             |
| <b>Coverage (x)</b>  |                     |                 |                 |                   |                 |
| EBITDA interest coverage   | 44.8                | —               | —               | —                 | 39.8            |

CFO – Cash flow from operations.

Note: The standardised items presented above are based on Fitch's taxonomy for the given sector and region.

Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.

Debt includes other off-balance-sheet debt.

Debt in the standardised values column excludes lease liabilities of EUR728 million.

Source: Fitch Ratings, Fitch Solutions, Sodexo SA

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