Sodexo SA

The revision of the Outlook on Sodexo SA's Long-Term Issuer Default Rating (IDR) to Negative in May 2026 reflects uncertainty over how quickly the company can restore credit metrics consistent with the current rating after reporting underperformance in the first half of the financial year ending August 2026 (1HFY26) and implement measures to recover prior organic growth and margin levels.

The company's record of maintaining leverage within its publicly stated target supports the affirmation, along with its strong revenue and cash flow visibility, leading scale and diversification. The company provided guidance through 2030 in its Investor Update in July 2026, including some details on its plan to restore competitiveness.

Fitch Ratings may revise the Outlook to Stable if Sodexo restores its previous growth and margin levels by FY27-FY28, while taking steps to preserve cash, such as materially reducing shareholder distributions or acquisition spending. However, more aggressive cash use that delays deleveraging, or slower, more uncertain profit recovery with further deterioration in performance, could lead to a rating downgrade to 'BBB'.

Key Rating Drivers

Weak 1HFY26 Performance: Sodexo's 1HFY26 performance was below our expectations, with company-defined underlying operating profit margin dropping to 3.7% from 5.2% in 1H25. The group's revenue growth has lagged both its market and peers for some time, partly reflecting underinvestment in key capabilities and excessive organisational complexity. This led to organic growth of 1.7% in 1H26, including a 2.4% contribution from pricing, as retention declined to 93.4% in 1H26 from 94% in FY25 and net new business was negative 0.6%.

This compares unfavourably with Aramark Corporation and Compass Group PLC's client retention rates of 96.3% and 96%, respectively, and organic revenue growth of 8.5% and 7.2% in 1HFY26. Sodexo's revenue was also adversely affected by a 5.3% negative FX impact.

Plans to Restore Competitiveness: The group has taken action to address operational challenges related to slower-than-peer revenue growth and contract retention, particularly in North America — the company's largest region of operation (more than 50% of operating profit). A new chief executive since November 2025, Thierry Delaporte, with the strategic objective of redressing these issues, has also taken direct control of North America, reshuffled much of the regional leadership team and simplified the broader organisation to speed up decision-making and improve accountability.

Sodexo is also accelerating investments in sales and marketing, technology and core systems to regain competitiveness. It is also reviewing contracts and assets more rigorously to reduce risks and improve visibility. We expect these initiatives to compress profitability and free cash flow (FCF) generation at least over FY26-FY27. A longer-term decline in profitability would have adverse consequences on the rating.

Modest, Slow Improvement Expected: Fitch expects revenue to remain broadly flat in FY26, mainly due to adverse FX movements, before increasing at a low-to-mid-single-digit rate over FY27-FY29. We project organic growth of 2%-3% across FY27-FY29, supported by additional M&A contributions, assuming EUR200 million of net acquisitions a year from FY27 onwards. We also forecast the EBITDA margin at about 5.3% in FY26-FY27, down from 6.2% in FY25, before gradually recovering to 6.3% by FY29.

Exhausted Rating Headroom: We forecast EBITDA net leverage at 2.6x in FY26 (FY25: 2.0x). It will improve to 2.0x in FY29, remaining above our 2.0x negative sensitivity for the 'BBB+' rating over three years, based on our current assumptions. We also expect EBITDA interest coverage to be 9.4x in FY26 and to remain below our 12.0x negative sensitivity for the rating. We expect FCF (after dividends) to be negative in FY26 due to high restructuring and rationalisation costs, as well as incremental costs to strengthen technological and commercial capabilities. FCF will be neutral in FY27 and positive in FY28-FY29, with margins slightly below 1%. The company also revised its capex guidance to 2.5%-3% of sales until 2030, which will weaken FCF.

Disciplined Financial Policy Key: Sodexo's public commitment to a conservative financial policy supports its credit profile, with a company-calculated EBITDA net leverage target of 1.0x-2.0x. The company has historically operated within this range, but weaker performance has led leverage to rise temporarily above it. We believe Sodexo has some headroom to accelerate deleveraging by cutting dividends or reducing acquisition spending, although it has not yet publicly outlined any specific measures.

Supportive Market: Sodexo continues to operate in attractive end markets, despite its internal challenges. Demand for outsourced food services and facilities management is supported by long-term structural trends. Across healthcare, seniors, business and administration, and education, outsourcing demand continues to grow. Even in slower-growing markets, there are opportunities to expand through higher outsourcing penetration. Overall, the company remains exposed to sectors with supportive long-term fundamentals, which underpin its medium-term recovery potential.

Business Profile Remains Strong: Sodexo's profitability remains temporarily subdued, but its credit profile continues to benefit from a highly contracted revenue base and dynamic pricing mechanisms, which support the pass-through of most cost inflation and provide strong revenue and cash flow visibility. The company's business profile is further underpinned by leading positions in on-site services, broad geographic and end-market diversification, and a wide service offering.

Rating Sensitivities

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

- Non-renewal of multiple contracts and a decline in like-for-like sales, alongside EBITDA margin erosion to below 6%
- A shift towards a more aggressive financial policy, or further underperformance, leading to EBITDA net leverage sustainably 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 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

Issuer Profile

Sodexo is a global leader in on-site service solutions, offering food and facilities management.

Financial Summary

(EURm)	2023	2024	2025	2026F	2027F	2028F
Gross revenue	22,637	23,798	24,074	24,091	24,878	25,999
EBITDA margin (%)	5.8	6.2	6.2	5.3	5.4	5.8
(CFO-capex/debt) (%)	14.9	12.6	11.3	10.9	10.5	11.5
EBITDA net leverage (x)	2.9	2.0	2.0	2.6	2.6	2.3
EBITDA interest coverage (x)	20.1	39.8	12.9	9.4	9.3	8.7

Source: Fitch Ratings, Fitch Solutions

Corporate Rating Tool Inputs and Scores

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

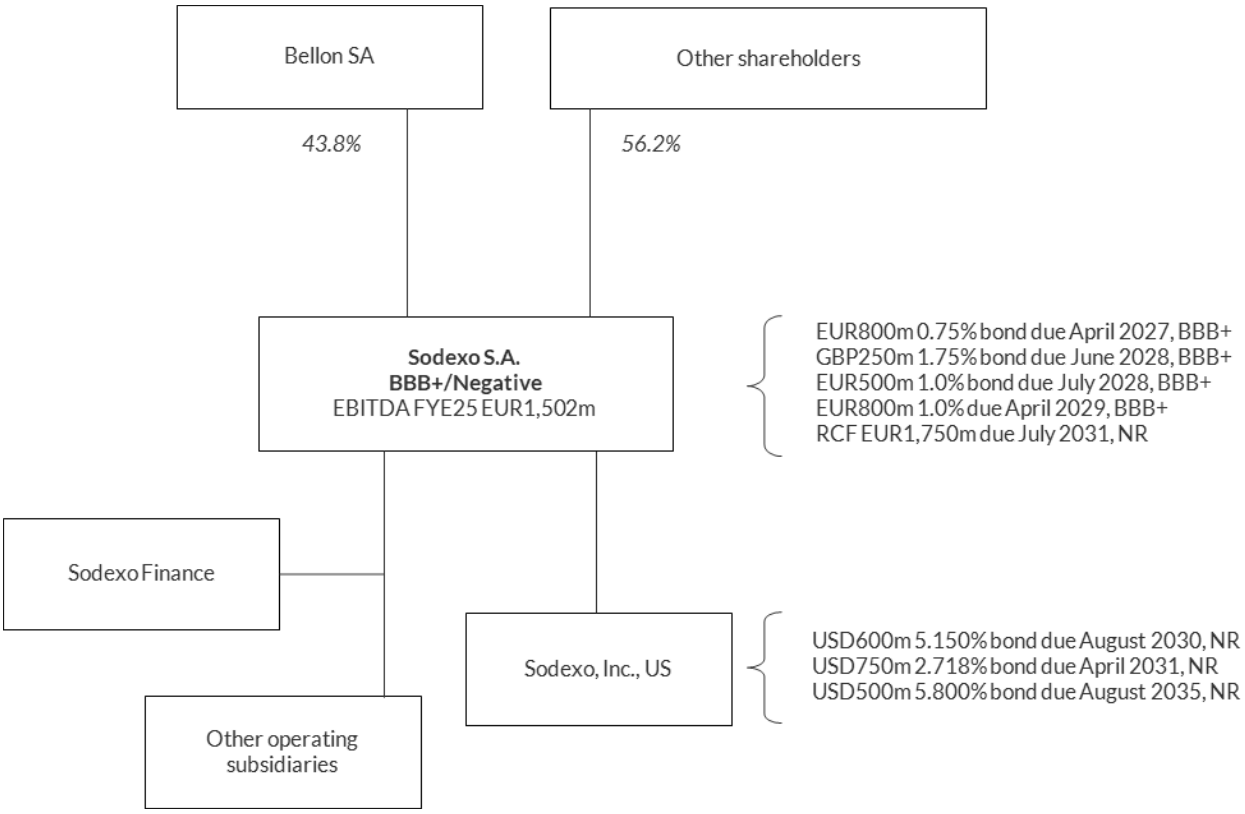
- Business and financial profile factors (assessment, relative importance): management (bbb-, Lower), sector characteristics (bbb+, Lower), market and competitive positioning (a, Higher), diversification and asset quality (a-, Moderate), company operational characteristics (bbb+, Moderate), profitability (bb, Moderate), financial structure (bbb-, Higher), and financial flexibility (a-, Moderate).
- The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year FY25, 40% for the forecast year FY26 and 40% for the forecast year FY27.
- The governance assessment of 'good' has no impact.
- The operating environment assessment of 'a' has no impact.
- The calibration adjustment applies and results in an adjustment of 1 notch(es).

- The SCP is 'bbb+'.

To derive the Long-Term IDR:

- Fitch made no adjustments to the SCP, resulting in an IDR of 'BBB+'.

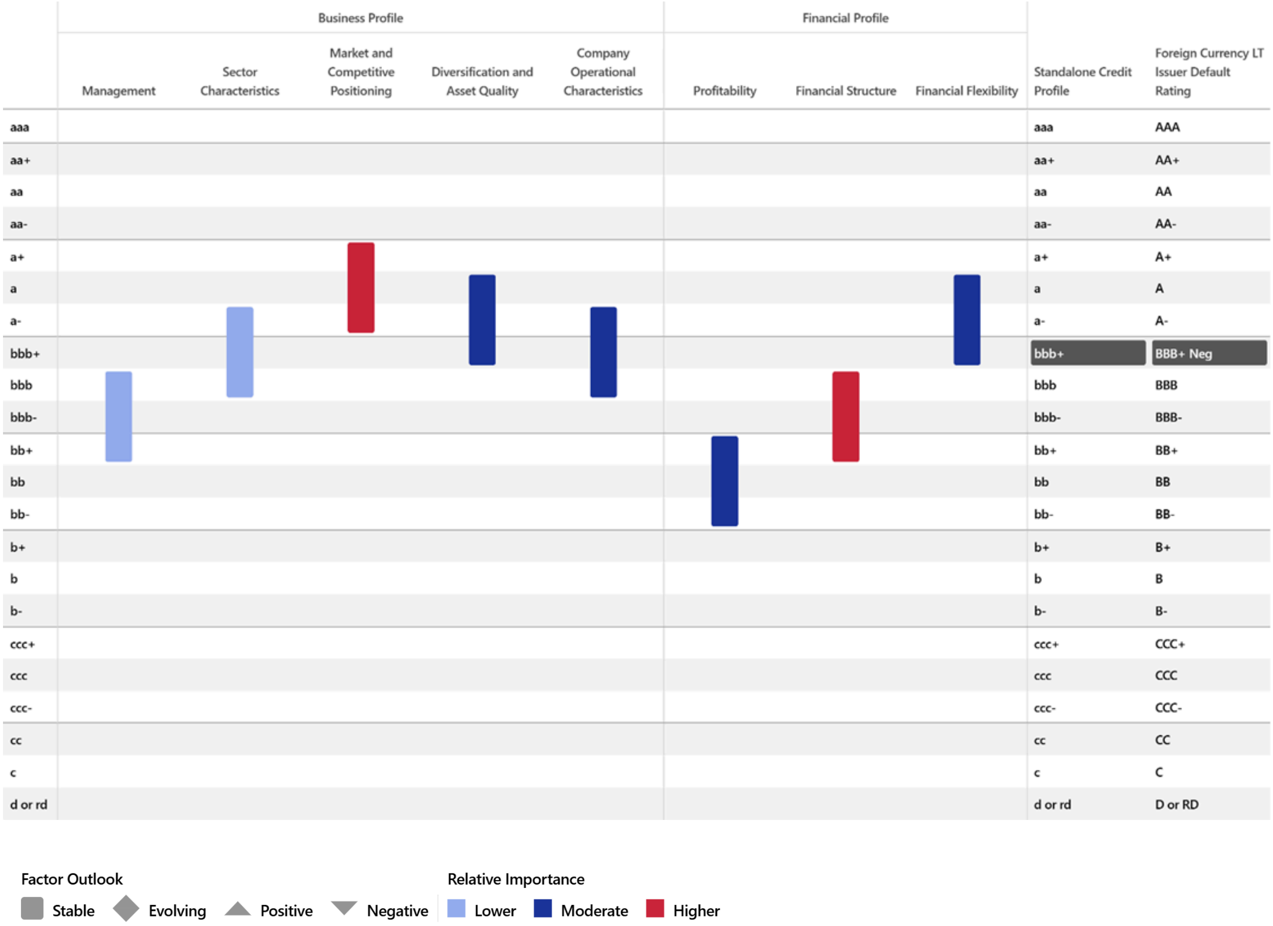
Simplified Group Structure Diagram



NR — Not rated.
Source: Fitch Ratings, Fitch Solutions, Sodexo SA. As of 30 June 2026

Ratings Navigator

Services



Additional Adjustments to the Standalone Credit Profile

	Assessment	Impact
Weakest link considerations	Not applied	0
Additional sector considerations	Not applied	0
B+ to CC considerations	Not applied	0
Governance	Good	0
Operating environment	a	0
Other risk elements	Not applied	0
Calibration	Applied	+1
Standalone Credit Profile		bbb+
Parent subsidiary linkage	Not applied	—
Government related entities	Not applied	—
Other criteria considerations	Not applied	0
Country ceiling considerations	Not applied	0

Factor/Subfactor	Score/Outlook/Importance	Description
Management	bbb-/stable/lower	
Risk tolerance	bbb/moderate	Management committed to conservative risk profile. Only modest/short-term deviations from strategy allowed.
Management strategy	bbb-/moderate	Good track record of implementing coherent and stable strategy.
Management quality	bbb-/moderate	Experienced management or proven track record. Management composition is broadly stable. No evidence of material risk management weaknesses.

Factor/Subfactor	Score/Outlook/Importance	Description
Sector characteristics	bbb+/stable/lower	
Subsector revenue visibility	a/moderate	Subsector with 90% or more of total revenues may be considered recurring.
In-sourcing risk	bbb/moderate	Moderate in-sourcing risk, subject to economic environment or other macro trends.
Regulatory environment	bbb/moderate	Moderate regulatory oversight.

Factor/Subfactor	Score/Outlook/Importance	Description
Market and competitive positioning	a/stable/higher	
Brand strength	a/moderate	Global brand associated with high service quality standards and expertise.
Market positioning	a/moderate	Leading global market share and established position. Proven ability to secure international multi-service contracts.
Scale — EBITDA	a/moderate	Large size (EBITDA > USD/EUR 1.5bn) and comprehensive network provide significant economies of scale and bargaining power with suppliers.
Competitive advantage	bbb/lower	Generally bespoke services with cross-selling opportunities and ability to offer new services to customers.

Factor/Subfactor	Score/Outlook/Importance	Description
Diversification and asset quality	a-/stable/moderate	
Customer diversification	a/moderate	High customer diversification. Largest customers represent less than 5% of total revenue.
End-market diversification	a/moderate	Range of services reaches a diverse spectrum of end-markets.
Geographic diversification	a/moderate	Highly diversified with significant presence in both developed and emerging markets.
Service diversification	bbb-/moderate	Moderately diversified range of services but with opportunity to expand the services proposition.

Factor/Subfactor	Score/Outlook/Importance	Description
Company operational characteristics	bbb+/stable/moderate	
Company revenue visibility	a-/moderate	90% of total revenue and EBITDA is contracted.
Contract structure	a/moderate	Primarily long-term contracts (between five and seven years and/or well spread and balanced maturity profile.
Contract management	bbb/moderate	Proven ability to monitor operating costs and contract profitability through price increases and favourable cost-sharing agreements..
Staff retention and subcontracting	bbb/moderate	Staff continuity on most projects. Recourse to subcontracting has historically been well managed.
Renewal rate and switching costs	a/moderate	Extremely high renewal rates (>95%) due to essential nature of services and high switching costs for customers.

Factor/Subfactor	Score/Outlook/Importance	Description
Profitability	bb/stable/moderate	
EBITDA margin (%)	b/moderate	6.0
EBIT margin (%)	bb-/moderate	5.0
FFO margin (%)	bb-/moderate	5.0
FCF margin (%)	b/moderate	0.0
Volatility of profitability and cash flows	bbb/higher	Limited throughout the cycle.

Factor/Subfactor	Score/Outlook/Importance	Description
Financial structure	bbb-/stable/higher	
EBITDA leverage (x)	bbb-/moderate	2.5
EBITDA net leverage (x)	bbb-/moderate	2.0
(Cash flow from operations-capex)/debt (%)	bbb/moderate	12.5

Factor/Subfactor	Score/Outlook/Importance	Description
Financial flexibility	a-/stable/moderate	
Financial access	a/moderate	Unequivocal access through the cycle to: Local financial markets with FMD of 'a' and above, or International financial markets with (primarily) FMD of 'a' and above. If the issuer is an infrequent/ untested issuer, the issuer must be very likely to be able to freely access these markets through the cycle.
Liquidity	a/moderate	No need for external funding beyond committed facilities in the next 12 months even under a severe stress scenario. Well-spread maturities. Diversified funding.
EBITDA interest coverage (x)	a/moderate	11.0
FX exposure	bbb/moderate	Some FX exposure on profitability and/or debt/cash flow match. Effective hedging in place.

Factor/Subfactor	Score/Outlook/Importance	Description
Governance	Good/—/—	
Ownership and decision-making concentration	Good/moderate	No concentration in ownership and/or decision-making. Presence of effective checks and balances. Key person risk is immaterial. Decision-making is defensible from a governance perspective.
Group structure transparency and contagion risk	Good/moderate	Transparent group structure. No contagion risks.
Information quality/transparency	Good/moderate	Timely and good provision of financial and operational information, facilitating the analysis of the credit profile.

Fitch's Key Rating-Case Assumptions

Key Assumptions within our Rating Case for the Issuer:

- Revenue growth of 0.3% in FY26, followed by 3%-4% a year through FY29
- EBITDA margin of 5.5% in FY26, gradually improving to 5.9% by FY29
- Minimal-to-neutral working capital outflows over FY26-FY29
- Capex at 2%-2.3% of sales until FY29
- Fitch-estimated annual M&A spend of up to EUR300 million, at an enterprise value/EBITDA multiple of 10.0x
- Annual dividends at 50% of the prior year's underlying net income

Liquidity and Debt Structure

Fitch views Sodexo's liquidity as strong. It had about EUR1.2 billion of cash as of February 2026, excluding about EUR0.4 billion that Fitch considers not readily available for debt service due to use of cash during seasonal working capital swings. The company has used around EUR800 million since then to repay bonds in 2H26. The remaining cash, together with access to a EUR1.75 billion revolving credit facility due in July 2031, is sufficient to cover short-term debt maturities.

Liquidity and Debt Maturities

Liquidity Analysis

(EURm)	2026F	2027F	2028F
Available liquidity			
Beginning cash balance	1,727	642	-351
Rating case FCF after acquisitions and divestitures	-283	-193	70
Total available liquidity (A)	**1,444**	**449**	**-281**
Liquidity uses			
Debt maturities	-802	-800	-788
Total liquidity uses (B)	**-802**	**-800**	**-788**
Liquidity calculation			
Ending cash balance (A+B)	642	-351	-1,069
Revolver availability	1,750	1,750	1,750
Ending liquidity	**2,392**	**1,399**	**681**
Liquidity score (x)	4.0	2.7	1.9

Source: Fitch Ratings, Fitch Solutions, Sodexo SA

Scheduled Debt Maturities

(EURm)	31 Aug 2025
2026	802
2027	800
2028	788
2029	800
2030	515
Thereafter	1,047
Total	**4,752**

Source: Fitch Ratings, Fitch Solutions, Sodexo SA

Financial Data

(EURm)	2023	2024	2025	2026F	2027F	2028F
Summary income statement						
Gross revenue	22,637	23,798	24,074	24,091	24,878	25,999
Revenue growth (%)	7.2	5.1	1.2	0.1	3.3	4.5
EBITDA before income from associates	1,324	1,468	1,502	1,279	1,352	1,500
EBITDA margin (%)	5.8	6.2	6.2	5.3	5.4	5.8
EBITDA after associates and minorities	1,326	1,471	1,498	1,279	1,352	1,500
EBIT	959	1,051	1,078	725	780	954
EBIT margin (%)	4.2	4.4	4.5	3.0	3.1	3.7
Gross interest expense	-140	-137	-125	-136	-145	-173
Pretax income including associate income/loss	749	996	904	623	655	801
Summary balance sheet						
Readily available cash and equivalents	1,723	1,730	1,727	630	637	719
Debt	5,593	4,730	4,752	3,971	4,171	4,183
Net debt	3,870	3,000	3,025	3,341	3,534	3,464
Summary cash flow statement						
EBITDA	1,324	1,468	1,502	1,279	1,352	1,500
Cash interest paid	-66	-37	-116	-136	-145	-173
Cash tax	-123	-179	-348	-154	-118	-167
Dividends received less dividends paid to minorities (inflow/outflow)	2	3	-4	—	—	—
Other items before FFO	398	-121	-34	-20	-20	-20
FFO	1,535	1,134	1,072	1,003	1,089	1,160
FFO margin (%)	6.8	4.8	4.5	4.2	4.4	4.4
Change in working capital	-222	-43	-69	30	-30	-30
CFO (Fitch-defined)	1,313	1,091	1,003	1,033	1,059	1,130
Total nonoperating/nonrecurring cash flow	—	172	-119	-150	-200	-50
Capex	-478	-493	-464	—	—	—
Capital intensity (capex/revenue) (%)	2.1	2.1	1.9	—	—	—
Common dividends	-352	-455	-388	—	—	—
FCF	483	315	32	—	—	—
FCF margin (%)	2.1	1.3	0.1	—	—	—
Net acquisitions and divestitures	12	1,016	-77	—	—	—
Other investing and financing cash flow items	-426	-1,517	-43	—	—	—
Net debt proceeds	-6	-823	147	-781	200	12
Net equity proceeds	-50	-52	-87	-33	—	—
Total change in cash	13	-1,096	-44	-1,097	7	82
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	-818	240	-1,048	-1,316	-1,252	-1,060
FCF after acquisitions and divestitures	495	1,331	-45	-283	-193	70
FCF margin after net acquisitions (%)	2.2	5.6	-0.2	-1.2	-0.8	0.3
Gross leverage ratios (x)						
EBITDA leverage	4.2	3.2	3.2	3.1	3.1	2.8

(EURm)	2023	2024	2025	2026F	2027F	2028F
(CFO-capex)/debt (%)	14.9	12.6	11.3	10.9	10.5	11.5
Net leverage ratios (x)						
EBITDA net leverage	2.9	2.0	2.0	2.6	2.6	2.3
(CFO-capex)/net debt (%)	21.6	19.9	17.8	12.9	12.4	13.8
Coverage ratios (x)						
EBITDA interest coverage	20.1	39.8	12.9	9.4	9.3	8.7

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

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.

Fitch Adjusted Financials

(EURm as of 31 Aug 2025)	Notes and formulas	Standardised values	Cash adjustment	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		24,074	—	—	—	24,074
EBITDA	(a)	1,475	—	-223	250	1,502
Depreciation and amortization		-490	—	197	—	-293
EBIT		985	—	-26	119	1,078
Balance sheet summary						
Debt	(b)	4,752	—	—	—	4,752
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		4,752	—	—	—	4,752
Readily available cash and equivalents	(c)	2,091	-364	—	—	1,727
Not readily available cash and equivalents		—	364	—	—	364
Cash flow summary						
EBITDA	(a)	1,475	—	-223	250	1,502
Dividends received from associates less dividends paid to minorities	(d)	-4	—	—	—	-4
Interest paid	(e)	-116	—	—	—	-116
Interest received	(f)	72	—	—	—	72
Preferred dividends paid	(g)	—	—	—	—	—
Cash tax paid		-348	—	—	—	-348
Other items before FFO		-60	—	26	—	-34
FFO	(h)	1,019	—	-197	250	1,072
Change in working capital		-69	—	—	—	-69
CFO	(i)	950	—	-197	250	1,003
Nonoperating/nonrecurring cash flow		—	—	—	-119	-119
Capex	(j)	-333	—	—	-131	-464
Common dividends paid		-388	—	—	—	-388
FCF		229	—	-197	—	32
Gross leverage (x)						
EBITDA leverage	b/(a+d)	3.2	—	—	—	3.2
(CFO-capex)/debt (%)	(i+j)/b	13.0	—	—	—	11.3
Net leverage (x)						
EBITDA net leverage	(b-c)/(a+d)	1.8	—	—	—	2.0
(CFO-capex)/net debt (%)	(i+j)/(b-c)	23.2	—	—	—	17.8
Coverage (x)						
EBITDA interest coverage	(a+d)/(-e)	12.7	—	—	—	12.9

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 EUR664 million.
Source: Fitch Ratings, Fitch Solutions, Sodexo SA

Peer Analysis

Sodexo has modest profitability compared with similar catering services operators, such as Aramark and Compass, 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, although it also increases its exposure to foreign-currency volatility. Sodexo's defensive and resilient business profile is similar to Compass's, reflecting its 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, partly offset by narrower diversification, lower revenue visibility and exposure to more intense 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, supported by a route-based business model and largely resilient pest-control demand across the cycle. Sodexo's rating is supported by its larger scale, more conservative leverage targets and higher revenue visibility, all of which explain its rating being higher by one notch.

We also compare Sodexo with Elior Group S.A. (BB-/Negative). The large rating differential is warranted by Elior's weaker geographic diversification, much smaller scale and weaker credit metrics overall, with leverage that we expect to remain above 5.5x over FY26-FY27.

Navigator Peer Comparison

Issuer		Business profile (Score/Relative Importance)					Financial profile (Score/Relative Importance)		
Name	IDR/Outlook	Management	Sector Characteristics	Market and Competitive Positioning	Diversification and Asset Quality	Company Operational Characteristics	Profitability	Financial Structure	Financial Flexibility
Sodexo SA	BBB+/Negative	bbb- (Lower)	bbb+ (Lower)	a (Higher)	a- (Moderate)	bbb+ (Moderate)	bb (Moderate)	bbb- (Higher)	a- (Moderate)
International Workplace Group plc	BBB/Stable	bbb (Lower)	bb+ (Moderate)	bbb (Lower)	bbb+ (Moderate)	bb+ (Higher)	bb+ (Moderate)	a- (Higher)	bbb (Moderate)
Rentokil Initial Plc	BBB/Stable	bbb- (Lower)	bbb (Moderate)	bbb+ (Higher)	bbb+ (Moderate)	bbb- (Moderate)	a (Lower)	bbb- (Higher)	bbb+ (Moderate)
Bidvest Group Limited (The)	BB/Stable	bbb (Lower)	bb+ (Moderate)	bb+ (Moderate)	bb (Higher)	bb (Moderate)	bbb- (Lower)	bbb- (Moderate)	bb (Higher)
Belron Group SCA	BB/Stable	bb+ (Lower)	bbb (Moderate)	a- (Higher)	bbb- (Moderate)	bb (Moderate)	a- (Lower)	b (Higher)	bb (Moderate)
Elior Group S.A.	BB-/Negative	bb (Lower)	bbb+ (Lower)	bb (Higher)	bb+ (Moderate)	bbb- (Moderate)	b (Higher)	b- (Higher)	bb (Moderate)

Relative importance: Higher Moderate Lower

Source: Fitch Ratings

Issuer		Business profile (Score/Outlook)					Financial profile (Score/Outlook)		
Name	IDR/Outlook	Management	Sector Characteristics	Market and Competitive Positioning	Diversification and Asset Quality	Company Operational Characteristics	Profitability	Financial Structure	Financial Flexibility
Sodexo SA	BBB+/Negative	bbb-	bbb+	a	a-	bbb+	bb	bbb-	a-
International Workplace Group plc	BBB/Stable	bbb	bb+	bbb	bbb+	bb+	bb+	a-	bbb
Rentokil Initial Plc	BBB/Stable	bbb-	bbb	bbb+	bbb+	bbb-	a	bbb-	bbb+
Bidvest Group Limited (The)	BB/Stable	bbb	bb+	bb+	bb	bb	bbb-	bbb-	bb
Belron Group SCA	BB/Stable	bb+	bbb	a-	bbb-	bb	a-	b	bb
Elior Group S.A.	BB-/Negative	bb	bbb+	bb	bb+	bbb- ▼	b ▼	b- ▼	bb

Rating categories: b/ccc bb bbb a aa ▲▼ Factor outlook direction.

Source: Fitch Ratings

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	EBITDA (EUR Millions)	EBITDA margin (%)	EBITDA net leverage (x)	EBITDA interest coverage (x)	CFO-capex/debt (%)
Sodexo SA	BBB+						
	BBB+	2025	1,502	6.2	2.0	12.9	11.3
	BBB+	2024	1,468	6.2	2.0	39.8	12.6
	BBB+	2023	1,324	5.8	2.9	20.1	14.9
Elior Group S.A.	BB-						
	B+	2025	251	4.1	5.7	2.6	3.7
		2024	213	3.5	6.8	2.3	2.0
		2023	113	2.2	12.9	1.7	-14.5
Rentokil Initial Plc	BBB						
	BBB	2024	1,222	18.3	2.9	6.5	11.3
	BBB	2023	1,195	19.6	2.7	6.4	11.7
Darden Restaurants, Inc.	BBB						
	BBB	2025	1,705	16.0	1.0	11.2	47.3
	BBB	2024	1,617	15.4	0.8	21.7	62.0
	BBB	2023	1,452	14.9	0.4	41.0	97.7

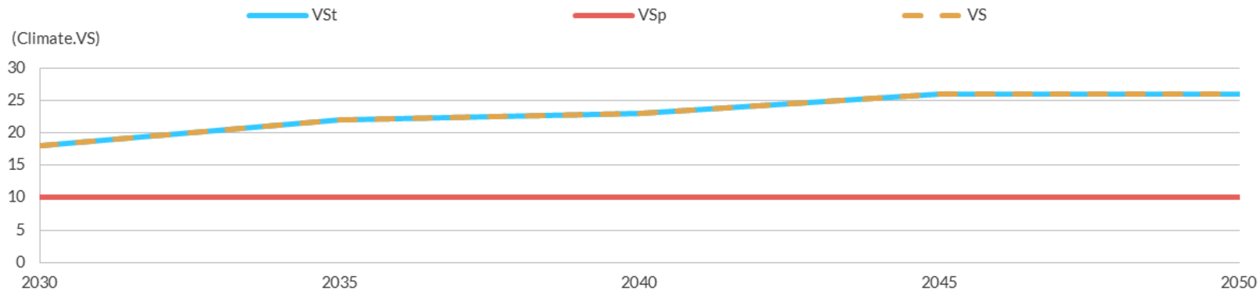
Source: Fitch Ratings, Fitch Solutions

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify credits with higher exposure to climate-related risks. If Fitch identifies an entity as higher risk (i.e. its Climate.VS in 2035 is 50 or higher), the entity receives additional analysis and consideration 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 Fitch's latest Climate Vulnerability Signals for Non-Financial Corporate Sectors report.

The Climate.VS for 2035 is 22 out of 100. This reflects a VSp of 10 and a VSt of 22.

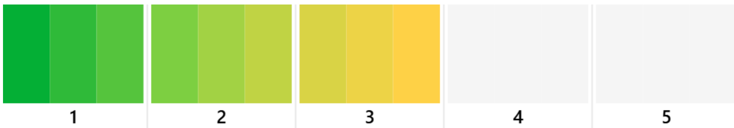
Climate Vulnerability Signals



Source: Fitch Ratings

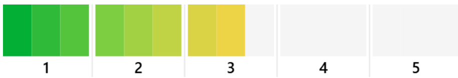
ESG Considerations

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 www.fitchratings.com/topics/esg/products#esg-relevance-scores.



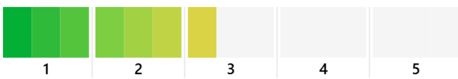
Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions & Air Quality	1	Emissions from route-based services	Market and Competitive Positioning; Company Operational Characteristics; 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)	Market and Competitive Positioning; Company Operational Characteristics; Profitability
Exposure to Environmental Impacts	1	n.a.	n.a.



Social Relevance Scores

General issues	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	Market and Competitive Positioning; Company Operational Characteristics; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction; employee recruitment and retention	Market and Competitive Positioning; Company Operational Characteristics; Profitability
Employee Wellbeing	3	n.a.	n.a.
Exposure to Social Impacts	1	n.a.	n.a.



Governance Relevance Scores

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

ESG Scoring	Credit-Relevant ESG Scale	
ESG relevance scores range from '1' to '5' based on a 15-level colour 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 general and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signalling the credit relevance of the sector-specific issues to an issuer's overall credit rating. The Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The panels underneath the relevance scores tables are visualisations of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The Score columns summarise rating relevance and impact to credit from ESG issues. The column on the far left identifies any ESG relevance subfactor issues that are drivers or potential drivers of an issuer's credit rating (corresponding with scores of '3', '4' or '5'). 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 and sector-specific issues draw on the classification standards published by the UN Principles for Responsible Investing, the Sustainability Accounting Standards Board and the World Bank.	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 the 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 the 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 the Navigator.
	2	Irrelevant to the entity rating but relevant to the sector.
	1	Irrelevant to the entity rating and irrelevant to the sector.

Ratings

Long-Term IDR	BBB+
Senior Unsecured Debt — Long-Term Rating	BBB+
Outlook	
Long-Term Foreign Currency IDR	Negative

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores	
Environmental	3
Social	3
Governance	3

Climate Vulnerability	
2035 Climate Vulnerability Signal	22
Transition (Climate.VSt)	22
Physical (Climate.VSp)	10

Applicable Criteria

Corporates Recovery Ratings and Instrument Ratings Criteria (August 2024)
Corporate Rating Criteria (January 2026)
Sector Navigators — Addendum to the Corporate Rating Criteria (January 2026)

Related Research

Global Corporates Macro and Sector Forecasts

Analysts

Dorian Czapla
+48 22 103 3039
dorian.czapla@fitchratings.com

Alise Ilzina-Raghuvanshi
+44 20 3530 2719
alise.ilzina-raghuvanshi@fitchratings.com

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