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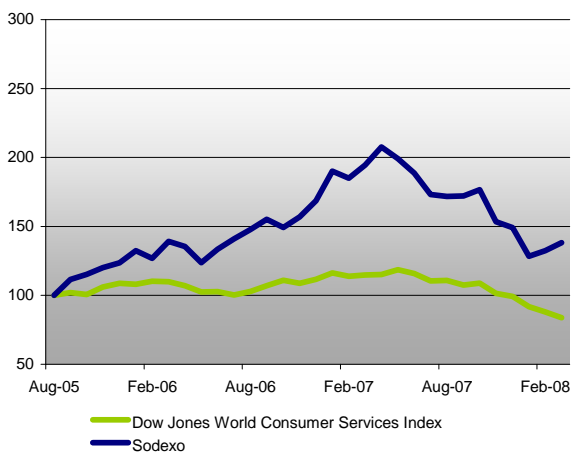
Company Report – Sodexo

Company Description

Sodexo is one of the world's leading companies in food and management services (97% of group revenues) and worldwide number two in service vouchers and cards. The company serves a wide range of customers: business and industry (37% of revenues), defense (3%), correctional services (2%), healthcare (19%), seniors (6%), education (24%), remote sites (6%). Sodexo has a comprehensive global network with operations in 80 countries.

Performance of Sodexo

Since Inclusion in the DJSI September 2005



Source: Bloomberg

Sustainability Performance

Sodexo continues to lead its industry in terms of sustainability. The company has again demonstrated an excellent overall sustainability performance, which strongly relates to its straight-forward business philosophy ("endurance" is a key word) and high transparency of the company (i.e. clear indicators to measure progress). Sodexo's management capabilities in the economic dimension belong to the best in the industry. This is demonstrated by a solid performance in corporate governance, brand management as well as risk management, and above all food safety. The company has also achieved a top score in the environmental dimension. This is not only due to good reporting systems but also to a convincing performance in this area. The above industry average performance in the social dimension is underlined by good scores in social reporting, stakeholder engagement and standards for suppliers which also play a fundamental role in controlling risks.

Industry Driving Forces

The key competitive factors for the sector are the positioning of brands, differentiation as well as the quality of the product and service offerings. As turnover per square meter is limited, growth can mainly be achieved through geographical expansion, which requires adaptation to and respect of local standards. People are the single-most important asset in the hotel, restaurants and recreational business. It is therefore indispensable for companies to have an advanced employment model, which includes talent attraction and retention, human capital development, and group-wide applied ethical principles. In addition, companies have to increase eco-efficiency, especially relating to energy and water consumption. Particularly restaurant companies need to advocate a balanced lifestyle, educate consumers and raise the awareness of health risks associated with unbalanced nutrition.

Company Performance for selected Criteria

