

SODEXHO ALLIANCE
STATEMENT ON CORPORATE GOVERNANCE AS REQUIRED BY
ARTICLE 303A-11 OF THE NEW YORK STOCK EXCHANGE’S LISTED
COMPANY MANUAL

As outlined in the Listed Company Manual issued by the New York Stock Exchange (NYSE), we have summarized the principal ways in which the Group’s corporate governance practices may differ from the NYSE corporate governance rules that apply to U.S. domestic companies.

Sodexho Alliance SA is incorporated under the laws of France, and has securities publicly listed and traded on markets in France (Euronext Paris) and in the United States (NYSE). The Group has extensive operations in 76 countries, and has a strong presence in both the French and the US business communities.

As a result of the Group’s activity in two different stock exchanges, the Group’s corporate governance structure includes the mandatory provisions of French corporate governance law and the securities laws and regulations of both France and the US, as well as the rules that are promulgated by both public markets. As a result, the Group believes that its corporate governance structure is robust and reflects the evolving best practices of corporate governance in the US and France.

The Group’s Board of Directors comprises 12 members, including one Canadian and one British Director. Contrary to the laws in the US, at the present time, the term “independent director” does not have a legal definition in French law. In the Bouton Report “for the sake of simplicity, the definition of independent director is set forth as follows: ‘a director is independent when he or she has no relationship of any nature with the Company, the Group or its management, which could compromise the exercise of his or her free judgment.’” In the spirit of this definition, the Group’s Board of Directors considers that all of Sodexho Alliance’s directors are independent. Nonetheless, in order to conform to other definitions and with the advice of the Selection Committee, the Board considers that four members are independent directors within the meaning of the NYSE rules.

The Board has created three specialized committees to support its decision-making process: the Selection Committee, the Compensation Committee, and the Audit Committee. All members of the Audit Committee are independent directors as defined under the Sarbanes-Oxley Act of 2002 and the NYSE rules, while fifty percent (50%) of the membership of the remaining two committees is comprised of independent directors. In addition, under French law, Board committees are advisory only, while under the NYSE rules, specific committees are vested with certain powers that in France remain with the Board. Under French corporate law, shareholders must appoint the Group’s auditors at annual shareholder meetings. Sodexho’s shareholders receive the proposals for such appointments from the Board of Directors, who in turn receive recommendations from the Audit Committee. The Group believes that the requirements of French law, including the requirement that two statutory auditors must be appointed, achieve the NYSE’s objectives for auditor independence.

In order to emphasize the Group's commitment to promoting transparency and compliance with rules and regulations, and in line with the NYSE Listed Company Manual, the Board of Directors in 2003 adopted a written Code of Conduct for senior managers. Each member of the Group's Executive Committee and each senior finance manager acknowledged his or her compliance with the code in writing.

If you would like more information regarding the Group's corporate governance, you may consult the description of our corporate governance practices found in our most recent annual report, which is posted on this web site.