

Corporate Citizenship Report

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and Sustainable Development

November 2010

Launched in 2009, the Better Tomorrow Plan defines specific actions that we can measure over time, organized around three priorities:

- promoting nutrition, health and well-being
- commitment to local communities
- protection of the environment.

In FY2010, we concentrated on launching the **Better Tomorrow Plan**:

We spent a lot of time training our executives, our managers and all of the organization.

We also set up six international expert groups to focus on six areas in which we want to make progress.

Because we operate on 34,000 sites in 80 countries, we initiated a process to enable each country to benchmark its starting point in terms of compliance with our commitments and measure its progress.

Finally, we have appointed in each of our 80 countries one person to be trained and to serve as a member of a network of Better Tomorrow Plan country leaders. These points of contact are essential in order to reach the roadmap's destination.

By definition, our activity is very local in nature – 97% of our employees are present on our clients' sites.

Being the company that we are, it is very important to preserve this local link in our activity:

1. because we **create local jobs**
2. because **much of our purchasing is done locally**
3. because **the services sector is a strong driver of employment and we very often contribute to the economic development of regions where we operate.**

We have three main types of action with local communities:

- Our STOP Hunger initiative: this year again, our teams mobilized for Servathon: 28 countries joined together and worked at the same time in April to fight hunger in their local communities. These teams – involving an estimated 39,000 Sodexo employees – collected 175 metric tons of foodstuffs.
- Actions supporting local jobs and purchasing:
Another example is our certification by the Canadian Council for Aboriginal Business each year for the past four years for our work recruiting and employing people from the local aboriginal communities in northern Canada, and also for the development of local purchasing supply chains.
- Our commitment to buying fair trade products.

In term of protection of the environment, clearly we must pay attention to the problems of ocean resources. This includes ensuring that we avoid purchasing fish species that are endangered or that are sourced from areas where fishery stocks are threatened, as well as by working with the Marine Stewardship Council (MSC) certification body.

Last spring we also signed a global partnership with WWF to help us in 3 areas: ocean resources, local and sustainable products and water.

Finally, we have begun developing programs to reduce wastage, in particular one in the United States called STOP Food Waste.

For the sixth year in a row Sodexo has been recognized by the Dow Jones Sustainability Index as world leader in our industry sector for our record of social, economic and environmental responsibility.

Covalence has also designated us as one of the most ethical companies in the world.

These awards are encouraging. We are not content to stop here, however, because we can go even farther by systematically deploying the Better Tomorrow Plan in all 80 of our countries.

Today our challenge is deployment.

This means moving from the initiatives that already exist today – we aren't starting from scratch – to a massive and much more systematic deployment that serves our clients' strategic goals, that is visible to our consumers and that is systematically implemented, in stages, of course, across all Sodexo sites.

The day that we can say that our roadmap has been followed at tens of thousands of sites in 80 countries, well, you can imagine the power that achievement will have.

That is what we are aiming for.

This will take time, of course, we will need a lot of determination and we have to train our teams. It is our employees who are Sodexo's ambassadors.

The Better Tomorrow Plan

→ Our Strategy



The Better Tomorrow Plan

In 2009 Sodexo put in place a new roadmap, The Better Tomorrow Plan, to strengthen its performance in sustainable development and measure the impact of its actions, setting three priorities:

- Actively promote nutrition, health and wellness
- Support the development of local communities
- Protect the environment.

Involving its **80** countries, **34,000** sites and engaging its **380,000** employees, the Better Tomorrow Plan is a journey with milestones in 2012, 2015 and 2020, built on a solid base of initiatives already undertaken in our host countries.

It is composed of three core pillars: **We are, We do and We engage.**

WE ARE

Sodexo's mission, values and ethical principles are the foundation of the Group's success, both past and future, in all the countries and sites where Sodexo operates.

WE DO

The plan focuses on three priorities:

- Actively promote Nutrition, Health and Wellness
 - Support the development of local communities
 - Protect the environment
- and 14 commitments for action.

WE ENGAGE

Sodexo pledges to dialogue with stakeholders in order to engage joint action that will improve the practices of all those involved not only at sites but beyond.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Our Progress

ON TARGET FOR IMPLEMENTATION

In FY 2010 the Group successfully achieved its targets for starting up implementation of the Better Tomorrow Plan. These were:

Raising awareness

Internal and external learning and awareness programs were undertaken, to facilitate assimilation of the plan's commitments.

- On-line training for all management employees, including site managers, in seven languages (Chinese, English, French, German, Italian, Portuguese/Brazilian and Spanish).
- Poster campaign for clients sites.
- Awareness sessions and training campaign for senior management.

Developing the management system

- Better Tomorrow Plan **steering committee** at the Group level
- **Central Project Management Office (PMO)**
- Better Tomorrow Plan “**champions**” to serve as contact points in 80 countries
- **6 Subject Matter Working Groups, devoted to:**
 - Nutrition, health and wellness
 - Local communities
 - Sustainable supply chain
 - Energy and emissions
 - Water and effluents
 - Waste
- Performance Working Group to **establish performance indicators**
- Online monitoring tool **Citizen** to follow initiatives around the world.

Baseline status and timetable for phases

- An exhaustive current status survey was conducted in all countries, to prepare the Better Tomorrow Plan action plans for 2009-2010. The responses to the site survey have made it possible to compile reference data for over **half of relevant sites in more than 50 countries representing 95% of Group revenues for On-site Service Solutions activities**.
- Each country defines its own roadmap to reach the objectives set in the plan for 2012, 2015 and 2020.

Global agreement on technical cooperation between Sodexo and World Wildlife Fund (WWF)

In March, 2010, **World Wildlife Fund (WWF)** and Sodexo signed a three-year agreement to work together globally on **environmental and supply chain issues**.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Key performance indicators

In the course of FY 2010 Sodexo reviewed the progress and impact indicators established in FY 2009 to monitor the Group's performance.

Certain indicators have been adjusted to better reflect the scope of the Better Tomorrow Plan.

The following are the main performance indicators for FY 2009 and FY 2010 (source: Sodexo).

WE ARE INDICATORS	FY 2009	FY 2010
Respect Human Rights % of countries who have the Human Rights policy available in their national language	85%	87%
Employee Springboard Employee engagement Level of employee engagement		55%
Diversity and Inclusion Representation of women % of Women's representation among Group Senior Leaders	18%	20%
Health and Safety Food Safety - Site Audits Average number of food safety audits per food services site	2	2
WE DO INDICATORS	FY 2009	FY 2010
NUTRITION, HEALTH and WELLNESS		
Health and Wellness % of countries developing and promoting health and wellness solutions	74%	80%
Varied and Balanced Food Options % of countries where menus and recipes are reviewed by a qualified dietitian	94%	94%
Reduced Sugar Salt and Fats % of countries having established and removed identified products and practices <small>*In 2009/10, 2 additional countries established and removed identified products and practices. At the same time, the relative weight of the existing countries decreased making our indicator decrease overall</small>	68%	66%*
LOCAL COMMUNITIES		
Fight against hunger and malnutrition Number of countries who have implemented the STOP Hunger initiative	32	39
Local community development % of local recruitment (country level)	97%	97%
Fair trade certified products % in kg of certified fairly traded coffee	9%	13%
ENVIRONMENT		
Sustainable Supplies Supply Chain Code of Conduct % of countries which have a supplier code of conduct	87%	93%
Sustainable Fish and Seafood % of countries which have eliminated the purchase of all at-risk seafood species	8%	17%
Sustainable Equipment and Supplies % of spend on sustainable paper disposables as a % of total paper disposables	79%	79%
Energy and emissions % of sites which have taken basic steps to reduce their consumption of energy	45%	45%
Water and Effluents % of sites which have taken basic steps to reduce their water consumption	67%	67%
Materials and Waste Organic Waste % of sites which have taken basic steps to reduce their organic waste	40%	40%
Non Organic Waste % of sites which have taken basic steps to reduce their non organic waste	34%	34%

For further information, use the Download option to obtain the Corporate Citizenship Review.

Social Responsibility Index rankings

In recognition of its ongoing efforts to promote sustainable development, Sodexo has been ranked in various Social Responsibility Indexes. The Group has been:

- Named global Leader in its sector for the sixth time in the **Dow Jones Sustainability Index (DJSI)**.
- Also listed in the **DJSI World** and **DJSI STOXX** indexes since 2005.
- Ranked 2010 Sector Leader and 2010 Gold Class in the **SAM Sustainability Yearbook 2010**.

Selected for inclusion in a number of other indexes:

- **Covalence Index**: the Group is ranked among the most ethical companies.
- **Ethibel Excellence Index** since July 2010.
- **ASPIEUROZONE Index** (VIGEO) since 2004.
- **Business in the Community (BITC) Corporate Responsibility Index** since 2007.
- **ECPI Ethical Index €uro** since 2008.

Among Sodexo's Awards

- **Group: Most Ethical Companies list**, Ethisphere Institute (2nd year).
- **Canada: Gold certification** for Progressive Aboriginal Relations, attributed by the Canadian Council for Aboriginal Business. This award recognizes Sodexo's tangible and lasting contributions to the development of local aboriginal communities.
- **China**: For the third year in a row Sodexo has been awarded **Class of Excellence** status under the **Wastewi\$e Label**, given by the Standard Chartered Bank. This award salutes the achievements of Hong Kong businesses that successfully reduce their waste output.
- **UK**: First in sector to receive **Red Tractor** accreditation (Assured Food Standards).
- **US**: Number 1 in the Top 50 **Companies for Diversity**, *DiversityInc* magazine.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

We are

→ Fundamentals

Sodexo, founded in 1966 by Pierre Bellon, is built on a philosophy that today unites the Group's **380,000 employees** throughout the world.

Find out more information on our fundamentals in the Annual Report.

→ Business Integrity

• Our Progress

Sodexo employs **380,000** people on **34,000** sites in **80** countries. It is therefore essential that the Group provides its teams with guidance and training to help them cope with a wide variety of situations and to conduct business with irreproachable integrity.

Sodexo has implemented a number of measures to ensure that the company's codes of conduct are an integral part of operations at all levels.

- **Tracking:** implementation of ethical principles: annual self-evaluation by line managers, as part of the on-going inventory process under the Better Tomorrow Plan.
- **Benchmarking:** a baseline has been established in FY 2010 and targets set for the future.
- **Measuring:** a Global Employee Engagement Survey was carried out, with new questions on ethical issues.
- **Putting into practice:** the Business Integrity Council met in March 2009 and established an action plan for 2010, including publication in 2011 of a practical handbook highlighting concrete examples.

• Good practice

NORTH AMERICA

ON-SITE SERVICE SOLUTIONS

Legal and Ethical Compliance Program

The Legal and Ethical Compliance Program for the United States and Canada is headed by a Steering Committee that meets three times a year to review the investigations conducted. The committee submits an annual report to the Chief Executive Officer and the Executive Committee.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Respect for Human Rights

• Key figures

87% of countries have the Human Rights Policy available in their national language.

Source: Sodexo

• Our Progress

Throughout its activities and spheres of influence, the Group is committed to promoting the application of human rights in the workplace. Working as it does in various regions throughout the world, it is essential for Sodexo to have solid ethical foundations so as to ensure that human rights are respected.

In FY 2010 Sodexo enhanced communication on the Group's Human Rights policies, and reinforced their implementation:

- **Translating** the main principles into nine languages
- **Creating** two new KPIs to monitor progress
- **Cascading** of information on all Sodexo websites.

Finally, as part of its ongoing drive to remain an industry leader in international labor practices, Sodexo group management commissioned in Fiscal 2010 an independent review to examine application of certain principles and conventions established by the International Labour Organization (ILO) in the nine most significant countries within the Group.

The results of this external review did not reveal any case of significant weakness, but recommended improvements to better formalize Sodexo's practices in the different countries. The Executive Committee has also now inserted a chapter on "Human rights in the work place" into the Group's ongoing internal audit procedures, whose findings will be regularly presented to the Board of Directors.

• Good practice

FRANCE

ON-SITE SERVICE SOLUTIONS

Preventing social risks

Through the Sodexo "Ecoute et Vigilance" (listening and awareness) network, employees can discuss personal or professional problems with the assurance that their privacy will be respected. The network aims to help individuals cope with stress and its consequences.

Trade unions are closely associated with the initiative and are members of the "Ecoute et Vigilance" Board.

→ Employee Springboard

Sodexo is the world's **21st** largest employer with **380,000** employees working on **34,000** sites in a vast array of professions.

97% of Sodexo's employees are in direct daily contact with consumers: our employees' expertise and pride in practicing their professions are the basis of Sodexo's success.

Sodexo ensures that each employee, whatever their qualifications, has the opportunity to progress steadily in skills development, career advancement and compensation.

Find out more information on our Human Resources Report

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Diversity & Inclusion

For Sodexo, Diversity is a prerequisite to ensuring high-quality service and better economic performance.

Sodexo serves **50 million** consumers in more than **80 countries** around the world. These consumers are of all backgrounds and profiles, with varying expectations: miners in Australia, senior citizens in Swedish retirement homes, Chinese high school students, information technology workers in India, to name just a few.

Sodexo's workforce reflects the diversity of its clients and consumers. The Group's employees are thus able to understand the expectations and anticipate the needs of the people they serve, and implement appropriate solutions.

Find out more information on our Diversity and Inclusion Report.

→ Health and Safety

• Key figures

On average, each food service site was audited **twice** during the last fiscal year.

Source: Sodexo

• Our progress

Safety is a strategic issue for **Sodexo**, because it is a fundamental **Quality of Daily Life issue**. All of the Group's operations have safety management systems in place that are continually being improved.

Sodexo harmonized its worldwide food safety policy in 2009. In FY 2010 the Group is deploying a global food safety incident reporting and response system, to improve our capability to manage food safety on an international basis and taking the globalized nature of food supply chains into account.

Under the new sustainability roadmap, **The Better Tomorrow Plan**, Sodexo has created Key Performance Indicators to track the implementation of this policy. These indicators cover food suppliers, training, food safety audits and incidents. The first consolidated figures will be available at the end of FY 2010.

• Good practice

NORTH AMERICA

ON-SITE SERVICE SOLUTIONS

Safety awareness calendar

The Risk Management team has developed a calendar tool to be used to reinforce and assess safety awareness. Each month, drawings by children of Sodexo employees illustrate safety messages, appropriate behaviors and safety tips. Days of the month are tagged with icons to remind staff of daily safety tasks.

→ Corporate Governance

The Board of Directors

Sodexo is governed by a Board of Directors, presided over by Pierre Bellon.

The Board of Directors comprises 13 members, one-third of who are foreign nationals.

The Executive Committee

In his role as Chief Executive Officer, Michel Landel is supported by an Executive Committee which is the linchpin of the management structure.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

We do

→ 3 priorities, 14 commitments



→ Nutrition, Health and Wellness

Health and Wellness

• Key figures

80% of countries develop and promote Health and Wellness solutions.

Source: Sodexo

• Our Progress

Our commitment: We will develop and promote health and wellness solutions for our clients, consumers and employees in all the countries where we operate by 2015.

Good health in employees reduces absenteeism and increases productivity. In keeping with its commitments **Sodexo informs its clients and consumers of the benefits of a healthy lifestyle** and proposes health and wellness solutions.

During FY 2010 **Sodexo conducted an inventory of all its existing programs** in this area, in all countries and at all sites.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Health and Wellness

• Good Practices

CHINA

ON-SITE SERVICE SOLUTIONS – CORPORATE SERVICES

Wellness Program

Since the start-up of Sodexo's Wellness program at the headquarters of its client Nokia in Beijing, the health program has grown to **10** activities per month. Each day **407** Nokia employees visit wellness facilities, a **60%** increase over 2008. Overall, **2,400** employees have registered for the fitness center, group exercise classes and other wellness programs.

ITALY

ON-SITE SERVICE SOLUTIONS

Stop smoking campaign

Sodexo has decided to help tobacco-dependent employees who want to overcome their addiction. An awareness campaign was launched with a conference entitled "It's easy if you know how!" Groups of **7** to **15** people explored training techniques and follow-up methods in a six-hour session. A second session was scheduled to consolidate the benefits for the participants.

Varied and balanced food options

• Key figures

94% of countries have their menus and recipes reviewed by a qualified dietitian.

Source: Sodexo

• Our Progress

Our commitment: We will provide and promote varied and balanced food options at all our clients' sites by 2012.

As a world leader in **Quality of Daily Life Solutions**, Sodexo plays a role in the consumption habits of the 50 million people the Group serves daily. Sodexo wants all of its clients and consumers to benefit from the varied and balanced food already offered at Sodexo sites.

• Good Practices

UNITED STATES

ON-SITE SERVICE SOLUTIONS – EDUCATION

School Beverage and Competitive Food Guidelines

These guidelines, based on scientific findings, were created to improve the nutritional quality of school snack foods and beverages. Sodexo offers appropriately sized portions to limit total calories and snacks containing no more than **35%** sugar by weight, no trans fats and no more than **230** milligrams of sodium. Since adopting the guidelines in 2009 Sodexo has implemented these criteria in **4,000** schools, attaining **85%** compliance.

WORLDWIDE

ON-SITE SERVICE SOLUTIONS

NATURAL!

The NATURAL! food and beverages concept aims to promote the dietary benefits of fruit. The product range includes ready-to-eat fruit snacks, salads and cocktails made from 100% natural products, without concentrates or added sugar. This concept was developed by Sodexo in Spain and has been implemented in eight other countries (China, Finland, France, Italy, the Netherlands, Russia, Singapore and the United States).

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Sugar, salt and fats

• Key figures

66% of countries have established and removed identified products and practices.

Source: Sodexo

• Our Progress

Our commitment: We will provide and promote choices with a reduced intake of sugar, salt and fats at all our clients' sites by 2015.

High intakes of sugar, salts and fats are linked to obesity and chronic diseases. In 2010 Sodexo focused on salt. **The Group reviewed its entire chain of procurement and service**, from suppliers to end consumers, to find ways to measure and reduce salt content in the meals it provides. Taste enhancers and other additives were investigated to determine how much embedded salt they contain. Final salt content can be modified by appropriate changes to production processes. **Guidelines and methodologies are being drawn up** to continue to lower salt content in foods served by Sodexo.

• Good Practices

FINLAND

ON-SITE SERVICE SOLUTIONS – EDUCATION

Healthy Snack Pass campaign

The Healthy Snack Pass is sold to students in schools where Sodexo provides a selection of nutritional snacks. For ten snacks purchased students receive one free snack. Launched in 2005, the Pass has been adopted in **25** schools, with up to **4,000** passes sold yearly in some schools. Sodexo's goal is to sell **5,000** passes per year in **30** schools.

NETHERLANDS

ON-SITE SERVICE SOLUTIONS

Healthy Food Choices Certification

Sodexo has been certified under the "Healthy Food Choices" Program since **2007**. Sodexo products have been developed or modified to reduce salt, saturated fat and added sugar content. As of 2010, **1,875** Sodexo employees have been trained at the **625** certified restaurant locations to consolidate awareness of this nutrition objective.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Local Communities

Fight against hunger and malnutrition

• Key figures

7 new countries have implemented the STOP Hunger initiative bringing the total to **39**.

Source: Sodexo

• Our Progress

Our commitment: We will fight hunger and malnutrition through our STOP Hunger initiative in all the countries where we operate by 2020.

Each April, as part of Sodexo's **STOP Hunger** initiative, employees around the world join forces to fight hunger in their local communities during the Sodexo **Servathon**. In FY 2010, **28** Sodexo host countries participated in the Servathon, mobilizing over **39,000** employees who worked to donate **175** metric tons of food.

Servathon activities include:

- **donating**, preparing and serving meals,
- **sharing** Sodexo expertise through nutrition, hygiene, and food safety information,
- **collecting and donating** non-perishable foodstuffs,
- **fundraising** through events such as charity campaigns, coin collection, etc.

• Good Practice

WORLDWIDE

A sample of 2010 Sodexo Servathon Programs

China: Employees volunteered at a local food bank and teams collected nearly **2,000** products for the needy.

Thailand: **200** Sodexo and client employees organized a special dinner for **1,800** orphans and donated work and equipment to renovate the orphanage.

USA: At just one site over **4** metric tons of food were repackaged for distribution as meals.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Local community development

• Key figures

97 % of our employees are recruited locally.

Source: Sodexo

• Our Progress

Our commitment: We will support local community development in all the countries where we operate by 2015.

As part of the Better Tomorrow Plan implementation process, a Subject Matter Leader was appointed in 2010 to pilot the **Local Community Development** commitment. The leader heads a group of six experts from different Sodexo geographies.

This Local Community working group meets once a month to review progress made in implementing the plan, fine-tune strategy and pursue ongoing development of the plan. The objective is to **define a worldwide program and implement processes** to achieve the Group's commitment in all countries by 2015 at the latest.

• Good Practices

ALGERIA

ON-SITE SERVICE SOLUTIONS

Super Vegetable Gardens

The Super Vegetable Gardens project led by Sodexo, assisted by three partners, brings agricultural training to family farms in desert areas. Using innovative techniques, a small plot of 60 m² can produce enough vegetables for a family of 10 with just two hours of work a day, while reducing water consumption by 80%.

CANADA

ON-SITE SERVICE SOLUTIONS - REMOTE SITES

Aboriginal communities

Sodexo works with aboriginal communities to develop fair and harmonious relationships. Over 20 years ago Sodexo began working with aboriginal community members. That relationship has developed into 30 active partnerships with investments in training and development programs. In remote site projects, Sodexo's workforce is comprised of, on average, 63% aboriginal community members, with a proportion as high as 95% at some sites. For the fourth time, in July 2010, Sodexo received a gold medal for Progressive Aboriginal Relations (PAR) from the Canadian Council for Aboriginal Business.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Fair trade certified products

• Key figures

The share of fairly traded coffee increased by **47**%.

Source: Sodexo

• Our Progress

Our commitment: We will increase the purchase of products sourced from certified fair trade sources by 2015.

As part of the **Better Tomorrow Plan** implementation process, a working group of experts from different Sodexo geographies has been created. The objective is to define a worldwide program and implement processes to achieve the Group's commitment in all countries by 2015 at the latest.

In 2010 the **Group established a list of products that should be bought locally** when in season and products which can be obtained from certified fair trade sources.

• Good Practices

GROUP

ON-SITE SERVICE SOLUTIONS

The Aspretto offer

Aspretto is the offer designed by Sodexo for hot beverages. Tea and coffee are certified by major international groups for compliance with diversity, health, fair trade, environmental and social responsibility criteria. Aspretto is now offered at 496 client sites worldwide.

More information is available on: www.aspretto.sodexo.com

BELGIUM

ON-SITE SERVICE SOLUTIONS

Sodexo has referenced 150 fairly traded products certified by Oxfam, Java and Maas International, including coffee, tea, fruit juice, chocolate, wine and rice and since March 2010, Sodexo has only used organic and fair-trade bananas from Max Havelaar (annual volume: 200 metric tons) at its locations. In 2010, Sodexo organized a 100% organic and fair trade Banana Day at 600 locations.

SWEDEN

ON-SITE SERVICE SOLUTIONS

Certified Coffee - Rainforest Alliance & Krav (organic)

Since 2007 Sodexo has made agreements to offer consumers coffee certified by Rainforest Alliance and the Swedish organization Krav (Organic). Five euro cents for each kilo of coffee purchased is given back to the community.

In 2010, certified coffee represented 29% of total value and 26% of total volume of coffee sold.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Environment

Supply Chain Code of Conduct

- Key figures

93% of countries have a supplier code of conduct in their national language.

Source: Sodexo

- Our Progress

Our commitment: We will ensure compliance with a Global Sustainable Supply Chain Code of Conduct in the countries where we operate by 2015.

As part of the **Better Tomorrow Plan** implementation process, a working group has been created, composed of logistics experts from different geographical sectors.

This group carried out an initial assessment of Sodexo's current procurement policies and will **disseminate them within the Group**.

The objective is to have all Sodexo suppliers sign the **Group Supply Chain Code of Conduct**.

- Good Practices

UNITED KINGDOM

ON-SITE SERVICE SOLUTIONS

Supplier Corporate Citizenship survey

Sodexo sent a questionnaire on corporate citizenship to its main suppliers in Ireland and the UK. The questionnaire was drawn up in 2010 with the Business in the Community group (BITC) and is based on the commitments in the areas of diversity and inclusion, environment, health and nutrition as outlined in the Better Tomorrow Plan.

SLOVENIA

ON-SITE SERVICE SOLUTIONS

Assessment of suppliers

As of February 2010 Sodexo has adopted the practice of asking its internal auditors to assess the quality system of its main suppliers. After each evaluation an assessment report with suggestions for improvement is addressed to suppliers. Sodexo aims to carry out four such assessments per year.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Local and sustainable products

• Our Progress

Our commitment: We will source local, seasonal or sustainably grown or raised products in all the countries where we operate by 2015.

As part of the **Better Tomorrow Plan** implementation process, a working group of experts has been created in order to define a strategy on ways to **locally procure seasonal and sustainably grown or raised products**.

In addition, within the framework of their global partnership **Sodexo and WWF** are working together to identify priorities for joint work on sustainable agriculture.

• Good practices

UNITED KINGDOM

ON-SITE SERVICE SOLUTIONS

Red Tractor Certification

The Red Tractor label certifies that products are grown or raised in the UK in compliance with high food quality and safety standards and are fully traceable. All Sodexo's fresh meat, fruit, vegetable and dairy products from Britain are Red Tractor certified. Sodexo is the first company in its sector to obtain Red Tractor certification across multiple sites.

FRANCE

ON-SITE SERVICE SOLUTIONS

Local sourcing

As of June 2010 Sodexo France proposes seasonal products grown within 200 km of Paris to all of its client sites in and around the city. Starting with locally grown lettuces and radishes, the fruits and vegetables on offer follow the seasons and the list now includes strawberries, cherries, cucumbers, zucchini, onions, apples and pears.

NORTH AMERICA

ON-SITE SERVICE SOLUTIONS

Small farm suppliers

Sodexo developed a database of 600 farms to reinforce its local sourcing policy. It requires that its regional suppliers purchase locally grown produce and in some areas local purchases amount to 60% of total procurement for fruits and vegetables. To inform clients and consumers local growers are identified on maps that Sodexo has displayed at its sites.

Sustainable fish and seafood

• Key figures

17 % of countries have eliminated the purchase of all at risk seafood species.

Source: Sodexo

• Our Progress

Our commitment: We will source sustainable fish and seafood in all the countries where we operate by 2015.

As part of the Better Tomorrow Plan implementation process, a working group of experts has been created in order to define a **sustainable fishery strategy**.

In addition, within the framework of their global partnership **Sodexo and WWF** are working together on the Group's sustainable seafood sourcing policy and on priority species for joint action.

• Good Practice

GROUP

ON-SITE SERVICE SOLUTIONS

MSC Certification

Sodexo works with the Marine Stewardship Council (MSC) on sourcing in several countries, and in some cases for the certification of menus:

- In the **Netherlands** Sodexo was the first foodservice company to obtain the MSC ecolabel and certification, in April 2009.
- In the **UK** Sodexo is the leading contract caterer when it comes to MSC certified sites with 267 sites certified in 2009/10 and plans to roll this out further across the business.

Moreover, in accordance with the Better Tomorrow Plan commitment, many countries have already started to purchase fish and seafood from certified sustainable sources.

For example: In **Belgium** and **Canada**, 19% of the fish and seafood purchased comes from certified sustainable sources.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Sustainable equipment and supplies

• Key figures

79% of our spend on paper disposables was on sustainable paper disposables.

Source: Sodexo

• Our Progress

Our commitment: We will source and promote sustainable equipment and supplies in all the countries where we operate by 2020.

As part of the Better Tomorrow Plan implementation process, the Group has selected **disposable paper products, cleaning chemicals and office paper** as the priority focus for its work.

By the end of 2010 the Group will communicate recommended sustainable product lists to country teams.

• Good Practices

NETHERLANDS

ON-SITE SERVICE SOLUTIONS

Environmentally friendly cleaning products

Sodexo works with environmentally friendly chlorine-free and phosphate-free cleaning products. Working with its preferred supplier, Sodexo has introduced a controlled dosage system at all catering sites, leading to a 50% drop in the use of cleaning agents across the country.

NORTH AMERICA

ON-SITE SERVICE SOLUTIONS

Low-impact cleaning methods

Sodexo now uses environmentally friendly products for its dishwashers and for cleaning kitchen floors. Better results are obtained, while reducing packaging waste, phosphate use and water and energy consumption. Floors are cleaned without hot water or rinsing, saving the typical kitchen some 5,500 gallons of water per year.

PERU

ON-SITE SERVICE SOLUTIONS

Biodegradable cups

In 2009 Sodexo began substituting biodegradable cups for plastic cups at remote sites. Each month 235,000 plastic cups are replaced, for a total of 2.8 million cups replaced in 2009. This initiative has been implemented at 25 remote sites throughout the country. Sodexo also proposes biodegradable soaps.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Energy and Emissions

• Key figures

45% of sites have taken basic steps to reduce their consumption of energy.

Source: Sodexo

• Our Progress

Our commitment: We will reduce our carbon footprint across all the countries where we operate and at clients' sites by 2020.

In 2010 Sodexo established an **Energy and Greenhouse Gas Emissions** working group made up of Sodexo managers and experts from WWF. This committee is charged with the ambitious tasks of identifying existing best practices, developing new and better services, increasing managers' knowledge and furthering the company's understanding of the business risks related to climate change.

The committee analyzes key performance indicators and develops critical information to be communicated to stakeholders. Sodexo has partnered with WWF to provide technical support to this committee, helping the Group develop protocols for **measuring and reporting on greenhouse gas emissions** in its service business, identify risks in its supply chain, and fulfill its commitment.

• Good Practices

UNITED KINGDOM

ON-SITE SERVICE SOLUTIONS

Lower carbon emissions

In FY 2010, Sodexo engaged with the Carbon Trust and the UK Department of Energy and Climate Change to do more to take climate change into account in its business practices. Over the past three years the Tillery Valley unit which prepares meals for the Health Care and Education sectors has reduced carbon emissions by 19% per metric ton of product manufactured.

CHINA

ON-SITE SERVICE SOLUTIONS - EDUCATION

Providing technical training to reduce energy consumption

The International School of Beijing (ISB) welcomes 1,850 students from 54 countries. In order to help our client use gas more efficiently, Sodexo dispatches technical experts to enhance technical training for the front-line staff. Over one year we have saved 20% of total gas consumption and nearly 420,000 kWh of electricity, representing 7% of total consumption.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Water and Effluents

• Key figures

67% of sites have taken basic steps to reduce their water consumption.

Source: Sodexo

• Our Progress

Our commitment: We will reduce our water footprint in all the countries where we operate and at all clients' sites by 2020.

In 2010 Sodexo established a **Water and Effluents working group** composed of Sodexo managers. The Group has developed a comprehensive water strategy within the framework of the Better Tomorrow Plan. Using standard data and established calculation methodologies Sodexo has modeled its virtual water footprint.

This Virtual Global Footprint, validated by WWF, enables Sodexo to identify technical, regulatory, financial and strategic risks and opportunities. This partnership enables the Group to reduce risk, leverage opportunities and raise stakeholder awareness of this issue.

• Good Practices

FRANCE

ON-SITE SERVICE SOLUTIONS

The So.Eco program

With its So.Eco program Sodexo is processing waste, reducing effluent and discharges, and saving water and energy at its 3,000 sites. The program includes best practice guides, information posted on the intranet, distribution of So.Eco kits at each site to educate local teams. Water-saving equipment has been installed at restaurants.

INDIA

ON-SITE SERVICE SOLUTIONS

Promoting World Water Day

For World Water Day on March 22, 2010 Sodexo organized a campaign to raise the awareness of its employees in India. The goal was to reduce water consumption by 10%. The campaign deployed posters recalling Bollywood film advertising. Among other initiatives, water purifiers were demonstrated, and awards were given for the best employee suggestions for the month.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Organic Waste

• Key figures

40% of sites have taken basic steps to reduce their organic waste.

Source: Sodexo

• Our Progress

Our commitment: We will reduce organic waste in all the countries where we operate and at clients' sites by 2015. We will support initiatives to recover organic waste.

As part of the Better Tomorrow Plan implementation process, a **Materials and Waste working group** was created in May 2010 to help Sodexo fulfill its commitments, stay abreast of scientific developments and technology and share the company's waste-related initiatives with the public.

The members of the group represent the main geographic sectors in which the Group operates and are assigned the task of **supporting their local Better Tomorrow Plan champions**.

• Good Practices

CHINA

ON-SITE SERVICE SOLUTIONS

"Save a Grain" campaign

The Seagate restaurant located in Wuxi (Jiangsu region) managed by Sodexo has adopted a series of measures to avoid food wastage. Posters show the amount of food wasted on the previous day and encourage consumers to "save a grain". Portions are measured in fixed doses, and the least wasteful consumers are rewarded with gifts. Average food wastage by consumers has been reduced by 33%.

UNITED STATES

ON-SITE SERVICE SOLUTIONS – EDUCATION

Trayless dining systems

Cafeteria tray dining causes excess use of water, energy and chemicals. Sodexo helps campuses move to trayless service: 40% of Sodexo's campuses have adopted this practice and seen their food waste drop by 30% on average. Another waste reduction program is Green with Envy that proposes reusable take-out containers, with the potential to cut disposable waste by 80%.

WORLDWIDE

ON-SITE SERVICE SOLUTIONS

Biodiesel from used cooking oil

A major user of cooking oil in many countries, Sodexo implements programs to collect and recycle used cooking oil (UCO) by converting it to biodiesel fuel. Selected specialist companies in numerous countries convert several hundred metric tons of UCO for Sodexo each year. In the UK Sodexo vehicles use this fuel, which emits 78% less CO₂ than petroleum diesel.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

Non-Organic Waste

• Key figures

34% of sites have taken basic steps to reduce their non organic waste.

Source: Sodexo

• Our Progress

Our commitment: We will reduce non-organic waste in all the countries where we operate and at clients' sites by 2015.

We will support initiatives to recover non-organic waste.

As part of the Better Tomorrow Plan implementation process, a **Materials and Waste working** group was created in May 2010 to help Sodexo fulfill its commitments, stay abreast of scientific developments and technology and share the company's waste-related initiatives with the public.

The members of the group represent the main geographic sectors in which the Group operates and are assigned the task of supporting their **local Better Tomorrow Plan champions**.

• Good Practices

AUSTRALIA

ON-SITE SERVICE SOLUTIONS – REMOTE SITES

Efficient waste recovery

The Resource Recovery Program was started in 2007 to promote waste sorting and recycling. It is now deployed at more than 20 remote sites. As of the summer of 2010, over 750 metric tons of waste have been recycled, diverting 1,783 m³ from landfill. New equipment for processing glass and cardboard has been installed at one remote site. The money generated by recycling materials is donated to charity.

INTERNATIONAL

MOTIVATION SOLUTIONS

Recycling vouchers

Sodexo has implemented a recycling process for voucher production in 17 countries, where 95% of the two billion vouchers issued every year are now recycled. These Sodexo countries have set up partnerships with suppliers to handle recycling. They also choose "green" paper suppliers whenever possible, so as to further reduce the environmental impact of this activity.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

We engage

→ Employees

• Our Progress

We will **train and coach our employees** and engage them in **programs and citizenship** actions that contribute to a healthier and more sustainable lifestyle.

• E-learning

To help employees appropriate the **Better Tomorrow Plan**, in 2010 Sodexo launched an e-learning module for all managers. This 16-minute online course is available in seven languages: Chinese, English, French, German, Italian, Portuguese/Brazilian and Spanish.

• “Today I will...” posters

Simple ideas can improve sustainable practices on a daily basis at many sites. In this spirit, and to help deploy the **Better Tomorrow Plan**, Sodexo launched a **poster campaign** based on the theme slogan “Today, I will...” A series of 45 posters was designed to illustrate the plan’s priorities and commitments in three languages, in order to engage employees more forcefully and encourage them to change their habits.

• Good Practice

NORTH AMERICA

ON-SITE SERVICE SOLUTIONS

Sustainability Education & Expert Development (SEED program)

The SEED program was launched in 2008 to improve the environmental performance of both Sodexo and its clients. A pilot group of 175 site managers identified and shared sustainable practices. In FY10 this SEED community participated in three regional seminars and numerous webinars, handled over 30 client sustainability requests and provided over 1,900 hours of training.

→ Clients

• Our Progress

We will support our **clients’ sustainability strategy** and contribute to strengthening and enhancing their reputation.

In FY 2010 Sodexo promoted the **Better Tomorrow Plan** to its largest international clients. The Group has initiated a process to discuss implementation of the Better Tomorrow Plan at the sites of these clients.

• Good Practice

FRANCE

ON-SITE SERVICE SOLUTIONS

Organic sourcing

Schools in Brest have purchased organic produce since 2009. With 900,000 meals served annually, local growers have been encouraged to convert to organic production during the next 3 years and Sodexo has made a commitment to help them maintain their revenues. At the end of the 3 years, it is projected that 25% of the produce served in Brest schools will have been organically grown.

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.

→ Consumers

• Our Progress

We will help consumers to adopt more **healthy and sustainable practices**.

Sodexo aims to help its consumers change their behavior in terms of sustainable practices.

A progressive three-stage program has been devised to **educate, raise awareness and involve consumers** in concrete action.

Under the **Better Tomorrow Plan** in 2010 Sodexo has taken steps to encourage consumers to develop educational programs with the threefold aim of:

- **making** information available,
- **organizing** and managing activities and/or courses,
- **enriching** existing offerings and devising new ones.

• Good Practice

MEXICO

MOTIVATION SOLUTIONS

The “Vivir Bien” program

The “Vivir Bien” program to combat excess weight was launched in Mexico in 2009, after successful implementation in other Latin American countries.

An Internet portal provides meal voucher users and affiliated restaurants with information on nutrition, health and wellness.

The program offers online training, diagnostic tools and forums, with the aim of reaching 10 million people.

→ Suppliers

• Our Progress

We will engage our suppliers to **improve sustainability in our supply chain** and involve them in delivering our commitments.

In FY 2010 Sodexo raised awareness of the **Better Tomorrow Plan** among its suppliers, informing them of the launching of the plan and involving them in the **STOP Hunger initiative**. In addition Sodexo has put into place regular feedback loops for suppliers and held forums to facilitate contact and exchange.

• Good Practice

UNITED KINGDOM

ON-SITE SERVICE SOLUTIONS

Suppliers Packaging Forum

Sodexo has created a forum to develop new thinking and practices to reduce the amount of packaging of thousands of products. To date, 19 packaging reduction proposals have emerged from the forum, which is open to 60 suppliers, specialists and government officials. For example, a redesigned package for an existing Unilever product uses 9% less plastic and 11% less paper per item.

→ Institutions

• Our Progress

We will regularly consult external stakeholders on **strategy and innovations**.

Pursuing its national and international agreements with external stakeholders, **Sodexo signed an agreement with the World Wildlife Fund (WWF)** in March 2010. The partners will work together globally on environmental and supply chain issues.

The first initiatives focus on seafood products, agricultural commodities, water and energy and will promote sustainable supply chain practices. The three-year agreement will address these and other key areas of the value chain across the globe.

• Good Practice

WORLDWIDE

Dialoguing with institutions to promote healthy living

Sodexo maintains a transparent and permanent dialogue worldwide with external stakeholders to promote healthy living.

- Globally, Sodexo is involved in World Health Organization (WHO) strategy on diet, physical activity and health, as well as in International Labour Organization (ILO) working groups.
- In the EU Sodexo is involved in the European Federation of Contract Catering Organisations (FERCO) Platform for action on diet, physical activity and health.
- Sodexo partners with the European Network for Workplace Health Promotion (ENWHP).

For further information, use the Download option to obtain the Corporate Citizenship Progress Review.