



FY08

*Sustainability
report*
Corporate Citizenship in action



sodexo
Making every day a better day

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About this report

We are publishing our Corporate Citizenship report for the 4th year running since 2005. In this report, we seek to provide stakeholders with an insight into how we are addressing our corporate responsibility challenges.

This report relates to Sodexo's operations all over the world and covers the period from September 1, 2007 to August 31, 2008. All references to "Sodexo" or "we" relate to the Sodexo Group.



United Nations Global Compact Principles

Human Rights

Principle 1	Support and respect protection of internationally proclaimed human rights	CC: 47-48
Principle 2	Make sure business is not complicit in human rights abuses	CC: 41-48

Labour Standards

Principle 3	Uphold freedom of association and right to collective bargaining	CC:49
Principle 4	Support elimination of all forms of forced and compulsory labor	CC:49
Principle 5	Support effective abolition of child labor	CC:49
Principle 6	Eliminate discrimination in employment and occupation	CC: 49-51

Environment

Principle 7	Support a precautionary approach to environmental challenges	CC: 36-48
Principle 8	Undertake initiatives to promote greater environmental responsibility	CC: 36-48
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	CC: 36-48

Anti-corruption

Principle 10	Work against all forms of corruption, including extortion and bribery	CC: 45-46
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This contents table gives priority to the Corporate Citizenship Report, therefore where other documents refer to the same activities, they are not cross-referenced.

SODEXO IN BRIEF

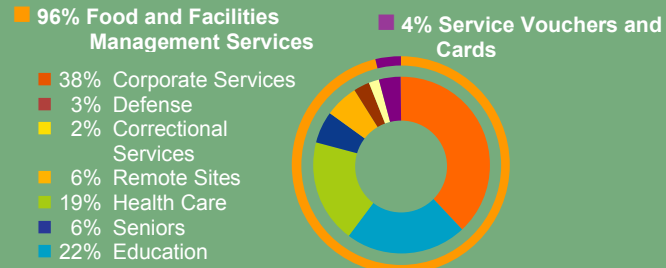
as of August 31, 2008

13,611 billion euro in revenues
355,000 employees
30,600 sites operating in
80 countries

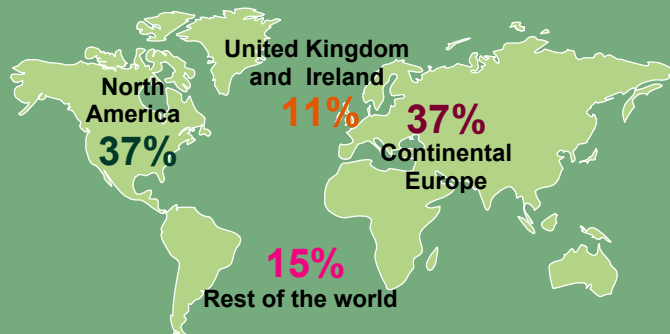
Fortune Global 500, 2008:

#22 Largest European-based employer in the world
#6 Largest European-based employer in Europe
#2 Largest French-based employer in the world

Revenues by activity



by region



PROFILE

Two activities in the service of Quality of Life

Food and Facilities Management Services

Listening to our clients and customers, we adapt our offerings to their expectations in all segments: corporate services, defense, correctional services, health care, seniors, education and remote sites.

96% of Group revenues

13,027 million euro
in consolidated revenues

19,567 million US dollars
in consolidated revenues

No.1 worldwide
Health Care
Seniors
Education

No.2 worldwide
Corporate Services
Remote Sites

Today, Facilities Management Services account for 21.6% of Group consolidated revenues.

Service Vouchers and Cards

Proposing innovative solutions, we create a more pleasant life in the workplace and in society.

4% of Group revenues

10.4 billion euro in issue volume

596 million euro in consolidated revenues

895 million US dollars in consolidated revenues

370,000 clients
(not including individuals)

25.6 million beneficiaries

1 million affiliated partners

No. 2 worldwide

Read more on:

→ http://www.sodexo.com/group_en

→ FY08 Group activity report

→ FY08 Reference document (containing all financial and legal information)

AMBITION 2015

Sodexo's Ambition for 2015

Become the premier global outsourcing expert in services that improve the Quality of Life

To achieve this objective, we have a clear-cut strategy:

- **Reinforce our leadership position** in Foodservices.
- **Accelerate our development** in Facilities Management Services.
- **Become the global leader** in Service Vouchers and Cards.



Our **Ambition 2015** roadmap includes six core strategic goals:

Accelerate profitable organic growth

Improve operating profits, margins & cash

Ensure compliance

Make Sodexo's brand the reference in Quality of Life services

Live our values

Create a competitive advantage through our people

Our core strategic goal "Living our values" includes one strategic initiative.

→ **Act as a Corporate Citizen**

CORPORATE CITIZENSHIP at Sodexo is:

"Ensuring a better quality of life for everyone now and for generations to come"



Statement by Michel Landel, CEO

"Corporate Citizenship in action"

Sodexo's evolution has been rooted in a strong philosophy and respect for human and ethical values, which form the basis of our commitment to Corporate Citizenship.

Our 355,000 employees bring their expertise and cultural diversity to work toward our common vision: **«to become the premier global expert in services of the Quality of Life services»** by 2015.

Corporate Citizenship is in action at Sodexo. Our track record is good but there will always be major challenges. In 2007, we identified the material issues that represent Sodexo's Corporate Citizenship challenges. In this FY08 report, I am pleased to share our three main strategic priorities in support of our Ambition 2015 vision and our mission to improve the Quality of Life:

1. Nutrition, health and wellness

Serving 40 million customers per day, Sodexo is committed to educating people about healthy eating and the long-lasting, beneficial effects of healthy eating. We continue to combat obesity and to guarantee the quality of our products. In addition, we strive to develop long-term and ethical relationships based on respect for people and the environment throughout the supply chain.

2. Local communities

Sodexo operates at 30,600 sites in 80 countries and is involved in local communities, where we have an important role to play by contributing to the economic and social development of our host countries. Persistent high levels of malnutrition and hunger in the world are a particular target of our efforts to improve Quality of Life around the world. Our STOP Hunger program, implemented today in 24 countries, has been deployed in partnership with 223 non-governmental organizations and community-based groups.

3. Environment preservation

Sodexo has always been attentive to the environmental concerns of our clients and customers. 92% of our subsidiaries have implemented on-site environmental programs. To address the most pressing environmental issues of today, such as climate change, we are focusing on pollution and emissions, energy and water conservation, resource use and environmental management.

We were delighted in 2008 to maintain our position in the DJSI World and STOXX index for the 4th year running as sector leader in the Hotel, Restaurants, Bars & Recreational Services category. Sodexo has been selected for inclusion in the FTSE4Good Index since it was created in 2001.

In addition to the number of awards that Sodexo receives, this external distinction recognizes the constancy of our Corporate Citizenship efforts. We are very proud of these achievements.

I personally encourage all our employees to contribute to a better Quality of Life through our Corporate Citizenship initiatives and in their own daily actions. I am confident that, working together, we will continue to make **"every day a better day"**.

Michel Landel
Chief Executive Officer, Sodexo
President, Executive Committee
President, Sodexo STOP Hunger Association

External recognition

Awards

The external recognition of our commitments and initiatives in favor of sustainability has resulted in a number of awards in various fields throughout the world:

- Corporate responsibility
- STOP Hunger program
- Local communities
- Diversity
- Environment
- Employer of choice
- Health and safety
- Service quality
- Leadership
- Financial transparency

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- 2008 DJSI REX Benchmark
- Summary of awards presented to Sodexo

Sustainability benchmarks

The following Fiscal 2008 external distinctions recognize the long-term strength of Sodexo's Corporate Citizenship efforts:

- Included in the “Sustainability Yearbook 2009” from the Sustainable Asset Management's (SAM) Group and received two Sustainability Distinctions:



- Selected for inclusion in both the Dow Jones Sustainability World Index and the Dow Jones STOXX Sustainability Index (DJSI).

- Named **DJSI World sector leader** in the Hotels, Restaurants, Bars & Recreational Services category for the 4th year running.



- Selected for inclusion in the **FTSE4Good** Index as we have since it was created in 2001.
- Included in the **ASPI Eurozone index** (VIGEO) since 2004.
- Included in the **ECPI Ethical Index Euro** in 2008.
- Selected in the **Business in the Community (BITC) Corporate Responsibility Index** in 2007 among the Top 100 Companies that Count for the third running year and achieved Top 100 Silver status.



ACT AS A CORPORATE CITIZEN

The world of today and tomorrow

ECONOMY

- By 2020, nine of the fifteen largest economies in the world should be emerging countries. They would account for more than half of the world's GDP.
- Around one quarter of the world's population is living on less than \$1 a day. The top 500 corporations now control 70 percent of the world's trade.
- The present-day world, composed of more than 200 countries, should become more and more closely knit and more deeply interdependent.
- The nature of the international monetary system has changed significantly. With the further advance of globalization, volatility in financial markets should continue.

SOCIETY

- The world's population should reach 9 billion by 2050.
- Roughly a billion people suffer from hunger and malnutrition while more than 1.1 billion people are obese.
- By 2015, 26 cities in today's developing countries should have populations of 10 million or more with a great proportion of urban poor.
- Much public concern over food insecurity.
- Workers should want a greater ability to care for their families. Employers should want greater flexibility to compete in the global market.

- In Africa, AIDS is a growing problem: The disease threatens to lower productivity, should decrease overall demand for goods and services and spawn a new wave of child laborers and orphans.
- An increasingly interconnected world should generate human rights problems of a global dimension.

ENVIRONMENT

- Civil society has become more adept and influential in increasing public awareness on important ecosystems.
- On average 8.7 million acres of arable land needs to be added each year to the agricultural area of developing countries.
- Developed and developing countries are making unsustainable demands on the supply of scarce fossil fuels.
- The global water situation should get considerably worse over the next 30 years without major improvements in the way water is allocated and used.
- Economic growth should pose a fundamental challenge to the environment's capacity to provide sufficient resources and absorb wastes without serious degradation.

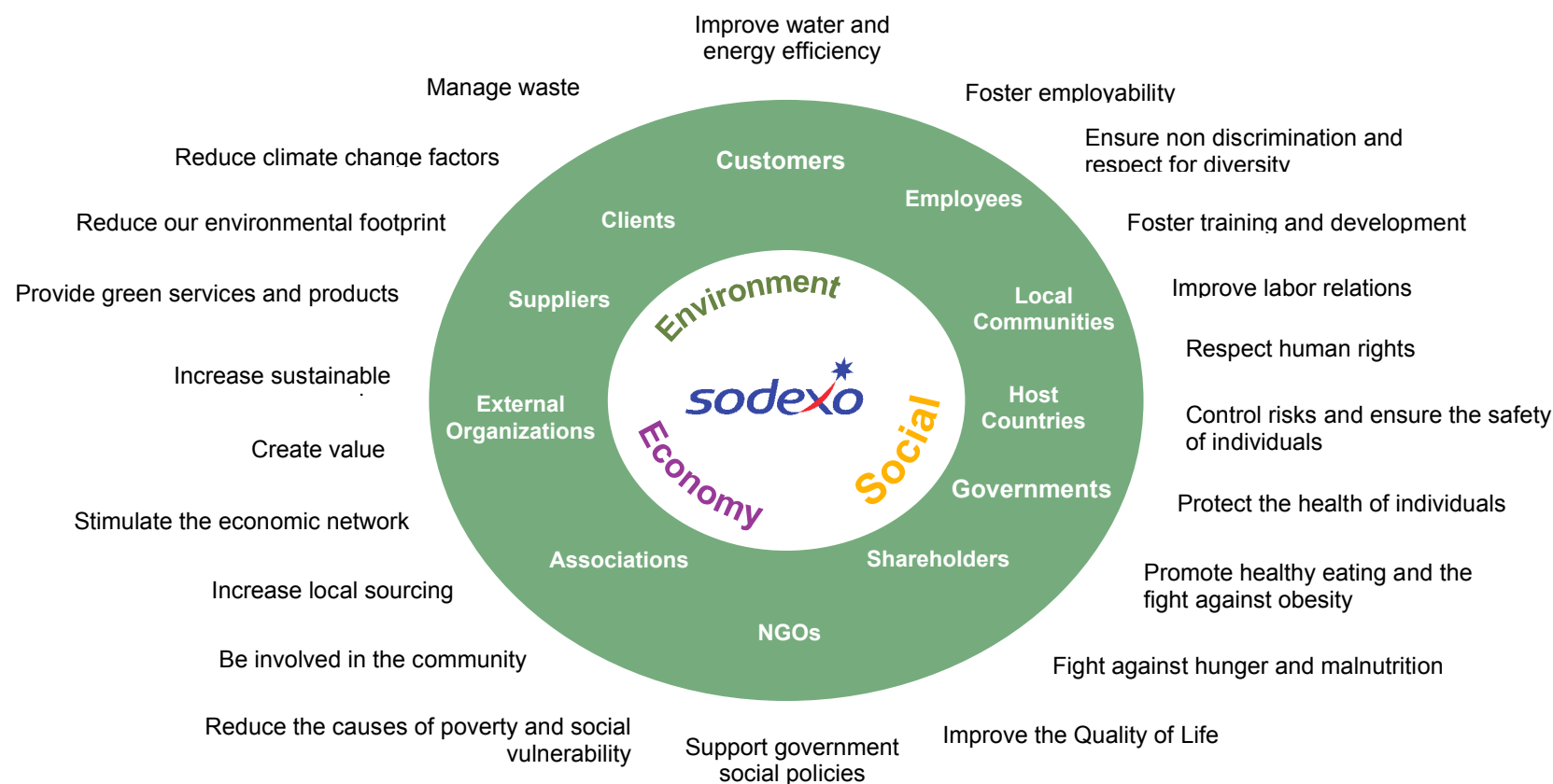
Read more on:

- WORLD GLOBAL TRENDS at <http://t21.ca/>
- WORLD METERS at www.worldmeters.info

Sodexo's challenges today

We form a hub at the center of our stakeholders and serve society to translate Corporate Citizenship challenges into initiatives that improve the Quality of Life.

A global company such as Sodexo is in a strong position to provide a pragmatic response to Corporate Citizenship challenges and to make a significant contribution as a Corporate Citizen.



Implementation and progress report

“ Our initiatives form a coherent, improvement-driven approach tailored to the specific cultural, economic, environmental and social characteristics of our host countries. We are moving forward, affirming our values within the Group and in our relationships with stakeholders. ”

Damien Verdier

Group Executive Vice President and Chief Marketing officer in charge of Supply Chain & Sustainable Development
Member of the Group Executive Committee

Determined to move forward

We have developed a structured approach to fulfill our Sustainable Development commitments:

1966

Since Sodexo's creation, the company has acted as a Corporate Citizen. Ethical values are, and always have been, a part of the company's philosophy and they guide the actions of the company and its employees.

For further information, please refer to the last section of this report which is headed "Ethical Behaviour in the Workplace".

2003

Respecting the principles of the United Nations Global Compact

Sodexo joined the Global Compact, a commitment to respecting the ten principles and recognizing responsibility for human rights, compliance with labor and environmental standards and non-tolerance of corruption.

Sodexo is committed to the 10 principles defined by the Global Compact.

Formalizing our ethical principles and sustainable development contract

The Group issued a formal sustainable development strategy named "Ethical Principles and Sustainable Development contract", backed by a commitment to achieve specific objectives and commitments set for each of our stakeholder groups. Sodexo's senior management signed the Ethical Principles and Sustainable Development Contract and is committed to communicating and promoting respect for the ethical principles and our sustainable development values among our 355,000 employees.

2005

An action plan to support our initiatives, to capitalize on existing momentum and to make progress by pursuing several objectives:

- Develop a Corporate Citizenship network within the Group
- Establish common strategy and monitoring tools
- Strengthen our communication both internally and externally.

Translated into action by:

- Publishing a Corporate Citizenship Report every year since 2005. This fourth report presents an overview of our engagements, policies, programs and initiatives developed within the Group and our performance.
- Deploying Citizen, a Corporate Citizenship monitoring tool, which aims to:
 - Facilitate the reporting of Corporate Citizenship initiatives
 - Share best practices and develop an internal benchmark
 - Respond to the expectations of external audiences.

To date, 855 initiatives have been recorded on Citizen by 539 users from 55 countries representing more than 97% of Group revenues. During FY08, 200 new local initiatives were recorded.

- Working in a coordinated and determined manner on the operational front. Sodexo leverages synergies to develop expertise in Corporate Citizenship, as well as promoting the exchange of information and best practices between the coordinators responsible for leading the different country and activity networks. As a result, we have been able to expand our most successful initiatives across all areas and activities. To date, 40 coordinators in 55 countries are actively participating in networks.
- Engaging in open dialogue with institutions. Our commitment is demonstrated in our partnerships with entities such as the FAO, the United Nations Organization for Agriculture and Food.
- Incorporating Corporate Citizenship goals in our Strategy Map. In order "to become the premier global outsourcing expert in Quality of Life services," we have launched our strategic plan, Ambition 2015, in 2005. The Group Executive Committee has developed a Strategic Map describing six core strategic goals. These included the goal of « living our values ». Several objectives, including "Act as a Corporate Citizen," are necessary to accomplish this strategic goal. A Steering Committee consisting of five Group Executive Committee members meets three times in one year to guide the Group's Corporate Citizenship strategy.

2007

- Identifying and prioritizing relevant sustainability issues for Sodexo. Sodexo decided to conduct a materiality assessment to identify Sodexo's significant issues that have a material impact on economic and financial performance, in the context of current and future market opportunities. Sodexo's challenge is to review and revise its global Corporate Citizenship strategy to ensure that the most material issues are addressed. With input from Business for Social Responsibility (BSR), the strategy was revised in order to help achieve the goals set forth in our strategic plan, Ambition 2015.

2008

- The Group Executive Committee has prioritized the most important sustainability issues for Sodexo. The following three strategic priorities were selected to be managed by Sodexo at the global level as part of Ambition 2015:
 - Nutrition, health and wellness - healthy eating, fight against obesity, sustainable sourcing.
 - Local communities - contribution to the local economic and social development of host countries and fight against hunger.
 - Environment - climate change, water and energy efficiency, waste reduction and recycling, green services.
- The Group Executive Committee has renewed an action plan:
- Creation of an enlarged Corporate Citizenship Strategy Committee to replace the previous Steering Committee.
- First meeting of this Corporate Citizenship Strategy Committee in October 2008.

2009 (targets)

- Implementing a new roadmap which aims to refine the strategy, action plan, main KPIs and targets for the three strategic priorities.



Read more on:

→ http://www.sodexo.com/group_en/corporate-citizenship

Corporate Citizenship organizational structure

As of August 31, 2008

To implement our mission to improve Quality of Life of our stakeholders and future generations, Sodexo has developed a corporate structure, management tools and a local network present in 80 countries.

* Responsibility for the strategic initiative « Act as a Corporate Citizen » was given to Damien Verdier by Michel Landel on June 1, 2008.

Board of directors – 14 directors

Pierre Bellon
Chairman and Founder of Sodexo
Robert Baconnier
Rémi Baudin
Patricia Bellinger

Astrid Bellon
Bernard Bellon
François-Xavier Bellon
Sophie Clamens
Paul Jeanbart

Charles Milhaud
François Périgot
Nathalie Szabo
Peter Thompson
H. J. Mark Tompkins

Sodexo Group's Executive Committee – 9 members

Michel Landel
Chief Executive Officer, Sodexo
President, Executive Committee
President, Sodexo STOP Hunger Association
Elisabeth CARPENTIER
Group Executive Vice President and Chief
Human Resources in charge of Internal
Communication
George CHAVEL
Group Chief Operating Officer
Chief Executive Officer, North America, Food
and Facilities Management services

Roberto CIRILLO
Group Executive Vice President and Chief
Strategy officer in charge of Innovation,
Branding and Communications
Pierre HENRY
Group Chief Operating Officer
Chief Executive Officer, Service Vouchers
and Cards, and
South America, Food and Facilities
Management services
Siân HERBERT-JONES
Group Chief Financial Officer

Philip JANSEN
Group Chief Operating Officer
Chief Executive Officer Europe, Food and
Facilities Management services
Nicolas JAPY
Group Chief Operating Officer
Chief Executive Officer, Remote Sites, and
Asia/Australia, Food and Facilities
Management services
Damien Verdier
Group Executive Vice President and Chief
Marketing officer in charge of Supply Chain &
Sustainable Development

Sustainable Development Strategic Committee – 13 members

Chaired by **Damien Verdier***

Sustainable Development Department – 2 managers

Dolores Larroque
Worldwide Coordinator for Corporate
Citizenship

Lesley Sander
Sustainability performance and metrics
Director

Local network of coordinators for Corporate Citizenship – 40 people

Performance

Sodexo's Corporate Citizenship performance in action

“ Since Sodexo's creation in 1966, the company has acted as a Corporate Citizen. Ethical values are, and have always been, a part of the company's culture. Over the last few years, we have developed indicators to monitor the performance of these Corporate Citizenship values and to take appropriate corrective measures where necessary. Our progress has been extremely encouraging. As the Group moves to integrate sustainable development still further into the core of its activities, the ability to measure the impact of our actions will become even more important. During fiscal year 2009, we will therefore work to review our indicators and to align them with our ambitions. ”

Roberto CIRILLO

Group Executive Vice President and Chief Strategy officer in charge of Innovation, Branding and Communications
Member of the Group Executive Committee

PERFORMANCE	Basis for consoli- dation	2006	2007	2008
BENCHMARKS				
DOW JONES SUSTAINABILITY INDEX (listed since 2005)		Worldwide supersector leader	Worldwide supersector leader	Sector Leader
• World				
• STOXX				
FTSE4Good (since 2001)		Member	Member	Member
ASPI Eurozone (VIGEO)		Member	Member	Member
SAM Group				Gold Class Sector Leader Sector Mover
Fortune Global 500				
• Largest European-based employer in the world		26 ^e	22 ^e	22^e
• Largest European-based employer in Europe		7 ^e	6 ^e	6^e
• Largest French-based employer in the world		2 ^e	2 ^e	2^e
IAOP				
TOP 100 global outsourcing companies		2 ^e	5 ^e	4^e
SOCIAL INDICATORS				
Internal promotion				
Promotions compared to the total number of job vacancies				
• Site manager positions filled through internal promotions	World	17%	19.8%	21.9 %
• Managerial positions filled through promotion of site managers or equivalent		36%	22.8%	26.6 %

PERFORMANCE	Basis	2006	2007	2008
Training				
• Number of people taking part in training programs	World	197,800	215,074	243,062
• % of people trained (number of people trained / average number of employees)		60 %	63.4%	69.5%
Diversity				
Employees surveyed who responded that at Sodexo, employee diversity (age, gender, national origin, etc.) is valued for the differences these dimensions bring to the workplace	World			
• Food and Facilities Management Services	50 countries (97% of employees)	79%		79%
• Service Vouchers and Cards		82%		81%
Employee engagement				
Group Employee Engagement Survey		50%		48% 50 countries
Employee retention				
• All employees	World	65.1%	64.2%	61.5%
• Site managers	World	87.4%	87.2%	84.3%
NUTRITION, HEALTH and WELLNESS INDICATORS				
Nutritional education				
Subsidiaries developing programs for clients, customers and employees with information and training on healthy eating habits			99%	98% (basis 85% Of Group revenues)
Customers' expectations				
PERSONIX: penetration rate for the current fleet (number of sites audited with Personix // number of sites per country)		20 countries 13.4%	25 countries 16.1%	31 countries 13.9%
Food safety				
• Safety and health audits conducted by an outside body (NFS international)	North America	3,154 2,732	3,166 2,755	3,175 2,910
• Food safety audits conducted by an outside body (NFS international)				

PERFORMANCE	Basis	2006	2007	2008
Purchases from approved suppliers				
On the basis of vendor compliance (purchases from approved suppliers/ purchases from approved suppliers + purchases from competitor suppliers)	United States	97%	95.5%	97%
Ethics				
Subsidiaries which have implemented a supplier code of conduct			66% (basis: 74% of Group revenues)	90% (basis: 80% of Group revenues)
LOCAL COMMUNITIES INDICATORS				
Local recruitment	World	97%	97%	97%
Fight against hunger and malnutrition				
• Countries developing initiatives		19	22	24
• STOP Hunger initiatives		125	229	298
• Partnerships with NGOs and associations		92	153	223
• Financial donations			€ 2,686,362	€ 2,708,000
• Meals donated			721,044	725,000
ENVIRONMENT				
Environmental protection				
• Subsidiaries that have implemented an environmental program	World		95% (basis: 87% of Group revenues)	92% (basis: 97% of Group revenues)
• Number of countries certified ISO 14001 at sites		9	12	16
Read more on:				
→ http://www.sodexo.com/group_en/corporate-citizenship				
→ 2007 Human Resources Report				
→ FY08 Annual Report				

NUTRITION, HEALTH and WELLNESS

40 million customers served every day

We expect to serve **100 million customers** in 2015

As one of the leading Food Services' management companies and serving 40 million customers per day, Sodexo is committed to educating people about healthy eating and the long-lasting, beneficial effects of sound nutrition and a balanced diet. The local character of Sodexo's initiatives enables the Group to make a beneficial contribution each year to the Quality of Life of the communities we serve.

The different population segments we serve have different needs, depending upon whether they are composed of young children, adolescents or students, people at work, seniors, patients in hospitals or people with disabilities.

We regularly implement initiatives aimed at:

- Reducing food safety risks
- Promoting healthy eating
- Improving supply chain transparency
- Increasing sustainable sourcing



Reducing food safety risks

“

Based on the fundamentals of food and ingredients availability, our commitment to have food service contributing to making every day a better day for our consumers involves four areas of responsibilities :

- Proactive quality methods in sourcing.
- High nutritional standards in product selection and menu design.
- Hygiene and safety at all production and service stages.
- Transparent and educational information and communication to our consumers to help them in their choices and behaviors.

”

Laurent Cousin

Group Senior Vice-President Marketing
Offer - Research & Development, Food
and Facilities Management Services
Member of the Group International
Committee

STRATEGY

With respect to food safety risks, anticipating unpredictable situations is necessary to react rapidly and effectively when crises occur. Risk prevention starts with ensuring the highest quality and traceability for our suppliers' products. We strive to implement complete transparency, and have introduced rigorous hygiene standards and food safety programs in all countries where we operate or obtain supplies.

A preventive policy

All of our operations use HACCP (Hazard Analysis and Critical Control Points), a method acknowledged worldwide as reliable for ensuring the supply of healthy food products from delivery through to the customer's plate.

Our QHSE (Quality Hygiene Safety Environment) policy defines in every country minimum food safety standards that are often guided by the HACCP standard or are part of an ISO 9001 management system.

We are improving our efforts in risk prevention, which depends on ensuring that our suppliers' products are of the highest quality and have the best available level of traceability.

A responsive policy

All countries have a health-warning unit, ready to block any suspect product in the event of a food safety alert and to provide immediate information to clients and, when appropriate, to customers.

France

Whenever a product represents a threat to consumer health, the information is immediately sent by SMS to our managers' mobile phones and posted on our intranet website, and no further use of their intranet connection is allowed as long as the message is unread and unacknowledged.

A progressive policy

United States

Sodexo maintains an effective working relationship with all appropriate regulatory agencies, public health associations and industry to impact important decisions and maintain current knowledge of laws and regulations. Websites maintained by the Food and Drug Administration (FDA) and the Centers for Disease Control and Prevention (CDC) are accessed regularly for pertinent information.

PERFORMANCE

United Kingdom

The 'Safe and Sound' campaign encourages employees to share ideas on improving health and safety in the workplace through posters and postcards that employees complete with practical health and safety ideas. A quarterly 'Safe and Sound' newsletter highlights employees' health and safety achievements.

Food safety audits

Our food risk management is assessed every year in the countries in which we operate:

FY 08 data for the United States and Canada:

3,175 safety and health audits

(3,166 in FY07 and 3,154 in FY 06)

2,910 food safety audits

(2,755 in FY 07 and 2,732 in FY 06)

All audits were conducted by NSF International, a third-party group.



2009 (targets)

We target to maintain food safety at 100% of our sites by strengthening our policies and securing food supply:

- Develop and implement safety programs in partnership with our suppliers.
- Train our employees to implement low risk daily practices.
- Define key indicators at the national and Group level to monitor our food safety initiatives.

Award

2008 – Singapore

A Safety Award was presented by the Ministry of Labor to acknowledge our efforts and those of our client, Foster Wheeler, for 2 million hours of work without a single accident.

Read more on:

→ http://www.sodexo.com/group_en/corporate-citizenship

→ HACCP (Hazard Analysis and Critical Control Points) protocol?

→ Our QHSE (Quality Hygiene Safety Environment) policy?

Promoting healthy eating

“

We are proud to play an educational role in promoting nutrition and a balanced diet. In all our host countries, we inform our customers about the benefits of a healthy, well-balanced life. We want all our clients and consumers to benefit from our healthy eating initiatives.

”

George CHAVEL

Group Chief Operating Officer
Chief Executive Officer, North America, Food and
Facilities Management Services
Member of the Group Executive Committee

STRATEGY

Food and eating are powerful expressions of cultural and social identity.

The different population segments of the countries in which we are present have different needs, depending upon whether they are composed of young children, teenagers or students, people at work, seniors, patients in hospitals or people with disabilities. Tastes and behavior evolve as well. We have to understand these changes to constantly **adapt our food selections** and remain ahead of our customers' expectations.

In our host countries, we play an educational role, informing our customers and employees about the need for a balanced diet and the benefits of healthy lifestyles. We regularly implement initiatives in schools, universities, companies and hospitals, and at all our other types of sites, to promote awareness of these issues for our clients and customers.

Our 355,000 employees form a very large community whom we encourage to develop balanced eating habits and healthy lifestyles, making information available in our offices and restaurants.

Since we are in daily contact with young people and adults at our clients' sites, we also have a role to play in the fight against obesity and to proactively address the strong need for wellness programs and services.



PERFORMANCE

Continental Europe

Thirteen major action areas have been identified as contributing to the fight against obesity. They have been divided into three categories: improving eating habits, improving customer knowledge about food and encouraging physical exercise. Sodexo is committed to ensuring that every customer at each site benefits from at least three of the thirteen actions every day. 2,350,000 consumers benefit from our commitment to offer vegetables every day through 36 different programs.

In addition to many national initiatives and contributions, Sodexo has been a major contributor to the first European Parliamentary Symposium on Diet and Health, organized on October 2007 at the European Parliament in Brussels. At the same level, Sodexo also actively participated to the "Entretiens Européens" organized on June 2008 at the European Parliament "So that eating rhymes with public health".

2008

The Sodexo PERSONIX™ methodology

PERSONIX™ is designed to analyze customers' expectations at their workplace and offer catering solutions best-suited to their needs. In FY 08, 31 countries (FY 07= 25) had already adopted the methodology: 20 in Europe, 4 in Asia (China, Malaysia, Singapore and Thailand), 5 in South America (Brazil, Argentina, Peru, Colombia and Chile), and in the United States and Canada.



2009 (targets)

We want our clients and customers to benefit from our healthy eating initiatives. Our action plan is to:

- Pursue the development of awareness programs for frontline managers.
- Implement training and education actions for employees.
- Develop and promote international guidelines based on a balanced diet.
- Work closely with our vendor partners to ensure that we are proactively supplying our clients with healthful products.
- Track key indicators at the Group level.

98% of our subsidiaries develop programs for clients, customers and employees with information and training on healthy eating habits (basis for consolidation: 85% of Group revenues).

Europe

As part of our continued effort to improve the nutritional value of the products we use, we have worked with the European subsidiaries of one of our major global suppliers to improve the nutritional value of our soups, sauces and bouillons. This has resulted in a reduction in the salt and fat content of the sauce bases that we use.

For example, in France, the salt content of the veal sauce base was halved and the fat content of the fish sauce base was reduced by 60%.

Read more on:

→ http://www.sodexo.com/group_en/corporate-citizenship

Improving supply chain transparency

“

We aim to improve supply chain transparency at category level by working more closely with manufacturers and producers. With these partners, we develop and promote an offer based on healthy products.

”

Damien Verdier

Group Executive Vice President and Chief Marketing officer in charge of Supply Chain & Sustainable Development
Member of the Group Executive Committee



STRATEGY

Clients and customers are increasingly sensitive to the origin and quality of the food they consume. This requires very close cooperation with our suppliers in order to systematically comply with Food Safety and Hygiene standards and regulations.

As we feed 40 million people daily throughout the world, we have significant influence on the procurement chain in the food and agriculture industries.

We carefully select our suppliers in each country through a multi-criteria assessment approach that includes quality, traceability, safety, hygiene, economic, social and environmental factors.

We have developed programs to:

- **Focus on the supply chain**
We conduct rigorous annual audits and inspections, and ensure that we comply with transparency rules governing the supply of all our products including perishable products.
- **Build long-term partnerships**
In North America and Europe, our procurement policy has the overwhelming support of our suppliers, as our control approach enables them to improve their day-to-day performance.

PERFORMANCE

We are continuing our formal activities to assess and monitor suppliers.

France

Since 1995, our purchasing department has obtained ISO 9002 certification and in 2001, it obtained ISO 9001:2000 certification, covering the assessment, approval and monitoring of suppliers, products and services in the field of catering and communication of procurement data.

United Kingdom

All our suppliers, including manufacturers, distributors and processors, are assessed. Failure to meet the required standard results in the supplier being de-listed from Sodexo's approved vendors. We also have a robust recall process, which can immediately remove any product that has caused concern from the supply chain.

United States

Between 2000 and 2008, purchases from suppliers approved on the basis of vendor compliance* increased from 91.4% to 97.0%.

In FY 08, 383 suppliers (FY07: 275) were audited in the United States and 43 (FY07: 37) in Canada. In terms of sites, 1158 supplier sites were audited in the United States and 103 supplier sites in Canada.

Due to our decentralized presence at over 30,600 sites, we are not able to consolidate supply chain data globally, although each country rigorously monitors its supplier relationships.

*Vendor compliance = purchases from approved suppliers / (purchases from approved suppliers + purchases from competitor suppliers).

Award

2008 – United States

Sodexo received the Supplier of the Year Award in the United States from the VHA Inc, a nationwide network of community-owned health care systems and their physicians.

Read more on:

→ http://www.sodexo.com/group_en/corporate-citizenship



Increasing sustainable sourcing

STRATEGY

In our businesses, it is essential to develop trusting, long-term relationships with each of our suppliers to guarantee the quality of our products throughout the supply chain. Sodexo responds to client and customer expectations and its own core values by seeking to increase its use of environmentally and ethically sound products.

2003

In North America, our suppliers agreed to comply with a formal Code of Conduct based on International Labor Organization (ILO) standards.

2007

Sodexo issued its Group Supply Management policy, which aims to formalize a set of corporate rules within which all Supply Management entities should operate, at all levels and in all regions. We also promote our Group Supplier Code of Conduct in every country. This document sets forth Sodexo's desire to work with reliable partners who utilize responsible ethical, social and environmental practices. Globally, when our suppliers already have their own code, we require agreement to our minimum standards.

2008

Sodexo is committed to ensuring the dissemination, implementation, enforcement and control of the Group Supply Management policy by the Supply Management Leadership Team:

- Align country Supply Management policies with the Group Supply Management policy and meet the minimum requirements.
- Increase the level of adherence by our suppliers to our values.

PERFORMANCE

Wherever we operate, we apply the Group Supply Management policy and respect the applicable regulatory framework. In our host countries, we will not knowingly engage with suppliers that do not respect our standards. We have begun development of a product offer based on rational farming methods, organic farming and Fair Trade.

- **In the Netherlands**, we offer only organic milk under all our school contracts. This is beneficial to local farming communities and to the environment.
- We are increasing our efforts to encourage supplier diversity. For instance, **in the United States**, Sodexo works in partnership with 1,800 minority and women-owned businesses.
- **In Ireland**, Sodexo is committed to sourcing as much produce as possible from Irish farmers and growers to minimize the travel distance of food and its environmental footprint, while at the same time meeting clients' demands for local produce. Beef, pork and lamb are all sourced through two major suppliers who buy meat directly from local farmers. We work in partnership with suppliers to ensure customers get the freshest and best-in-season produce, which is locally sourced wherever possible.
- **Globally**, Sodexo is implementing the "Aspretto coffee" offer, a socially responsible brand based on three fundamental principles: environment, health and well-being and social responsibility. All products are ethically sourced within their individual markets with full accreditation from the Rainforest Alliance, Fairtrade Foundation and Soil Association.

In 2008, 90% of our subsidiaries had already implemented a Supplier Code of Conduct (basis for consolidation: 80% of Group revenues).

2009 (targets)

- Define key indicators to measure our suppliers' Corporate Citizenship, including environmental and ethical performance.

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Our booklet Corporate Citizen in action against malnutrition and hunger
- Sodexo's Group Supply Management policy
- Sodexo Group Supplier Code of Conduct

LOCAL COMMUNITIES

Globalization has led companies to grow their operations in developing countries and companies must ensure that local communities benefit from the development opportunities that their presence implies.

Even in developed countries, many people suffer from a lack of opportunity and a deficit in basic daily needs, including food. We consider the real challenges to be developing employability and establishing long-lasting partnerships that lead to self-sustaining improvements in the opportunities available locally by:

- **Supporting local development**
- **Fighting against hunger and malnutrition**



Supporting local development

“ We continue to demonstrate our constant, operational commitment in support of the Group’s values and Corporate Citizenship policy. The services we provide within the scope of our clients’ projects, in the mining and energy sectors for example, lead us to operate in host countries where it is key for all stakeholders to maximize a project’s positive impacts to benefit local communities. ”

Nicolas Japy

Group Chief Operating Officer
Chief Executive Officer, Remote Sites, and
Asia/Australia, Food and Facilities Management
Services
Member of the Group Executive Committee



STRATEGY

Working in countries with different cultures, particularly in the developing world, presents several challenges. In some places, there is a shortage of necessary industries, infrastructure and telecommunications. We may face local social or political disturbances. We work to address these challenges through local economic development, while respecting local traditions, religious beliefs and diversity issues.

Our sphere of influence extends well beyond the scope of our operations. We develop activities that have an impact on many areas of society and on future generations. In our host countries, we facilitate local integration, helping our clients through the close relationships we develop with local communities.

Sodexo strives to implement genuine sustainable development initiatives in partnership with all stakeholders, including clients and local players, by:

- Promoting local hiring and employee development.
- Encouraging local procurement.
- Stimulating the creation of small, local businesses.
- Taking action in society by supporting social and humanitarian initiatives.

PERFORMANCE

Sodexo pursues its efforts to contribute to the development of local communities in every region where we operate:

Republic of Congo

Since 2004, Sodexo has played a key role in the Nkounda sustainable development program within the ARRIRou (Red River Farmers' Association) group. Most of the farmers in this region have had to leave their homelands due to the socio-political unrest that has occurred during the past ten years. More than 150 farmers have benefited directly from Sodexo's expertise in raising their quality standards, developing a procurement system and working out an investment plan. By purchasing 20 metric tons of fruits and vegetables from the

association every month, Sodexo has enabled more than 40,000 euros to be reinvested each year in the local economy.

Yemen

At the construction site of a liquefied natural gas plant of Yemen LNG, we are providing services to 2,800 people representing 25 nationalities. Efforts have been made to promote local employment through jobs as well as procurement of local supplies. It is a win-win strategy which meets all the players' expectations. Sodexo focused on local suppliers of fruit, vegetables and fish, which are produced in the country. As a result of close cooperation with fishermen to ensure the quality and quantity of fish and conditions of delivery, 100 % of our fish supplies are sourced from the neighboring area.

Tanzania

At the Bulyanhulu Gold Mine, Sodexo has shown much concern for the poor and orphan students in Bugarama Ward. The company is subsidizing school fees for the most vulnerable and disabled students who are studying at the Bugarama Secondary School.

Angola

Sodexo supports the growth of local fruit and vegetable production by being one of the top purchasers from Wako Kungu, a local farming joint venture. During the war, the agriculture sector was devastated. Bridges, roads and railways were blown up, so locally grown food could not be transported to where it was needed. "Aldeia Nova project" helps more than 600 families from the local population to be educated on the modern agriculture methods. Sodexo supports this initiative by purchasing an average of 150 tons per year, representing US\$ 400,000 over almost 2 years.

Peru

The Training Center of San Marcos was created in collaboration with our client Minera Antamina to promote the inclusion of local communities through employment creation and revenue improvement. Since 2000, 800 young men and women from local communities have been trained in catering, restaurant services, housekeeping, laundry and maintenance (carpentry, plumbing, electricity and masonry). Among them, 500 have been employed by Sodexo at mining sites and 300 have been hired by diverse mining operations, restaurants and hotels of the region.

Madagascar

- By maximizing local employment opportunities, we contribute to developing local capacity. At Fort-Dauphin, 75% of our personnel across all employment categories, including the management team, is local and a third is from the communities directly affected by the mining project. Women represent half of our personnel.
- Based on the findings of a 2006 study conducted with the United Nations Food and Agricultural Organization (FAO) to assess the region's agricultural production capacity, Sodexo partnered with a number of regional associations to create programs for assisting local producers in meeting our procurement needs in the mining sector. Since 2007, we have been helping fruit and vegetable farmers diversify their production, and raise their product quality standards. Local sourcing represents a steady 50-60% of our total fruit and vegetable purchases.
- We have deployed an HIV prevention program that focuses mainly on employee training. With the assistance of Population Services International, a non-governmental organization, we conduct educational campaigns four times a year, which focus on providing employees with adequate knowledge about prevention measures against the spread of HIV/AIDS and other serious diseases in Madagascar. As part of our efforts, we also conduct a range of communication initiatives that target our customers.

« Asante sana nashukuru ((I am very thankful). If Sodexo wasn't paying for uniforms and my school and examination fees, I would have no other alternative to stay in school any longer »

Joseph Emmanuel, 19 years old, studying at the Bugarama Secondary School (Tanzania).

Not knowing his parents, he lives with his uncle and wishes to become an accountant one day.

« We make a living by what we earn, but we make a life by what we give. We appreciate and gratefully acknowledge your support »

Community Relations Team on behalf of families and education teams of the Bugarama Secondary School and the sponsored students.

Local recruitment at the global level

FY08 : **97%**

FY07 : **97%**

FY06 : **97%**

National procurement in South America

FY08

Brazil **100%**

Chile **80%**

Colombia **100%**

Venezuela **100%**



Awards

2008 – Canada

Every year since 2003, Sodexo has been awarded the Gold PAR certification by the Progressive Aboriginal Relations (PAR) program, created by the Canadian Council for Aboriginal Business (CCAB) to recognize partnerships that support fair, harmonious relations with local indigenous communities.

2007 – Peru

- In 2007, Sodexo received the Sumaj Award for its local management of human resources from Minera Antamina to recognize the mining project's best strategic partner.
- Sodexo was recognized during the CADE event (Annual Conference for Executives) organized by IPAE (Peruvian Institute for Business Management) for being the best company involved with communities in Peru and in particular for the educational development of young people.

Read more on:

→ http://www.sodexo.com/group_en/corporate-citizenship

→ Our booklet Corporate Citizen in action for local communities

→ PERU – Memoria de Sostenibilidad 2006

→ MADAGASCAR – Corporate Citizenship report

Fighting against hunger and malnutrition

“ It is a great tragedy that almost one billion people suffer from hunger and malnutrition. As part of our commitment to the communities where we do business, Sodexo launched the STOP Hunger initiative in 1996 to fight hunger and its root causes. With our presence in 80 countries, we are working to engage our employees, clients, vendor partners, and local communities to join forces to help fight hunger and its root causes.

”

Steve Brady

Senior Vice President Corporate Communications,
Noram
Global STOP Hunger



STRATEGY

Roughly a billion people today still do not have enough to eat to meet their daily energy needs. In 2050, our planet will be inhabited by 9 billion people. Climate change will turn some areas of present-day farm land into desert or plains, leading to further depletion of certain food resources. We are confronted with the colossal needs of both undeveloped and developed countries, needs that require very significant hunger relief resources.

We are committed to expanding our STOP Hunger program to all of our host countries. It has evolved into four major components since 1996:

- **Volunteering:** encouraging and supporting Sodexo employees' spirit of service to support hunger relief initiatives in their local communities.
- **Sharing Sodexo's knowledge:** providing nutrition, food safety, food waste education, and job and life skills training for the unemployed and homeless.
- **Donating food:** donating perishable and non-perishable food to hunger relief organizations.
- **Donating funds:** sponsoring and supporting programs that combat hunger and malnutrition.

2008

In 2008, Sodexo teams around the world participated in thousands of STOP Hunger activities to benefit local hunger relief organizations.

France

Since 2004, Sodexo's partnership with the hunger relief organization Les Restos du Cœur has implemented a series of initiatives involving training, meals, product sharing, access to the Sodexo supplier network and 60 employment opportunities for needy people. In 2008, the "Chèque du Cœur" operation raised a total of 469,270 euros. Since 2004, Sodexo has donated 1,937,000 meals and 1,878,070 euros to Les Restos du Cœur.

PERFORMANCE

Sodexo rolled out the STOP Hunger campaign in the United States in 1996. Five major programs around the country have been developed since the launch, including: Sodexo Servathon, Feeding Our Future, Heroes of Everyday Life and Sodexo STOP Hunger Scholarships, Sodexo Foundation and food donations. Since 1999, the Sodexo Foundation in the United States has distributed more than US\$11.5 million to hundreds of hunger relief organizations that are working to eradicate hunger in the United States.

Today, there are hunger relief programs in 24 Sodexo host countries. During Fiscal 2008, these countries conducted 298 major STOP Hunger initiatives and worked with 223 NGOs, associations and charities, making financial donations totaling 2,708,000 euros and donating more than 725,000 meals to hunger relief organizations. Not included in these figures are the millions of meals prepared from Sodexo's in-kind donations such as unused food, equipment and volunteering.



“ I would like to thank Sodexo for their generosity and continuing support of the Children Orphanages in the Tver region of Russia. The children love the nutritious food you provide. The frequent personal visits of so many of your executives and staff to the Orphanages located over 200km outside of Moscow show how much you truly care - and that gift is priceless. You have made a difference in the lives and future of these children. ”

Pavel Shishkin
Chairman of the Board, Detski Dom Orphanage

A selection of some awards receiving during FY08

Canada

Sodexo received the Mayor's Volunteer Service Award for its Feeding Our Future program in Winnipeg, Manitoba.

United States

In Maryland, Manna Food Center named Sodexo its first Corporate "Hunger Hero" for its year-round support of the food bank, including pro bono legal work, nutrition education and food donations.

Mexico

The Empresa Socialmente Responsable (ESR) certification was presented by the Mexican Philanthropy Center for the third consecutive year, in recognition of Sodexo's commitment to social responsibility, including the STOP Hunger program.

United Kingdom

Sodexo received the BUPA Health Communities Big Tick Award from the Scottish Business in the Community for its health matters program for the second year in a row. The program educates children in need about nutrition, empowering them to make positive eating and lifestyle decisions.

Objectives 2009

We fight hunger and malnutrition around the world through our STOP Hunger program by engaging the entire Sodexo community including employees, customers, clients and suppliers:

- we encourage and support volunteerism
- we share Sodexo knowledge and expertise with local national and international hunger relief organizations
- we collect and donate food and equipment
- we raise funds and collect financial donations

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Booklet: Corporate Citizen in action for local communities
- STOP Hunger brochure
- STOP Hunger Video



ENVIRONMENT

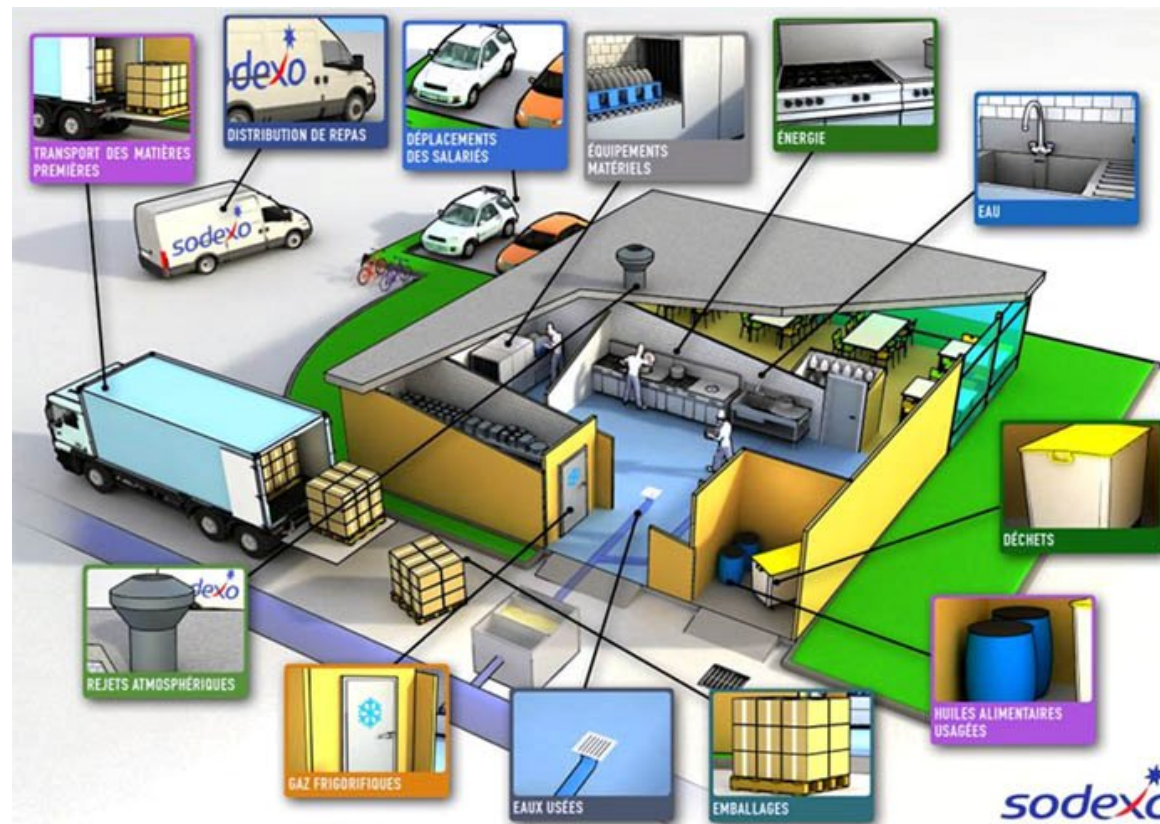
“Act as a Corporate Citizen” is part of our everyday business practices. By protecting the environment, we strive to enhance the Quality of Life of the communities in which we all live, while responding to our stakeholders' expectations for a more sustainable planet.

Although Sodexo is considered a low polluting company, we have a responsibility to minimize our environmental footprint. Our greatest impact is through our use of fuel, energy and water, and the waste associated with our businesses.

Sodexo's Corporate Citizen policy is today highly decentralized and we favor actions at the local level within our host countries. These local actions, however, form part of a Group strategy. Although it is very important for Sodexo to retain the local character of its initiatives, we will increasingly be placing individual local actions under broader regional umbrellas aimed at:

- Reducing climate change factors
- Managing waste
- Monitoring the use of water
- Implementing environmental management systems
- Providing green services

Impacts on Food Services at operations



Reducing climate change factors

“ We are taking steps to tackle aspects of our business activities that contribute to climate change and see our commitment as an opportunity. The challenge for a large organisation like Sodexo is complex, but we continue to increase our understanding of climate change impacts and how they can be reduced.

Philip Jansen

Group Chief Operating Officer
Chief Executive Officer Europe, Food and Facilities
Management services
Member of the Group Executive Committee

”

Controlling energy use

STRATEGY

At our Food and Facilities Management Services sites, we consume energy to serve the needs of our clients and consumers. As we work at our clients' facilities, we need their approval for installing independent meters to control our energy use.

The work we have already accomplished at many of our client sites demonstrates great promise for further improvements in the future. We also believe that it is possible, through education and awareness, to gradually develop the desire of communities to emulate similar good practices.

Green renewable energy uses natural resources such as sunlight, wind, tides and geothermal heat, which are naturally replenished. By incorporating green power purchases into our operations where appropriate, we can further reduce the environmental impact of our operations.

PERFORMANCE

Netherlands

At Schiphol Airport, Sodexo is responsible for energy management in all KLM buildings. The gas, water and electricity consumption of almost 80 buildings is continuously monitored and analyzed. All energy purchased by the procurement team of KLM and Sodexo is 'green.' With support from Sodexo, KLM was able to improve its energy efficiency index in 2007 by 2.6% with respect to 2006. In 2008, Sodexo will execute more of these projects at KLM.

United Kingdom

- Sodexo has started to use the eCube, a device that reduces energy consumption of food refrigeration units by as much as 30%. As of October 2008, we have installed 140 eCubes at Sodexo sites, which should result in annual reductions of approximately 180,000 kWh of electricity consumption and some 70 tonnes of CO₂.
- Tillery Valley Foods (TVF), our leading supplier of chilled and frozen meals to the healthcare sector, has implemented an environmental improvement strategy to reduce energy consumption. The way refrigeration units on all distribution vehicles are charged while on site has also been switched from diesel to electricity. This change has saved TVF 500 liters of diesel per week. In 2008, TVF implemented a dynamic route management system. It is estimated that this will result in a 10% reduction in the mileage of delivery vehicles.

United States

- Providing support services at remote sites requires the transportation of food and supplies over hundreds of miles offshore in the Gulf of Mexico and over 2,000 miles to Prudhoe Bay, Alaska. Reducing the volume of shipments helps to reduce the volume of waste generated by end users. This also benefits the environment by reducing the energy cost of transporting supplies to remote sites and shipping waste products back. Sodexo's annual savings were estimated to be US\$259,000. By consolidating shipments, Sodexo realized an estimated annual savings of 92,500 gallons of fuel in FY08.

Sweden

- The issue of climate change is high on every agenda. In 2007, Sodexo convened a number of lunches for 75 clients on the theme of climate change and Facilities Management Services.

Energy use is actively managed at 48% of our sites through implemented measures to reduce consumption (basis for consolidation: 80% of Group revenues).

Reducing food miles

STRATEGY

Raw materials are delivered by our suppliers to our Food and Facilities Management Services sites for processing. Supplier deliveries consume gasoline and generate carbon dioxide emissions. We have identified actions to reduce CO₂ emissions from delivery trucks:

- Consolidation of deliveries through a reduction in the number of suppliers.
- Introduction of multi-temperature delivery vehicles to reduce the number of deliveries made.
- Introduction of minimum order quantities to discourage 'little and often' delivery patterns.
- Ongoing review of ordering patterns to drive efficiency.
- Beginning to quantify the environmental impacts of our supply chain and evaluating the results of initiatives undertaken with suppliers.

PERFORMANCE

Netherlands

- In 2004, we started the project 'One wholesaler for everything.' By increasing the load volume of trucks to at least 85% capacity and by planning more efficient delivery routes, we were able to reduce the number of deliveries necessary for supplying our restaurants to fewer than three a week for each location.

United Kingdom

- Sodexo is working closely with primary distributors to simplify and strengthen the supply chain. In 2007, the number of deliveries to Sodexo sites was reduced by over 100,000, resulting in the prevention of over 360,000 road miles and 400 tonnes of CO₂ emissions compared with 2006.



Promoting the use of environmentally friendly products

STRATEGY

Our activities involve the use of large quantities of disposables such as glasses, cups, plates, forks, and knives. Whenever possible, we seek to replace materials and products with recycled or biodegradable products.

PERFORMANCE

Europe and North America

We are introducing biodegradable disposables manufactured with 100% compostable and renewable raw materials. Our target will be to replace all plastic disposables with biodegradable options.

Australia

- Ethanol/E10 is a renewable sustainable bio-fuel that can replace fossil fuels in vehicles and reduce air pollution from carbon monoxide and greenhouse gasses. We have conducted trials in the vehicle fleet in the North Queensland contract and have seen a rapid usage uptake. Sodexo plans to conduct further E10 trials in other regions.
- In 2007, Sodexo tested the use of a Returnable Plastic Crate System for the shipment and storage of hospitality supplies. Color-coded plastic crates are used to replace cardboard boxes for freight transportation and storage of fruit and vegetables, meat and chicken. We are expecting to reduce our generation of cardboard waste by over 25,000 boxes per year.

France

- In partnership with Henkel Ecolab, 4 pilot-sites were designated to evaluate initiatives to reduce the impact of kitchen facilities on the environment. Through the use of biodegradable cleaning-products and best practices at food washing and disinfection stations, we are evaluating reductions in water and energy consumption. In addition, Sodexo promotes the use of steam-cleaning in our kitchens to reduce the quantity of chemicals and water used, and improve our teams' working environment.
- In 2008, Sodexo launched the first natural gas fuelled refrigerated vehicle.



Managing waste

STRATEGY

Our suppliers deliver raw materials to our Food and Facilities Management Services sites for processing. Inevitably we generate waste in the form of packaging materials associated with our raw materials, even if this waste is not particularly hazardous.

Through its activity, Sodexo Service Vouchers and Cards produces paper and plastic-based media. We are addressing our concern to reduce the use of these resources and to promote dematerialized solutions to our clients and customers.

Reducing the volume of waste

Sodexo implements initiatives aimed at reducing waste disposal to landfills through sound purchasing practices and appropriate food preparation methods:

- Use of refillable containers where possible
- Purchase in bulk containers to reduce packaging requirements
- Purchase of products that utilize recycled materials
- Reduction in the number of cleaning supplies and detergents
- Utilization of concentrated product to reduce shipping weight
- Reduction in paper products through the use of electronic communication means.

PERFORMANCE

China

- In the pharmaceutical industry, the use of shoe covers is mandatory in all facilities. We successfully worked with our client GlaxoSmithKline to replace disposable shoe covers with reusable, washable craft shoes to decrease the generation of daily waste by the Tianjin unit.
- In 2008, Sodexo reduced the average amount of waste generated per person in our cafeteria from 150 grams to 100 grams. In addition to collecting trays for reuse, exhibit boards and posters around the cafeteria promote awareness of world grain shortage.

United States

- On Earth Day 2008, Sodexo and Bank of America launched an initiative to promote the use of reusable mugs and decrease the amount of disposable cups. As a result 3,100 reusable mugs were distributed, representing a waste reduction of 35%.

Australia

- The Zero-Waste philosophy aims to minimize the generation of waste and, where this is not possible, to reduce, reuse or recycle the material in remote locations around Australia, to reduce waste disposal to landfills by 80%. To date, waste reduction rates have been 15-20% by focusing on recyclable materials.

Separating waste

STRATEGY

Of our total waste, 95% consist of organic waste and packaging materials such as cardboard, paper, aluminum, plastic, glass, metal and wood. The remaining 5% are composed of greasy waste and detergent residue.

Organic waste

We can optimize the disposal of organic solid waste generated on-site by transforming it to create fertilizer through biological processes such as composting.

United Kingdom

Land Technology, our subsidiary which provides grounds maintenance, helps clients benefit from reduced landfill fees by recycling green waste on-site through composting and using it as fertilizer in shrub beds, hedge bases and other planted areas.

Plastic, paper, iron, glass, wood, etc.

We look at ways of sorting and recycling the non-organic waste generated from our activities.

Europe

Sodexo has signed a new contract for the supply of rice and pasta. The new supplier uses a pallet with one big carton to transport the bulked goods instead of one carton per 2 plastic bags. For the rice and the last year, savings represent 134 tons of plastic bags.

Canada

We have implemented the Xpressnap system at 90 client sites. This one-at-a-time system for dispensing napkins reduces the number of napkins used by each patron in addition to being more hygienic. Results indicate a usage decrease of 30 -50%.

United States

During FY 2008, 109 Sodexo campus operations removed trays from their dining facilities. This "Going trayless" initiative reduced the amount of food wasted by 60%, as well as energy and water used. The program is being expanded to additional locations.

France

Since 2007, Sodexo has been recycling aluminum containers in our central production units. So far, 10 tons of aluminum have been recycled at our units in Marseilles.

Australia

Sodexo is increasingly transitioning from the use of small soap bars to liquid soap dispensers at its remote site locations. In a 300-man camp, this can result in a saving of over 2,000 kg of wasted soap bars being sent to the landfill.

Used cooking oil (UCO)

As a major user of cooking oil, we are implementing programs to optimize the collection and recovery of UCO at all our restaurant kitchens. Specialized companies now reconvert the used cooking oils into biodiesel. The collection of waste canola cooking oil not only results in less material going to the landfill, but also in the generation of a useful alternative fuel for vehicles. Over its lifecycle, biodiesel from UCO emits 78% less CO₂ than petroleum diesel.

United Kingdom

Working in partnership with Honda in 2007, the Sodexo team at the Swindon manufacturing facility installed a plant to convert UCO into biodiesel for use in Sodexo vehicles. The plant is expected to generate a maximum of 5,000 liters of biodiesel annually and eliminate the need for an equivalent amount of diesel, thereby reducing CO₂ emissions and costs. A Sodexo vehicle is currently powered by 100% biodiesel and a trial was successfully conducted with a Honda CRV model car.

Australia

Sodexo is conducting trials to determine the viability of using 100% bio-fuel in site-based vehicles at remote sites.

Effluent waste

We look at ways of reducing the amount of waste that is generated during the production process.

United Kingdom

In 2001, Tillery Valley Foods, our meal production unit for the Healthcare sector re-designed the plant integrating environmental considerations. Originally all factory trade effluent and domestic effluent were combined and discharged to the sewer without monitoring. TVF was advised that a reduction in the quantity of food solids being discharged by these means was required. An effluent treatment plant was installed on the site, which was designed to remove food solids and thereby preventing it from entering the sewer system. The effluent management project has provided an estimated saving of £175,000 per annum in charges that would have been accrued if food solids had continued to be discharged to the sewer.

Office waste

The amount of office waste can be lowered through source reduction, that is, by using less to begin with and thereby reducing the amount of material for recycling and disposal.

At the Group level, as well as at numerous subsidiaries, we are printing 100% of our corporate documents on environmentally friendly paper (recycled fiber paper or paper produced using sustainable forest management).

Electronic waste

Over 97% of the contents of electronic products can be reused or recycled. We currently have initiatives underway to manage the generation of e-waste.

Hazardous waste

Chemicals can endanger people's health and sometimes even threaten their lives. Sodexo is helping its clients introduce innovative and environmentally protective behavior. We have slowly reduced the available choice of chemicals in our operations. We are now working with our suppliers to train our staff in proper dosing to further reduce the amount of chemicals used, and thereby also reduce the amount of packaging for disposal.

PERFORMANCE

Awards

2008 – Australia

Sodexo's waste management program was a finalist in the Golden Gecko Award, which is presented by the Department of Industry and Resources in Western Australia. The award recognizes businesses in the mining, oil and gas industries for environmental innovations and initiatives that are beyond the general requirements of operation. Sodexo's entry was one of nine finalists and was described by the judges as an 'innovative approach to waste management at accommodations in remote sites.



Monitoring the use of water

STRATEGY

We are attempting to increase the awareness of clients and customers on the importance of careful use of drinking water, while working to improve our wastewater treatment techniques. In emerging countries, our focus is on the use of clean and healthy water.

As we work at our clients' facilities, we cannot measure separately water use linked to our activities and need their approval for installing independent meters to measure our water consumption.

PERFORMANCE

Water consumption is actively managed at 49% of our sites through implemented measures to reduce consumption (basis for consolidation: 80% of Group revenues).

United States

Sodexo's reusable water bottle program is transitioning from plastic bottles to stainless steel, partly in response to health concerns about potential chemical hazards from the plastic. In addition, users are less likely to throw away stainless steel containers. A portion of the proceeds from each bottle is donated to an environmental organization. In 2008, Sodexo donated US\$12,500 to the National Fish and Wildlife Service under this program.

Australia

The Westpac Conference Center managed by Sodexo includes 56 guest rooms, 6 conference rooms, a commercial kitchen, dining facilities, bar, swimming pool, gymnasium and a large outdoor lawn area. The Conference Center has reduced

its water consumption by over 80% through changes in irrigation practices and the installation of various water conservation measures such as:

- Pool cover.
- Flow regulators in the showers and sinks of guest rooms.
- Flow regulators in the commercial kitchen as well as low-flow high-pressure hand nozzles for rinsing.
- Reduced flush volumes in the toilets of guest rooms.
- Waterless urinals in the public restrooms of the conference rooms.
- Low-flow dual flush toilets in the public restrooms.
- Installation of the Smart Water Meter to monitor water consumption and track atypical water consumption patterns including the detection of leaks.

Water consumption at the site has decreased significantly from 22 kL/day to 3.8 kL/day over the last two years.

Water harvesting projects have also been installed at 3 corporate Westpac offices in Sydney to reduce the use of raw potable water resources in the buildings' numerous toilets.



Implementing environmental management systems

STRATEGY

We help our clients incorporate greater environmental responsibility into their operations. To this end, we are setting up procedures, implementing measures, obtaining certifications and labels, and in an increasing number of cases, applying for certification under the international environmental management standard, ISO 14001. As part of this process, we are conducting environmental risk analyses and carbon audits, as well as implementing environment management systems and environmental office systems.

Many programs are already being deployed around the world and managed at the local level. Our Group objective, however, is to expand the reach of our global umbrella programs.

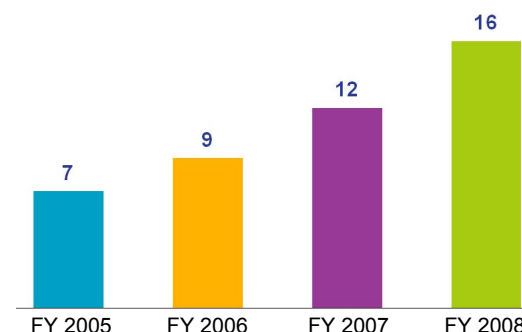
PERFORMANCE

ISO 14001 Certification

We have received ISO 14001 certification at several sites, reflecting the environmental progress made by our subsidiaries. ISO 14001 certification has been obtained at sites in 16 countries:

• Australia	• Finland	• Italy*	• Turkey*
• Belgium	• France	• Netherlands	• Sweden
• Brazil*	• Hong Kong	• Peru	• United Kingdom
• Denmark	• India	• Romania	• United States*

4 new countries since last fiscal year



Finland

An Environmental Management System that has received ISO 14001 certification is implemented at all Sodexo sites and headquarters. This management system helps provide safe and healthy food through sound purchasing practices and logistics; reduce energy and water consumption; separate waste for recovery and recycling; hygiene and cleaning; communication and training; and work safety and well-being. The system is audited both internally and externally. 2,500 Sodexo employees and people working at our clients' sites benefit from the program.

France

Altys, our Facilities Management Services' subsidiary, obtained ISO 14001 certification for all maintenance and technology management activities in office and industrial buildings. Through this environmental certification, Sodexo in France commits to preventing all forms of pollution and controlling significant impacts to air, soil and water.

Awareness and training efforts

STRATEGY

Developing awareness is a critical component for disseminating responsible environmental behavior. We are promoting educational programs for schoolchildren and other young people, and training our employees to protect the environment and biodiversity.

France

Sodexo is deploying a new program called Le Geste So.Eco, which involves the implementation of three environmental practices at all 3,000 of its restaurants: reprocessing waste, reducing effluent and other discharges, and saving water and energy. The program includes the distribution of best practices guides, information posted on the intranet, distribution of So.Eco kits to each site to educate local teams and the installation of water-saving equipment at the restaurants.

North America

In FY08, Sodexo launched a training program for its managers to increase employee awareness of sustainability and the ways in which we can effect change in our world. In the United States, more than 1,500 managers and sales executives have participated in the training. In Canada, the sustainable dining offer PLANit is currently being piloted at 4 units and the training program for managers has been available on-line since October 2008.

Partnering with stakeholders

Consistent with our global policy, we are multiplying our partnerships with clients and civil society to find solutions that benefit the environment. Sodexo participates in institutional projects and partners with non-governmental organizations and associations in many regions of the world. We favor partnerships with suppliers and producers who show similar concerns for the environment as Sodexo.

Canada

Since 2008, Sodexo has partnered with Chef Michael Smith to develop sustainable culinary practices, increase employee training and development, and gain support for Sodexo's STOP Hunger Foundation. Chef Smith is starring in a new show, "Chef Abroad," on the Food Network in Canada, which had its debut in Fall 2008.

PERFORMANCE

Awards

2008 – United Kingdom

Sodexo was recognized by the British Hospitality Association (the national trade association for the hospitality industry) for its company-wide environmental best practices.

2009 (Targets)

- Promote the ISO 14001 certification: we are encouraging our subsidiaries to implement environmental management systems in their countries and obtain ISO 14001 certification. Because we cannot obtain this certification independently of our clients, we are raising the awareness of our clients on the importance of responsible environmental management and the value of ISO 14001 certification to their site.

Providing green services

STRATEGY

Today, we are witnessing a strengthening of green legislation, and we will have to anticipate implications for our company and industry and become more proactive.

Sodexo is developing and rolling out an innovative range of Green Facilities Management Services around the world to meet our clients' expectations for more environmentally sustainable solutions.

North America

Sodexo purchased Apex dish-washing system from EcoLab to replace the current system in all of its North American accounts. The system saves water and energy, decreases the impact of the product on the environment, measures quantities used, requires much less packaging and is smaller to transport. During FY08, 6,000 people have benefited from the program.

Sweden

GreenBacks is a complete solution for processing waste and providing cleaning services, enabling clients to meet environmental and recycling goals. Sodexo developed GreenBacks in partnership with Ragn-Sells, a Swedish recycling waste specialist, and currently has 10 GreenBacks contracts with clients. One of our long-term clients is Lärarförbundet (the Swedish Teachers Union), which has benefited from the GreenBacks concept since it was implemented at their Stockholm headquarters in 2001.

Australia

Sodexo launched Ecomentum to integrate the various sustainability programs that are being conducted at clients' sites. The very successful resource recovery program has now been deployed at 12 of our remote sites, with 8 being deployed in just the last financial year. The program has diverted approximately 15% of waste generated on-site by Sodexo to recycling facilities. Realizing its benefits, several clients have now also joined the sustainability program. As a result of this resource recovery program, A \$20,000 were donated back to the community last year, in the form of essential medical equipment for children.

Thailand

The Bangkok Medical Center is the largest private hospital with over 59,000 outpatients and 8,700 in-patients each month. In 2006, we recommended a three-month audit of the principal energy consumption areas to identify inefficiencies and waste. We identified potential savings that amounted to a 27%-reduction in the annual electricity charge. The audit highlighted the importance of a well-designed preventive maintenance plan.

PERFORMANCE

92% of our subsidiaries have implemented an environmental program (basis for consolidation: 97% of Group revenues).

Awards

2008 – United States

The Princeton Review gave three of our university clients perfect scores in green campus ratings, among only 11 universities throughout the United States receiving perfect scores.



Issytizens at our new headquarters

At Issy-les-Moulineaux, we moved our headquarters in March 2008 and we intend to act in a sustainable manner by upholding our ethical principles, with particular attention to the environment. To fight against global warming and reduce our environmental footprint, we have put together an action plan for our new headquarters facilities, which includes measures designed to protect the environment. This action plan was designed in collaboration with Altys, Sodexo's subsidiary, specialized in facilities management and ISO 14001 certified.

We act as issytizens by adopting some measures for:

Separating office waste through employee involvement

- Bins to collect and recycle used paper at each work station and copy-machine.
- Use of multi-function equipment (printer/copier/scanner/fax) to reduce paper consumption, preset to print in black and white, in duplex mode and on 100 % recycled paper. It also helps to reduce energy consumption.
- Recovering batteries and bottle caps.
- Replacing plastic cups with biodegradable and compostable cups.
- Sorting ink cartridges for recycling by the manufacturer.

Reducing our energy consumption:

- Separating heated areas from non-heated areas (ground-floor equipment rooms).
- Using insulating glass to lower air-conditioning costs.
- Orienting offices to benefit from natural light.
- Separating offices from glassed areas and exterior walls to provide better thermal comfort.
- Using Class-A energy-saving office equipment.
- Adjusting heating and air-conditioning setting automatically in response to outside temperature.
- Setting air-conditioning system to a maximum of 5° C below the outside temperature, with a minimum of 25° C.
- Performing regular equipment maintenance (filters, cleaning, etc.).

- Centralizing lighting control.
- Using low-energy compact fluorescent lamps and fluorescent tubes.
- Light-colored walls to enhance benefits of natural lighting.
- Annual cleaning and maintenance of light bulb.

Reducing our water consumption:

- Training personnel on environmentally friendly practices to reduce water consumption.
- Optimal adjustment of water temperature.
- Optimal adjustment of water-heater operating times, with shutdown one hour before closing time.
- Adapting hot-water quantities to average needs.
- Using water meter to detect any unusual water-consumption patterns.
- Water-saving flush systems and push-button taps on toilets.

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Read our booklet: Corporate Citizenship in action for the Planet
- Our So.Eco environmental policy at offices
- Issytizens (our environmental action plan for the Headquarters of Sodexo)

ETHICAL BEHAVIOR IN THE WORKPLACE

We implement policies and programs aimed at :

- **Living our values**
- **Respecting our ethical principles**
- **Focusing on business integrity**
- **Respecting human rights**
- **Respecting our people**
- **Promoting diversity**
- **Corporate governance with transparency**



Living our values

Our philosophy is the foundation of our success, both in the past and in the future.

It is based on six pillars:

- Who we are.
- Our business strategy: organic growth.
- Our mission.
- Our vision.
- Our core values.
- Our ethical principles.



OUR PHILOSOPHY

Who we are

Our company is the community of our clients, customers, employees and shareholders. Our purpose is to exceed their expectations.

Our business strategy: organic growth

We continue to focus on achieving organic growth in revenues and earnings, while contributing to the economic, social and environmental development of the cities, regions and countries in which we operate.

Our mission

To improve the Quality of Life.

Our vision

To become the premier global outsourcing expert in Quality of Life services.

Our values

- Service spirit.
- Team spirit.
- Spirit of progress.

Our ethical principles

- Loyalty.
- Respect for people.
- Transparency.
- Business integrity.

Respecting our ethical principles

Loyalty

A foundation of trust between Sodexo and its clients, employees and shareholders, based on loyal relations. Trust is one of the cornerstones of operations in our organization.

Respect for people

Humanity is at the heart of our business. Sodexo is committed to providing equal opportunities regardless of race, origin, age, gender, beliefs, religion or lifestyle choices. "Improving Quality of Life" means treating each person with respect, dignity and consideration.

Transparency

This is one of Sodexo's major principles and is a constant with all stakeholders: clients and customers, employees and shareholders.

Business integrity

We do not tolerate any practice that is not based on honesty, integrity and fairness, anywhere in the world where we do business. We clearly communicate our position on this issue to our clients, suppliers and employees, and expect them to share our practice of rejecting corrupt and unfair practices.



Focusing on business integrity

“ We have a responsibility to maintain the very highest standards in our business practices with our stakeholders. Our Business Integrity Statement helps us live our ethical principles and values wherever we are doing business in the world. ”

Pierre Henry

Group Chief Operating Officer
Chief Executive Officer, Service Vouchers and Cards, and South America, Food and Facilities Management services
Member of the Group Executive Committee
Group Business Integrity Champion

STRATEGY

In the global marketplace, the conduct of business is increasingly complex. Our business dealings bring us into contact with different political, financial and economic systems, different legislations and different cultures, traditions and languages.

Internally, our 355,000 employees are themselves of many different nationalities. It is therefore essential for a company such as Sodexo, working in many different regions of the world, to have solid ethical foundations to be able to conduct business with irreproachable integrity.

1966

When Pierre Bellon founded Sodexo, the company made the decision to build a growth culture founded on a strong philosophy based on strong values and clear ethical principles, which has become the DNA of our Group.

2003

Sodexo committed to promoting ethical behavior, anchoring this commitment in our ethical principles of loyalty, respect for people, transparency and business integrity.

2006

The Group Executive Committee recommended to the Board of Directors the adoption of a Business Integrity Code.

2007

Our Executive Committee adopted the Sodexo Statement of Business Integrity. This code of conduct enshrines Sodexo's core beliefs and practices in the area of business ethics. We have put in place resources to provide support to our teams and to ensure compliance throughout the Group:

- Appointment of a Group Business Integrity Champion: Pierre Henry.
- Creation of a Group-wide Integrity Council that meets twice a year.
- Communication of the initiative to all Sodexo senior management teams.
- Implementation through training sessions, conducted within the Executive Committees of each business level and cascaded through each management zone/function.

PERFORMANCE

2008

Training sessions were conducted with the top executives committees around the world.

2009 (targets)

We will:

- Disseminate information through training.

Since the Statement of Business Integrity was launched in 2007, 243 top managers have participated in related training sessions.



Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Ethical Principles and Sustainable Development Contract, pages 6-7
- Sodexo Statement of Business Integrity
- Code of conduct for senior management



Respecting human rights

“ It is essential for Sodexo, working in different regions throughout the world, to have solid ethical foundations to ensure that human rights are respected and business is conducted with irreproachable integrity. ”

Damien Verdier

Group Executive Vice President and Chief Marketing officer in charge of Supply Chain & Sustainable Development
Member of the Group Executive Committee

STRATEGY ■ ■ ■

Sodexo is one of the world's largest employers:

- More than 355,000 employees.
- Representing over 128 nationalities.
- Working at 30,600 sites and in 80 countries.

Although governments have primary responsibility for promoting and ensuring the protection of human rights, the Sodexo Group recognizes its responsibility for promoting and guaranteeing the human rights as defined in the Universal Declaration of Human Rights. Throughout its activities and sphere of influence, the Group commits to respect, promote and prevent violations of human rights in the workplace.

Through our mission to make “every day a better day”, Sodexo is convinced that it has a role to play in promoting human rights in a concrete way through its activities and its worldwide presence. With more than 355,000 employees in 80 countries, our primary responsibility is to ensure that our teams, and the people who benefit from our services, are not exposed to human rights violations.

In some areas of the world, formal legal and ethical systems are still developing. Attitudes and practices with regard to human rights in what are sometimes referred to as “risk zones” may be very different from countries with mature democratic systems where most of our operations are located. In risk zone countries where we operate, we work with local stakeholders for the respect of human rights.

2003

- Sodexo committed to respecting human rights, anchoring this commitment in our ethical charter and in our ethical principles of loyalty, respect for people, transparency and business integrity.
- Sodexo joined the United Nations Global Compact, thereby making a commitment to respect its ten principles.

2008

The Group Executive Committee decided to formalize Sodexo's commitments in relation to human rights by:

- Establishing a Group policy for the respect of human rights, which refers to Group codes of practice, charters and policies already in place.
- Publishing a memorandum on human rights by our CEO Michel Landel and the Group policy for the respect of human right on both Sodexo's internet and intranet sites (October 2008).
- Assigning responsibility for the policy to Senior Management.
- Developing a communication plan for the policy, both internally and externally.

PERFORMANCE ■ ■ ■

2009 (targets)

To increase implementation of this policy by:

- Raising awareness of this topic during Executive Committee meetings.
- Defining the procedures and responsibilities necessary for implementing these principles and ensuring that they are adhered to at each entity.
- Reviewing the policy on a regular basis as we gain experience in its implementation and in order to correct it where necessary.

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Ethical Principles and Sustainable Development Contract, pages 6-7
- Code of conduct for senior management
- Group Human Rights policy
- Memorandum on human rights from Michel Landel, our CEO



Respecting our people

“ Since Sodexo’s creation, people have been at the heart of our philosophy. The wealth of our employee talents – and differences – is our main strength. ”

Elisabeth Carpentier

Group Executive Vice President and Chief Human Resources in charge of Internal Communication
Member of the Group Executive Committee

STRATEGY

In order to meet Ambition 2015 objective, we need to ensure that our human resources provide a real competitive advantage. We must become a benchmark employer in our ability to attract, develop, engage and retain the best talent, and in our commitment to diversity and inclusion.

For Sodexo, a company with a worldwide presence and employing 355,000 people, it is important to listen to people’s needs, to establish constructive dialogues in a spirit of trust, and to give each person a sense of dignity in the workplace. Sodexo’s strategy and values must be brought to life in a way that also enhances individual goals and aspirations.

Encouraging personal growth

Each employee has the opportunity to acquire new skills and responsibilities, and achieve personal growth regardless of level and area within the organization, qualifications on joining the company or origin. Satisfying our employees’ expectations is important to us.

Respecting international labor standards

We conduct constructive, direct dialogues with employee representatives in accordance with the relevant laws of each country. From the outset, Sodexo has always recognized and respected trade union rights.

PERFORMANCE

www.abetterday.tv

In 2008, Sodexo launched a new worldwide brand building campaign utilizing innovative web technology. The web site showcases each day a new video for a period of 100 days. Videos include examples of services provided by Sodexo’s global workforce of 355,000 employees, who represent 1,300 professions as distinct as engineers, chefs, maintenance workers, cashiers, dieticians and managers. Our employees are our best brand ambassadors, and www.abetterday.tv spots showcase the diversity of our people and services, our clients, and the countries and cultures where we contribute to improving the Quality of Life.

Award

United States

Sodexo was named one of the “Top 200 Intern Employers” and one of the “Top 50 Entry Level Employers,” as identified by CollegeGrad.com in recognition of its efforts in favor of development and training programs designed to create a professional path within the company.

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- 2007 Group Human Resources report
- Ethical Principles and Sustainable Development Contract, page 15

Promoting diversity

“Globally, we are committed to building a comprehensive diversity strategy that creates an inclusive environment for all talents at every level of our organization. Through our diversity and inclusion efforts we are improving the Quality of Life for our employees, our customers, our clients and the communities we serve.”

Rohini Anand,
Senior Vice President and Group Chief Diversity Officer
Member of the Group International Committee

STRATEGY

Our people are our greatest asset and in order to meet our future growth needs, we must attract and retain the best talent, taking full advantage of diverse human resources. Embracing diversity and inclusion is a key ingredient of our future success.

Commitment to diversity and inclusion

We expect our employees to have the cultural competence to manage diverse teams and to leverage diversity and inclusion in order to ensure full potential at Sodexo.

Promoting cultural diversity

We are promoting cultural diversity not only among employees but also among all our stakeholders.

Advancing equal opportunities

We are advancing equal opportunities for all our employees regardless of their background or identity.

We have a zero-tolerance policy for violations of our discrimination, harassment, and retaliation policies. Our policies prohibit discrimination, harassment, and retaliation against employees based on race, color, religion, gender, gender identity, pregnancy, national origin, ancestry, citizenship, age, marital status, disability, veteran status, sexual orientation, or any other basis protected by law.

At the Group level we have defined four main areas of focus:

- Representation of women in senior management.
- Generations in the workplace.
- Ethnic minorities.
- People with disabilities.

Individual countries have identified areas of focus that might be relevant to their experiences.

PERFORMANCE

2005

The Sodexo Global Diversity Working Group was formed and includes employees and union representatives.

2006

The Executive Committee appointed Rohini Anand as Senior Vice President and Group Chief Diversity Officer, reporting directly to the Chief Executive Officer.

2007

Sodexo clarified its Global Diversity and Inclusion strategy vision to “be the benchmark for inclusion and a source of pride for all associated with Sodexo.”

Progress made in 2008

- Sodexo created the Diversity and Inclusion Global team.
- Publication of Inclusion News: an international newsletter with testimonials, best practices and news.
- Video “I am Sodexo” presenting Sodexo’s Diversity and Inclusion strategy shown to all management levels.
- Global Inclusion Summit: 200 Group top managers shared and learned about gender.
- Launch of “Spirit of Diversity” training for managers.
- Partnership with the Women’s Forum in Deauville and Shanghai.
- Partnership with European Professional Women’s Network (EPWN) to create a women’s network.
- Launch of the diversity and inclusion global scorecard to measure our progress.
- Development of internal communication.

FY08 – Engagement survey

Percentage of employees who responded that Sodexo values employee diversity (age, gender, national origin, etc.) for the differences these dimensions bring to the workplace:

Food and Facilities Management Services	79%
Service Vouchers and Cards	81%

Women’s representation in senior management

In 2007-2008, women’s representation improved from 16% to 18% in the top 250 and from 22% to 23% in senior management from 2007 to 2008.

2009 (targets)

- Roll out existing training and create new trainings.
- Extend our mentoring initiative.
- Develop flexibility initiatives.
- Develop action plans in each entity.
- Provide new tools (cross-cultural management).
- Continue to share best practices.
- Improve representation of minorities at all management levels.

Awards

2008 – United States

- Sodexo’s recruitment program won the “Best Diversity Program” in the Recruiting Excellence Awards presented by ERE Media Inc.
- Sodexo was ranked #12 for diversity among the top 50 companies in Diversity Inc.
- Sodexo was named a Top Company for Diversity by Black Enterprise Magazine. The publication recognized Sodexo’s supplier diversity program and its diverse employee base as key strengths for the organization.

Read more on:

- http://www.sodexo.com/group_en/corporate-citizenship
- Ethical Principles and Sustainable Development Contract, page 15
- Group Human Rights policy
- Inclusion news

Corporate governance with transparency

“ Sodexo’s corporate governance structure is compliant with prescriptions of French law and with the rules established by the Autorité des Marchés Financiers (AMF). In addition, Sodexo complies with the Corporate Governance Code of the AFEF-MEDEF in effect. Consequently, Sodexo considers that its approach to corporate governance is appropriate and conforms to the best practices in corporate governance in France. ”

Sian Herbert Jones
Group Chief Financial Officer
Member of the Group Executive Committee

Sodexo is administered by a Board of Directors, chaired by Pierre Bellon, founder of Sodexo. The Board of Directors comprises 14 members. Ten are French nationals, two are American, one is Canadian and one British. Six directors qualify as independent in accordance with accepted corporate governance criteria.

To support its decision-making process, the Board has created three Committees, each with its own Charter. Broadly, their role is to examine specific issues ahead of Board meetings, and to submit opinions, proposals and recommendations to the Board.

- Audit Committee
- Nominating Committee
- Compensation Committee

Our investor relations policy is based on core principles:

- Equal treatment: All financial press releases are issued simultaneously in real time to all our stakeholders, in both French and English.
- Regular reporting: Our financial information calendar is published for the financial community a year in advance, and updates are always available on our website at sodexo.com.
- Accessibility: Live webcasts of our annual shareholders’ meetings and earnings presentations are available on our website.
- Transparency: A broad range of corporate information is posted on sodexo.com:
 - Fiscal 2008 Financial and Legal Information: financial performance and corporate governance
 - Fiscal 2008 Annual Report
 - A "digest", an overview of our Group

Read more on:

→ http://www.sodexo.com/group_en

→ FY08 Annual Report



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