

Global Compact

Elior

Communication on Progress – 2011

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Statement of continuing support by Robert Zolade, Chairman of the Elior Group



By signing up to the United Nations' Global Compact in 2004, we demonstrated our commitment to achieving sustainable growth based on economic, social and environmental responsibility.

In 2011 we further strengthened our support for the Global Compact by intensifying the initiatives and measures taken within our various markets, both in France and the other countries where the Group operates.

I would like to take the opportunity of Elior's 2011 Communication on Progress to reiterate our commitment to promoting and applying the principles of the Global Compact.

This year we are highlighting:

- *our commitment to protecting the environment, through the Elior carbon measurement system; and*
- *our social approach with our measures to promote job opportunities for disadvantaged young people.*

To find out more about the Elior Group, please visit our website at www.elior.com
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Elior's carbon measurement system (Illustrating Principles 7, 8 and 9 of the Global Compact)

Reducing emissions of GHGs¹ is one of the key priorities of Elior's sustainable development policy. Since 2009, our GHG emissions reduction strategy has been overseen by a specialist within the Group's sustainable development team who has been trained and certified by Ademe² on the *Bilan Carbone®* (carbon footprint) method used for measuring and reporting carbon emissions.

In 2009 we drew up three carbon footprint reports (*Bilan Carbone®* reports), which gave us an overview of the main sources of GHG emissions in our contract catering operations. We reported on this process in our 2010 Communication on Progress.

Elior makes strides in the management of its GHG emissions

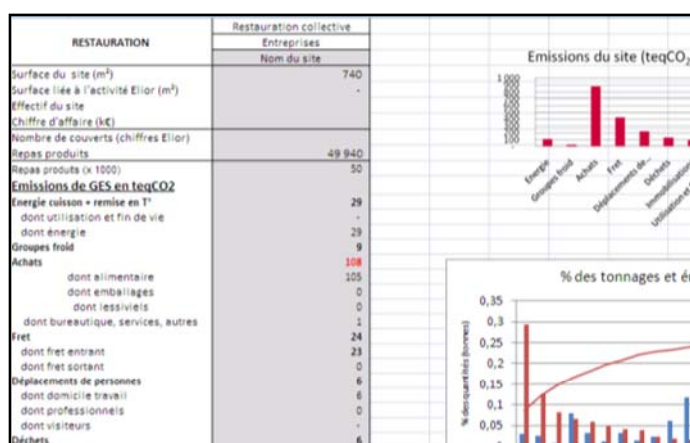
In 2011, Elior took two major steps forward with respect to its emissions reduction strategy. Firstly, we deepened our understanding of the carbon footprint made by our Concessions and Support Services businesses, and secondly, we created our own system for measuring our carbon emissions.

Using Ademe's *Bilan Carbone®* method as a basis, we have designed a user-friendly spreadsheet application with one version for Contract Catering and Concessions operations and another version for our Support Services business. Through this application and the accompanying user's manual, the Group's sites can generate automatic reports that include ways of reducing GHG emissions.

This system gives us an understanding of the direct and indirect carbon emissions produced by the Group's sites and operations, which in turn means that we can put in place GHG reduction plans in partnership with our clients.

Having been tested at several pilot sites, the system is currently being rolled out in each of the Group's markets in France, within Contract Catering (Business & Industry, Education, and Healthcare & Seniors), Concessions (Motorways, Airports, City Sites and Leisure) and Support Services (Facilities Management, Cleaning Services and Healthcare & Seniors Services). The next stage will be to present it to Elior's subsidiaries in countries so that they can identify their requirements and set up the system for their own use.

At the same time, this overall process will enable us to respond to the numerous requests from our clients and prospects who are committed to reducing their own GHG emissions and who wish to know the carbon footprint of the operations they have entrusted, or plan to entrust, to Elior.



¹ Greenhouse gases

² France's Agency for the Environment and Energy Management.

A methodological approach...

Elior's carbon measurement system has been specifically designed for the Group's businesses based on the *Bilan Carbone*[®] method developed by Ademe. The system was created following dedicated research carried out in conjunction with Climat Mundi – a consulting firm that specialises in carbon strategies – and with the participation of the Group's network of sustainable development correspondents in each of its markets. The aim of the research was to identify the information required to design Elior's carbon measurement system. It was carried out through telephone interviews and an online questionnaire conducted with some forty sites representing all of the Group's markets. The findings enabled us to better identify the sites' internal operating processes and the data that needs to be compiled from each site as well as from external service providers, clients, and at Group level, including data about energy consumption, cooling systems, food and non-food purchases, travel, freight, waste management and fixed assets.

The Group's Purchasing and IT Departments helped to simplify the data compilation process for the system's "purchasing" section by developing a specific application for information on food and non-food purchases.

... to simplify the measurement of carbon emissions

All of the data compiled in the Elior carbon spreadsheet application are instantly converted into tCO₂e³. This enables the system to automatically generate a summary GHG emissions report as well as initial ways of reducing these emissions. These recommended action points can then be shared with the client and operating team concerned.

Making carbon emissions reduction an increasingly integral element of day-to-day activities

In 2011, Elior gained further insight into the GHG emissions generated by its businesses by measuring the emissions of 12 sites in France. The findings of this quantification process confirmed the underlying trends shown in the *Bilan Carbone*[®] reports drawn up in 2009 for the Contract Catering business, and gave the Group an overall view of the main sources of emissions generated by its other businesses, such as Cleaning Services and Facilities Management.



In addition, the people who worked on designing the Group's carbon measurement system were able to improve and/or consolidate their understanding of the issue of climate change throughout the entire duration of the project.

A dedicated in-house training programme on carbon emissions measurement – led by Elior's carbon expert – has been developed for users of the spreadsheet application, and is another tool for the Group in helping it to raise awareness about the various issues involved in sustainable development.

The carbon measurement system places Elior in a win-win position by enabling it to identify and reduce its own GHG emissions while at the same time partnering its clients in implementing their own environmental strategies.

³ Metric tonnes of carbon dioxide equivalent.

Promoting job opportunities for disadvantaged young people ***(Illustrating Principles 1, 2 and 6 of the Global Compact)***

Ensuring equal opportunities by promoting diversity is one of the key aspects of Elior's corporate social responsibility strategy.

One illustration of this commitment is the Group's signature of France's Corporate Diversity Charter in 2005.



Another example is the SA 8000 certification obtained by Elior Italy in 2011, which covers 9 core areas, including the principle of no age-based discrimination⁴.

Because 15% of its employees are aged under 26, Elior has decided to pay particular attention to integrating young people into the Group, and particularly disadvantaged young people.

We help disadvantaged young people to boost their employability by providing access to training or to their first job. We have put in place numerous practical initiatives in the countries where we operate with a view to promoting the training and employment of young people.

We put our commitment to corporate social responsibility into practice in all the countries where we operate by providing training and employment opportunities to young people, in partnership with both public and private players. This approach also offers another way of working together with our clients, by making a joint commitment to sustainable growth and adopting a responsible stance towards society at large.

Elior is committed to helping young people follow training programmes that lead to qualification

In 1995 the Group set up the Elior Foundation, *Agir pour l'Education*, which provides grants to finance education for young people from low-income families who have at least one parent working in the foodservices industry. Since that date, the Foundation has allocated 1,115 grants to young people to finance their education in a wide variety of fields.



SciencesPo. Through the Foundation, in September 2011 Elior entered into a partnership with Sciences Po – a highly reputed French university – to assist students forming part of Sciences Po's priority education programme (*Conventions d'Education Prioritaires*, or CEP). The CEP programme is a selective recruitment channel aimed at pupils attending schools in disadvantaged areas. In the Group's capacity as a partner of this programme, Elior's managers sit on the admission selection panels, help certain young people map out their career plans and offer internships within Group entities.

In addition, each year the Group takes on young people from a wide range of educational backgrounds under work-study contracts with a view to giving them the opportunity to gain the qualifications they need to find a job in the hospitality, catering, hygiene, cleaning and support services industries. As well as providing training, these work-study contracts enable young people to acquire professional experience which subsequently opens doors for them in the job market.

⁴ See Article 5 of SA 8000.

In 2010, the Elior Group took on 855 young people on work-study contracts in France, with educational profiles ranging from holders of vocational training certificates to post-graduate degrees. To date, a total of 45% of work-study programme participants with a higher educational qualification who have wished to remain with the Group after their training period have been given their first job by the Group or have stayed on for a further work-study placement.

At the same time, in Italy, the Group works with Milan's most prestigious universities, business schools and professional training institutions.

Providing job opportunities for young people

In 2010, Elior signed a three-year national framework agreement with France's employment agency – Pôle Emploi – with a view to strengthening the partnership built up with Pôle Emploi in terms of recruitment. This agreement reaffirms the Group's commitment to fight all forms of discrimination by recruiting more candidates from back-to-work programmes, particularly young people. In 2010, 130 people who had been unemployed for more than 2 years and 92 young people from underprivileged urban areas joined the Elior Group thanks to this partnership with Pôle Emploi.

In September 2011, the Group's Spanish subsidiary Serunión teamed up with Barcelona's employment agency as part of a programme called "JOVES AMB FUTUR", which is aimed at providing under-24 year olds with 300 hours of hospitality and/or foodservices training that lead to a recognised qualification. A total of 15 young people have already joined this programme.

In the UK, Elior is a partner of The Springboard Charity which helps young unemployed people find jobs in the hospitality and catering industries. As part of this partnership and assisted by a network of a dozen school and college "Ambassadors", Elior helps young people aged 12-16 to discover the various professions available within the industry and to prepare for the national cookery competition "FutureChef".



In 2009, Elior signed up to the national "*Espoir Banlieues*" programme in France aimed at stimulating job opportunities for young people living in underprivileged urban areas. At the end of the first year of this programme, out of a total of 1,700 young people recruited for Elior's foodservices operations, 21% came from underprivileged areas. Of these new hires, 285 were taken on under permanent contracts and more than 90 under work-study schemes.

Since late 2011, Elior has been a member of the Board of Directors of the "*100 chances, 100 emplois*" charitable organisation, a network that the Group first joined in 2009. The organisation's aim is to encourage equal opportunities for young adults aged between 18 and 30 who live in disadvantaged areas. It offers personalised plans to facilitate access to sustainable employment for low-skilled young people and those who have qualifications but who are victims of discrimination. Elior is part of the organisation's business network in six areas in France – Grenoble, Lyon, Rouen, Aubervilliers, Rueil Malmaison and Nice – and in this role its employees inform the young people concerned about the various professions available within the Group, help them define their career aims, and assist them with finding a training programme or a job.



At the same time, we help young students from "Second Chance Schools" (*Ecoles de la 2ème chance*) by providing them with introductory internships in our Concessions business. These Second Chance Schools were first created in 1997 in order to help young unemployed people without any diplomas or professional qualifications by offering them an educational programme lasting around seven months. They are aimed at breaking away from the standard school structure, with a focus on encouraging autonomy and are tailored to the participants' individual objectives. The only selection criterion is the students' motivation.

Elior is also a long-standing partner of the Jeremy charitable association and takes on interns in its Airports business in order to help them gain a qualification as a catering assistant. Jeremy⁵ is made up of some fifteen enterprises which have decided to pool their job opportunities and promote access to jobs at Roissy and Orly for people living in the vicinity of the two airports.

⁵ *Jeunes en recherche d'emploi à Roissy et Orly (young jobseekers at Roissy and Orly)*

The 10 principles of the Global Compact

Human Rights

1. *Businesses should support and respect the protection of internationally proclaimed human rights; and*
2. *make sure that they are not complicit in human rights abuses.*

Labour

3. *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
4. *the elimination of all forms of forced and compulsory labour;*
5. *the effective abolition of child labour; and*
6. *the elimination of discrimination in respect of employment and occupation.*

Environment

7. *Businesses should support a precautionary approach to environmental challenges;*
8. *undertake initiatives to promote greater environmental responsibility; and*
9. *encourage the development and diffusion of environmentally friendly technologies.*

Anti-Corruption

10. *Businesses should work against corruption in all its forms, including extortion and bribery.*

In view of the nature of Elior's business activities, Principle 10 is not relevant to the Group's operations.