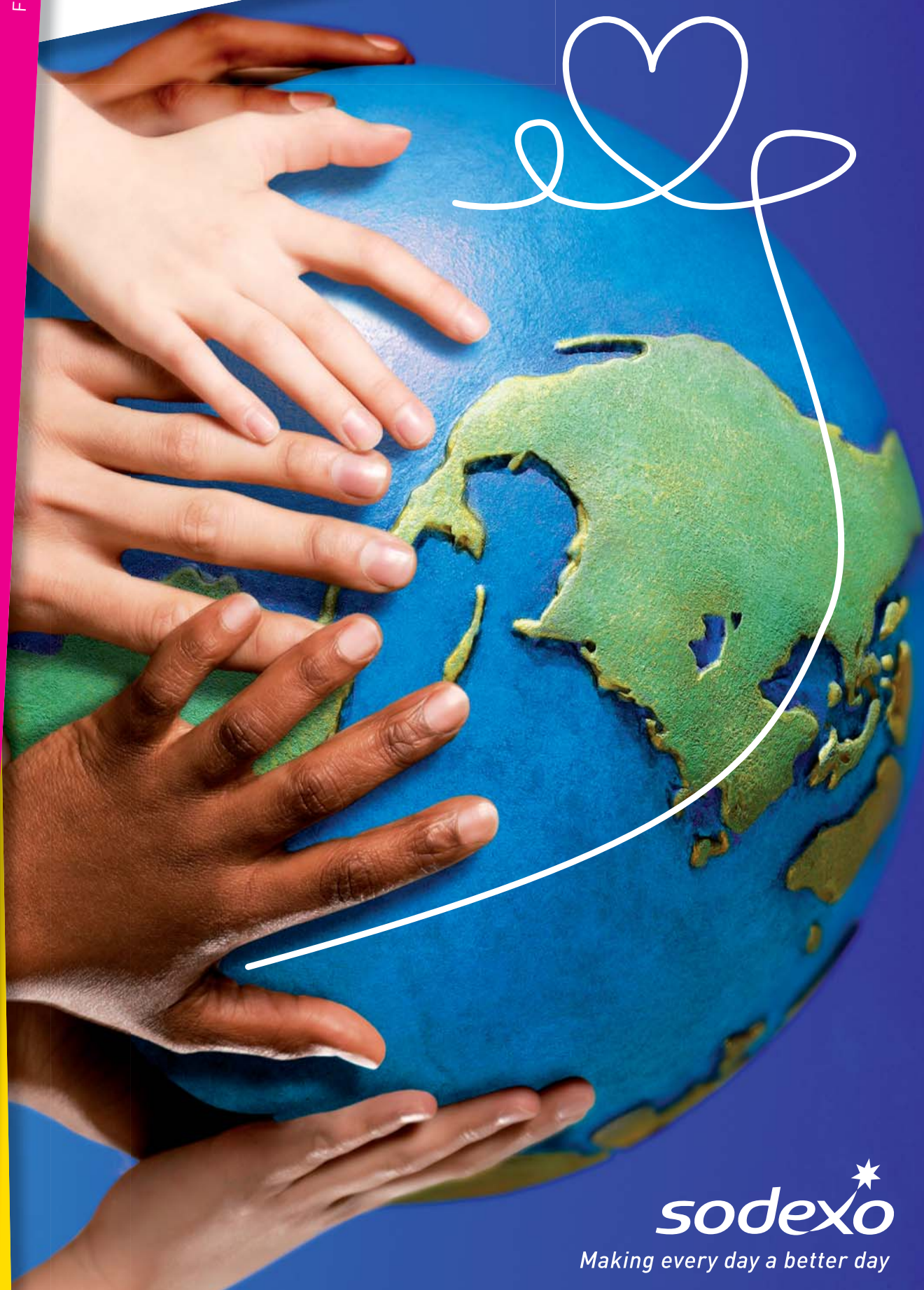


FISCAL 2007

CORPORATE CITIZENSHIP REPORT
Act as a Corporate Citizen



sodexo^{*}

Making every day a better day

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Global Reporting Initiative

For the second time running, Sodexo's 2006-2007 "Act as a Corporate Citizen" report covers indicators contained in the GRI3 reporting framework launched by the Global Reporting Initiative (GRI) in 2006. The GRI framework establishes international guidelines for reporting economic, social and environmental data. globalreporting.org.

About this report

We are publishing our Corporate Citizenship Report for the 3rd year running. In this report, we seek to provide stakeholders with an insight into how we are committed to promoting and encouraging our commitments formalized in our "Ethical Principles and Sustainable Development Contract" in 2003. This report relates to Sodexo's operations all over the world and covers the period from 1st September 2006 to 31st August 2007. All references to "Sodexo" or "we" relate to the Sodexo Group.

SODEXO in brief

AS OF AUGUST 31, 2007

13.4

billion euro
in revenues

342,000

employees

29,000

sites

80

host countries

#22

Largest European-based
employer in the world ^(a)

#6

Largest European-based
employer in Europe ^(b)

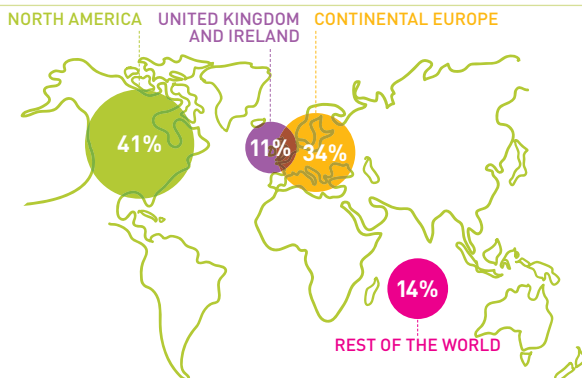
#2

Largest French-based
employer in the world ^(b)

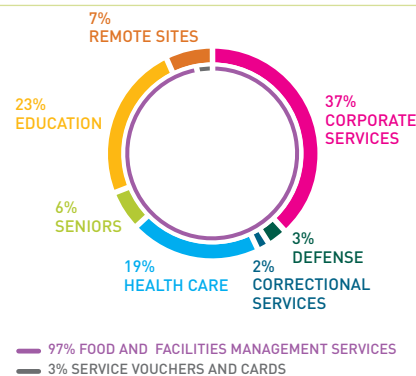
(a) Fortune Global 500, 2007

(b) Les Mille de L'Expansion, 2007

REVENUES BY REGION



REVENUES BY ACTIVITY



2 activities IN THE SERVICE OF QUALITY OF LIFE

Sodexo is the only company to offer both Food and Facilities Management services, as well as Service Vouchers and Cards, adding value for its clients, and enhancing the well being of all.

FOOD AND FACILITIES MANAGEMENT SERVICES

97%

OF GROUP REVENUES

OUR SEGMENTS OF CLIENTS:

Corporate Services	Seniors
Leisure	Education
Defense	Remote Sites
Correctional Services	
Health Care	

SERVICE VOUCHERS AND CARDS

3%

OF GROUP REVENUES

7.5

BILLION EURO
IN ISSUE VOLUME

Through innovative, flexible, secured solutions (vouchers, magnetic cards, smart cards and e-vouchers), Sodexo is inventing a simpler and more pleasant life.

EDITORIAL FROM MICHEL LANDEL

As a leader in its markets, Sodexo is today recognized as a top performing company with a high quality product and service offer. Our 342,000 employees, who together represent 132 nationalities, contribute their expertise and cultural diversity to accomplishing our common vision “**to become the premier global outsourcing expert in Quality of Life services**” by 2015.

Since our last report, we have continued to implement our wide range of policies and programs that take into account environmental and social criteria. In this 2007 report, I am pleased to share our vision fulfilling our mission to improve the Quality of Daily Life.

Our firm commitment to **equal opportunity**, our **respect for people** and our determination to fight all forms of discrimination, are fundamental to our relations with all of our stakeholders in each of our 80 host countries.

We are proud to contribute to educating people about healthy eating and the long-lasting, beneficial effects of sound nutrition and a balanced diet. Sodexo is also continuing its preventive actions against **obesity**. 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 service offers are specifically designed for each of the population segments with which we work: children, teenagers and students, adults, seniors and people with disabilities.

The persistent high level of malnutrition in the world and infant mortality linked to it, underpins our actions. Our **STOP Hunger program**, today implemented in 22 countries, has been deployed in partnership with 150+ NGOs and associations.

Although Sodexo's environmental footprint is low, we have always been attentive to the environmental preoccupations of our clients and customers. Today, we are focusing our efforts on four principal areas that preserve the environment and improve the Quality of Daily Life: pollution prevention, waste treatment, energy saving and water consumption control.

Sodexo has been selected for the year 2007-2008 as an index component for both the **Dow Jones Sustainability World Index** and the **Dow Jones STOXX Sustainability Index (DJSI)**. In addition, for the third year in a row, we have been named the **supersector worldwide leader** in our industry classification, Travel and Leisure. Sodexo is the only France-headquartered company listed in the DJSI as supersector leader.

Sodexo also has been selected as a component for 2007 in the FTSE4Good index as we have since it was created in 2001. This external distinction is exceptional and recognizes the constancy of our Corporate Citizenship efforts. We are very proud of this achievement.



We remain committed to encouraging our employees to contribute to a better Quality of Life through our Corporate Citizenship initiatives, and continue to adopt performance measurements at Group level to track our progress worldwide.

I am confident that, working together, we will continue **to make every day a better day.**

Sincerely yours.



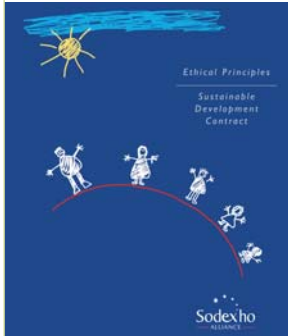
Michel Landel

CHIEF EXECUTIVE OFFICER, SODEXO
PRESIDENT OF THE EXECUTIVE
COMMITTEE
PRESIDENT OF THE STOP HUNGER
ASSOCIATION





A FORMAL STRATEGY



ETHICAL PRINCIPLES AND SUSTAINABLE DEVELOPMENT CONTRACT

In 2003, the Group issued a formal sustainable development strategy, backed by a commitment to attaining specific objectives set for each of our stakeholders.

Sodexo's senior management signed the Ethical Principles and Sustainable Development Contract and is committed to communicating and respecting the ethical principles and our sustainable development values with our **342,000 employees**. The Contract has been translated into **14 languages**.



OUR COMMITMENTS

Sodexo has joined international organizations that reflect its values and its commitment to Corporate Citizenship.



UNITED NATIONS GLOBAL COMPACT

In 2003, 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. unglobalcompact.org

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

→ Human Rights

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

→ Labor Standards

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 labor;
5. The effective abolition of child labor; and
6. The elimination of discrimination with respect to 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 all forms of corruption, including extortion and bribery.



EXTERNAL RECOGNITION FOR SODEXO

DOW JONES SUSTAINABILITY INDEXES (DJSI)



For the **third year** in a row, Sodexo has been selected for inclusion in the **Dow Jones Sustainability World Index** and **Dow Jones STOXX Sustainability Index**. In addition, Sodexo has again been named "Industry leader" in the "Hotels, Restaurants, Bars & Recreational Services" sector and "**Worldwide Supersector Leader**" of the "Travel & Leisure" sector. sustainability-indexes.com

→ General analysis by DJSI rating agency, the SAM Group

Sodexo's Sustainable Development Performance – September 2007

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

FTSE4GOOD



FTSE4Good

Since its creation in 2001, Sodexo has been included in the FTSE4Good index, an equity index series designed to facilitate investment in companies that meet globally recognized corporate responsibility standards. ftse4good.com

ASPI EUROZONE



In 2004, Sodexo was included in the ASPI Eurozone index. The Group ranks first among companies in the index for its commitment to stakeholders and Sodexo's strongest areas are business behavior and community involvement. vigeo.fr



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 and 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 development of countries in which we operate.

◎ OUR MISSION

To Improve the Quality of Daily Life.

◎ OUR VISION

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

◎ OUR CORE VALUES

→ Service spirit

- Clients and customers are the center of everything we do.
- In order to serve them well, on a daily basis, at all levels, we have to demonstrate our ability to listen, our capacity to anticipate their expectations, our sense of conviviality, our responsiveness to their needs and our pride in satisfying them.
- Sodexo has become a large, worldwide company, but we still remain a local company in which each manager in the field is a true entrepreneur, close to his clients and empowered in their decision-making.

→ Team spirit

- It is an imperative in all of our operations, our business units and support functions, as well as in our management committees.
- Each person's skills combine with other team members' knowledge to help ensure Sodexo's success. Teamwork depends on the following: listening,

transparency, respect for others, diversity, solidarity in implementing major decisions, respect for rules, and mutual support, particularly in difficult times.

→ Spirit of progress

- We demonstrate the spirit of progress through:
- our will, but also the firm belief that one can always improve on the present situation;
 - acceptance of the evaluation of our performance, which compares us to our colleagues in the company, or with competitors;
 - rejection of preconceived notions and false alibis for avoiding change;
 - self-evaluation, because understanding one's successes as well as one's failures is fundamental to continuous improvement;
 - a balance between ambition and humility;
 - optimism, the belief that for every problem there is a solution, an innovation, or an improvement to be made.

◎ 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 born of 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 rejection of corrupt and unfair practices.



All of our employees at every level are expected to adhere to our philosophy and the six progress pillars above guide each of us in our daily work.

→ SODEXO'S AMBITION FOR 2015

We aim to double our fiscal 2005 revenue and triple our operating profit at constant currency.

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.



BUSINESS integrity



“ We have a responsibility to maintain the very highest standards in our business practices with our stakeholders. The recent introduction of our Business Integrity Statement will help 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, Group Business Integrity Champion.

STRATEGY

CHALLENGES FOR THE FUTURE

In the global market place, 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 342,000 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**.

BUSINESS PRINCIPLES AND POLICIES

Since 1966, when Pierre Bellon founded Sodexo, the Group has made the clear choice to build a growth culture around a strong philosophy which is the DNA of our company. In 2003, we committed to being ethics guardians, anchoring this commitment in our Ethical Principles: loyalty, respect for people, transparency and business integrity.

[Ethical Principles and Sustainable Development Contract, pages 6-7, at sodexo.com]

PROGRAM

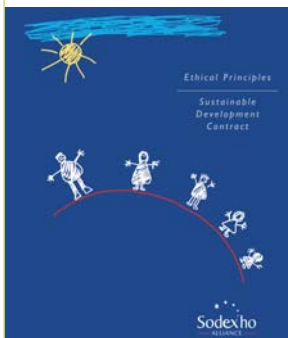
In 2006, the Group Executive Committee recommended to the Board of Directors the adoption of **a Business Integrity Code**.

This code enshrines Sodexo's core beliefs and practices in this area of business ethics, so that every employee understands and shares the Group's commitment to Business Integrity.

In 2007, the Executive Committee of Sodexo adopted a Code of Conduct called the **“Sodexo Statement of Business Integrity”** available at sodexo.com.

The publication of the Code of Conduct was supported by the introduction of the resources required to ensure compliance throughout the Group.

All of our employees at every level are expected to adhere to our philosophy and the six pillars above guide each of us in our daily work.



92
SENIOR MANAGERS
TRAINED

TARGET

The Group is committed to cascade the **training sessions** to their zone and country level teams during FY 2008.

We will:

1. Continue to name **Business Integrity Champions** for each entity.
2. Cascade down information through **training**.
3. Distribute a **Guide to Business Integrity** to all Sodexo employees.
4. Develop **KPIs** to enable performance-based management and reporting on Business Integrity.

PERFORMANCE

PROGRESS

In addition to publishing the Statement of Business Integrity, we have put in place resources to provide support to our teams and to ensure a consistent, Group-wide perspective:

1. Appointment of a **Group Business Integrity Champion: Pierre Henry**.
2. Creation of a **Group-wide Integrity Council**.
3. **Announcement** to all Sodexo senior management teams and **implementation** of the initiative through training sessions conducted within the Executive Committees of each business level and cascaded through each management zone/function.
4. **The Group-wide Integrity Council** meets on a semi-annual basis.

In total **92** executive senior managers have participated in training sessions.



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.”

Clodine Pincemin,
Group Senior Vice President, Communications and Sustainable Development, Member of the Group Executive Committee.

DETERMINED TO MOVE FORWARD

We have developed a structured approach to move forward and reach our Corporate Citizenship goals:

AN ACTION PLAN TO SUPPORT OUR INITIATIVES

Since 2005 we have defined an **action plan** to capitalize on existing momentum and to make progress by pursuing several objectives:

- Develop a **Corporate Citizenship network** within the Group.
- Enhance our **indicators** and our **policies**.
- Establish **common tools**.

A MANAGEMENT TOOL TO SERVE THE CORPORATE CITIZENSHIP STRATEGY

In 2006, the Group introduced a Corporate Citizenship **monitoring tool**, SoEthics, 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.

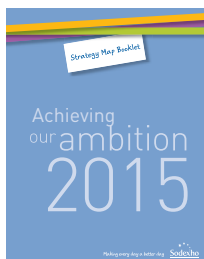
PUBLISHING A CORPORATE CITIZENSHIP REPORT

In 2005, Sodexo published its **first Corporate Citizenship report**, which presented an overview of initiatives developed within the Group and our performance. In 2006, we stepped up our communication policy by publishing a **second report** that confirmed the commitments made the previous year. This year, we are publishing our **third report** composed of a generic document and of two specific booklets named **“Act as a corporate citizen for the Planet”** and **“Act as a corporate citizen against malnutrition and hunger”**, available on sodexo.com.

WORKING IN A COORDINATED AND DETERMINED MANNER ON THE OPERATIONAL FRONT

Since 2005, Sodexo has collected information about the best initiatives within the Group and leveraged synergies to develop expertise in Corporate Citizenship, as well as promoting **exchanges of know-how among the different coordinators** responsible for animating the different networks. In this way, we have been able to cascade our best initiatives across all areas and activities.





ENGAGING IN OPEN DIALOGUE WITH INSTITUTIONS

Our commitment is demonstrated in our partnerships with institutional players and other associations, such as the **FAO**, the United Nations Organization for Agriculture and Food, and **APAS**, the Association of Sodexo's Shareholders and Employees.

INCORPORATING CORPORATE CITIZENSHIP GOALS IN OUR STRATEGY MAP

In order "to become the premier global outsourcing expert in Quality of Life services," our strategic plan **Ambition 2015** was launched in 2005. In 2006, the Group Executive Committee developed a Strategic Map describing six core strategic goals. These included the goal of "living our values", supported by a Corporate Citizenship initiative. **A steering committee** made up of five Executive Committee members meets three times a year to guide the Group's Corporate Citizenship strategy.

PROGRESSING ON OUR STRATEGY MAP

For FY 2007, the Group Executive Committee selected some priorities to strengthen the Group's Corporate Citizenship strategy:

Fight malnutrition throughout the world

1. Develop and promote an offer based on a balanced diet to overcome obesity.
2. Deploy and extend our STOP Hunger program.

Improve the quality of working life for our employees

1. Guarantee their safety and protect their health.
2. Provide them with the means for personal and professional development.

Protect the environment

1. Set up a global waste sorting and recycling program.
2. Set up a global energy and water saving program.

Make our human resources policies a genuine source of competitive advantage

Promote Diversity and Inclusion

LAUNCHING TWO INTERNAL BENCHMARKS FROM THE FIELD

In FY 2007, we conducted two internal benchmarks, using our on-line monitoring tool SoEthics. The internal benchmark objectives were to validate that the priorities had been fully understood and properly implemented by subsidiaries worldwide and to measure future progress.

WORKING TO IDENTIFY AND PRIORITIZE ALL THE RELEVANT SUSTAINABILITY ISSUES FOR SODEXO

In June 2007, we decided to conduct a materiality analysis to identify **Sodexo's most material Corporate Citizenship issues**, that have a material impact on economic and financial performance. Sodexo's challenge is to review and revise our global Corporate Citizenship strategy to ensure that Sodexo gets the most value from its corporate citizenship activities. This process will lead to a revised strategy that will contribute to the achievement of our 2015 AMBITION strategic plan.

This evaluation process is conducted both internally, through interviews of 240 top managers, and externally, with our stakeholders. We are relying on the expertise of **Business for Social Responsibility (BSR)**; a non-profit business association that works with corporations to create a more just and sustainable global economy. BSR has worked with Sodexo in the United States since 2005, and since July 2007, Sodexo has become a BSR member at the global level. bsr.org

The objectives of the materiality process are:

- **Identify all the relevant sustainability issues** for Sodexo, which will allow the Group to increase its economic and financial performance in the framework of the current and future market opportunities
- **Prioritize the most important sustainability issues** for Sodexo and decide which ones should be managed by Sodexo at the global level to accompany AMBITION 2015.

We will report results of this analysis in our 2008 Citizenship Report.



CORPORATE CITIZENSHIP ORGANIZATION

chart

Our corporate citizenship strategy is relayed within the Group.

GROUP EXECUTIVE COMMITTEE

Michel Landel

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

Roberto Cirillo

Group Senior Vice President, Strategic Planning and Innovation

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

STEERING COMMITTEE
“ACT AS A CORPORATE CITIZEN”

Elisabeth Carpentier

Group Senior Vice President and Chief Human Resources Officer

George Chavel

Group Chief Operating Officer
 Chief Executive Officer, North America, Food and Facilities Management services

Nicolas Japy

Group Chief Operating Officer
 Chief Executive Officer, Remote Sites, and Asia-Australia,
 Food and Facilities Management services

Clodine Pincemin

Group Senior Vice President, Communications and Sustainable Development

Damien Verdier

Group Senior Vice President, Marketing



COORDINATION

Dolores Larroque

Worldwide coordinator for Corporate Citizenship

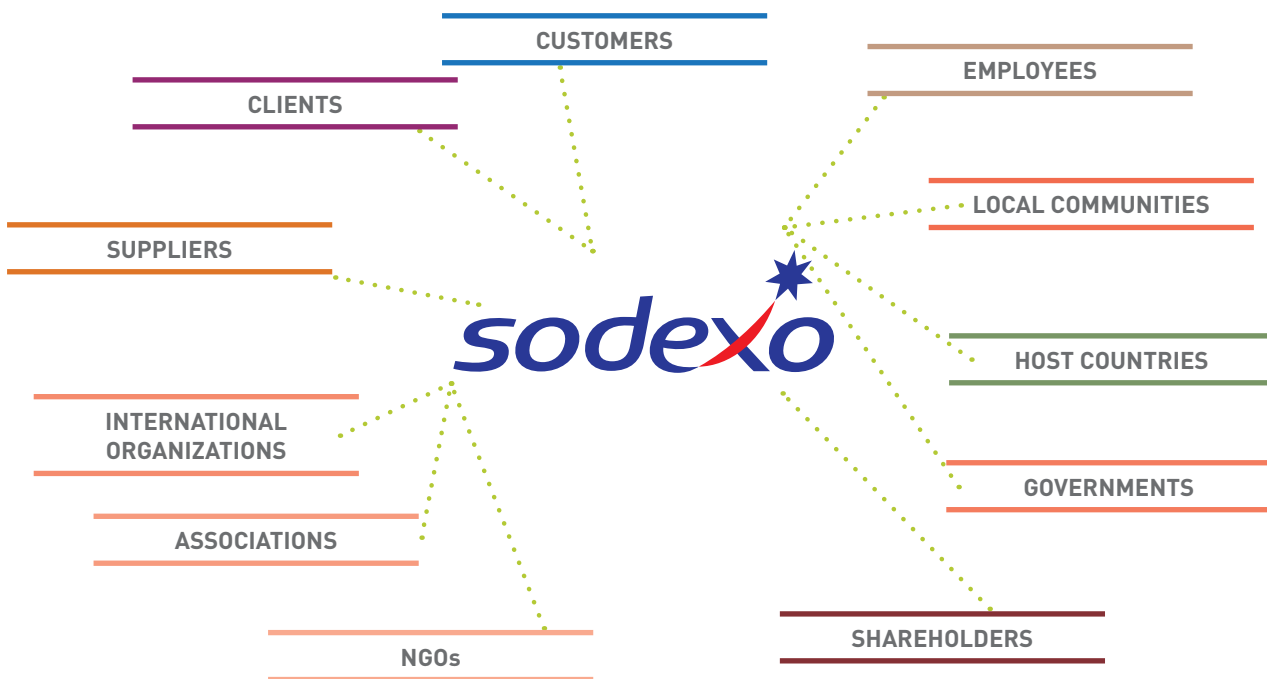


NETWORK

A network of **Corporate Citizenship** coordinators at country level at activity level

CHALLENGES FOR THE future

On 29,000 sites in 80 countries, Sodexo fulfils its economic and societal, social and environmental responsibilities. We form a hub, at the centre of our stakeholders, serving society to transform Corporate Citizenship challenges into initiatives that improve the Quality of Daily Life.



AT THE START OF THE 21ST CENTURY, HUMANITY IS AT A CROSSROADS.

Our planet, which only a century ago still appeared so vast, today seems cramped. The world's population will reach **9 billion by 2050**; **climate change** is affecting food production; more than **850 million** people suffer from **hunger and malnutrition** while an increasing number are obese; developed and developing countries are making unsustainable demands on the supply of **scarce fossil fuels**; and **pollution** is affecting the environment.

Globalization has led companies to grow their operations in developing countries where access to good schooling, health care, nutritious food and decent housing remains an on-going challenge for local populations. Companies doing business in these countries must ensure that local communities benefit from the development opportunities that their presence provides.

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 Corporate Citizens. With our teams of experts and our workforce of **342,000 people**, in **80 countries** throughout the world, we are deploying a wide range of programs and initiatives.



SODEXO'S CORPORATE CITIZENSHIP

challenges & performance

	CHALLENGES	SODEXO'S RESPONSES	INDICATORS
Economic and Community	CREATE VALUE	We strive to improve our performance, competitiveness and profitability	Client Retention Shareholders - Publication date after end-close year (number of calendar days) Revenues from services other than foodservice
	BE INVOLVED IN THE LOCAL COMMUNITY	We contribute to the development of the local economy and encourage local hiring and procurement	Local recruitment
	STIMULATE THE ECONOMIC NETWORK	We encourage the food industry and local producers to raise their standards	Purchases from approved suppliers on the basis of vendor compliance * * Vendor compliance = purchases from approved suppliers / (purchases from approved suppliers + purchases from competitor suppliers). Business Units which have implemented a supplier code of conduct
	REDUCE THE CAUSES OF POVERTY AND SOCIAL VULNERABILITY	We fight hunger and malnutrition throughout the world	STOP Hunger Program - Countries developing initiatives - STOP Hunger initiatives - Partnerships with NGOs and associations - Financial donations - Meals donated
	SUPPORT GOVERNMENT SOCIAL POLICIES	We offer services aligned with government social aid projects	We are currently defining a Key Performance Indicator



“ Today, the strength of a company depends not only on its financial performance, but increasingly on its social and environmental achievements. Its value is measured by its financial results and their sustainability.
 At Sodexo we measure the value we provide not only to shareholders, but also to employees, clients, customers, suppliers, the social community in which we operate as well as the environment we live in and draw resources from.
 We have been consolidating our performance indicators for several years, in order to continuously evaluate ourselves along many relevant dimensions, and take timely action to meet our objectives.

In 2006 and 2007, the improvement in our indicators has been more than encouraging, and they are a solid starting base for our future initiatives. During 2008, we intend to continue improving our performance and improve the Quality of Daily Life of all our stakeholders. ”

Roberto Cirillo, Group Senior Vice President, Strategic Planning and Innovation, Member of the Group Executive Committee.

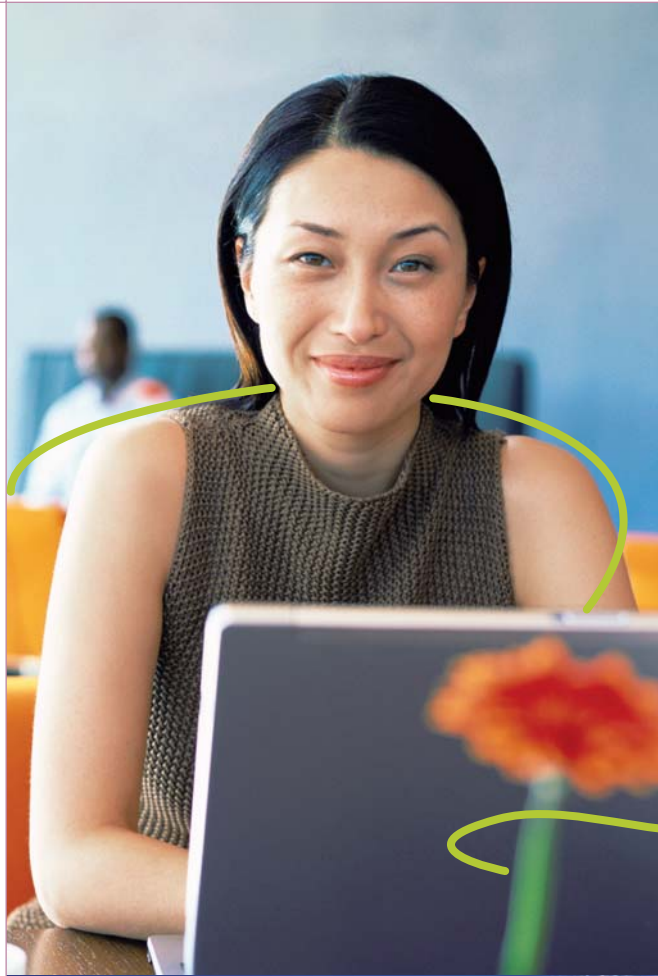
PERFORMANCE

BASIS FOR CONSOLIDATION	2003	2004	2005	2006	2007	OBJECTIVES
World	92.8%	92.9%	93.3%	93.8%	93.9%	Reach 95% by 2008
		78	77	76	75 in 2007 68 in 2008	Gain 20 days in 3 years
World	19%	20%	21%	21%	21.4%	Continue to progress
World	97%	98%	98%	97%	97%	Continue to progress
United States	91.4% (2000)		96.9%	97%	95.5%	Continue to progress
74% of our activities					66%	
World		15	18	19	22	Cover all Sodexo host countries
			80	125	229	
			60	92	153	
					€2,686,362 721,044	

	CHALLENGES	SODEXO'S RESPONSES	INDICATORS
Social	FOSTER EMPLOYABILITY	We develop local workforce skills and create local job opportunities	Internal promotions compared to the total number of job vacancies - Site manager positions filled through internal promotions - Managerial positions filled through promotion of site managers or equivalent Training - Number of people taking part in training programs - % of people trained (number of people trained/ average number of employees)
	ENSURE NON-DISCRIMINATION AND RESPECT FOR DIVERSITY	We respect different cultural and ethnic identities and diversity	Diversity Employees questioned who responded that at Sodexo, employee diversity (age, gender, national origin, etc.) is valued for the differences these dimensions bring to the workplace - Food and Facilities Management services - Service Vouchers and Cards Group Employee Engagement Survey FY 06
	CONTROL RISKS AND ENSURE THE SAFETY OF INDIVIDUALS	We have rigorous programs, training, and monitoring of food and physical safety standards	Food safety - Safety and health audits conducted by an outside body (NFS international) - Food safety audits conducted by an outside body (NFS international)
	PROTECT THE HEALTH OF INDIVIDUALS	We offer nutritious meals to fight obesity and malnutrition	Business units providing clients, customers and employees with information and training on good eating habits Personix: penetration rate for the current installed base (number of sites audited using the Personix method/number of sites per country)
	IMPROVE THE QUALITY OF DAILY LIFE	We foster an environment conducive to good working conditions	Employee retention - All employees - Site managers
Environmental	REDUCE OUR ENVIRONMENTAL FOOTPRINT	We aim to prevent all forms of pollution and focus on reducing CO ₂ emissions We encourage separate collection, sorting and waste recovery We are reducing our energy consumption in our businesses We are reducing our water consumption in our businesses	Environmental Protection - Business Units that have implemented an environmental program - Countries certified ISO 14001 at sites

PERFORMANCE

BASIS FOR CONSOLIDATION	2003	2004	2005	2006	2007	OBJECTIVES
World		13%	25%	17%	19.8%	Continue to progress
World		28%	38%	36%	22.8%	Continue to progress
World			123,456	132,229	215,074	Continue to progress
World			41.6%	40.1%	63.4%	Continue to progress
World					79%	
World					82%	
35 countries (87% of total employees)				50%		Objective of 60% by 2008
North America				3,154	3,166	Consolidate at Group level
				2,732	2,755	
World (95% weighted on revenue)			97%		99%	
			18 countries 10.8%	20 countries 13.4%	25 countries 16.1%	Continue to progress
World		61.5%	65.3%	65.1%	64.2%	Continue to progress
World		86.7%	87.9%	87.4%	87.2%	
World (87% Weighted by revenue)			76%		95%	Define key indicators to measure sustainability
World			7	9	12 countries	



OVERVIEW OF OUR programs & initiatives

Throughout the world, we listen to our stakeholders and develop partnerships with them. We work together to take action to make everyday a better day and improve the Quality of Life for all.

Our Corporate Citizenship strategy is set forth in our ethical charter, presenting our objectives and the commitments we have made to our stakeholders.

STAKEHOLDERS	OBJECTIVES	COMMITMENTS
Clients	Create strong, long-term partnerships	Create value for clients over the long term, thereby forging strong partnerships
Customers	Improve the Quality of Daily Life, safely	Develop a portfolio of services that help improve the Quality of Life for everyone who has entrusted us with their well being Reduce food safety risks Inform and educate future generations about the importance of healthy eating
Employees	Encourage a fulfilling professional life	Provide employees with the means for personal and professional development Promote and respect diversity
Suppliers	Build balanced, long-term relationships	Pursue procurement policies that guarantee the origin and the quality of products Strongly encourage suppliers and subcontractors to respect sustainable development values
Shareholders	Ensure that all shareholders receive the same information at the same time	Regularly provide all shareholders with the same accurate, clear, transparent information simultaneously
Host countries	Contribute to the economic and social development of the countries where we operate	Support the development of local economies by promoting local hiring, the purchase of local products and, in the most disadvantaged countries, local initiatives to stimulate economic growth Fight hunger and malnutrition by expanding the STOP Hunger program Help protect the environment in our host countries

Our clients

OBJECTIVE

CREATE STRONG, LONG-TERM PARTNERSHIPS

COMMITMENT

We are committed to **creating value** for clients over the long-term, thereby forging **strong partnerships**.



"Satisfying our clients' needs is the best way of assuring our development and the principal driver of the Group's profitable organic growth."

**Damien Verdier, Group Senior Vice President, Marketing
Member of the Group Executive Committee.**

→ STRATEGY

CHALLENGES FOR THE FUTURE

Providing continuous support to our clients

We understand the need to continuously adapt our service offers to meet our clients' expectations through continuous innovation. We work with our clients to enhance and ensure the appeal, reputation and efficiency of their organizations, with a view to offering customers high quality products and well-adapted solutions in the areas of health and safety.

BUSINESS PRINCIPLES AND POLICY

We are committed to creating strong, long-term partnerships with our clients.

[Ethical Principles and Sustainable Development Contract - 2003, pages 10-11 at sodexo.com]

Client retention continues to be a key lever for the Group's organic growth strategy. Sodexo puts clients at the core of its organization, decision-making process and actions, and has made client retention one of the Group's foremost measures of business success.

PROGRAM

Our **retention method** relies on in-depth client surveys, identifying areas for improvement, assessing our actions and encouraging best practices, thereby building sustainable relationships based on trust with each client. It enables us to **better understand our clients' needs** and **develop lasting partnerships**, reflecting our focus on clients and their concerns.

Our approach places emphasis on our daily interactions with our clients. We are convinced that our ability to increase client retention depends on concrete practices and the global evolution of the Group's culture, rather than a simple training program.





TARGET

The projected retention rate for 2008 is **95%**.

We continue to introduce our client retention strategy worldwide:

1. In key countries, appointing **full-time managers** dedicated to retention and trained in a common approach.
 2. Increasing the number of **training programs** for our teams.
 3. Ensuring that our staff incorporate **retention tools** in their daily activities.
- The retention process will result in improved long-term profitability. Raising our client retention rate to **95%** will extend the average contract length **by 40%**.

→ PERFORMANCE

PROGRESS

The retention process was created in the United States and introduced in **North America, the United Kingdom & Ireland, Australia and France** in all activity segments.

We are continuing to implement our retention approach, throughout the Group. Since 2005, identical training has been provided in several segments to establish a common approach. The **wide-scale deployment** of the client retention process is on-going and new dedicated resources have been allocated to countries or to activities.

MEET

“ Sodexo's commitment to provide a sustainable environment for our clients brings our site team great satisfaction and improves the quality of life for Howard Hughes Medical Institute. ”

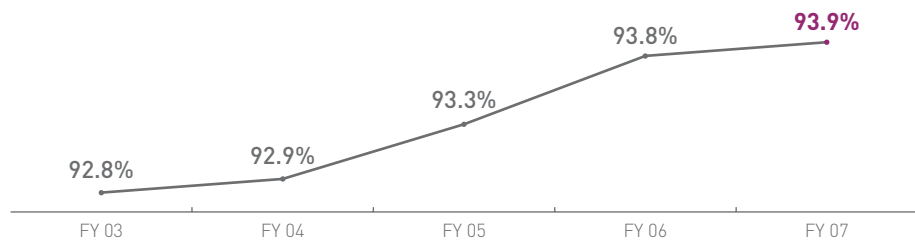
Tom Monaghan, District Manager, Howard Hughes Medical Institute – United States.



93.9%
RETENTION RATE

INDICATOR

Retention rate



AWARD

2007 – **World** – The International Association of Outsourcing Professionals (IAOP), an industry trade group, has ranked Sodexo **number four** overall among the world's leading global outsourcing service providers and **number one** in its industry category, "Facility Services."



CASE STUDY

Colorado College - United States – Since 1967, Sodexo's corporate citizenship model is well demonstrated at Colorado College where we serve **2,550 meals** per day. Our program features menus, programs and activities that are ecologically sound, socially just and economically viable. The **Composting Project**: we have spearheaded the development of a successful sustainability committee, comprised of students, administration and Sodexo managers. The team studied the amount of **food waste** generated by the dining program and proposed to purchase an Earth Tub to compost on campus. The first Earth Tub was installed in summer 2004. The program produced three batches of compost in the first year.





OBJECTIVE

IMPROVE THE QUALITY OF DAILY LIFE, SAFELY

COMMITMENT 1

We are dedicated to developing a *portfolio of services* that help improve the *Quality of Life* of everyone who has entrusted us with their *well-being*.



“We take pride in offering the most specific and appropriate solutions to meet our clients’, customers’ and beneficiaries’ very different needs. Our products and services are always designed to innovate and foster Quality of Life.”

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.

→ STRATEGY

CHALLENGES FOR THE FUTURE

In many societies people are living more active, healthy and longer lives. A multitude of profound changes are also occurring in the workplace and communities, providing exciting **opportunities to develop innovative new services** to improve the Quality of Life. Companies are placing their employees’ well-being at the centre of their activities, hospitals are developing health care environments providing hospitality alongside medical services, cities are opening up access to cultural and sports services for citizens and in particular for the underprivileged.

BUSINESS PRINCIPLES AND POLICIES

We are committed “to developing a portfolio of services that help improve the Quality of Life for everyone who has entrusted us with their well-being”.

[Ethical Principles and Sustainable Development Contract - 2003, page 12 at sodexo.com]

PROGRAM

Our highly varied offers are **adapted to individual needs** and comply with **our ethical principles**.

- **Understanding** the changing tastes and behavior of our customers.
- **Developing** our expertise in Facilities Management services.
- **Finding innovative, flexible and secure solutions** to motivate company employees and help public authorities deploy efficient social programs.



TARGET

Developing offers to improve the quality of our services, through **innovation** and **improvements** that have a positive impact on the health and safety of our customers and beneficiaries.

1. Step up our efforts to increase the percentage of **services that improve the Quality of Daily Life of our customers**
2. Continue introducing the **expectations analysis** methodology and train our employees to use it.
3. Define **key indicators** at Group level to measure sustainability.

→ PERFORMANCE

FY07

25

COUNTRIES HAVE
 ADOPTED PERSONIX™

PROGRESS

- The Sodexo **Personix™** methodology is designed to analyze customers' expectations at their workplace and offer catering best solutions suited to their needs. In FY 07, 25 countries have already adopted **Personix™** and among them 17 European countries, the United States, Canada, China and Chile.
- Today, in **30 countries**, more than **20 million people** have lunch, receive professional training, take part in their favorite sports and benefit from daycare services for their children, thanks to **1 million affiliated** partners with **Sodexo's Service Vouchers Activity and Cards**. In France in 2006, Sodexo through its Service Vouchers and Cards activity created a card to enable students to purchase books and access sports facilities and cinemas. The card is used by 165,000 students throughout the country.

MEET

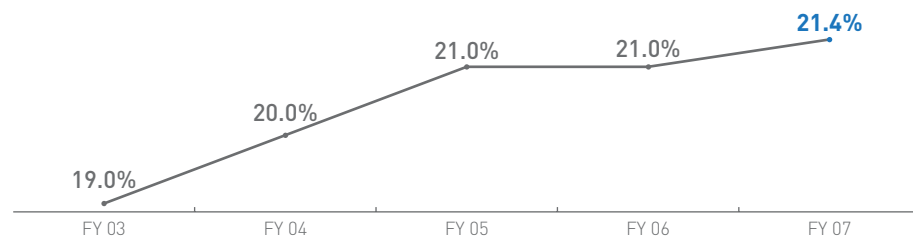
"We chose Sodexo for its familiarity with the local environment as well as for its proven technical maintenance skills. Sodexo has provided quality service, in keeping with Total standards and our expectations, and succeeded in uniting a group of local companies to assist in contract performance."

Jean-Louis Boyer, General Services Manager for Total – Angola.

INDICATOR

Sales from services other than Foodservices

(Facilities Management services and Service Vouchers and Cards)



This figure is higher than last year due to the **opening of significant Facilities Management contracts.**

AWARD

2006 – **Peru** – Sodexo has received the **"Peruvian Company of the year"** award for the third year in the services category.

CASE STUDY

GreenBacks is a complete solution in **Sweden** for processing waste and providing cleaning services, enabling clients to meet environmental and recycling goals and achieve efficient waste and recycling. It has been developed by Sodexo in partnership with Ragn-Sells, a Swedish recycling waste specialist. We currently have **10 GreenBacks** contracts with clients. One of our long-term clients since 1984 benefiting from GreenBacks is Lärarförbundet (the Swedish Teachers Union), for whom the concept was implemented at their Stockholm headquarters in 2001.

21.4%

OF SALES
 FROM SERVICES OTHER
 THAN FOODSERVICES



Our customers

OBJECTIVE

IMPROVE THE QUALITY OF DAILY LIFE, SAFELY

COMMITMENT 2

We are dedicated to reducing **food safety risks** for our customers.



“ We pride ourselves on offering our customers every guarantee of food safety. We take this responsibility extremely seriously for all our guests, and all the more for those we serve who are more vulnerable: children, hospital patients and seniors. ”

Laurent Cousin, Group Senior Vice President, Marketing Offer Food – Research & Development, Food and Facilities Management services, Member of the Group Operational Committee.

→ STRATEGY



CHALLENGES FOR THE FUTURE

Anticipating unpredictable situations is necessary to **react rapidly and effectively** when crises occur. Implementing low risk systems is a complex process that relies on human dedication. The main difficulties remain: training and controlling every employee to implement safety standards and the complexity of today's food supply chain, from raw material to cooked meal.

BUSINESS PRINCIPLES AND POLICIES

We are committed “to reducing food safety risks”.

[Ethical Principles and Sustainable Development Contract – 2003, page 12, at sodexo.com]

We expect our employees to act in a responsive manner towards food safety risk and comply with all national and international safety standards.

PROGRAM

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.

Processes must be adapted to prevent hazardous situations and also to be ready to react if needed.

Our entities 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.

TARGET

Increase **food safety at 100% of our sites** by strengthening our policies and securing food supply.

1. Develop and implement **safety programs** in partnership with our suppliers.
2. **Train our employees** to implement low risk daily practices.
3. Define **key indicators** at national and Group level to measure risk.

→ PERFORMANCE



PROGRESS

A preventive policy

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. In Finland, since 2006, all sites are using a Quality Management System that is certified ISO 9001:2000.

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. In France, whenever a product represents a threat to consumer health, the information is immediately sent by text messaging 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

In North America, 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.

MEET

"We stay abreast of food safety issues and want to assure the well being of our customers and clients. Providing high quality and safe foodservice remains a top priority."

John Zimmermann, Senior Director, Quality & Food Safety, Sodexo – United States.

INDICATORS

North America

Our **food risk management**
 FY 07

3,166 (3,154 in FY 06) safety and health audits and **2,755** (2,732 in FY 06) food safety audits have been conducted by an outside body (NSF International).

AWARD

2006 – **United States** - Sodexo's Food Safety team received the **Food Safety Leadership Award** from NSF International (NSF) in the Systems Improvement category. We made improvements in our Hazard Analysis and Critical Control Point (HACCP) program.

CASE STUDY

In the **United Kingdom**, in 2004, Sodexo launched its **ASK campaign** in response to the increased profile of hospital acquired infections. Over 5,000 Sodexo hospital employees have again recently been issued with badges bearing the words, "Ask me when I last washed my hands." The aim is to break down the communications barrier and emphasize to patients that it is alright for them to ask this question to our staff.

NORTH AMERICA

3,166

SAFETY AND
 HEALTH AUDITS

2,755

FOOD SAFETY AUDITS





OBJECTIVE

IMPROVE THE QUALITY OF DAILY LIFE, SAFELY

COMMITMENT 3

We are committed to promoting **health** and **well-being** through facilitating healthier eating.



"We affect the lives of people many times a day as we serve them, so it's natural that we care about their overall health and well-being, including helping them win the battle with obesity."

George Chavel, Group Chief Operating Officer, Chief Executive Officer, North America, Food and Facilities Management services, Member of the Group Executive Committee.

→ STRATEGY



CHALLENGES FOR THE FUTURE

Unhealthy eating is today widespread throughout both the developed and the developing world. People are affected by **obesity** and consequently vulnerable to cardiovascular disease and lower life expectancy. Educating the public about **healthy eating** is a priority for us from the earliest possible age, as we are aware of the long-lasting, beneficial effects of a balanced diet. Customers are very much attached to local eating habits and cultures and our programs are always designed to be customized at country level, if not at regional level. We have to show constant sensitivity to different levels of economic development in the host countries in which we operate. Evolutions in **eating trends and lifestyles** mean that we have to constantly reinvent our product and service offers.

BUSINESS PRINCIPLES AND POLICIES

We are committed "to informing future generations about the importance of eating correctly and educating them regarding good practices."

[Ethical Principles and Sustainable Development Contract - 2003, page 13 at sodexo.com]

PROGRAM

As one of the leading Food Services Companies, Sodexo supplies a significant part of 40 million people's diet. Sodexo is committed to providing **nutritional food** to our customers, and to **fostering balanced and healthy eating habits** through educational efforts in the communities we serve. The different population segments of the countries in which we are present 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.



TARGET

We want **100% of our clients and customers** to benefit from our Healthy eating initiatives. Our action plan is to:

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

→ PERFORMANCE



PROGRESS

Through our 29,000 sites, we have made significant progress in:

- Studying **customers' needs and behavior** to provide the best response.
- Creating **awareness** among our clients, customers and employees.
- Implementing **healthy eating concepts** at sites fully adapted to the geography and culture of food worldwide.
- Fighting **Obesity**.
- Promoting **ethical sourcing**.

Continental Europe

In the fight against **obesity**, specific programs have been reported in every host country, creating the basis for an exchange of best practices among countries. 1,885,000 European customers benefit from our commitment to propose vegetables every day.

MEET

"Create Your Weight" is a great program that meets the needs of our community. It creates a full circle of care involving the physician and other health care providers with the patients."*

Gregory Bauer, Vice President of Planning, ELK Regional Health Center St Mary's, Pennsylvania – United States.

* Program developed in the United States by registered dietitians with the collaboration of Sodexo, to meet the needs of people with obesity issues.

INDICATORS

99.2% of our business units provide clients, customers and employees with information and training on healthy eating habits. (2007 survey – basis for consolidation: 95% weighted on revenue)

AWARD

2006 – **United Kingdom** – Sodexo was awarded a **Business in the Community (BITC)** social responsibility award for educating children about healthy eating, nutrition and lifestyle through a program for 8 disadvantaged schools in Glasgow and Edinburgh.

CASE STUDY

Vitality is a Sodexo European innovative Foodservices offer that focuses on well-being and nutritional balance. The promise is to make it easy for our customers to have a well balanced diet, with menus and recipes combining taste and variety, and with the appropriate nutritional information. Currently available in **Austria, Sweden and Morocco**, it is planned to roll the brand out across **Europe**.

For more details, read our booklet *Act as a Corporate Citizen against malnutrition and hunger* at sodexo.com



99.2%
 OF OUR BUSINESS UNITS
 FOSTER HEALTHY
 EATING HABITS



Our employees

OBJECTIVE

ENCOURAGE A FULFILLING PROFESSIONAL LIFE

COMMITMENT 1

We are dedicated to providing our employees with the means for **professional** and **personal development**.



"Our 342,000 employees are our principle resource at Sodexo. Our common vision and shared values are the motor of our progress and growth and provide the basis for better serving our clients, our customers and the community."

Elisabeth Carpentier, Group Senior Vice President and Chief Human Resources Officer, Member of the Group Executive Committee.

→ STRATEGY



CHALLENGES FOR THE FUTURE

A company with a worldwide presence, moving forward in an increasingly complex and demanding economic context, needs to be a forum for **personal opportunity** and fulfillment, to free the individual energies that drive our growth. It is important to listen to people's needs, to establish **constructive dialogue** in a **spirit of trust**, and to give each person a sense of dignity in the work place. Sodexo's strategy and values must be brought to life in a way that also enhances individual goals and aspirations.

BUSINESS PRINCIPLES AND POLICIES

We are committed "to providing our employees with a powerful social elevator".

[Ethical Principles and Sustainable Development Contract - 2003, page 14 at sodexo.com]

We are striving to give preference to internal promotion, allowing each employee to broaden their skills and responsibilities and foster their personal development. We also attach great importance to satisfying our employees' expectations. Since its creation, Sodexo has always recognized and respected trade unions.

PROGRAM

Sodexo is a community of experts, united by a common culture and shared values. We develop integration programs to enable employees to discover the richness and diversity of the Group's various professions.

- **We encourage internal promotion**

Internal promotion is a big motivator, driving growth and binding the Sodexo community together. Spotting talent and delivering tailored training programs are key factors in effective internal promotion.

- **We support continuous education**

Sodexo employees can expand their skills by following continuing education programs. Sodexo is actively researching and developing partnerships with a variety of schools, colleges and universities.



TARGET

In FY 2006, we launched the first Global Employee Engagement Survey. The overall engagement rate of Sodexo is **50%** (basis for consolidation: 87% of the Group workforce). For the next employee engagement survey in 2008, our objective is **60%**.

→ PERFORMANCE



PROGRESS

We are improving the ways in which we communicate on job opportunities.

United States

The weekly publication of jobs available and the recruitment process are managed on-line by a **Career Center** accessible in the United States. Employees can create a multi-criteria search agent which alerts them as soon as a position that corresponds to their expectations is placed on-line. They can also apply and post their résumés on-line.

INDICATORS

Retention

Total Workforce: **64.2%** (FY 06: 65.1%)
Unit Managers: **87.2%** (FY 06: 87.4%)

Internal promotion

19.8% of vacant site manager positions were filled by promotion from non-managerial grades (**16.7%** in FY 06).
28.2% of vacant managerial positions were filled by promotion from site manager or equivalent jobs (**35.7%** in FY 06).

Training

People trained: **215,074** (FY 06: 197,800).
People trained/total number of employees: **63.4%** (FY 06: 60.0%).

MEET

In Morocco, Sodexo has developed a partnership with a local association called INSAF to train unmarried women without financial means. This action aims to help them to improve their living conditions and those of their children.

Mansour Kaoutar, cook on a Sodexo site in Morocco, hired at the end of the training, testifies: *"It is a great opportunity for me to join Sodexo. I have learned a lot about cooking and I am very happy in my job today."*

AWARD

2007 – **Germany** – Sodexo was classified among the **Top 10 Employers**, following a study conducted by the Institut Geva into Human Resources management strategy, organization and work conditions.

CASE STUDY

Mexico – 79 % of young Mexicans do not finish their studies and only 11% go on to university. To enable its employees and members of their families to bridge this economic and social gap caused by lack of education, Sodexo is developing **two training programs for adults**, approved by the Education Department. Since 2006, 15 people have already received their diploma. **30 employees** are registered for the 2009 promotion to follow the 18 month program.

For more details, read our [2007 Human Resources report at sodexo.com](#)

64.2%
OF PEOPLE RETAINED

63.4%
OF PEOPLE TRAINED



Our employees

OBJECTIVE

ENCOURAGE A FULFILLING PROFESSIONAL LIFE

COMMITMENT 2

We are dedicated to promoting and respecting *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 Daily 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 Operational Committee.

→ STRATEGY

CHALLENGES FOR THE FUTURE

Our people are our **greatest asset** and in order to meet our future growth needs, we must attract and retain the **best diverse talent**. Embracing Diversity and Inclusion is a **key ingredient** of our future success. To ensure a successful diversity initiative, we need to be mindful of the following:

- The issues of diversity and inclusion vary from country to country and need customized solutions.
- Countries are at different levels of acceptance of the issues of diversity and inclusion.
- Resistance to concepts such as positive discrimination.

BUSINESS PRINCIPLES AND POLICIES

We are committed “to providing equal opportunities regardless of race, origin, age, gender, beliefs, religion, or lifestyles”.

[Ethical Principles and Sustainable Development Contract - 2003, page 15 at sodexo.com]

PROGRAM



With diversity and inclusion as a competitive advantage, Sodexo is an employer of choice and the benchmark for customers, clients, and communities domestically and globally.

- **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.





TARGET

While the implementation of our strategy will depend on the challenges and opportunities in each region, at Group level we have defined four main areas of focus:

- **Increase representation of women in senior management.**
- **Generations in the workplace.**
- **Ethnic minorities.**
- **People with disabilities.**

To succeed, we have defined the followed action plan:

- **Metrics:** Scorecards have been developed for each entity.
- **Gender:** annual women's summit and focus groups conducted for senior women.
- **Communications:** Quarterly webinars on inclusion, bi-monthly global inclusion news letter and video with executive team commitment cascaded.
- **Education:** Presentations to commit senior executives, piloted training for HR community and cascade education campaign for all managers.
- **Incorporate diversity and inclusion into all HR policies and practices.**

→ PERFORMANCE

PROGRESS

In 2005, the **Global Diversity Working Group** was formed and includes employees and union representatives.

In 2006, the Executive Committee appointed **Rohini Anand** as Senior Vice President and Group Chief Diversity Officer, reporting directly to the Chief Executive Officer.

In 2007, we clarified our **Global Diversity & Inclusion strategy vision** "**be the benchmark for inclusion and a source of pride for all associated with Sodexo**".

INDICATORS

Global Employee Engagement Survey (FY 06)

79% in Food and Facilities Management services and **82%** in Service Vouchers and Cards of the employees questioned responded that at Sodexo, employee diversity is valued for the differences these dimensions bring to the workplace.

MEET

"Sodexo is only the second company to renew twice at the Gold level of achievement in the Progressive Aboriginal Relations (PAR) program that helps corporations assess their performance in their relations and involvement with Aboriginal communities. This is the kind of sustained effort that has made Sodexo a leader in Aboriginal relations and we applaud the example they are setting for other corporations."

Jocelyne Soulodre, Canadian Council for Aboriginal Business (CCAB), President and CEO – Canada.

AWARD

FY 07 – **United States** – Sodexo has been named one of the **Top 50 Companies for Diversity** and the **Top 20 Best Companies** for Multicultural Women.

CASE STUDY

Brazil - Guilherme Rocha Leite joined Sodexo in 2000 and in 2002, he was the victim of a terrible accident which left him quadriplegic. This was followed by two years of re-education. Sodexo reintegrated him and encouraged him to develop his skills. Today Guilherme is completing his final year of Social Communication. "A handicapped person is exactly like anyone else: they exist, live, are happy or sad... they simply need special care to appreciate the value of the present."

For more details, read our [2007 Human Resources report at sodexo.com](#)



Our suppliers

OBJECTIVE

BUILD BALANCED LONG-TERM RELATIONSHIPS

COMMITMENT 1

We are committed to pursuing procurement policies that guarantee the **origin and quality of the products** we use.



“Our suppliers are key to our food safety policy. To minimize risk, we take great care over the origin and quality of the products we offer our clients and customers.”

Damien Verdier, Group Senior Vice President, Marketing, Member of the Group Executive Committee.

→ STRATEGY

CHALLENGES FOR THE FUTURE



Clients and customers are increasingly sensitive to the **origin and quality** of the food they consume. In recent years, food crises have periodically reminded us of the potential risk to public health. This requires a 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 agricultural industries. In the years ahead, **supply chain transparency** will more than ever become a fundamental value for our business. It is important to achieve the correct balance between our own business needs, national and international legislation and the expectations of clients, suppliers and customers.

BUSINESS PRINCIPLES AND POLICIES

We are committed “to pursuing procurement policies that guarantee the origin and quality of the products we use”.

[Ethical Principles and Sustainable Development Contract - 2003, page 16 at sodexo.com]

PROGRAM



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 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.

TARGET

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

→ PERFORMANCE

PROGRESS

We are stepping up the number of supplier audits we carry out. Here are some examples.

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 **audited**. 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 from the supply chain any product that has caused concern.

MEET

"We comply with Sodexo's ethical principles while maintaining a balanced, lasting partnership. The high standards set by Sodexo are the driving force behind our ongoing improvement."

Georges Broeders, Purchasing & Logistics Manager MAAS Trading, partner of Sodexo since 1994 for Remote Sites – Africa.

INDICATORS

UNITED STATES

95.5%

PURCHASES FROM APPROVED SUPPLIERS

United States

Between 2000 and 2007, purchases from suppliers approved on the basis of vendor compliance* rose from **91.4%** to **95.5%**. In FY 07, 275 supplier audits were conducted in the United States and 43 in Canada. Due to our decentralized presence on +29,000 sites, we are not able to present a global data consolidation for supply chain control even if each country monitors its supplier relationship rigorously.

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

AWARD

2007 – **Poland** – Sodexo was awarded the **"White Lily"** certificate for food preparation meeting the highest hygiene and food safety standards.

CASE STUDY



In **China**, Sodexo is buying agricultural produce directly from farmers to guarantee the freshness, safety and high quality of products. Since 2004, Sodexo has been buying apples from Shaanxi province, providing training to local farmers to teach them how to choose the best apples to grow, how to harvest, sort and store the fruit, and how to pack to avoid damage during transportation. Sodexo in Shanghai purchases about 250 tons of apples every year, generating sales of over 600,000 Yuan for farmers and contributing to the development of local transport and packaging industries, and thereby increasing the local revenues.

For more details, read our booklet *Act as a Corporate Citizen against malnutrition and hunger* at sodexo.com

Our suppliers

OBJECTIVE

BUILD BALANCED LONG-TERM RELATIONSHIPS

COMMITMENT 2

We are committed to strongly encouraging our suppliers to embrace our *corporate citizenship values*.



"We ask our suppliers to embrace our corporate citizenship values and encourage the adoption of these values by their subcontractors."

**Damien Verdier, Group Senior Vice President, Marketing,
Member of the Group Executive Committee.**

→ STRATEGY



CHALLENGES FOR THE FUTURE

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. Today, our clients and customers are increasingly insisting on products created using **ethical standards**. Providing organic and Fair Trade products is still difficult due to the limited availability of these products on the market.

BUSINESS PRINCIPLES AND POLICIES

We are committed "to strongly encouraging our suppliers to respect our sustainable development values".

[Ethical Principles and Sustainable Development Contract - 2003, page 17, at sodexo.com]

We ask suppliers to embrace the principles defined by the Global Compact.

PROGRAM

In 2007, we issued our **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 sound responsible ethical, social and environmental practices.

TARGET

- Ensure the Group management procurement **policy's dissemination, implementation, enforcement and control** by the Supply Management Leadership Team.
- **Align the 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.
- Define **key indicators** to measure our suppliers' Corporate Citizenship.

Our objective is to implement the Group Supply Management policy in all our activities. An **audit process** will start in 2008 to evaluate progress in comparison to initial targets.



→ PERFORMANCE



66%

OF OUR BUSINESS UNITS
 HAVE IMPLEMENTED
 A SUPPLIER CODE



PROGRESS

1. **We apply the Group Supply Management policy and respect the applicable regulatory framework.**
 - In the **United Kingdom** and in other host countries, we will not knowingly engage with suppliers that do not respect our rules. We started to develop a product offer based on rational farming methods, organic farming and Fair Trade.
 - In the **Netherlands**, since 2005, we have only offered organic milk under all our school contracts. This is beneficial to local farming communities and to the environment.
2. **We are increasing our efforts to encourage supplier diversity.**
 - In the **United States**, 1,800 minority and women-owned businesses provide Sodexo with products that meet our standards for quality and service.
3. **We are building partnerships which will allow us to take part in ethical actions.**
 - In **China**, "Giving Back Program" is a charity for people with disabilities and five of our suppliers partner with us: Coca-Cola, Metro, Johnson Diversey, APP, and a local dairy supplier, Bright.

INDICATORS

In 2007, **66%** of our business units have already implemented a Supplier Code of conduct (Australia, Canada, Finland, France, Ireland, Italy and Slovenia, the Netherlands, Poland, the United Kingdom and the United States).

MEET

Unilever partners with Sodexo in improving the Quality of Daily Life

"Unilever supports Sodexo in improving the quality of daily life through our mission of adding vitality to life. Through our brands and products, we provide solutions to meet the everyday needs of consumers and our aim is to ensure that meals served by Sodexo nourish and bring enjoyment to consumers."

Christoph Steindorf, Global Account Director Sodexo, Unilever Foodsolutions – Europe.

AWARD

2007 – **United States** - Sodexo was named "**Top Corporation for Supplier Diversity**" by *Hispanic Trends*.

CASE STUDY

Since 2003, in **North America**, our suppliers have agreed to comply with a formal **Code of Conduct** based on **ILO (International Labor Organization)** standards. At our request, suppliers agree to a code of conduct covering areas including:

- Child Labor,
- Forced Labor,
- Wages And Benefits,
- Working Hours,
- Health And Safety Guidelines,
- Freedom Of Association,
- Non-Discrimination,
- Disciplinary Practices and Coercion
- Environmental Guidelines,
- Community Involvement
- Ethical Standards,
- Conflicts Of Interest,
- Communication.

Globally when our suppliers already have their own code, we require agreement to our minimum standards.

For more details, read our booklet *Act as a Corporate Citizen for the planet* at sodexo.com



Our shareholders

OBJECTIVE

ENSURE THAT ALL SHAREHOLDERS RECEIVE THE SAME INFORMATION AT THE SAME TIME

COMMITMENT

We are committed to regularly providing all shareholders with the same accurate, **clear** and **transparent information** simultaneously.



“In recent years, we have intensified our efforts and made significant progress in financial transparency while ensuring equal treatment of shareholders with regard to information.”

**Siân Herbert-Jones, Group Chief Financial Officer,
Member of the Group Executive Committee.**

→ STRATEGY

CHALLENGES FOR THE FUTURE

Our company's **independence** and **long-term sustainability** depend on our ability to generate profits and maintain a healthy balance sheet. Thanks to our business model, we are able to steadily increase the dividend we pay out to shareholders. Sodexo also respects principles of **good corporate governance** and ensures that members of our Board of Directors have no conflict of interest. Sodexo does not belong to one single investment sector and peer group but is divided according to investment and brokerage between Hotels and Leisure on the one hand and Support Services on the other hand. In consequence analyst coverage is not as focused as it could be.

BUSINESS PRINCIPLES AND POLICIES

We are committed to being attentive “to the concerns of shareholders and the financial community; constantly improving the efficiency of our investor relations process”.

[Ethical Principles and Sustainable Development Contract - 2003, pages 18 & 19 at sodexo.com]

PROGRAM

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.

TARGET

In FY 2006, we defined our target to gain **20 days** over the next three years on lead times for providing financial information.



→ PERFORMANCE



PROGRESS

Investor relations policy

In order to meet our own transparency goals and comply with the market regulations set by NYSE-Euronext Paris, Sodexo has committed to a set of core principles designed to ensure equal treatment for all shareholders.

Group spokespersons

Only the Chairman, the Chief Executive Officer and members of the Executive Committee have authority to provide information. The Chief Executive Officer has appointed the Director of Financial Communication to act as official spokesperson for the Group, with specific delegated powers.

Preparation of financial information

All financial information is reviewed prior to publication by a Disclosure Committee comprising representatives from different departments.

Publication of financial information

Without exception, all information with the potential to influence the share price is published before the Paris stock market opens for trading.

Code of Conduct for Senior Managers

In 2003, the Board of Directors adopted a Code of Conduct for Senior Managers.

Our various publications

- a **Reference Document** (financial report filed with the AMF)
- an **Annual Report**
- a **Digest**, an overview of our Group
- our website sodexo.com

In addition the Chief Executive Officer and the Chief Financial Officer regularly invite analysts and investors to attend group meetings in Europe and the United States.

INDICATORS

Publication dates after year end close



Sodexo shares performed extremely well in 2006-2007: **€48.38** at the close of the financial year. The vast majority of analysts retain their positive opinion of the soundness of the Sodexo business model and our capacity to continue to increase sales and results.

AWARD

France – **TOP COM** Bronze awards (2000 & 2001), **TOP COM** Gold awards (2002 & 2004) and **TOP COM** Silver award (2005 & 2006), in the "Annual Reports for Listed Companies" category.

MEET

"The APAS was set up three years ago at the initiative of a group of Sodexo shareholders. At the time, we were alarmed by the situation of Sodexo's shares. It is important to remain vigilant and be aware that in today's world, there is more at stake than merely the financial aspect of things. The APAS therefore intends to continue to intensify its actions."*

Michel Bassi, President

* Association of Sodexo Shareholders and Employee-Shareholders – apaSodexo.org

For more details, read our **FY 07 Reference Document** at sodexo.com

8 DAYS LESS
FROM FY 06 TO FY 08



Our host countries

OBJECTIVE

CONTRIBUTE TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF THE COUNTRIES IN WHICH WE OPERATE

COMMITMENT 1

We are committed to contributing to the **development** of **local economies** and supporting local **initiatives**.



“ 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

CHALLENGES FOR THE FUTURE



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. We consider the real challenges to be support of **self-sustaining opportunities, developing employability and establishing long-lasting** partnerships with local communities.

Working in countries with different cultures, particularly in pre-emerging countries, presents several difficulties and among these, the shortage of necessary industries, infrastructure and telecommunications. We have to face local social or political disturbances and our challenge is to help respect religious beliefs, traditions and diversity issues.

BUSINESS PRINCIPLES AND POLICIES

We are committed to “**supporting the development of local economies by promoting local hiring, the purchase of local products and, in the most disadvantaged countries, local initiatives to stimulate economic growth**”.

[Ethical Principles and Sustainable Development Contract - 2003, page 21 at sodexo.com]

PROGRAM

- Promoting **local recruitment** and employee development.
- Encouraging **local procurement** and the creation of small businesses.
- Taking action in society by **supporting local initiatives**.
- Supporting **humanitarian actions**.

TARGET

1. Maintain our local recruitment rate above **97%**.
2. Increase our **local procurement**.
3. Increase the number of **local small business** initiatives we assist.
4. Define **key indicators** at Group level.

→ PERFORMANCE



PROGRESS

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

- To meet the needs of our remote mining contract in Sepon in **Laos**, 96% of our employees are Laotians and 85% of them are recruited from the 15 surrounding communities. After three years, Laotians now hold 63% of our management and supervisory positions.
- In **Congo**, Sodexo participates in the Nkounda sustainable agricultural development program. Since 2004, it has generated stable alternative income for 150 local farmers.
- We regularly support our teams during natural disasters generating food emergencies. In August 2007, in **Peru**, our teams mobilized to help the local population, victims of a violent earthquake and distributed up to 210,000 meal rations.

MEET

"In 1983, I started with Sodexo at the Shell Gamba site as a qualified worker in the maintenance department. After a 20-year career during which I rose to the position of Building Maintenance Supervisor, I decided to create my own business with the support of Sodexo. I have gained Sodexo's confidence and was awarded a bigger contract enabling the creation of more than 60 jobs."

Jean Aimé, Founder of "Entreprise Gabonaise de Prestations et de Réalisation de Bâtiments" (EGPRB).

INDICATORS

Local recruitment at Global level

FY 06: **97%** ; FY 07: **97%**

Local Procurement in South America

Brazil	100%	Colombia	100%
Chile	98%	Venezuela	100%

AWARD

In **Canada**, Sodexo began with the **Progressive Aboriginal Relations (PAR)** program created by the Canadian Council for Aboriginal Business (CCAB), as a Commitment member in 2001, progressed to Bronze level certification in 2002 and was awarded the highest-level **certification of Gold** in 2003 for partnerships intended to develop fair, harmonious relations with local indigenous communities. Since then, Sodexo Canada has maintained its Gold PAR program certification, having renewed twice (within the 3-year mandated period). PAR is a way for businesses to earn the right to use an identifying hallmark indicating that they are committed to increasing Aboriginal employment, assisting business, building individual capacity, and enhancing community relations.

CASE STUDY

In 2004, in **Peru**, we founded an **Association** to professionalize and step up our Corporate Citizenship effort, particularly in rural areas.

We train young people from communities in the hotel and catering trades and since 2000, **696 students** have graduated from the Association.

The initiatives sponsored by the Sodexo Peru Association for Sustainable Development were awarded the prestigious **Entrepreneurial Creativity Prize** in the Philanthropy category, by the University of Applied Sciences in Lima.

LOCAL RECRUITMENT

97%





OBJECTIVE

CONTRIBUTE TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF THE COUNTRIES IN WHICH WE OPERATE

COMMITMENT 2

We are dedicated to **fighting hunger** and malnutrition around the world through our **STOP Hunger program**.



"We refuse to accept the fact that 854 million people around the world suffer from hunger and malnutrition. Present in 80 countries, we are in a position to act by continuing to develop and expand the STOP Hunger program."*

* Source: FAO (Food and Agriculture Organization of the United Nations).

Clodine Pincemin, Group Senior Vice President, Communications and Sustainable Development, Member of the Group Executive Committee.

→ STRATEGY



CHALLENGES FOR THE FUTURE

854 million people still today 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 undeveloped countries, needs that require very significant hunger relief resources.

BUSINESS PRINCIPLES AND POLICIES

As one of the leading global suppliers of Quality of Life services, we consider it is our responsibility to play an active role in eradicating hunger and malnutrition.

[Ethical Principles and Sustainable Development Contract - 2003, page 22 at sodexo.com]

PROGRAM

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.
- **Food donations:** donating perishable and non-perishable food to hunger relief organizations.
- **Financial contributions:** sponsoring and supporting programs that combat hunger and malnutrition.

TARGET

- **Continue to develop the STOP Hunger program in the countries where it is active today.**
- **Launch initiatives in our other countries**
 - Raise **awareness** about the problem of hunger and malnutrition.
 - **Fight hunger** at its root causes (lack of education and training, lack of affordable housing, and lack of sufficient, nutritious food).



A Sodexo Initiative



- Increase **involvement by our employees** around the world.
- Encourage **additional collaboration** with our clients, customers, vendors, and community partners.

→ PERFORMANCE

UNITED STATES

9.2

MILLION US \$
DONATIONS

22

ACTIVE COUNTRIES

229

MAJOR INITIATIVES

PROGRESS

The STOP Hunger program began in the United States in 1996. Five major programs have been developed since the launch, in the United States, 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 has distributed more than 9.2 million US\$ to hundreds of hunger relief organizations that are working to eradicate hunger in the United States.

INDICATORS

Since 1996, **25 countries** have launched hunger relief programs. During FY 2007, **22** countries conducted **229** major STOP Hunger initiatives and developed partnerships with **153** NGOs, associations, and charities.

Argentina
Australia
Belgium
Brazil
Canada
Finland
France
Germany

Hungary
Ireland
Madagascar
Mexico
Morocco
Netherlands
Norway
Peru

Poland
Romania
Russia
Singapore
United Kingdom
United States

Financial donations raised during FY 07⁽¹⁾: **€2,686,362**

Meals donated during FY 07⁽¹⁾: **721,044**

(1) Australia, Belgium, Canada, Equatorial Guinea, France, Germany, Mexico, Morocco, the Netherlands, Norway, Peru, Poland, Romania, Russia, the United Kingdom and the United States.

MEET



"Thank you so much for helping make summer day camp possible this year for kindergarten. All in all, your commitment to Central Detroit Christian and the city made it all possible."

Tony McDuffy, Central Detroit Christian, Detroit, Michigan – United States, Feeding Our Future partner.

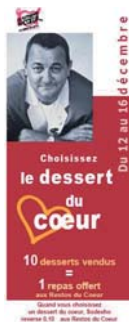
AWARD

Sodexo has received awards in **Canada, France, Mexico, Poland, the United States, and the United Kingdom** in recognition of its efforts through STOP Hunger. Sodexo in Mexico received the most recent award in 2007 when it was presented with the **"Socially Responsible Company"** distinctive certification by the Mexican Philanthropy Center for its commitment to social responsibility.

CASE STUDY

France – Since 2004, Sodexo's partnership with the hunger relief organization **Les Restos du Cœur** has developed a series of initiatives involving training, meals, product sharing, access to the Sodexo supplier network and **38 employment opportunities** for needy people. In 2007, the **"Chèque du Cœur"** operation raised a total of **€513,885**. Since 2004, Sodexo has donated **1,847,000** meals and **€1,348,800** to Les Restos du Cœur.

For more details, read our booklet *Act as a Corporate Citizen against malnutrition and hunger* at sodexo.com



Our host countries

OBJECTIVE

CONTRIBUTE TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF THE COUNTRIES IN WHICH WE OPERATE

COMMITMENT 3

We are dedicated to helping *protect the environment* in our host countries.



“ Sustainable development is a fundamental part of our every day business practice. By protecting the environment, we strive to enhance Quality of Life for the communities in which we all live, while responding to our stakeholders' expectations for a more sustainable planet. ”

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

→ STRATEGY

CHALLENGES FOR THE FUTURE



Preserving the planet for future generations is the **greatest challenge** ever faced by humanity. The degradation of the earth is linked to human action and the consequence of industrialization and technical progress. Today we are witnessing a reinforcement of green legislation, a context in which we will have **to anticipate and be more proactive**. Although Sodexo is considered as a low polluter, we are concentrating our efforts to limit our environmental footprint.

BUSINESS PRINCIPLES AND POLICIES

We are committed to being environmental custodians. In all our host countries, we scrupulously follow local laws concerning the conservation of natural resources and we take action in four areas: preventing pollution, waste treatment, energy control and water consumption.

[Ethical Principles and Sustainable Development Contract - 2003, page 23 at sodexo.com]

PROGRAMS



All around the world, we are implementing programs and seeking new ways to reduce our use of non-renewable resources and reuse and recycle waste products:

1. Preventing pollution:

- Reducing the use of natural resources,
- Promoting the use of environmentally-friendly products,
- Reducing carbon emissions,
- Promoting new technology for paperless and dematerialized policies,
- Carrying out compensation.

2. Waste treatment:

- Recycling organic waste, used cooking oils, cardboard, glass, wood, paper, aluminum, hazardous waste, office waste, effluents and vouchers & cards.

3. Energy efficiency:

- Reducing consumption and choosing green energy options.

4. Water: Reducing consumption and promoting water treatment solutions.

5. Promoting a green Facilities Management services offer.

6. Implementing Environmental Management.

TARGET



1. Create an environmental **sustainability task force**
2. Develop **awareness and training programs** for frontline managers and for all our employees
3. Affirm Sodexo's competitive **value service and responsiveness proposal**
4. **Work closely with vendor partners** to ensure that we are proactively supplying our clients with the healthful products
5. Define **key indicators** to measure sustainability.
6. As we work on our clients' premises, we need to have their agreement to **controlling and limiting energy and water** use and implementing **waste disposal**.

→ PERFORMANCE



PROGRESS

Sodexo has made notable progress in environment management, setting up procedures, obtaining certifications and labels and implementing environmental management systems. We have been awarded the international standard ISO 14001 at sites in 12 countries: **Australia, Belgium, Denmark, Finland, France, Hong Kong, India, the Netherlands, Peru, Romania, Sweden** and **the United Kingdom**. Many programs are being deployed around the world and managed at local level. Our Group objective, however, is to expand global umbrella programs.

MEET

"Since moving to our new facilities in 2003, Sodexo's dedicated teams have actively developed management of environmental services at Kaivomestari. We involve all new students in environmental issues by emphasizing sustainable development in our syllabus and encouraging eco-friendly attitudes in day-to-day activities."

Rytsy Merja, principal, Kuninkaantie Upper Secondary School – Finland.

INDICATORS

In FY 07, **95%** of our business units have implemented an environmental program (76% in 2005) – (basis for consolidation: 87% of Group revenue).

12 Countries certified **ISO 14001** at sites in FY 2007.
 9 in FY 2006 and 7 in FY 2005.

AWARD

2007 – **United States** – Sodexo received the **Chuck Haugen Conservation Fund's Business of the Year Award** for our intervention at **California State University Monterey Bay** and achievement in offering this University sustainable food options and waste recycling.

CASE STUDY

The **Bangkok Medical Center** is the largest private hospital in **Thailand** with per month over **59,000 outpatients** and **8,700 in-patients**. 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.

For more details, read our booklet *Act as a Corporate Citizen for the planet* at sodexo.com

95%
 OF OUR BUSINESS UNITS
 HAVE IMPLEMENTED
 AN ENVIRONMENTAL
 PROGRAM



Contact

Dolores Larroque, Worldwide Coordinator for Corporate Citizenship
dolores.larroque@sodexo.com

For more information on

SODEXO AND ITS COMMITMENTS:
sodexo.com

STOP HUNGER:
<http://stophunger.sodexo.com>

Express your opinion

Your comments, observations and questions are welcome.

Please write to us by e-mail
at dolores.larroque@sodexo.com

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A gesture in favor of the environment

Sodexo is committed to managing its paper purchasing in a responsible manner. This Fiscal 2007 Corporate Citizenship Report was printed using plant-based inks by an "Imprim'vert" printer on Cyclus Print paper. The paper is made of 100% recycled fibers, i.e. 100% old paper salvaged after use according to RAL UZ 14 standards (German "Blue Angel" label). The paper is manufactured without optical bleach or chlorine agents and has obtained EMAS and ISO 14001 certification.

Lifecycle environmental impact

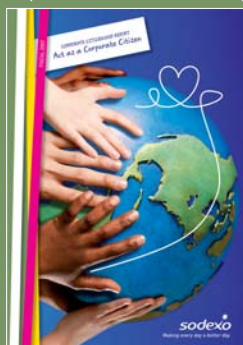
Using less paper and switching to recycled paper conserves wood, water and energy, and helps reduce pollution and waste. For our FY 2007 report, we have promoted the use of the electronic version and reduced our printing needs to 3 tons of paper for our 80 countries. With the use of 100% recycled paper, the lifecycle environmental impact report is as follows:

Wood	0 ton
Energy	65 million BTU's
Greenhouse gases	10,746 lbs CO ₂ equivalent
Wastewater	30,975 gallons
Solid waste	3,464 pounds

Source: papercalculator.org

Our publications

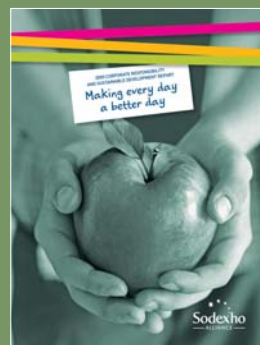
Fiscal 2007 "Act as a Corporate Citizen" Report



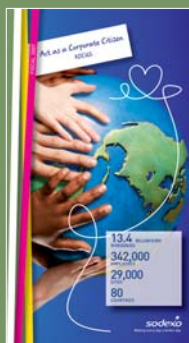
Fiscal 2006 "Act as a Corporate Citizen" Report



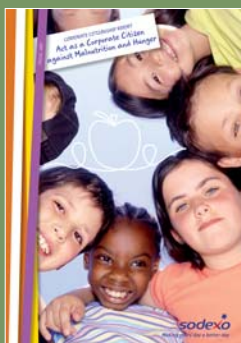
Fiscal 2005 Sustainable Development Report



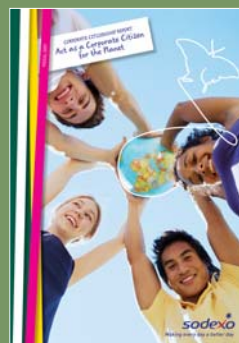
Fiscal 2007 "Act as a Corporate Citizen" Focus



Fiscal 2007 "Act as a Corporate Citizen against Malnutrition and Hunger" Booklet



Fiscal 2007 "Act as a Corporate Citizen for the Planet" Booklet



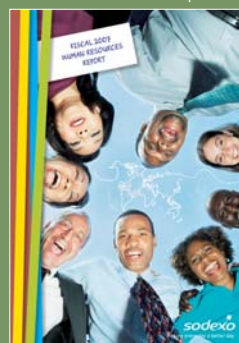
Annual Report 2006-2007



Reference Document 2006-2007



Fiscal 2007 Human Resources Report



All our publications available at sodexo.com



sodexo^{*}
Making every day a better day