

FISCAL 2007

CORPORATE CITIZENSHIP BOOKLET
*Act as a corporate citizen
for the Planet*



sodexo

Making every day a better day

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MATERIALS

Percentage of materials used that are recycled input materials – EN2

Energy

Energy saved due to conservation and efficiency improvements – EN5

Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives – EN6

WATER

Percentage and total volume of water recycled and reused – EN10

EMISSIONS, EFFLUENTS, AND WASTE

Initiatives to reduce greenhouse gas emissions and reductions achieved – EN18

PRODUCTS AND SERVICES

Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation – EN26

TRANSPORT

Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce – EN29

GLOBAL REPORTING INITIATIVE

For the second time running, Fiscal 2007 Sodexo's "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

Global Compact

Sodexo is committed to the 10 principles defined by the United Nations Global Compact available on unglobalcompact.org and particularly to the three following principles linked to the protection of the environment:

- 1. Businesses should support a precautionary approach to environmental challenges,**
- 2. Undertake initiatives to promote greater environmental responsibility,**
- 3. Encourage the development and diffusion of environmentally-friendly technologies.**

About this booklet

This first edition of the booklet "Act as a Corporate Citizen for the Planet" is part of our Corporate Citizenship Report that we have released for the 3rd year running. In this booklet, we seek to provide stakeholders with an insight into how we manage our environmental impact within our worldwide operations. This booklet 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 Sodexo Group. More information at sodexo.com



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, in 80 countries, 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.

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.

Sustainable development is today a vital responsibility for our Group. We need to be very active corporate citizens and support efforts to preserve the planet whenever and wherever we can. Through playing an active role in contributing to protect the environment, Sodexo responds to our clients’ and stakeholders’ expectations for a more sustainable planet.

In this booklet, we describe how we live up to our environmental responsibility. You will find information about our environmental strategy as well as examples of our programs and performance data.

Sincerely yours,

Michel Landel

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



→ A STRATEGY FOR SUSTAINABILITY

SODEXO'S CORPORATE CITIZEN POLICY IS TODAY HIGHLY DECENTRALIZED AND WE FAVOR ACTIONS AT LOCAL LEVEL WITHIN OUR HOST COUNTRIES. THESE LOCAL ACTIONS, HOWEVER, FORM PART OF A GROUP STRATEGY THAT EMBRACES FOUR WORLDWIDE ENVIRONMENTAL PRIORITIES: POLLUTION, WASTE TREATMENT AND ENERGY AND WATER CONSUMPTION CONTROL. ALTHOUGH IT IS VERY IMPORTANT FOR SODEXO TO RETAIN THE LOCAL CHARACTER OF ITS INITIATIVES, A FEATURE THAT ENABLES THE GROUP TO MAKE A BENEFICIAL CONTRIBUTION TO THE QUALITY OF LIFE OF THE COMMUNITIES IT SERVES, WE WILL INCREASINGLY BE PLACING INDIVIDUAL LOCAL ACTIONS UNDER BROADER REGIONAL UMBRELLAS.

CHALLENGES FOR THE FUTURE

Preserving the planet for future generations is the **greatest challenge** ever faced by humanity. After centuries of gradual, almost imperceptible change, the state of our planet has in recent years suddenly begun to deteriorate at a visible and alarming rate. The degradation of the earth is directly linked to **human action** and is in particular the consequence of our high level of industrialization and of our technical and technological progress. How we react today to combat **climate change**, protect the environment, conserve water and use the finite supply of fossil fuels in a responsible manner, will determine the environmental legacy we entrust to our descendants.

WHAT IS SODEXO'S ENVIRONMENTAL RESPONSIBILITY?

→ Environmental responsibility, an inspiring challenge

Accepting that we all need to become **environmentally responsible citizens** is a global challenge. At an individual level, we can all contribute to protecting the planet and enhancing our environment, while at a corporate level, we can collectively have a major impact.

We respond to and anticipate our stakeholders' needs, and in particular those of our clients and customers, to ensure a better **quality of life for populations** wherever they may live in the world.

Although Sodexo is considered as a low polluting company, we have a responsibility to minimize our **environmental footprint**. Our greatest impact is through our use of fuel, energy, consumption of water and the waste associated with our businesses. The problem of pollution is both massive and global. It is not easy to change patterns of behavior that have been embedded for decades in our industrialized, consumer societies, where "more" has often been synonymous with affluence.

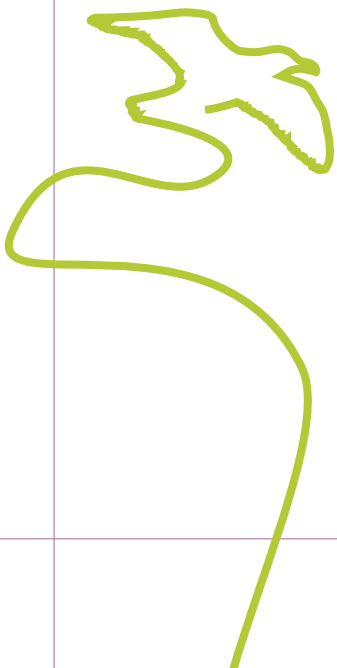
Our **Food and Facilities Management services** sites inevitably generate waste, even if this waste is not particularly hazardous. We consume water and energy to serve our clients and customers. Our raw materials, transformed into Food and Facilities Management services, are delivered from our suppliers to our sites, deliveries that not only require packaging materials, but also consume petrol and generate carbon dioxide emissions.

On **Remote Sites**, our challenge is to deliver a wide range of services to locations that are only accessible with difficulty for people and goods. Our clients expect us not only to deal with challenging logistics, but also to ensure that the impact on the environment is minimal.

Sodexo's **Service Vouchers and Cards activity** has been expended using paper and plastic-based media and our concern today is to reduce these non renewable resources.

We also have to be **constantly sensitive to different levels of economic development**, wide cultural diversity and specific local regulations, in the host countries in which we operate. All of these factors contribute to different environmental priorities in the different markets we operate in. For example, in emerging markets, access to sufficient supplies of unpolluted drinking water is of vital importance. In developed countries, the concern is more focused on countering the effects of pollution caused by industrialization.

We believe that environmental protection is primarily the responsibility of governments, through **legislation**. Today we are witnessing a reinforcement of green legislation, a context in which we will have to anticipate and be more proactive. At the same time, we aim to improve environmental sustainability practices, placing particular emphasis on education and creating awareness.



BUSINESS PRINCIPLES AND POLICIES



We are committed to being environmental custodians, anchoring this commitment in our Ethical Principles and Sustainable Development Contract. This founding document stated Sodexo's environmental responsibility policy in the following terms: **“Environmental stewardship is a way of creating the conditions for a better quality of life. While considered as a non-polluting business, Sodexo has always paid careful attention to the environmental concerns of its clients and customers. 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 - sodexo.com]

TARGET AND PERFORMANCE INDICATORS



Business for Social Responsibility

2006 – The Group Executive Committee defined key areas to focus on, took decisions, prepared a new Strategy Map to achieve the **2015 AMBITION** strategic plan to become the premier global outsourcing expert in Quality of Life services. One of the 6 key imperatives of the 2015 AMBITION strategic plan is the goal “LIVE OUR VALUES”. The strategic initiative to implement this goal has been named “Act as a corporate citizen”. Acting to protect the environment is one of Sodexo's three principal corporate priorities under this strategic initiative.

2007 – The Group Executive Committee decided to conduct a study on **Sodexo's materiality**: the economic, societal and environmental issues that have a material impact on economic and financial performance. This evaluation process is conducted both internally, through interviews of 240 top managers from various functions, activities and countries within the Group, and externally, with our stakeholders. We are relying on the expertise of Business for Social Responsibility (BSR); a non-profit organization specialized in Corporate Citizenship strategy. 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 within the framework of current and future market opportunities.
- **Prioritize the most important sustainability issues** for Sodexo and decide which ones should be managed at a global level to accompany AMBITION 2015.

2008 – Many programs are being deployed around the world and managed at local level. Our Group objective, however, is to now creating global umbrella programs.

CHALLENGES	SODEXO'S RESPONSES	PERFORMANCE				
		INDICATORS	BASIS FOR CONSOLIDATION	2005	2006	2007
ENVIRONMENTAL Reduce our environmental footprint	We aim to prevent all forms of pollution and focus on reducing CO ₂ emissions	Environmental initiatives				97
	We encourage separate collection, sorting and waste recovery	Business Units that have implemented an environmental program	World (87% Weighted by revenue)	76%		95%
	We are reducing our energy consumption in our businesses	Environmental partnerships with NGOs, local associations and partners and vendors				57
	We are reducing our water consumption in our businesses	Countries certified ISO 14001 at sites		7	9	12

→ Performance comments



- As **we work on our clients' premises**, we cannot measure directly energy and water savings as we do not have independent meters enabling us to isolate the consumption linked to our activities. We need to have our clients' agreement to installing new equipment to limit energy and water use and implementing waste disposal.
- Due to **our decentralized presence in 80 countries and at 29,000 client sites**, we need to make progress in tracking environmental indicators at sites. We need to encourage our business units to deploy an assessment process to track these indicators with the commitment of our clients.
- The Group is conducting a survey on materiality to identify and prioritize the most important environmental risks and opportunities for the business. After this step, we will define **Key Performance Indicators** that we will track at Group level in accordance with the GLOBAL REPORTING INITIATIVE GRI3 and more specifically with environmental GRI indicators.
- At this stage, the majority of operations are not ISO 14001 certified, and this is the reason why we are challenging our subsidiaries to implement environmental management systems in their countries. We cannot undertake this certification independently of our clients. We are sensitizing our clients on this important issue and we still have work to do to partner with them about certification and the value it brings to client sites.

TRANSPORT – BREAKDOWN BY TYPE OF ENERGY

NUMBER OF VEHICLES	DIESEL ENERGY	GASOLINE ENERGY	GAS ENERGY	HYBRID VEHICLES	ELECTRICAL VEHICLES	BIO ENERGY
8,284	3,786	4,284	185	2	20	9
	45.7%	51.7%	2.2%	0.02%	0.24%	0.11%

ZOOM ON OUR HEADQUARTERS (MONTIGNY – FRANCE)

For several years, we have been monitoring the **consumption of electricity and water** at our headquarters. Installed in an old building built in the 1970s, we have faced several difficulties in reducing our consumption: no centralized command, poor thermal isolation, poor electricity and water systems and no automation.

Electricity consumption

	KWH
2004-2005	1,783,621
2005-2006	1,864,753
2006-2007	1,766,632

The reduction of about 5% compared to last year is due to a warm winter.

Water consumption

	VOLUME (m³)
2005	1,604
2006	1,617
2007	1,777

The increase of about 10% compared to last year is due to obsolete water system.



Our project **MOVE**, for moving the Sodexo headquarters to new buildings at Issy-les-Moulineaux - France, will enable us to install a more efficient environmental management system.

MAIN POINTS OF VIGILANCE



IN IMPLEMENTING OUR ENVIRONMENTAL POLICY, WE FACE A NUMBER OF CHALLENGES:

- a. As a global company, Sodexo is present at 29,000 sites in 80 different countries, in many regions of the world. This extremely decentralized presence can sometimes generate considerable **logistics challenges** due to remote locations and distances.
- b. We also have to be constantly sensitive to **different levels of economic development, wide cultural diversity** and **specific local regulations**, in the host countries in which we operate. Even if we think globally, we have to develop a local environmental approach considering local parameters.
- c. Lastly, despite encouraging increases in environmental sustainability awareness levels, much still needs to be done to promote **educational programs** for our 342,000 employees and in particular for frontline teams.

ACTION PLAN IN 2007-2008

1. Create an environmental **sustainability task force**.
2. Develop **awareness programs** for frontline managers and implement training and education actions for 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 healthful products.
5. Encourage the **cascading of information** down through our organization.
6. Define **key indicators** to measure sustainability, which can be tracked for each country and consolidated at Group level at end of FY 2008.



→ SUSTAINABLE PERFORMANCE

EXPANDING OUR INITIATIVES INTO WIDER, REGIONAL PROGRAMS IS PARTICULARLY RELEVANT AS THE PRINCIPAL ENVIRONMENTAL CHALLENGE FACING US, CLIMATE CHANGE IS INDEED GLOBAL. OUR ENVIRONMENTAL RESPONSIBILITY POLICY IS APPLIED GLOBALLY AND GOVERNS ALL OUR LOCAL ENVIRONMENTAL PROGRAMS. THE FOLLOWING EXAMPLES OF OUR ENVIRONMENTAL BEST PRACTICES, SELECTED FROM AN EXTENSIVE CATALOGUE COVERING MANY DIFFERENT COUNTRIES, ILLUSTRATE THE DIVERSITY OF OUR INTERVENTIONS IN THE AREAS IN WHICH WE TAKE ACTION.



→ PREVENTING POLLUTION

We are convinced that it is possible for Sodexo to make a significant and sustainable impact on reducing pollution. In addition to our own efforts, we are encouraging our clients and their customers to make better use of the planet's resources. The work we have already accomplished at many of our client sites holds out the promise of further improvement in the future. We also believe that it is possible, through promoting education and awareness, to gradually develop the desire to emulate good practices in communities.

REDUCING THE USE OF NATURAL RESOURCES

→ At sites and in our offices, we aim to reduce the use of natural resources.

100%
OF OUR CORPORATE
DOCUMENTS
ARE PRINTED ON
ENVIRONMENTALLY
FRIENDLY PAPER.

We have slowly reduced the available choice of **chemicals**. We are now working with our suppliers to train our staff in correct dosing to further **reduce the amount of chemicals used**, and the amount of packaging for disposal. Waiters educate our customers, making them aware of the importance of using natural resources sparingly, as for example to limit napkin wastage. At Group level, as well as at numerous subsidiaries, we are printing 100% of our corporate documents on environmentally-friendly paper (recycled fiber paper or paper produced using sustainable forest management).

Canada

On 90 client sites, we have implemented the **Xpressnap system**, one-at-a-time dispensing for napkins so that patrons use fewer of them. In addition to the hygienic advantage, results indicated a usage decrease of between 30 and 50%.

The Netherlands

In 2006, we installed **dosage systems for cleaning products** at all our sites, enabling us to cut down significantly on the use of chemical products. We achieved a 50% saving for packaging, storage and transport and a 10% saving for chemicals used on site.



PROMOTING THE USE OF ENVIRONMENTALLY-FRIENDLY PRODUCTS

→ At sites and in our offices, we aim to reduce and prevent harmful impact on the environment generated by all areas of purchasing and logistics.

We seek, whenever possible, to replace materials and products with **recycled** or **biodegradable products**. Our activities include the use of important quantities of disposables such as glasses, cups, plates, forks, knives... In our European countries (such as the United Kingdom, Scandinavia, the Netherlands) and in North American countries, we are introducing **biodegradable disposables** based on 100% compostable and renewable raw materials. Our target will be to replace all plastic disposables by biodegradable options.



France

By signing our French division Chart, our suppliers commit to reduce unnecessary levels of packaging and offer recyclable packaging or packaging made from recyclable material to save natural resources. At all our 3,000 restaurants, our customers now benefit from **napkins made from 100% recycled paper fibers**.

Sweden

Sodexo Sweden Cleaning services has developed a wide range of superconcentrated detergents and other chemical products complying with Swedish Society for Nature Conservation (SSNC) standards. Most of the products are eco-labeled as a **"Good Environmental Choice"**. The detergents are distributed in highly concentrated form, which reduces packaging materials and the number and volume of deliveries.

REDUCING CARBON EMISSIONS

→ We encourage the use, whenever possible, of alternative forms of transport, to reduce petrol consumption, use energy more efficiently and obtain lower carbon dioxide emission levels.

We attempt to **optimize deliveries** of our products, choosing not only appropriately sized vehicles but, above all, less polluting forms of vehicles.

IN FRANCE,
**16 DELIVERIES
PER RESTAURANT
PER MONTH.**

France

Over the last 10 years, Sodexo has impacted the level of CO₂ emissions from transportation from its distributors. **The average number of deliveries per restaurant per month** has decreased from 32 to **16**. Products have been grouped together, taking into account factors such as temperature, volume and logistics flow. 72% of our food purchases are made from only 10 suppliers, to whom we have granted exclusivities based on the temperature range at which they transport dry, chilled and frozen products.

United States

Providing support services at remote sites involves transporting food and supplies hundreds of miles offshore in the Gulf of Mexico and over 2,000 miles to Prudhoe Bay in Alaska. We have voluntarily **reduced the volume of shipments**, thereby benefiting the environment through reducing the energy consumed. In Alaska, we receive approximately 140 truck loads of products at Prudhoe annually, utilizing water carriers for all shipments into Alaska. Total fuel savings amount to about \$259,000 per year.

PROMOTING NEW TECHNOLOGY TO SAVE RAW MATERIAL

→ The use of new tools and the development of all sorts of wireless technologies, websites and other digital solutions help us to reduce raw material consumption.



**IN THE NETHERLANDS,
NEAR 40%
REDUCTION IN PAPER
CONSUMPTION.**

Service Vouchers and Cards

Sodexo's Service Vouchers and Cards activity has been developed using paper and plastic-based media and our concern is to reduce the non renewable resources we are using. To minimize the impact of the activity on the environment, we are currently working in the following two directions: implementing **voucher and card recycling programs** in all our countries and innovating through **dematerialized services** whenever our clients favor this, by developing new technologies such as electronic- or mobile phone-based services. E-vouchers now represent 4% of our services.

The Netherlands

In 2005, office management **reduced paper consumption** by 29% in administrative units and the catering business. This was achieved mainly through encouraging Sodexo website and other digital tools. In 2006, office management achieved a further 10% reduction in paper consumption, mainly due to higher levels of awareness and digitalization.

COMPENSATING FOR OUR ENVIRONMENTAL IMPACT

→ When it is probable that a project will have an unavoidable environmental impact, it is possible to invest in Environmental Compensation Funds to compensate the environmental impact created by our activities.

**70,000 M²
OF FOREST
TO BE PLANTED.**

Italy

Since 2005, Sodexo has subscribed to 'Zero Impact', an innovative program created by an Italian company, LifeGate, developing **reforestation projects** in Italy and Costa Rica. Over a 3-year period, we are committed to financing the reforestation of a surface area in proportion to our rate of pollution generated by the paper consumption from our voucher production. 70,000 m² of forest will be planted to offset our energy impact. Sodexo is the first voucher company to have this certification in Italy.





→ WASTE TREATMENT

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

ORGANIC WASTE

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

Some of our subsidiaries are pilot for **recycling organic waste** (as for example Belgium, the Netherlands and Finland). This is often linked to existing national regulations and the recycling capabilities for organic waste. In other countries, we need to stimulate the creation of this recycling activity.



Colombia

At a client cement plant, our teams have developed a program to optimize disposal of **organic solid waste** generated on-site by transforming it to create fertilizer through biological processes such as compost, active microorganisms and lombriculture. 45% of the plant's waste is collected and recycled to provide inexpensive, good-quality **organic fertilizer** for the soil. The project started in 2007 and since then has generated more than 6,000 tons of organic fertilizer, used in the improvement of the plant's gardens.

United States

Our partnership at Colorado College has developed a strong commitment to managing waste that ensures a steady supply of **compost** for the gardens and grounds at the site. We have developed an active sustainability committee, comprised of students, faculty staff and Sodexo managers. In 2004, we installed Colorado College's first home composting system and have been enriching campus flower gardens ever since.

PLASTIC, PAPER, IRON, WOOD, ETC.

→ Recycling needs specialized equipment such as compactors and enough storage space to carry out the recycling. This process cannot be implemented without our clients' commitment due to the fact that we operate at their sites.

Since it began, Sodexo's Service Vouchers and Cards activity was based on paper and plastic materials. To minimize the environmental impact, we have initiated several recycling programs in our subsidiaries around the world.



Central Europe

In the Czech Republic all vouchers in circulation are recycled, while in Slovakia, where Sodexo has only just begun recycling, the aim is to reach 90% in 2007. **In both countries, 130,000,000 vouchers are recycled each year.** In Romania, since 2000, Sodexo's Service Vouchers and Cards activity has partnered with a specialized company to recycle 190 tons of paper and plastic every year, within the scope of the 3 R program ("Recover, Recycle, Reform"). This program covers 80% of waste material: paper, plastic, wood and toner.

Tanzania

On our client Barrick Gold's gold mining site, ten waste stations have been set up at key, high-traffic waste areas. **Scrap metal, wood and oil products are collected** at the client's recycling yard for further sorting. General refuse is taken to the incinerator for burning. Ash from the incinerator is used, along with soil, lime and leafy food waste, to make compost for use in the mine's vegetable and resident gardens. After a year, our client has been able to significantly reduce the cost of **recycling metals and other products** that it would previously have required a team of people to sort through. Savings from these actions are estimated at €30,000 per annum.

USED COOKING OIL (UCO)

→ As a major user, we are implementing programs to optimize the collection and recovery of used cooking oil at all our restaurant kitchens.

In the catering services, the traditional method of disposing of used cooking oil has been to put the oil into drums and send it to landfill. Specialized companies now convert the waste oil into a finished product that is generally sold to the animal and pet feed industry. Since the waste oil is reconverted into a finished product and reused as biodiesel, our position is that it can be considered sustainable.

Australia

Disposal of used cooking oils from chip fryers has sometimes been hazardous. All deep frying oils have been standardized to canola varieties that can be safely bulk-stored on site. **Used canola oil can be recycled and employed for manufacturing bio diesel fuel.** A major objective of Sodexo in Australia's new environmental initiative scheme is to see these same oils returning to site as fuel for freight trucks. We are currently in the process of a bio diesel trial with our major freight provider.

United Kingdom

Last year, Sodexo generated over half a million liters of UCOs. The oil is collected and recycled by a referenced service provider. Until this year, waste cooking oil was used for fuel in power generation plants, but **it is now treated with methanol and sodium hydroxide, to separate out the glycerin content, to create bio diesel.**



EFFLUENT WASTE

→ We look at ways of reducing the amount of waste that occurs during the production process.

United Kingdom

Tillery Valley Foods (TVF), our subsidiary based in Wales, is the leading supplier of chilled and frozen meals to the UK health care sector. TVF built a new factory on the site of its existing operations in Abertillery. The local water authority was

concerned about the effect of more effluent on the local sewerage system. The new factory incorporated **an innovative approach to compact solid effluent**, reducing trade effluent volume by 10.5 km³ per year and generating annual savings of £178,000.



OFFICE WASTE

→ The amount of office waste can be lowered through “source reduction” that is, by using less and thereby reducing the amount of recycling material every day.

Sweden

GreenBacks is a complete solution for processing waste and providing cleaning services at offices.

This process has been developed by Sodexo in partnership with Ragn-Sells, the leader on the Swedish recycling market.

We currently have **10 GreenBacks contracts** with clients in Sweden.

One of our long-term clients benefiting from GreenBacks is **Läraryrket** (the Swedish Teachers Union) since 1984, for whom the concept has been implemented at their Stockholm headquarters since 2001.

The Netherlands

Sodexo has set up a **6-category back office sorting system (kitchen and handling)** and a **3-category front office sorting system for our restaurants**. The containers have easily identifiable colors that encourage customers to sort waste types.



GreenBacks



ELECTRONIC WASTE

→ Over 97% of electronic products' contents can be reused or recycled. It is important to think of these items as valuable and reusable. We also have initiatives currently underway to deal with e-waste.



Europe

Since June 2007, Sodexo has been implementing an operation in Madagascar: **mobile...ize for action to collect used cell phones**. There are 147 million mobile phones users in Europe and recycling mobiles helps reduce soil pollution in landfill while also abiding by the law (WEEE). We have sent several e-mails to Sodexo employees in France to encourage them to find mobiles left in drawers and

to forward these messages to their relatives. Sending the mobiles is free of charge thanks to the pre-paid label downloadable from our operation website which can be used on all envelopes. Once collected by our partner Foneback, old mobile phones are modified, repackaged and redistributed on low purchasing power markets. Some mobiles will only be worth their spare parts or the raw material (copper & aluminum).
mobilizeforaction.sodexo.com

HAZARDOUS WASTE

→ Hazardous waste, such as chemicals, is a form of waste that can endanger not only people's health but sometimes even their lives. Sodexo is helping its clients to introduce innovative and environmentally – protective behavior.



France

A management system has been implemented by Sodexo to eliminate all hazardous waste generated by our activities. Our Facilities Management services activity has been awarded **ISO 14001 certification** for its environmental management. The certification was based on setting up a continuous **Plan-Do-Check-Act (PDCA) system** to improve the management of waste, refrigerated fluids, boilers and dangerous substances.

United Kingdom

Since 2005, all our sites comply with national environmental requirements for hazardous waste. We anticipated the advent of new Hazardous Waste Regulations in 2005, and in 2004 a comprehensive survey of Sodexo UK & Ireland was carried out to determine where hazardous waste was being handled. This enabled Sodexo to carefully control the effects of the new regulations and by 2005 all Sodexo sites and any sub-contractors handling hazardous waste had been licensed. Furthermore, any employees engaged in handling dangerous goods under the associated Carriage of Dangerous Goods legislation were given appropriate training.

REDUCING THE VOLUME OF WASTE

→ The Zero Waste philosophy challenges the status quo of the one way industrial design by encouraging a circular system in which the primary goal is to minimize waste and, where this is not possible, to reuse, repair or recycle back into nature or the marketplace.



Australia

Resource Recovery Strategy is a program aimed at zero waste to landfill. At our remote locations, our objective is to implement **a full circle waste recycling program, minimize waste to landfill, improve safe handling and disposal of waste and oil and implement return to the community through Ruggies Recycling Charity**, encouraging the mining community in Western Australia to decrease the amount of waste going to landfill. In 2007, Sodexo in Australia aims to reduce waste to landfill by 80%. Our final aim is to implement an environmental strategy to achieve zero waste by the end of 2008.

United States

Sodexo has lofty aspirations for Concordia University: to become a zero waste operation. Waste Management was eager to haul **compost** on a large scale. We have worked in partnership with our suppliers to **minimize packaging** where possible. When it was not possible, we have chosen **recyclable or compostable packaging** materials such as bio-degradable packaging: garbage bags, straws, knives, forks, spoons, and hot and cold cups. Excellent Packaging is made from annually renewable resources (corn, potatoes and sugar cane) and breaks down in 90 days.



→ ENERGY EFFICIENCY

CO₂ emissions are causing climate change and we are actively seeking ways to reduce energy consumption on our sites. We cannot measure energy savings as we do not have independent meters enabling us to isolate the consumption linked to our activities. Energy use is measured on only 3.8% of our sites (basis for consolidation is 47% of Sodexo global revenue).

REDUCING CONSUMPTION

→ As we work on our clients' premises, we need to have their agreement to controlling energy use by implementing independent meters.

Thailand



The Bangkok Medical Centre is the largest private hospital in Thailand. Every month over 59,000 outpatients and 8,700 in-patients, receive medical attention from over 1,000 doctors and 4,000 nursing and ancillary support staff. In 2006, the hospital's management approached Sodexo, concerned by the soaring cost of electricity on the site. We recommended a three-month audit of the principal energy consumption area. **We identified potential savings for the hospital that amounted to a 27% reduction in the annual electricity charge.** The audit highlighted that the most significant energy waste resulted from inadequate maintenance procedures and demonstrated the importance of a well-designed preventive maintenance plan.

The Netherlands

At Amsterdam airport (Schiphol), Sodexo is responsible for **the energy management of all KLM buildings**. Water, gas and electricity consumption is electronically monitored on a daily basis in more than 50 buildings. When fluctuations are identified with respect to pre-programmed energy consumption models, a corrective or preventive action plan is presented. In 2006, an **energy awareness campaign** conducted by Sodexo was operated at KLM offices. Through the programs implemented, KLM was able to improve its energy efficiency level by **6%** in 2006 in comparison to 2005. The average improvement in industry in the Netherlands is 2% per year.

CHOOSING GREEN ENERGY OPTIONS

→ Green Renewable energy uses natural resources such as sunlight, wind, tides and geothermal heat, that are naturally replenished.

United Kingdom

Last year Sodexo in the United Kingdom made a commitment to convert 80% of our offices and sites, at which we control consumption, to **'green energy'** which generates zero CO₂. By the end of 2006, we had increased this to 97% of offices. Switching to green energy, resulted in a 738 ton reduction in CO₂ emissions for the reporting period and will significantly reduce our CO₂ emissions from offices and sites for the next reporting period.

United States

At Skidmore College in Saratoga Springs, N.Y., where we provide Facilities Management services, Sodexo recommended the installation of **renewable and non-polluting energy**: a geothermal heating system for the College's new student apartments and the recently renovated dining hall. The use of renewable energy contributes to significantly cutting energy consumption.



→ WATER

We are attempting to make customers aware of the importance of careful use of drinking water, while working to improve our techniques to clean waste water. In emerging countries, we are also concerned to use clean and healthy water. We cannot measure water savings as we do not have independent meters enabling us to isolate the consumption linked to our activities. Water use is measured on only 3.5% of our sites (basis for consolidation is 47% of Sodexo global revenue).



Chile

The SodexH₂O program aims to generate **awareness among our employees and clients of water scarcity and the importance of using it wisely**. At our client sites, Sodexo proposes a fair with a stand for distribution of informative material with respect to consumption and associated nutritional

aspects. We invite our suppliers to join us in promoting best practices and making people aware of the need to conserve water. The program is gradually being deployed at all client companies and information concerning good practices in water care is being disseminated at client sites. 1,700 people currently benefit from the program.



→ GREEN FACILITIES MANAGEMENT SERVICES

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

United Kingdom

Our subsidiary in Wales, Tillery Valley Foods (TVF) is specialized in the production and distribution of frozen meals to the health care and public sector markets. Since 2001, TVF has been working to implement a **comprehensive Environmental Management System** and has undertaken a number of initiatives, including: an assessment of energy saving opportunities carried out by the Carbon Trust, development of multi-disciplinary focus groups to commit

staff, segregation and recycling of a wide range of materials including a scheme for recycling aluminum cans for charity, carbon data collection in order to monitor **the carbon 'footprint'** of the company and water saving measures including fitting infra-red sensors on all hand basins and fitting cistern displacement devices to all lavatories. Objectives include an annual **5%** reduction in the consumption of electricity, gas, water and diesel, and an annual **5%** reduction in the volume of waste disposed to landfill.



→ ENVIRONMENTAL PROTECTION MANAGEMENT



As part of our effort to improve our environmental impact, we have recently made important progress in the area of environmental management. For our clients we are setting up procedures, implementing measures, obtaining certifications and labels, and in an increasing number of cases, being awarded the international environment standard, ISO 14001, at sites in 12 countries. We accompany our clients as they progress along the path towards recognition for environmental responsibility. To meet this end, we are carrying out environmental risk analysis and carbon audits, implementing environment management systems and environmental office systems.

ISO 14001 CERTIFICATION

→ We have been certified the international standard ISO 14001 for the environmental progress obtained by our subsidiaries. ISO 14001 certification has been obtained at sites in 12 countries:

- Australia
- Belgium
- Denmark
- Finland
- France
- Hong Kong
- India
- The Netherlands
- Peru
- Romania
- Sweden
- United Kingdom

Finland

All Sodexo sites and headquarters are using an Environmental Management System that has received ISO 14001 certification. This environmental policy includes providing safe and healthy food, with sound purchasing and logistics; reducing energy and water consumption; sorting waste for recovery and recycling; hygiene and cleaning; communication and training and work safety and well-being. The system is audited both internally and externally. 2,500 Sodexo employees and people working on our clients' sites benefit from the program.



France

Our Facilities Management services, activity obtained **ISO 14001 environmental certification for all maintenance and technology management activities** for office and industrial buildings. Through this environmental certification, Sodexo in France commits to preventing all forms of pollution and controlling significant impact on air, soil and water.

AWARENESS AND TRAINING EFFORTS

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

France

Environmental Best Practice guides have been published on selective waste collection, reducing water and energy consumption, recycling food trays, environmental management at the office and the quality of waste water. These guides propose methods and tool boxes for teams: technical sheets outlining risks, and information to be displayed through memos and stickers.



Armed with knowledge of cutting edge technology and training designed specially for managers and frontline employees, Sodexo's workforce will be well equipped to address requests from our clients and customers for **environmentally-friendly food, products, and processes**. We have committed to training an initial 350 people: all Sales Executives and all Senior Vice President and District Managers on the education segment. The second step of this process will be to cascade to all General Managers depending on the clients' needs, potentially involving 1,500 people.

North America

In 2007, Sodexo will focus its environmental sustainability efforts on the training program, **The Future is in Our Hands: PLANit**. The intention is to increase employee awareness of the ways in which we can effect change in our world.

PARTNERING WITH STAKEHOLDERS

→ In line with our global policy, we are multiplying partnerships with our clients and civil society to find solutions to benefit the environment. Sodexo participates in institutional projects and partners with non-governmental organizations (NGOs) and associations, in many regions of the world. We favor partnerships with suppliers and producers who show concern for the environment in their choice, treatment and transportation of products.



United Kingdom

Since 2004, we have been partnering with the Hotel and Catering International Management Association (HCIMA) **Hospitable Climates initiative**, a scheme that is part of the British government's "Action on Energy" program. The program aims to improve energy efficiency while maintaining quality, productivity and competitiveness. It will contribute to the UK meeting its commitment to reduce emissions of carbon dioxide.

United States

Sodexo and Easter Seals, a non-profit provider of disability services, have partnered with Cartridges for Kids to launch "**Rural Recycling**", a program which recycles empty printer cartridges and cell phones. For each cartridge or cell phone collected by Sodexo, Cartridges for Kids will make a financial donation to Easter Seals for its "AgrAbility" program, which provides assistance technology for farmers and ranchers with incapacitating illnesses to enable them to return to work on their farms.



MEET



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

Rytsy Merja

PRINCIPAL, KUNINKAANTIE UPPER SECONDARY SCHOOL,
FINLAND.



Green Awards

In Europe and North America, Sodexo has continued to receive many awards for its efforts in fostering environmentally-responsible behavior.

Canada

2003

We received the **Energy innovators initiative Award** given by the Federal Government Ministry, Natural Resources Canada (NRCan), in recognition of the commitment of Bill Player and his team at the Strathroy Hospital (Middlesex) to reducing greenhouse gas emissions.

Finland

2006

The Pori Jazz Festival's organizers and Pöyry Forest Industrial Consulting granted Sodexo the **environment and responsibility award** for its actions to save the environment under the Pori Jazz Environmental Plan, implemented during the 2-week festival.

France

2005

We received the **Environmental Responsibility label** awarded by Provence-Alpes-Côtes d'Azur Regional Environment department during Sustainable Development Week, sponsored by the Secretary of State for Sustainable Development.

Northern Ireland

2005 and 2006

Sodexo was ranked among **the top quintile of the annual Arena survey** on environmental performance.

United Kingdom

2007

Tillery Valley Foods (TVF), our subsidiary, the leading supplier of chilled and frozen prepared meals to the health care sector, was accredited to **Green Dragon Level 2 Standard**.

United States

2007

- Sodexo was awarded the **Chuck Haugen Conservation Fund's Business of the Year Award** for its intervention at California State University Monterey Bay and its achievement in offering this University sustainable food options and waste recycling, thereby contributing to preserving the Monterey Bay's ecosystem.
- UC Davis wins **Best Practices Award for Innovative Waste Reduction**. UC Davis and Sodexo received a best practices award from the Energy Efficiency Partnership Program for their Innovative Waste Reduction program. This is a post consumer compost program developed and implemented by Sodexo, Solid Waste and R4.



Our publications

available at sodexo.com

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



Digest 2006-2007



Reference Document 2006-2007



Fiscal 2007 Human Resources Report



Contact: Dolores Larroque, Worldwide Coordinator for Sustainable Development, dolores.larroque@sodexo.com

Published by Sodexo, Group Corporate Communications and Sustainable Development.

Design, creation and production:  TERRE DE SIENNES Paris

Photo credits: Corbis, Sodexo media library, X.



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