



This is our **Communication on Progress** in implementing the principles of the United Nations Global Compact.

We welcome feedback on its contents.

Global Compact, Best Practice – November 2010

COMMUNICATION ON PROGRESS – 2010

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

"Our support for the Global Compact's ten principles is ongoing and has been further strengthened this year through new initiatives and measures taken within our various divisions both in France and the other countries in which we have operations. I would like to take this opportunity to reiterate Elior's commitment to promoting and applying these principles."

Title of the 2010 COP

Measuring and reducing Elior's carbon footprint (COP 1)

Global Compact principle(s)/issue(s) addressed

This COP issued by Elior illustrates how the Group has upheld Principles 7, 8 and 9 of the Global Compact.

Human Rights

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

Labour

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

Environment

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

Anti-Corruption

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

A second 2010 COP entitled "*Integrating disabled employees at Elior*" (COP 2) illustrates how Elior has upheld Principles 1, 2 and 6 of the Global Compact.

No measures or actions relating to Principle 10 are required as these are not relevant to the Group in view of the nature of its operations.

What actions has your company taken to implement the Global Compact inside its business?

In 2009, Elior drew up a set of Sustainable Development Guidelines specific to the Group and carried out a self-assessment process in order to have a better view of how it stood in terms of each of the areas addressed in the Guidelines (see Elior's Global Compact COP for 2009). This process enabled the managers within the Group's various sectors to identify a number of common environmental actions that could be taken, notably in relation to greenhouse gases (GHG).



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In view of the increasing general concerns about climate change and questions asked by the Group's European stakeholders about its carbon footprint and its plans to reduce that footprint, Elior decided to join the fight to reduce GHG emissions by launching an analysis of the GHG it emits, in order to be able to subsequently lower them and thereby demonstrate to its stakeholders (clients, specialist organisations etc.) that it is seriously committed to reducing its emissions.

The first step in the Group's overall emissions reduction project was to measure its GHG emissions at several sites and draw up emissions reduction plans. Drawing on the experience and information gained from this process, the Group then put in place a procedure for its French – and ultimately international – divisions to calculate their own emissions on an individual basis using a specific Group system, and subsequently draw up their own emissions reduction plans.

What was the outcome/result of the actions described above?

In 2009 the Group's Business & Industry and Education divisions in France drew up three carbon footprint reports (*Bilan Carbone®* reports) for three different sites (a corporate restaurant and two central kitchens). Meanwhile, outside France, Elior UK has carried out a similar process.

The *Bilan Carbone®* is a method used in France to measure GHG, which was devised by the French national Agency for the Environment and Energy Management (ADEME). It is a decision-making support tool which enabled Elior to make the required choices for its emissions reduction plans for the short, medium and long term. In practice the method is used to prepare a status report on GHG emissions produced over the space of a year at one or more sites. It includes a review of all the physical movements involved in the operations conducted by a site (movements of people, energy, raw materials etc.), both upstream and downstream, and calculates the corresponding GHG emissions generated. Based on scientific data and statistics for certain emissions factors, this method enables sites to measure their GHG emissions by order of importance for each emissions category.

The following emissions categories are taken into account for a restaurant:

- Incoming materials: purchases of food and non-food commodities, services etc.
- Transport: kilometres travelled for upstream and downstream deliveries, type of vehicles used, volumes transported etc.
- Energy: electricity, gas, steam, etc.
- Internal processes: refrigerant gases etc.
- Travel: commutes, business trips etc.
- Fixed assets: buildings, production equipment, IT equipment, etc.
- Waste: wastewater, packaging, food waste, etc.

Thanks to its *Bilan Carbone®* reports, Elior was able to identify the main sources of GHG emissions in its contract catering operations. For example, for the period reviewed, the report on L'Alsacienne de Restauration's central kitchen in Strasbourg identified emissions representing around 4,400 metric tons of carbon dioxide equivalent in one year, corresponding to the annual average emissions of 500 French people or 27 million kilometres travelled by car. The findings of the report enabled L'Alsacienne de Restauration to focus on four key areas for reducing its carbon footprint: supplies (which account for over 70% of the kitchen's GHG emissions), internal processes, packaging and deliveries to restaurants. L'Alsacienne de Restauration is currently concentrating its efforts on reaching the ambitious target set in its contract with Strasbourg City Council to reduce its carbon footprint by 3% per year over a period of four years.



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The findings of the *Bilan Carbone®* report carried out at one of Avenance's corporate restaurants show that the main emissions category for the site is also incoming materials, mainly comprising foodstuffs. On average, this category represents over 50% of the restaurant's GHG emissions.

The Group noted that the transport, energy and fixed assets categories also have a non-negligible effect on GHG emissions. On average, each of these categories represents over 10% of a restaurant's total emissions. This means that the highest volumes of carbon emissions relating to Elior's business are often generated either upstream or downstream from the Group's own activities. Factoring in indirect emissions (e.g. from agricultural production or product deliveries) encourages both Elior and its divisions to work closely with the Group's partners towards reducing these emissions.

Also in 2009, Elior UK measured the direct GHG emissions generated by its administrative activities (four regional headquarters and its head office). Based on the findings of this review, Elior UK decided to reduce its GHG emissions by 5% over the space of a year – a decision which has been incorporated into the individual targets of the company's senior managers. One of Elior UK's key priorities is business travel, which represents the highest category of GHG emissions for the company's administrative activities. Consequently, the use of videoconference systems is highly encouraged and Elior UK has put in place a stricter policy on business travel.

In view of the increasing focus on reducing GHG emissions and the fact that the Elior Group was seeking to put in place internal know-how on the issue, the Group decided to train a number of employees on the ADEME's carbon footprint methodology. As a result, the Group has been ADEME-approved since January 2010 and is authorized to use the *Bilan Carbone®* method. An in-depth review of GHG emissions was subsequently launched with a view to designing a system for measuring GHG emissions that is specific to the Group and tailored to its needs and business situation. This system will take the form of a spreadsheet programme to be used for calculating the carbon footprint of a site and drawing up a report to share with the Group's clients in order to work with them on pinpointing the actions that can be taken to reduce emissions levels. Elior's drive to seek innovative solutions by working in conjunction with its clients is another example of the Group's increasingly professional approach towards sustainable development.



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Country(ies) where the internal company change took place?

France, United Kingdom

Five search words (keywords) describing the example

Bilan Carbone, environment, climate change, greenhouse gas, system

Contact information of company representative

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Direct URL links to social impact, environmental and/or annual reports/documents related to the example provided

www.elior.com