

CREATING A BETTER TOMORROW



WELCOME

Welcome to the corporate responsibility report FY2014 for Sodexo UK & Ireland. This report covers our work from September 2013 to August 2014. Where we mention 2014, please assume we are referring to FY2014.

03 QUALITY OF LIFE

- 04 ABOUT US AND THE BETTER TOMORROW PLAN
- 06 HOW WE WORK
- 07 TARGETS AND PERFORMANCE
- 09 AWARDS AND RECOGNITION

11 ENVIRONMENT

- 12 ENERGY AND EMISSIONS
- 16 WATER AND EFFLUENTS
- 17 WASTE AND MATERIALS

20 LOCAL COMMUNITIES

- 21 TACKLING HUNGER AND MALNUTRITION
- 23 LOCAL COMMUNITY DEVELOPMENT
- 24 TRACEABLE SUPPLY CHAINS
- 25 SUSTAINABLE PRODUCE

29 NUTRITION, HEALTH AND WELLBEING

- 30 HEALTH AND WELLBEING
- 31 NUTRITION

33 AS AN EMPLOYER

- 34 DEVELOPING OUR PEOPLE
- 37 A DIVERSE WORKPLACE
- 39 HEALTH AND SAFETY
- 41 HUMAN RIGHTS



“At Sodexo we seek to enhance the quality of daily life of everyone we serve. Our corporate responsibility commitments are key to this focus. Over the past year we saw good progress across many of our commitments.

People are at the heart of what we do so I'm particularly proud of the progress we've made towards becoming a more responsible employer. A key element of this is gender equality in the workplace and we continue to increase the representation of women in management positions right across the board. In addition, we are seeing a more engaged workforce with engagement up 3% in the last two years and I am delighted that we've achieved the Investors in People Bronze accreditation reflecting our hard work in this area. We've also made considerable strides with our sustainable seafood and our food waste reduction policies.

Thanks to all the people in our business who have worked hard to drive these results. I feel positive about our achievements and optimistic about the year ahead.”

Debbie White, CEO, Sodexo UK & Ireland



QUALITY OF LIFE

Sodexo's mission to improve quality of life is based on our conviction that it is a critical factor in the wellbeing of individuals, the progress of society and the performance of companies and organisations.

OUR FOCUS

To meet our clients' changing needs, we're focusing on:

- **people**, to increase satisfaction and motivation in the workplace
- **processes**, to promote efficiency and improve overall performance
- **infrastructure and equipment**, to maximise use, profitability and reliability and help make living and working environments more attractive

ABOUT US AND THE BETTER TOMORROW PLAN

Sodexo develops, manages and delivers a diverse range of services designed to improve quality of life for our clients and customers. We provide services to a wide range of people that includes schoolchildren, patients in hospitals and prisoners.

We believe that by listening to our clients and understanding their strategic aims, we can provide services that improve the quality of life and make a meaningful difference to everyone we serve. Our services can be grouped into three main areas:

- **On-site Services** – these include a range of services from construction management, reception and food services through to asset maintenance, security and grounds maintenance for our clients in offices, schools, prisons, hospitals, military bases, remote sites and hospitality events
- **Benefits and Rewards Services** – these include childcare vouchers, multi-retailer gift vouchers, government and public authority schemes
- **Personal and Home Services** – these are our home care service and our home meal service, which provide support to older people in their homes. These services allow us to respond to the increasing need expressed by individuals for better work-life balance and greater personal fulfilment

A BETTER TOMORROW

Our mission is to improve the quality of life for the people we serve, and to contribute to the economic, social and environmental development of the communities, regions and countries where we operate. To achieve that, we need to look at how we do things across our business, not just now, but for the long term.

Our future success depends on identifying the big, long-term challenges facing society, and responding to the risks and opportunities they pose for our business. A number of global megatrends currently shape our business, including:

Global population trends

As the global population continues to grow, age and migrate towards urban areas, the need for efficient, high-quality healthcare and other Quality of Life Services will become even more critical. In response to this, our services include providing healthcare in hospitals and specialised facilities, and providing support services for seniors in their own homes.

Evolving consumer consciousness

More and more people are seeking wellbeing, quality of life and personalised services as they strive to look after themselves in this fast-changing world. They are more ethically aware and demand greater traceability and responsibility than ever before in the products and services they buy. From employee wellbeing and the health services we provide to the food we serve in our restaurants and the ingredients we source, achieving transparency in our business and our supply chain will become increasingly important.

Climate change and natural resources

We depend on natural resources in many different ways along our value chain – from farming and sourcing fresh produce to the water and energy we use at our sites. But these finite resources are under pressure, and climate change and population growth will increase that pressure in the future. We seek to manage our impact by using resources responsibly and developing our business to ensure we are resilient to deal with the challenges of the future.

THE BETTER TOMORROW PLAN

Our sustainability strategy to 2020, the Better Tomorrow Plan, focuses on the issues that are most important to our business and our stakeholders. These issues are identified through ongoing engagement and consultation.

The Better Tomorrow Plan is integral to our business vision – to become global experts and strategic partners to our clients. It is based on commitments, targets and objectives that take us up to 2020, providing a clear roadmap for what we want to achieve and in which all our employees are invited to play an active role.

Many of the Better Tomorrow Plan objectives are due to come to fruition in 2015; this presents us with the opportunity to assess our success against the baselines set in 2009. It is also a chance for us to formulate new objectives. The next iteration of the Better Tomorrow Plan will be launched in the autumn of 2015.



The three core pillars of our Better Tomorrow Plan

We Are

At the heart of the Better Tomorrow Plan lies our Group fundamentals – our mission, values and ethical principles. These are the cornerstones of a responsible business as set out in our [Corporate Responsibility Statement 2014](#) (PDF 161KB).

We Do

The four focus areas of the Plan

- Environment
- Local communities
- Nutrition, health and wellbeing
- As an employer

We Engage

Dialogue and joint actions with our stakeholders

Our stakeholders act as critical friends and, through our engagement with them, we are able to ensure our business practices meet their expectations. To do this well, we invest skill, time and effort in understanding and influencing policy. Our activity is guided by an overarching stakeholder engagement strategy and we carry out an independent audit of stakeholder perceptions of Sodexo every two years.

We have engagement programmes for specific stakeholder groups including:

- employees
- clients
- customers
- suppliers
- government and the public sector
- NGOs and associations

GOVERNANCE OF THE BETTER TOMORROW PLAN

In the UK and Ireland, the Plan is supported by:

- a steering committee from across the global company, including representatives of sustainability teams in our major markets
- a central project management team, which manages deployment and monitors performance
- progress milestones for 2014 and 2020
- a network of experts on topics such as water and effluents, materials and waste, energy and emissions, local communities and sustainable procurement
- Better Tomorrow Plan 'champions' for all the countries where we operate
- a technical assistance and advice partnership with [WWF](#) (World Wildlife Fund)
- external stakeholder engagement

Our partnership with WWF

When we decided to set targets for reducing our carbon footprint at all the sites we work on by 2020, we collaborated with WWF globally to agree a carbon reduction target of 34% across our global divisions. WWF is now helping us to identify projects that will support us in meeting that tough target, and globally we are working together to tackle other issues such as sustainable menus and responsible supply chain management.



HOW WE WORK

Governance and business integrity are fundamental to the way we carry out the everyday practices of our business: they reinforce our brand and our culture, and help to maintain trust with our stakeholders.

Sodexo's board is responsible for governing the business and is actively engaged in improving our performance around issues such as health and safety, and diversity and inclusion. Full board meetings take place monthly. The board is responsible for leading functional groups to ensure key issues are managed at all levels of the business. For example, Tony Leech, director of justice services, chairs the Diversity and Inclusion Council, while Stuart Carter, director of infrastructure, leads the Health and Safety Executive Committee and the Risk Committee. These issue leads are responsible for reporting back to the board on progress, and for representing the functional groups at board level.

The board agrees targets, partnerships and overall strategy, while functional groups are responsible for the day-to-day actions.

BUSINESS INTEGRITY

As one of four founding principles firmly rooted in our company's culture, we use the [Sodexo Statement of Business Integrity \(PDF 96.3KB\)](#) as a guide for the way we work. We have adopted this code of conduct across all our operations and we expect our partners to observe the same high standards of ethics.

To maintain healthy, honest relationships, we have clear guidelines for how to engage with different stakeholders and we uphold a strict anti-bribery policy and gifts policy. Our anti-bribery toolkit includes all relevant policies, procedures and guidance on the new legislation, and we communicate this to our employees. To date, 880 employees have completed our anti-bribery training, which is mandatory for all managers. Read our UK & Ireland [anti-bribery policy \(PDF 90.2KB\)](#).

Political impartiality is important to the company; as a result we do not donate to any political parties. However, we value the opportunities we are given to engage with and speak to politicians and senior civil servants on some of the corporate responsibility issues we are trying to lead. These networks and memberships give us the chance to inform politicians and senior civil servants' thinking, while allowing us to engage with these parties, which can sometimes prove difficult.

It is Sodexo's policy to comply with all applicable legislation relating to lobbying wherever we operate. Our [lobbying policy \(PDF 132KB\)](#) defines the parameters for any government engagement activity carried out on behalf of Sodexo in order to comply with legal requirements and our ethical commitments.

TARGETS AND PERFORMANCE

An overview of progress towards our commitments.

KEY Not met ○ On track ⊕ Completed ● Exceeded ⊕

2014 target	Status	2014 performance	2020 long-term target
ENVIRONMENT			
95% spend on chemicals to be on concentrated chemicals	⊕	93%	95%
100% spend on paper disposables to be sustainable paper disposables	●	100%	100%
90% of total office paper to be accounted for by sustainable office paper	⊕	99.07%	99.50%
20% of sites to have reported implementing a carbon footprint reduction programme	⊕	15%	65%
90% of sites to have reported taking basic steps to reduce their consumption of energy	●	90%	100%
25% of sites to have reported implementing an organic waste reduction programme	⊕	23%	80%
90% of sites to have reported taking basic steps to reduce their organic waste	⊕	85%	100%
50% of sites to have reported supporting initiatives to recover organic waste	⊕	43%	90%
40% of sites to have reported implementing a non-organic waste reduction programme	⊕	33%	80%
50% of sites to have reported taking basic steps to reduce their non-organic waste	○	37%	90%
90% of sites to have reported supporting initiatives to recover non-organic waste	⊕	82%	100%
LOCAL COMMUNITIES			
£215,500 charity champion fundraising target	⊕	£186,293	£223,732 ¹
Raise £450,000 for Stop Hunger	⊕	£441,746	£1m
150 sites to offer Aspretto range	⊕	146 sites	250
45% of total coffee to be certified, fairly traded coffee	⊕	85%	95%
100% of purchasing spend with contracted suppliers who have signed our code of conduct	●	100%	100%
40% of fruit and vegetables to be grown and consumed within the country of origin	⊕	44%	45% ²
Eliminate the purchase of all at-risk seafood species	●	Achieved	Maintain

¹ Long-term target refers to 2015.

² Assuming crop yield is dependable.

KEY Not met ○ On track ➡ Completed ● Exceeded +

2014 target	Status	2014 performance	2020 long-term target
NUTRITION, HEALTH AND WELLBEING			
Provide balanced food options and choices with reduced sugar, salt and fat at 100% of client sites	●	99%	99% ³
AS AN EMPLOYER			
Employ 400 UK apprentices	○	318	400
25% of women in senior management	+	29%	36%
Percentage of employees from Black, Asian and Minority Ethnic (BAME) groups	➡	5%	10% ⁴
Achieve OHSAS 18001 accreditation for our safety and environment management systems	●	Achieved	Maintain

³ There will always be a margin of 1% that will remain unrealised due to client preference.

⁴ Long-term target refers to 2018. As this was a new area of focus in 2014 no target was set for that year.

AWARDS AND RECOGNITION

We collaborate in partnership with industry bodies, sustainability organisations, non-profit organisations and governments on a global and a local level.

Partnering with our stakeholders is an important part of our pledge to operate responsibly and achieve our Better Tomorrow Plan commitments.

Health and safety recognition

Both our Corporate Services and Healthcare segments received recognition for their work in health and safety in 2014. Each collected external awards from the British Safety Council and RoSPA, with Corporate Services receiving a RoSPA Gold Award.



Business in the Community

Sodexo is a member of Business in the Community and has participated in its annual Corporate Responsibility Index, the leading UK benchmark for responsible business practice, since 2004. In 2014, we were awarded 2.5 stars out of a possible five, reflecting our ongoing commitment to integration, leadership and measurement on key corporate responsibility issues throughout the company.



Sodexo is a member of Business in the Community Ireland, which supports and challenges its members to create a sustainable future for people and the planet, while improving business performance.

Sodexo accredited by CIMA and ACCA

Sodexo has become the first company in the facilities management industry to be awarded Premier Partner accreditation by the Chartered Institute of Management Accountants (CIMA) and Approved Employer status by the Association of Chartered Certified Accountants (ACCA).

Investors in People

Our UK business achieved the Investors in People bronze level accreditation in 2014. The company is now working towards Investors in People gold.



Fairplace Award for London head office

Sodexo won a Fairplace Award in 2014 for its head office in Holborn, London.



Developed by UK property charity the Ethical Property Foundation, this award demonstrates Sodexo's commitment to the people and the environment in and around its head office.

Excellence Through People

In Ireland, Sodexo holds a gold accreditation in the Excellence Through People scheme for practices in planning, communications, training and development.



LGBT Top 100

Margot Slattery, managing director of Sodexo Ireland, was placed 50th among the 2014 Top 100 influential Lesbian Gay Bisexual and Transgender business leaders. The list is compiled by OUTstanding, a not-for-profit professional network for LGBT executives and their allies, and is published in association with the *Financial Times*.

Healthy Living Award

The Sodexo catering team for the Scottish Government picked up the Healthy Living Award at the 2014 Catering in Scotland Excellence Awards.



This award was given in recognition of the initiatives Sodexo has implemented at the Scottish Government to provide healthy menu plans and its broader work to promote healthy lifestyles to employees and its wider community.

The Times Top 50 Employers for Women

Sodexo UK & Ireland has been named among *The Times* Top 50 Employers for Women 2014. The top 50 recognises the leading UK organisations that ensure their workplaces provide women with the opportunity to achieve their full potential.





ENVIRONMENT

Protecting the environment by reducing our impact on it is as important to us as it is to our partners and clients. The services we provide can be resource intensive. We invest in helping our clients reduce their impact in three key areas: energy and emissions; water and effluents; and materials and waste.

90%

of Sodexo sites are taking steps to reduce energy consumption

100%

of Sodexo sites across the UK and Ireland achieved ISO 14001 for environmental management



OUR GLOBAL COMMITMENTS

- To reduce our carbon footprint in all the countries where we operate and at clients' sites by 2020
- To reduce our water footprint in all the countries where we operate and at clients' sites by 2020
- To reduce organic waste in all the countries where we operate and at clients' sites by the end of 2015, and support initiatives to recover organic waste in all food service operations
- To reduce non-organic waste in all the countries where we operate and at clients' sites by the end of 2015, and support initiatives to recover non-organic waste in all countries

ENERGY AND EMISSIONS

We're committed to reducing the energy we use and the emissions we generate, while developing innovative solutions to help our clients and suppliers improve their energy efficiency.

WHY IS IT IMPORTANT?

Managing the impact of climate change is directly tied to our long-term profitability, effectiveness and competitiveness, and that of our clients. As well as challenges, responding to climate change presents us with opportunities for growth and competitiveness.

Legislation around greenhouse gas emissions is a significant driver for a company like Sodexo. Failure to comply could lead to reputation damage, financial penalties and lost business, which is part of the reason why we have been calculating and reporting our direct emissions since 2007 and why, in April 2013, we were happy for the Environment Agency to audit us as a Carbon Reduction Commitment (CRC) participant.

Our commitment to driving down our own energy use and carbon emissions has also led to us being invited to support and advise our clients on carbon reduction and to provide additional services to them, such as energy management. We have also built a good working relationship with the Carbon Trust, which keeps us abreast of developments in carbon management.

We are working to reduce our energy use and emissions across all our operations, both on our own sites and at our clients' sites, through better monitoring, awareness, training and specific efficiency schemes.

Tracking progress

We carry out annual surveys to track our environmental performance across all UK and Ireland sites. These annual site surveys are carried out at every Sodexo site with a permanent Sodexo presence and look at employee awareness and behaviour, equipment and processes, and client engagement in relation to energy and emissions, water and effluents, and materials and waste.

We prepare a tailored report for each site showing performance over time and steps for improvement. Site managers are responsible for sharing their report with their team and their clients, and the report forms the basis for an action plan for the coming year. In FY2014, 83% of relevant UK and Ireland sites participated in the annual survey (89% in FY2013).

Where available, we use metering and monitoring to measure core energy and water use and waste, but because of the nature of the sites we work in, it's not always possible to get this data. Many of our client sites are not metered, so we rely on our own data to track our environmental savings and improvements.

WHAT WE'VE BEEN DOING

Reducing our emissions

We've been calculating and reporting our direct carbon emissions since 2007. In 2014, we worked with WWF to develop an ambitious new global carbon reduction strategy and target, including a goal to reduce carbon emissions by 34% by 2020 compared with our 2011/12 baseline. The strategy will be communicated and rolled out globally during 2015.

Sodexo UK & Ireland is currently working with colleagues in the US who have developed an 'energy management reduction toolkit'. This is an externally hosted web portal that allows site managers in Sodexo North America to create an action plan based on the energy questions we ask each site annually as part of the Better Tomorrow Plan global environmental survey. We are in the process of customising this toolkit to meet the needs of our business in the UK and Ireland.

Due to the nature of our business, which sees us operating from clients' premises, it is virtually impossible to capture data on all carbon emissions from our operations. For example, in the

majority of cases the electricity and gas we use in providing our service to a client is not sub-metered and therefore no data is available. Because of this, we monitor the direct emissions over which we have control and influence. In addition, we seek to influence our clients' behaviour and measure our progress against this in our annual site surveys alongside our direct emissions data.

Where possible, we try to extend our emissions scope to include indirect emissions. For example, we have been working with supply chain partners to calculate mileage and CO₂ associated with our operations for a number of years.

CO₂ equivalent emissions (scope 1, 2 and 3) (tonnes)

FY2011	FY2012	FY2013	FY2014
31,108	30,286	27,361	28,284

There has been an increase in absolute carbon emissions from FY2013 to FY2014. This is attributed to business travel by car, air and rail. Emissions have increased by more than 1,000 tonnes in this area.

CO₂ equivalent emissions (scope 1, 2 and 3 per £m turnover)

FY2011	FY2012	FY2013	FY2014
30.20	28.25	24.99	24.64

This emissions data covers CO₂ equivalent emissions from gas consumption, fuel in commercial vehicles, company cars, Tillery Valley distribution and bulk fuel (scope 1); electricity consumption (scope 2); and business travel and supply chain logistics (scope 3).

We have worked closely with our core suppliers to calculate delivery miles and associated CO₂ equivalent emissions for deliveries (covering an estimated 65% of food and other consumables).

Definition of scope 1, 2 and 3

Scope 1: All direct GHG emissions.

Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat or steam.

Scope 3: Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities, outsourced activities, waste disposal, etc

Source: coolclimate.berkeley.edu/node/405



Reducing fuel consumption

In addition to reducing carbon emissions from our workplaces, we've taken steps to cut emissions from our fleet of vehicles, including both private and commercial vehicles. This represents around 15% of our total direct emissions. In the UK, we have approximately 680 commercial vehicles and use around 1.5 million litres of fuel each year. We have limited lease car options to only vehicles with low emissions and now fit speed limiters to all new vehicles entering the commercial fleet. We have approximately 400 company vehicles, of which 82 are hybrid vehicles with CO₂ emissions of less than 100g/km. Only 57 vehicles have emission values above 120g/km.

Reduction of fuel consumption in deliveries on the island of Ireland

Since 2008, we have been steadily reducing the number of deliveries bringing food to our sites on the island of Ireland, which has reduced our fuel consumption and emissions. In fact, over a six-year period we have had a 90% reduction in the number of deliveries and an 89% reduction in associated CO₂ emissions⁶. Much of this progress has been realised through ensuring our delivery partners can deliver a broad range of the produce we require in one trip.

Average fuel consumption (litres)⁵

FY2011	FY2012	FY2013	FY2014
2,323	2,299	2,234	2,263

In FY2014, the average fuel consumption per vehicle increased by 1.3% compared with FY2013. However, over the last three years an overall reduction of 2.6% has been achieved.

Using less energy

We encourage behaviour change in energy usage through leadership and monitoring of progress. We use annual workplace surveys to monitor behaviours and attitudes and to create tailored, site-specific action plans on energy and emissions reductions. In 2014, we hosted our first energy forum meeting, which brought together more than 30 people from across Sodexo whose roles involve energy management to share best practice across the business.

The five prisons we operate, and where we are responsible for energy procurement and management, use 53% of Sodexo's overall direct electricity and 75% of our gas consumption. Sodexo Justice Services has set targets to reduce electricity use by 5% and gas consumption by between 3% and 5% across each site over the next three years. In 2014, we made a significant investment in voltage optimisation (VO) equipment for the prisons. And annual energy reduction of 8% is expected across the five sites as a result of introducing the VO equipment.

Our joint project with the Carbon Trust in 2012 showed that one of the biggest and easiest ways to save energy in a commercial kitchen is through behavioural change. In 2014, we delivered 84,000 stickers to our commercial kitchens to act as a reminder to people working there about how to use appliances more efficiently, such as not turning them on too early.

⁵ The data refers to the average fuel consumption of commercial vehicles only and does not include Tillery Valley distribution vehicles. This is consistent with previous reports.

⁶ The final figures were produced in 2013. We have made incremental improvements since then but the majority of progress in savings was made between 2008 and 2013.

Total electricity consumption (kWh) where we have operational control

FY2011	FY2012	FY2013	FY2014
26,708,661	25,852,759	22,743,505	22,031,223

Controlled sites reporting reduced electricity consumption

FY2011	FY2012	FY2013	FY2014
46%	57%	61%	60%

Sodexo Justice Services' five prisons reduced electricity consumption by 5.6% in FY2014.

Electricity consumption from Good Quality Combined Heat and Power (GQCHP) (kWh) where we have operational control

FY2011	FY2012	FY2013	FY2014
19,221,392	18,990,555	16,223,493	15,141,664

GQCHP captures heat from electricity generation that was previously wasted; sites deriving energy in this way are on a green energy tariff. From September 2013 to August 2014, electricity from GQCHP fell by 6.7% as overall electricity consumption fell by 3.1%⁷. Nevertheless 91% of Sodexo's controlled sites are on the green electricity tariff. In FY2013, electricity from GQCHP represented 70% of all electricity purchased, in FY2014 this figure was 69%. So even though our overall consumption of GQCHP electricity reduced, we still maintained a high percentage of electricity from this greener source.

Gas

Total gas consumption (kWh) where we have operational control

FY2011	FY2012	FY2013	FY2014
32,506,907	29,685,862	31,005,091	26,700,680

Controlled sites reporting reduced gas consumption

FY2011	FY2012	FY2013	FY2014
47%	79%	23%	85%

There has been a 13.8% reduction in gas consumption in FY2014. This considerable reduction may be partly weather related and a consequence of a mild winter.

⁷ Overall electricity consumption means everything we have purchased for our offices, depots and warehouses. Compared to FY2013, our electricity consumption fell by 3.1%; in energy terms this means >710,000kWh. Data is captured from those sites with at least two years' worth of data to allow like-for-like comparison to be made.

WATER AND EFFLUENTS

Water is essential to our business – from cooking and cleaning to maintaining outdoor spaces. We are committed to using water in a responsible and sustainable way by reducing the water footprint of our operations.

WHY IS IT IMPORTANT?

Our overall water consumption in FY2014 compared to FY2013 increased by 3.8% – water usage increased in line with the growth of the number of sites where we operate. While more sites will translate into more water usage, at the same time we saw improvements on sites reporting on water consumption awareness and behaviour, and equipment and processes, with both areas seeing an improvement of 11% on controlled sites. So while absolute numbers increased, we also saw a growing awareness of the need to conserve water.

WHAT WE'VE BEEN DOING

Reducing our water use and effluents

Conserving water is a fundamental part of our Horticultural Services offer. We use a wide range of water-saving products and techniques in all our work, including:

- impact gold white lining, a football pitch marking tool that doesn't require water
- drought-resistant plant and grass varieties, which also reduce costs for our clients
- environmental training to help employees deal with spillages swiftly and correctly

We maintain and regularly service our equipment and vehicles, reducing the risk of oil and fluid leaks, and we use plant debris to maintain soil stability and minimise accidental water discharge.

Water consumption (m³)⁸

FY2011	FY2012	FY2013	FY2014
306,336	294,331	285,265	296,387

Controlled sites reporting reduced water consumption

FY2011	FY2012	FY2013	FY2014
61%	50%	61%	45%

Establishing internal working groups

Cleaning forum

In 2014, we established a cleaning forum that brings together cleaning subject matter experts from across the business, as well as people with a central functions role such as purchasing, waste, and learning and development to discuss and share best practice in the area of cleaning. Key successes of the group have been the development of a bronze, silver and gold cleaning development programme and the rationalisation of cleaning chemicals and equipment.

Global water and effluents working group

In 2013, our global water and effluents working group developed a site manager toolkit available to employees online. The toolkit includes a call-to-action presentation, a 'What can I do?' guide, internal team and client presentations and a 'What can I do next...?' guide.

⁸ Data does not include water consumption at sites where Sodexo does not have operational control of water consumption (e.g. facilities management contracts).

WASTE AND MATERIALS

We use a large amount of material, both directly through our own operations and indirectly in our supply chain. With this in mind, we aim to reduce organic and non-organic waste and material use at all our sites and we support initiatives to recover waste from our operations.

WHY IS IT IMPORTANT?

The complexity and breadth of challenges that businesses face regarding the management of waste require a clear strategy and expert knowledge. At Sodexo, we design, manage and implement comprehensive waste management solutions that deliver economic and environmental benefits for our clients. Our continuing development of this service has been reflected in the increased volumes of waste we handled for our clients during FY2014, an increase of 53% compared with FY2013.

WHAT WE'VE BEEN DOING

During FY2014, we:

- increased the number of sites recovering food waste from 39% in FY2013 to 43% in FY2014
- increased our landfill avoidance rate from 88% in FY2013 to 91% in FY2014

Waste to landfill (tonnes)

FY2011	FY2012	FY2013	FY2014
9,076	5,833	4,148	4,361

Landfill avoidance rate

FY2011	FY2012	FY2013	FY2014
73%	82%	88%	91%

Landfill avoidance includes all waste that is diverted from landfill and undergoes some other form of treatment, such as waste to energy, recycling, treatment and recovery. Included within this data is our clients' waste, as well as that of Sodexo at sites where we manage waste.

Reducing food waste

Sites recovering food waste

FY2011	FY2012	FY2013	FY2014
21%	34%	37%	43%

Around 50% of our operations in the UK and Ireland (990 sites) provide food services, presenting a huge opportunity to make savings. Reducing food waste reduces not only the amount of physical waste from our sites, but also transport emissions, energy, water and packaging, which all add up to a big environmental impact.

The majority of our sites send food waste to anaerobic digesters to convert it into energy, but we are also striving to reduce the amount of waste produced in the first place.

Our centralised recipe database used at most sites enables catering teams to reduce food waste at the preparation stage by listing exact ingredients and quantities, ensuring our kitchens aren't left with difficult-to-use ingredients that end up as waste.

Aligned with our intention to reduce food waste, FareShare is a nationwide charity that diverts food waste away from landfill. Through our Sodexo Stop Hunger Foundation we support the work of FareShare and stay updated on initiatives that help to avoid food waste. For more about how we are working with the charity, see [Local communities](#).

New ways of reducing food waste

In 2014, we carried out a pilot project, working in partnership with a food waste specialist company, to measure and track food waste across four of our sites. We set specific goals that resulted in a 48% reduction in food waste over a three-month period. These encouraging results have meant we are now looking at the viability of adopting this approach at other Sodexo sites in the UK and Ireland.



WasteLESS Week

WasteLESS Week is our global initiative aimed at celebrating waste reduction with our employees, clients and consumers. For five days in October, our sites are encouraged to come up with innovative ways of reducing waste.

In the UK and Ireland, WasteLESS Week 2014 focused on reducing food waste at the consumer stage with innovative ideas trialled at sites up and down the country. All sites that participated were encouraged to submit their campaigns and the best one was chosen.

The winning entry was Emanuel School in South London, where Sodexo provides the catering. The catering manager came up with a 'clean plate' campaign, where pupils at the school could win 'queue hop' and receive tuck shop vouchers for sharing pictures of their clean plates at the end of lunch time. Catering staff encouraged pupils to take smaller portions to avoid leftovers and to eat everything on their plates. The school also harnessed the power of social media to give its campaign a more modern feel.

Over the course of the five-day campaign, the school reduced its food waste from 43 bags to just 25 bags – a reduction of nearly 50%. Emanuel School catering team is now trying to harness the power of its WasteLESS Week campaign to secure a long-term reduction in food waste.

Material use

One of the biggest areas of material use we have been looking to address is packaging. We currently rely on 360,000 vehicle movements per year to deliver goods to Sodexo units. Virtually all those goods have primary, secondary and even tertiary packaging that require disposal. In many cases, the goods themselves are disposable, such as throwaway cups, napkins, paper towels and disposable cutlery.

We have been working with our supply chain partners to identify areas for improvement with an aim of reducing and recycling packaging. We have updated our supplier questionnaire to include questions on packaging reduction initiatives and take-back schemes, while sustainability actions form part of our buyers' team meetings and the agenda for supplier meetings. We are looking to work more closely with two to three key suppliers in 2015 on packaging reuse, reduction or recycling projects.

Paper disposal – we have achieved 100% spend on sustainable paper purchases for our total disposable paper purchases.



Tracking food waste

One-third of all food produced globally is wasted. It is wasted even before it reaches the consumer as a result of factors including overproduction, spoilage and overcooking. Monitoring, measuring and analysing food waste can help reduce it by focusing employee behaviour and creating a culture of production excellence.

During 2014, Sodexo partnered with a US-based company to pilot a food waste tracking system across four sites in the UK and Ireland over a period of four months. As a result of raising awareness of food waste, the system helped to reduce it by 48%. Sodexo is now rolling out this system across six sites.



Creating fuel from cooking oil

Recycling used cooking oil creates a great opportunity for us to recoup a rebate on the material and generate cleaner fuel. At our sites, used cooking oil is collected by an approved vendor who converts the material into biodiesel, which is then blended into forecourt garage fuel. Of all our sites in the UK and Ireland in 2009, 95% recovered used cooking oil; by 2014 that had risen to 98.5% of sites. In the past year we have transformed 434,000 litres of used cooking oil into 412,000 litres of biodiesel.

Waste management training

Sodexo launched a bespoke waste management development programme in FY2013 accessible to all

colleagues. This training gives our people the opportunity to really enhance their functional training with a course that builds their skills and confidence in understanding effective waste management.

The three-tier training course – bronze, silver and gold – has been assessed and endorsed by the Chartered Institution of Wastes Management, reflecting its robustness and excellence.

By the end of FY2014, 60 employees had completed their bronze award, with another 164 enrolled and 12 working towards their silver award. We expect 300 colleagues to be progressing through this bespoke waste management training by the end of FY2015.





LOCAL COMMUNITIES

We support communities by tackling hunger and malnutrition, as well as helping local communities in areas such as employment, skills and training, and sourcing fairly traded produce.

85%

of our coffee is
certified fairly traded

£440K+

was raised for
Stop Hunger in 2014

100%

of suppliers have signed
up to our supply chain
code of conduct



OUR GLOBAL COMMITMENTS

- Tackle hunger and malnutrition through our Stop Hunger programme in all the countries where we operate by 2020
- Support local community development in all the countries where we operate by the end of 2015
- Increase the purchase of products sourced responsibly from fairly traded, certified sources by the end of 2015

TACKLING HUNGER AND MALNUTRITION

Poor nutrition remains a significant challenge in the UK and Ireland.

WHY IS IT IMPORTANT?

As a company that serves more than a million meals a day in various markets, we are well placed to help and we believe we have a responsibility to do so.

WHAT WE'VE BEEN DOING

Stop Hunger

Around 50% of our business operations are food related. Since food is such a big part of what we do, it makes sense that we also direct a lot of our charitable and community work towards food-related causes.

Stop Hunger is our global framework for charitable giving. It aims to tackle hunger and malnutrition, promote healthy eating and deliver basic life skills training in the local communities where we operate. Stop Hunger has been operating in the UK and Ireland since 2005.

In 2014, we carried out a global strategic review of Stop Hunger with key stakeholders, including the United Nations World Food Programme. We have made new commitments across six focus areas:

- volunteering – through our work with the Outward Bound Trust and FareShare
- payroll giving – our payroll giving programme was relaunched in September 2014
- community gardens – supporting Trees for Cities and Providence Row
- Stop Hunger products – 5% of our Aspretto coffee sales goes to Stop Hunger. In FY2014 sales of Aspretto made £9,796.52 for the campaign
- surplus food distribution – through our partnership with FareShare
- Servathon – Sodexo's largest global Stop Hunger effort takes place every year in April to May

Stop Hunger in the UK and Ireland is managed through the Sodexo Stop Hunger Foundation. All charities are assessed for their suitability for support through a number of stages. Charities who seek support are invited to submit an application to the Foundation where they are asked to outline the link between their cause and Stop Hunger. The applications, along with company accounts and supporting materials, are presented to the board of the Foundation for consideration at quarterly meetings. The board looks for a clear link between the charitable cause and the ethos of Stop Hunger – which is to tackle hunger and malnutrition across the world. Part of our corporate strategy is to be a known and loved brand – for this to happen it has been necessary to bring together our charitable giving under one umbrella so that we can trace our investment and impact on hunger and malnutrition and nutrition in the countries where we operate.

Recipients of investment in FY2014 included:

- FareShare – general support (national), £120,000
- SSAFA – general support (national), £30,000
- Trees for Cities – edible playground (Blackpool), £8,416
- Providence Row – garden regeneration for homeless people (London), £7,500
- Coram – mobile classroom and core funding (Salford), £48,848
- Scouts – sponsored the Cub Scouts and Scout badge for cooking (national), £40,000
- Queen Alexandra Hospital Home – refurbishment of rehabilitation kitchen (Worthing), £6,000
- Creation of a Haven Healthy Eating Guide – (national), £1,500

[Watch our Stop Hunger film to find out more](#)

FareShare

We believe that the provision of a hot meal is a fundamental human need. Through Stop Hunger we aim to reach some of the most disadvantaged communities in the UK. Over the past eight years we have supported the work of FareShare. FareShare is a UK charity that shares our goals of fighting hunger and tackling food waste. The charity collects surplus food and redistributes it to 1,200 charities and community projects that provide food – including food banks, homeless shelters, breakfast clubs, women's refuges and lunch clubs.

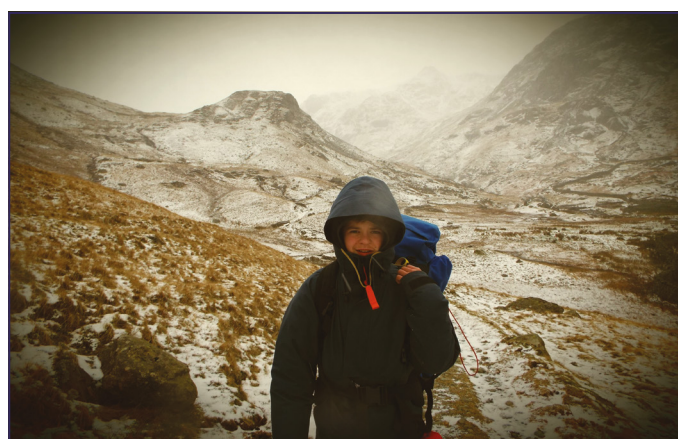
More recently, we have supported FareShare through Depot Challenges and their bi-annual food drives. In 2014, 120 Sodexo colleagues volunteered with FareShare helping to pick and pack food in its warehouses, sort food orders and deliveries, and lend a hand in supermarket food drives.

In addition to providing volunteers, Sodexo made financial contributions of £120,000 to FareShare.

Employee volunteering with FareShare (days' equivalent)

FY2011	FY2012	FY2013	FY2014
34	74	308	120

We need volunteers to support the projects of our charitable partners, such as The Outward Bound Trust challenge in Scotland and Salford and FareShare across the country. We encourage our employees to offer their time and support. In FY2014, 167 employees volunteered 179 days of their time to The Outward Bound Trust and FareShare.



The Outward Bound Trust

The Outward Bound Trust is an educational charity that Sodexo has worked with for the past 14 years. Through our partnership, we have created the Sodexo Health and Wellbeing Challenge to teach young people in schools about food for health, food preparation and nutrition. The challenge includes a talk by Sodexo employees on nutrition and food, a day of outdoor activities and a three- to five-day residential learning trip. At the end of the challenge, participants share their experiences with their peers and receive certificates of involvement. Through the challenge 92 young people from schools in Glasgow, Edinburgh and Salford were given the chance to experience an immersive learning experience with elements of nutrition and wellbeing woven in. Involving almost 50 members of staff, it's estimated that Sodexo volunteered approximately 67 days to support the challenge in 2014.

LOCAL COMMUNITY DEVELOPMENT

Everywhere we operate, we rely on local communities for talent, customers and suppliers.

WHY IS IT IMPORTANT?

We are committed to supporting these communities to help ensure a better quality of life for present and future generations.

WHAT WE'VE BEEN DOING

We focus on making a difference in areas such as employment, skills and training. We channel our social impact through a range of activities, including volunteering, financial support, employment, pro bono work, commercial contracts and in-kind donations.

Supporting young people

Of Sodexo's 35,000 UK & Ireland employees, many carry out entry-level jobs, making us well placed to support young people entering the world of work. We support apprenticeships and currently employ 318 apprentices in the UK and Ireland and offer internships in a variety of roles. We also engage vocational learners and currently employ 721 across the UK and Ireland. See [As an employer](#) for more information.

We also work closely with schools, colleges and community groups to provide work experience and training to help give young people the skills they need to find and secure a job.



Changing offenders' lives for the better – investing in talent

Sodexo Justice Services operates UK prisons, including Bronzefield, a women's prison in Surrey.

Last year, Nathan Sawford, Bronzefield's resettlement community links co-ordinator, began to build on the prison's 'Release on Temporary Licence' (ROTL) work placements by hosting an open day at the prison welcoming Sodexo site managers and their clients.

Prisoners, who meet very strict criteria, are allowed to leave prison for several days a week in order to attend a work placement that will help them transition into employment when they are released. These ROTL placements are for prisoners coming to the end of their sentences and are taken on a voluntary basis, or are paid for by the prison. At Sodexo, we are also in the fortunate position of being able to assist our colleagues at Bronzefield by breaking down barriers to employment for ex-offenders by offering paid employment placements to the women on release from prison.

At the open day, ROTL was explained to a hand-picked audience of Sodexo site managers and clients with sites local to the prison. It is our aspiration that more Sodexo sites, with the support of their clients, give women from Bronzefield prison work placements in the coming year.

TRACEABLE SUPPLY CHAINS

Suppliers are an integral part of our business and it is essential that they share our principles.

WHY IS IT IMPORTANT?

We expect them to comply with our supply chain code of conduct, which covers human rights, including fundamental rights at work, business ethics and environmental management practices.

WHAT WE'VE BEEN DOING

While we can be confident of the quality and ethics of the services we provide, it is essential we also know that the products and services we buy meet our high standards of business ethics and environmental management. We go to great lengths to assess our supply chain, so we can be confident that we know where our produce comes from and that our suppliers share our high ethical standards.

Our supply chain code of conduct

We first published our supply chain code of conduct in 2008, and updated it in 2011 and again in 2014 to include references to human rights, business integrity and our supply chain inclusion programme. The code sets out our expectations of suppliers in relation to social and environmental practice. It has been sent to all core suppliers and is attached to all contracts with new suppliers.

If any supplier fails to adhere to our code of conduct, we review our trading relationship with them, and a lack of effort to meet our required standards can result in the termination of our trading agreement. We ask key suppliers to regularly update us on the projects and progress they have made against sustainable development commitments.

The percentage of approved suppliers signed up to the code of conduct or an equivalent supplier code aligned with or exceeding the Sodexo standard in FY2014 was 100%, an increase of 2.4 percentage points on 2013.

Percentage of purchasing spend with contracted suppliers who have signed our supply chain code of conduct

FY2011	FY2012	FY2013	FY2014
94.0%	97.5%	97.6%	100%

Sedex membership

The Supplier Ethical Data Exchange (Sedex) provides a secure, online database, which allows members to store, share and report on information in four key areas:

- labour standards
- health and safety
- the environment
- business ethics

We joined Sedex in 2012 to complement our own supply chain code of conduct. Through our membership, we can access suppliers' information, including self-assessments, audit reports, corrective action plans and certifications. We also share site information with our own clients and use the Sedex risk assessment tool. We encourage our suppliers to become members as well to improve the transparency of our supply chain.

Product assurance scheme and risk assessment

To better manage our supply chains and control the quality of our products, we launched our new in-house produce assurance scheme in February 2013. This new framework helps us to pull together our risk management frameworks to guarantee the best and safest produce for everyone we serve.

SUSTAINABLE PRODUCE

We're committed to sourcing traceable, safe, seasonal and sustainable produce, and promoting good practice in agriculture, fisheries and manufacturing.

WHY IS IT IMPORTANT?

Our approach includes sourcing products that meet industry marques and partnering with suppliers from the regions where we operate. We believe that, wherever possible, we should purchase fairly traded and ethically sourced products. This ensures better trading conditions for producers and helps us build lasting relationships with global suppliers that have sustainable businesses.

In our independent schools segment all our meat is sourced fresh from British farms and all our fish and seafood is Marine Stewardship Council (MSC) certified.

WHAT WE'VE BEEN DOING

The dishes we produce each day are made from scratch from the freshest, most seasonal ingredients, sourced from sustainable accredited suppliers. We place high value on sustainably sourced produce – whether it's fairly traded coffee, seasonal fruit and vegetables or fish from sustainable sources.

We use recognised industry marques that guarantee the quality of our produce and the way it is grown or raised. These include:

- Red Tractor – covering traceability, food safety and hygiene, animal welfare and environmental protection from farm to fork (UK)
- LEAF (Linking Environment And Farming) – supporting farmers to produce good food with care and to high environmental standards (UK)
- RSPCA Freedom Food – focusing solely on improving the welfare of farm animals reared for food (UK)
- Bord Bia quality assurance scheme – covering traceability, animal welfare, care for the environment, safe use of medicines and chemicals at farm level; and animal welfare, food safety, hygiene and traceability at factory level (Republic of Ireland only)
- Soil Association – guaranteeing produce is organic (UK)
- Fairtrade – ensuring ethical treatment of workers, fair prices for produce and high environmental standards in produce production (UK and Ireland)
- Marine Stewardship Council (MSC) – focusing on sustainable fish and seafood (UK)



Sourcing ethically in our independent schools sector

Sodexo operates in 70 independent schools in the UK and Ireland. Underpinning everything is our ethos of 'fresh food from scratch'. Menus are seasonal, reflecting the best of fresh local produce and constructed to offer balance and variety, providing students with a range of healthy options but also allowing for treats. Typically in dining halls we incorporate theatre cooking into the daily experience and create a warm and welcoming environment for students to enjoy their meals.

We take pride in sourcing the best ingredients to make the best food. It's simple, we only use:

- 100% Red Tractor fresh milk and cream
- fresh British fruit and vegetables wherever possible
- RSPCA Freedom Food accredited pork and eggs
- MSC-certified fish and seafood
- Fairtrade, Rainforest Alliance and organic coffee
- fresh meat from British farms



Working with WWF for sustainable meals

From 2013–2016, we are working in partnership with WWF to develop a range of sustainable meals. Each of the meals will incorporate key LiveWell WWF priorities, as well as Sodexo's ten golden rules of nutrition. Features will include nutritional commitments like low salt and fat content, as well as sustainability commitments including sourcing seasonal produce and high ethical standards in relation to animal welfare and fishing. This partnership will aid us in the pursuit of offering new, exciting and sustainable meals to our customers.

Animal welfare

Animal welfare covers a lot more than just the meat in our menus. Milk and other dairy products, eggs and fish are all covered by animal welfare standards, too.

In 2013, we partnered with Dale Farm cooperative to provide Red Tractor-assured butter. Our frozen meat and dairy products now carry the Red Tractor badge and, wherever possible, new meat listings have to be Red Tractor certified. We've supported our suppliers through the Red Tractor certification process to ensure sustainable supplies. We have also been a registered RSPCA Freedom Food supplier since 2011, ensuring the eggs, salmon and chicken we use have been humanely raised.

Sustainable fish and seafood

We work with the MSC, the International Union for Conservation of Nature, WWF and the Food and Agriculture Organization of the United Nations to help us make purchasing decisions relating to fish and seafood.

In 2014, we created our sustainable seafood charter, which sets out our expectations of suppliers of fish. The charter includes a species list to explain exactly which fish are considered green, amber and red in terms of sustainability. We are constantly analysing fish stocks and reviewing our buying practices to reflect this analysis.

8 Due to Olympics in 2012.

Sodexo is now the leading food service supplier of MSC-certified fish in the UK. We serve sustainable fish at more than 375 schools and universities, 54 hospitals, 150 defence sites and 350 company restaurants, visitor attractions and national events. We have the largest number of MSC-certified lines listed and the largest number of sites certified. In Ireland, our current fish supplier is a member of the Responsible Irish Fish organisation, which promotes quality, provenance and responsibility in fishing.

We have also developed a short MSC e-learning module to equip our people with the skills and knowledge they need to help us meet our sustainable fish targets.

MSC-certified fish and seafood served (in tonnes)

FY2011	FY2012	FY2013	FY2014
140	174 ⁸	152	158

Percentage of MSC-certified fish and seafood by weight

FY2011	FY2012	FY2013	FY2014
20%	13%	15%	16%

University of Greenwich MSC award 2014

In July 2014, the University of Greenwich, in partnership with Sodexo, was named University of the Year for its commitment to supporting certified sustainable seafood by the Marine Stewardship Council. The university saw off competition from almost 30 other universities to win this accolade.



Locally grown ingredients

We believe in using locally grown, seasonal ingredients in our food because it is better for farmers and suppliers, better for the environment and, invariably, better for the standard of food we make.

Our objective is that 45% of the fruit and vegetables we use should come from local producers.

This aspiration is always tempered by the British and Irish weather, which has a huge bearing on our ability to realise this ambition.

Percentage of fruit and vegetables grown and consumed in the UK by spend

FY2011	FY2012	FY2013	FY2014
49%	46%	29% ⁹	44%

Due to unseasonably bad weather conditions in the UK in FY2013, our proportion of fruit and vegetables grown and consumed in the UK was down. This had a knock-on effect on the harvest for 2013/14, which was also down. While we are in the process of recovering from that, it is expected to take two more years to recover completely. We hope to continue to source at least 40% of fruit and vegetables in the UK up to 2020.

Percentage of fruit and vegetables grown and consumed on the island of Ireland by spend

FY2011	FY2012	FY2013	FY2014
>60%	45%	46%	45%

Fairly traded products

In 2013, we continued our work with a number of international, national and local organisations that provide good-quality, ethically sourced goods, focusing on increasing the number of lines with Fairtrade and Rainforest Alliance accreditation.

Aspretto is our own-brand hot drinks range. Aspretto tea and coffee is triple certified – Fairtrade, Rainforest Alliance and Soil Association. We have been steadily growing the number of sites where Aspretto tea and coffee is available. As of 2014, customers could buy Aspretto products at 146 sites in the UK and Ireland.

For every kilo of Aspretto tea or coffee we source, we donate to Stop Hunger. In 2014, this raised £9,796.52. Over the last three years, more than £25,000 has been donated to Stop Hunger in this way.

We also use £13,000 worth of Fairtrade sugar each year, helping the Fairtrade Foundation provide educational grants, school feeding programmes, school improvement projects and environmental improvements on farms, including GPS mapping and soil analysis.

Supporting small and local business in our supply chain

Using local suppliers is the best way we can access the freshest ingredients for our food. It also supports local economies and makes it easier for us to manage our supply chains.

In 2013 and 2014, Sodexo was the only food service partner to support an EU-funded programme called Access 6, designed to develop new routes to market in the UK and international markets for rural suppliers. The project was led by the Irish Exporters Association, Northern Ireland Food & Drink and Scotland Food & Drink.

The programme provided extensive training and mentoring for food and drink small and medium-sized enterprises (SMEs) in the border counties of Ireland, Northern Ireland and Western Scotland. SMEs received marketing training, professional marketing assistance and logistical support to supply and trade successfully with the rest of the UK.

As a result of our involvement, we welcomed two new SMEs into our supply chain: Braehead Foods and Taste of Arran, both of which supplied us during the Glasgow 2014 Commonwealth Games.

⁹ Due to weather conditions in the UK the crop of certain products was below average.



Supporting small businesses in Scotland through our supply chain

Local sourcing was a key factor for the Glasgow 2014 Organising Committee in awarding Sodexo the contract for the Commonwealth Games. Fulfilling a promise of using sustainable, seasonal and regional products, our menus showcased a wide range of Scottish products. Fresh products from Scotland were served whenever possible and included milk, cream, yoghurt, speciality cheeses, bread, salmon, beef, lamb, venison, poultry, eggs, potatoes, raspberries and strawberries. In total, close to 90 tonnes of food served at the Games was produced in Scotland from suppliers such as Stoats of Edinburgh, Bruce Farms of Balmyle, Taste of Arran (ice cream) and Braehead Foods.

As food service channel partner for the EU-funded export programme Access 6, Sodexo has been helping a number of Scottish suppliers enter the food service market, two of which provided products for the Games. For the Athletes' Village, Taste of Arran supplied some 25,000 tubs of Scottish ice cream and Braehead Foods provided £100,000 worth of speciality foods. Following the success of the Games, Sodexo is now working with these suppliers to establish a long-term relationship.



Supporting small businesses in Ireland through our supply chain

Our procurement expert in Ireland advised SMEs in the Access 6 programme. In addition, in response to a request from Origin Green and Bord Bia (the Irish Food Board), he led a workshop sharing our supply chain approach with small producers, like West Cork Mussels Ltd and Ummerra Smoked Products Ltd, as well as larger stakeholders Alupro Ireland, Bord Bia and Dawn Farm Foods.



NUTRITION, HEALTH AND WELLBEING

Our services are designed to improve customers' quality of life, so nutrition, health and wellbeing is an area where Sodexo can make a real difference. We work closely with our clients to increase productivity, reduce absenteeism and promote healthier eating and lifestyles.

99%

of all client sites offer
nutritionally balanced
food options

32

Sodexo UK &
Ireland sites offer
Healthworks

Healthworks is Sodexo's health and fitness offer. At sites where *Healthworks* is offered we are able to combine Sodexo's food services with a gym and fitness regime.



OUR GLOBAL COMMITMENTS

- Develop and promote health and wellbeing solutions for our clients, customers and employees in all the countries where we operate by 2015
- Provide and promote choices with reduced sugar, salt and fats at all our clients' sites by 2015

HEALTH AND WELLBEING

We are committed to supporting the health and wellbeing of all our clients, customers and employees.

WHY IS IT IMPORTANT?

Our aim is to provide targeted initiatives and activities in all the countries where we operate by the end of 2015. We partner with clients to understand their employee engagement, health and wellbeing goals. We also keep up to date on the latest scientific research to inform our approach and understand how best to increase productivity and reduce absenteeism.

WHAT WE'VE BEEN DOING

Employee wellbeing

In FY2013, we began offering free and reduced cost BUPA assessments to all UK employees. We also run wellbeing days, which provide access to blood pressure tests, fitness assessments and body composition tests. Our Cycle to Work scheme helps staff make significant savings on bikes and equipment.

We are currently reviewing our employee wellbeing strategy so we can focus on the areas that are most relevant to our workforce, such as muscular-skeletal, mental and cardiac health. We are in the process of creating a wellbeing website for all our employees that will help colleagues manage every aspect of their health and wellbeing, including diet, sleep, exercise and relaxation.



Step into Summer

Step into Summer encourages employees to walk 10,000 steps every day for six weeks. In 2014, the challenge ran from 31 March to 11 May. Building on the success of the 2013 challenge, a further 595 staff from 62 locations across the UK and Ireland competed for the coveted Sodexo shield in 2014. The winning team of five, the Odd Bunch, walked a total of 2,709 miles. Overall more than 230 million steps (100,000 miles) were walked in the six-week challenge.

The biggest contingent came from Salford in Manchester with 66 participants. Before the challenge, only 35% of participants met the government recommendations for physical activity. This increased to 79% after the challenge, highlighting the importance of simple actions that can have a beneficial impact on the health of colleagues.

Healthworks

It is widely acknowledged that physical exercise coupled with the right nutrition is the most effective means of reducing stress-related illness. *Healthworks* is our workplace health and fitness scheme, which combines food services with gyms and fitness regimes. It can comprise an on-site gym, a fresh-air fitness facility or a virtual gym that enables clients' employees to manage their lifestyle and fitness online.

We provide exercise programmes, health screening, challenges and promotions to help people balance their nutritional intake and exercise during the day. Launched in 2013, *Activ8* is our 12-week programme, which helps gym users and non-gym users work towards a healthier lifestyle.

Number of sites offering fitness solutions

FY2011	FY2012	FY2013	FY2014
26	29	34	32

NUTRITION

As a global food services provider, Sodexo has considerable influence on the eating habits of more than 50 million people, in schools, hospitals, prisons and workplaces around the world.

WHY IS IT IMPORTANT?

With 64% of adults classed overweight or obese, we have a responsibility to promote healthy food choices, and our customers demand it. Providing solutions that support a wholesome, well-balanced diet with reduced intake of fats, sugar and salt is central to our approach.

When it comes to food, we need to be able to assure people that the food we serve meets high nutritional standards, giving our consumers clarity on issues such as salt, sugar, fat and calorie content, as well as allergen information for allergy sufferers such as coeliacs or those with peanut and nut allergies.

In addition, we want to be able to assure our consumers that the produce is coming from an ethical source and that the seafood is not being drawn from overfished stock. In order to achieve these goals we work with non-profit, government and membership organisations, which help to ensure that we are not only complying with legislation, but exceeding these standards and communicating clearly with our consumers on what we are doing.

WHAT WE'VE BEEN DOING

Providing balanced food options

In 2011, we became a founding partner of the UK Department of Health's Public Health Responsibility Deal and support its evolution through our membership of the steering committee for the Health at Work Network and the Food Network.

We continue to work towards our nutrition pledges by:

- eliminating artificial trans fats from all our products (in line with our target for 2015)
- ensuring that 1% fat milk is available and that, where possible, it is the default milk used in hot drinks
- offering low-fat Greek-style yoghurt, low-fat mayonnaise and low-fat omega spreads
- removing cream from some of the soups in our employee restaurants
- reducing salt in our recipes and sourcing products with reduced levels of salt
- reducing our Fairtrade sugar sachets from 3.0g to 2.5g

Our most recent pledge is to procure and produce products that achieve specific maximum salt level targets by 2017.

Learning from the latest research

It is increasingly clear that consumers are making choices based on their desire for healthier food. Over a third of workers say they enjoy eating good food and over a quarter try to eat healthily as a general rule.

According to YouGov:

- nearly six in ten workers say they try to eat healthily while at work
- nearly a quarter of workers report trying to lose weight at any given time
- over half of workers would like to see more information on calorific content on café and restaurant menus
- very few workers say they eat a lot of convenience food – and six in ten are concerned about fat levels in food

In addition to this, research carried out for Sodexo in 2013 reflects that satiety matters more than weight loss to our consumers, and that protein is viewed in a positive light as a natural and essential nutrient.

Healthwise

Healthwise is our approach to supporting the health and wellbeing of our customers and employees. Our *Healthwise* philosophy has been guiding Sodexo UK & Ireland for 27 years. It involves providing information on the nutritional content of food products and signposting healthy options.

Our team of dietitians and development chefs are committed to designing nutritionally balanced dishes. We work in partnership with clients to promote our initiatives and we educate our own employees about health and wellbeing, so they can share their knowledge with customers. At our employee restaurants, our chefs work to reduce the levels of sugar, salt and fat in their recipes. We've updated 13 nutrition fact sheets to help site managers and chefs cater for those with special dietary requirements, and we provide training manuals and resources to support them. For more information visit www.sodexo-healthwise.com

Food service sites providing and promoting varied and balanced food options with reduced levels of sugar, salt and fat

2008/09 (baseline)	FY2011	FY2012	FY2013	FY2014
78%	99%	99%	99%	99%



AS AN EMPLOYER

We have a responsibility to provide a safe, inclusive and stimulating work environment, where all our employees can fulfil their potential. This helps us attract and retain talented and committed people, while ensuring we continue to meet the needs of the increasingly diverse populations we serve in the UK and Ireland.

49%

of management
positions are held
by women

721

vocational learning
places in the workplace



OUR GLOBAL COMMITMENTS

- Provide employees with the means to grow and develop throughout their career
- Foster diversity and inclusion
- Respect the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Achieve a global health and safety culture and world-class health and safety performance

DEVELOPING OUR PEOPLE

As a services business, our people are essential to our continued success. We are committed to providing employees with the means to grow and develop throughout their career.

WHY IS IT IMPORTANT?

Our learning strategy focuses on developing the right skills for our people to be successful in their roles and help us to retain a skilled workforce, increase job satisfaction and continue to attract talent.

WHAT WE'VE BEEN DOING

We track engagement through a biennial employee engagement survey and shorter, more frequent 'pulse' surveys. Our employee engagement scores are steadily improving and investing in this is a board-level priority.

In our most recent employee engagement survey in 2014, we had a completion rate of 77%, up from 69% in 2012. Overall, employee engagement is 49%, up from 46% in 2012. This exceeds the UK benchmark of 47% and is only 1% away from our 2015 target of 50%.

In 2015, we will be launching a brand-new employee website, which will be accessible externally and via smartphones. This will provide an important new communication channel for the 80% of our employees who do not have PC access at work. We hope to use the employee website to raise engagement further by ensuring our colleagues are receiving relevant and useful information about their careers, benefits and training opportunities. We anticipate that this, along with our Brand Ambassador and Focus on Five Gold programmes (detailed below), will help us to achieve our 50% engagement target.

Developing positive Brand Ambassadors

In February 2014, we launched our most ambitious employee engagement initiative yet – the Sodexo Brand Ambassador programme.

To build understanding of the business and its values, the meaning of Quality of Life services, and the crucial role every employee plays in our success, we rolled out a series of two-hour workshops designed to engage employees at every level.

The workshops have now been attended by 95% of our 35,000 employees and have garnered hugely positive feedback. Evaluation results show that around 90% of managers believe their team found the session useful, will be able to apply the learning to their job and will do something differently as a result. The initiative was also shortlisted for the Distinction in Employee Engagement category at the 2015 HR Distinction Awards.

From April 2015, we will be launching the second phase of our Brand Ambassador programme to engage all employees in the changes happening in the business during the year.

Supporting people with barriers to work

Apprenticeships

By supporting apprenticeships, we provide career opportunities for young people, improving their skills and experience. This not only adds value to our own business, but also helps to reduce unemployment and stimulate economic growth. Sodexo is an active participant in the Government's Movement to Work programme – a collaboration of UK employers committed to tackling youth unemployment through vocational training and work experience. We currently employ 318 apprentices in the UK and Ireland. We also have 403 learners following vocational learning to include NVQ level 2 Business Improvement Techniques and Team Leadership programmes. In addition, we offer internships in a variety of roles.

Supported internships

We provide supported internships to young disabled people aged 18 to 24 in Manchester. We deliver the internships in partnership with Central Manchester University Hospitals, Pure Innovations (a charitable partner) and Manchester College. By working in partnership, we have delivered 30 placements in four years, which have resulted in the direct employment of six candidates who might ordinarily find it difficult to secure jobs. The success of this programme has rested on the distinct expertise of each of the key partner organisations.



Improving employability in Pembrokeshire

To help unemployed young people in Wales gain the skills they need to enter employment, in 2014 Sodexo held a three-week 'Delivering the Difference for a Better Tomorrow' training course at Cawdor Barracks in Pembrokeshire.

The course gave young people aged 16 to 21 the opportunity to learn job interview and CV writing skills along with two weeks of work experience in various roles at the barracks, including catering, hospitality, retail and leisure.

Successful participants were awarded accreditation from Agored Cymru in Skills Development. Sodexo is hoping to run a similar programme in 2015 on a bigger scale.

Training and development

From 'Sodexo World', our global corporate induction for senior managers, to a 30-minute training module on the importance of sustainable fish, we are committed to providing appropriate, accessible training for everyone working at all levels at Sodexo. In addition to traditional learning methods, we use other tools to provide briefings and learning opportunities for managers, including our bi-monthly electronic magazine – *Insight*.

To make it easier for all Sodexo employees to monitor their progress, track their goals and record their training and learning, we are investing £50,000 a year in a new performance, career and learning management platform – Ingenium. Launched in 2014, it enables users to complete their development plans and see tailored development solutions via a single, integrated system. The system allows us to create learning pathways for different roles, so people can map out their training aspirations.



Supporting our managers to Focus on Five

Focus on Five sits alongside our Brand Ambassador programme and helps to improve engagement. Now in its second year, the management awareness campaign is designed to help managers focus on the top five priorities for building relationships with employees:

- communication
- recognition
- performance development reviews
- learning and development
- clear direction

Through a combination of conferences, chief executive roadshows and health and wellbeing days, we give managers the tools they need to work more effectively with their teams.

With the help of the Focus on Five and Brand Ambassador programmes we have increased our engagement score by 3% in the last two years.

Our future workforce is key to our long-term success. Identifying the stars of the future and helping them shape their careers from an early stage can bring about big benefits for the individual and for the company. We use our employee performance appraisals to identify outstanding people, and managers complete a 'potential assessment' to identify employees who are ready for promotion. This process helps to identify and address the development needs of those who are nearly ready to make the next step on their career ladder and helps us to retain talent.

EPIC (Employment for People from Immigrant Communities)

In the Republic of Ireland we support Business in the Community's employability programmes for marginalised groups. Part of this includes our recent involvement in the EPIC (Employment for People from Immigrant Communities) project which supports migrant communities in Ireland to gain work experience. Cultural differences, lack of recognition of qualifications and prior learning and the need for general orientation to the labour market are some of their key challenges. We are currently benefiting from the expertise of an EPIC participant in the head office in Dublin.

Springboard

We currently have 28 trained Springboard Ambassadors in the company. Our Ambassadors visit schools, talk about careers in our industry and offer work experience to interested students. Each Ambassador is responsible for overseeing a one- or two-week work placement in their contract.

Movement to Work

We are now working with Movement to Work and the Department for Work and Pensions Jobcentre to develop a robust programme that meets the needs of the individual, as well as the business. Movement to Work is a government scheme that attempts to tackle the future effect of employability of those not in employment, education or training (NEETs). This involvement will develop further in 2015 and 2016.



Tackling in-work poverty

In-work poverty is an issue of growing concern as people who are in employment are still struggling to make ends meet. One way we support people in lower-paid jobs is to ensure good career progression opportunities and in-kind benefits.

Alongside the benefits we offer, we are also committed to expanding the number of contracts we run that pay the living wage. The living wage is calculated according to the basic cost of living in the UK and, along with statutory benefits, affords people the opportunity to provide for themselves and their families.

Adopting the living wage as our standard pay policy has been a goal for some time, and in 2014 we took steps towards making it a reality. It is now paid in all Sodexo support function centres in Leeds, London, Salford, Swindon and Stevenage.

Elsewhere, we work with our clients to commit to the living wage. This has been successful in contracts like the one we have just renewed with the Scottish Government, as well as longer-standing contracts such as those with Nestlé, Transport for London, HSBC and The Co-operative Group.

A DIVERSE WORKPLACE

Our ambition is to be a recognised employer that values diversity.

WHY IS IT IMPORTANT?

By creating an open, inclusive culture that embraces diversity and ensures everyone feels respected and valued, we can motivate all our employees to reach their potential and achieve our business goals. We aim to employ a diverse workforce that reflects and understands the diversity of the people we serve.

WHAT WE'VE BEEN DOING

Our diversity and inclusion strategy focuses on how we attract, retain, develop and engage the best talent for the good of the company and for our clients.

Our six key focus areas are:

- cultures and origins
- disability
- gender
- generations
- inclusion
- sexual orientation

In each of these areas, we are working to achieve positive change and to remove barriers for anyone who has ever felt excluded or discriminated against. We use a range of tools to promote our objectives, including:

- strategies to embed equality, diversity and inclusion best practice
- training on diversity-related issues
- communications that promote understanding and inclusion
- a positive approach to maximising the potential of all individuals

Diversity and Inclusion Council

Our Diversity and Inclusion (D&I) Council includes 20 senior managers from across the business who work closely with the central D&I team. The council meets four times a year and has monthly conference calls. Each member has accountability for part of the Sodexo D&I strategy. In the workplace, council members are responsible for communications, recognition and participation. They are also responsible for ensuring the work of their business areas reflects our D&I commitments.



Generations

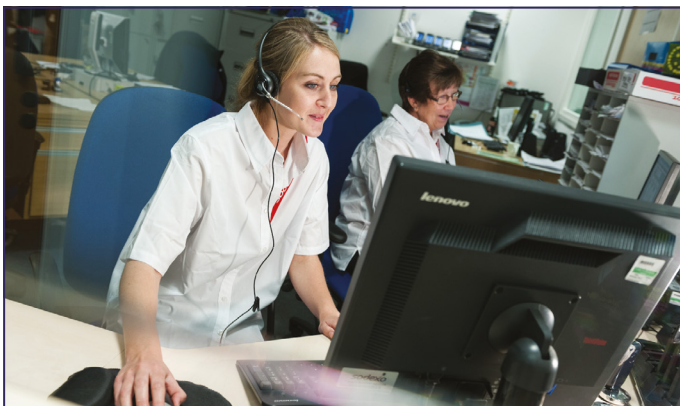
Generations is one of our six diversity and inclusion focus areas and aims to prevent age being a barrier to success in the workplace. Whether it's caring responsibilities among older employees, lack of professional experience for younger ones or the impact of parenthood for those in the middle, Sodexo works to meet the needs of all age groups and remove barriers to work.

This focus area benefited from considerable investment in 2014 with the launch of our Generations workstream with a network, online materials and a physical game – Genmatch – that can be used by teams at their weekly team huddles. The Generations network is free to join and open to all employees in the UK and Ireland. It champions generational diversity in the workplace and aims to enhance understanding and collaborative working across the generations. Network members can take part in a range of practical and useful activities that will enhance their personal and professional development.

Network members can:

- network and develop their careers
- get invitations to events and workshops
- be involved in mentoring programmes
- get involved in charity and other volunteering opportunities

An example of this is an innovative skills workshop we delivered for 80 female students from a co-educational school in the summer of 2014. The workshop assisted the students to think about the importance of building a personal 'brand' – which reflects their ambitions – and a network of contacts to help them achieve their goals. The training gave students tools and techniques to use as they approach important decisions around higher education and employment.



Women Work employee network

Our Women Work employee network has been formed to foster a culture of inclusiveness by enhancing women's professional and personal growth. Since its launch in 2011, the volunteer-run network has attracted more than 400 members and provides professional development, an annual conference and an ongoing speaker series.

The speaker series invites senior managers to share their experiences of the workplace in a frank and transparent way. Speakers to date include David Mulcahy, craft and food development director, Jane Bristow, managing director for education, Angela Williams, HR director, and Neil Murray, managing director for corporate services and the executive sponsor for the gender workstream.

The annual conference of Women Work attracted 130 delegates in 2014 and membership of the network currently stands at 420 women and men.

Working for women

We run a number of programmes to help close the gap between men and women in the workplace. In 2014, we sponsored the WEConnect Conference for women who own their own businesses and hosted three roundtable discussions. We are continuing to work with WEConnect and MSDUK, the UK's leading non-profit membership organisation driving inclusive procurement, to develop and promote a diverse workplace.

The Sodexo Women's International Forum for Talent (SWIFT) was launched in 2009. The UK and Ireland are represented by Jane Bristow, managing director for education, and Janine McDowell, deputy managing director for Sodexo Justice Services. SWIFT is made up of 28 of the most senior women and men in Sodexo globally and aims to increase the number of women within the Sodexo managerial population by encouraging gender balance. The group aims to increase women's representation in leadership by addressing barriers that limit women's representation at senior levels. It engages with the organisation to develop the leadership pipeline and foster a culture of inclusion.

We have a global target of 25% representation of women in senior management positions; in 2014, in the UK and Ireland women hold 29% of senior management positions.



Women in Security

The Women in Security network was created in 2012 to increase the number of women accredited with the licences required for door supervision roles. When it was launched, only 13% of people working in security were women. The network's original target to increase that number to 15% was met two years early in 2013. The target has now been stretched to 18% by the end of 2015 and the current figure is 17%.

The network is chaired by Jane Farrell, who is responsible for security training and compliance across Sodexo UK & Ireland. In 2014, Jane was appointed as the newest member of the International Professional Security Association Board.

HEALTH AND SAFETY

Health and safety is paramount to what we do.

WHY IS IT IMPORTANT?

Beyond our responsibility for our employees, we serve about one million people every day, in schools, hospitals, military sites and elderly care.

WHAT WE'VE BEEN DOING

Health and safety in the workplace is our top priority. We constantly work to instil a zero-harm mindset in every employee. We track health and safety through a number of channels, including:

- Global ComEx meetings – and through our Global Health and Safety Committee chaired by our Global CEO
- the UK Limited and Irish Limited board meetings each quarter and the monthly executive team meetings chaired by the UK and Ireland CEO
- the UK and Ireland Risk Management Committee, chaired by the main board director with responsibility for health, safety and environment
- our segment executive teams

We prioritise health and safety not only because of the legislative requirements and business risk, but because of the moral obligation to all our employees: to keep them healthy and safe while at work. This is an obligation that we recognise extends through to our consumers and customers, sub-contractors who work and partner with us and our client employees, visitors to our sites and our clients' sites and members of the general public.

Every manager at Sodexo now has a non-negotiable health and safety objective within their employee performance appraisal and receives training and support to improve health and safety across their team and its functions.

In 2014, Sodexo achieved external BS OHSAS 18001 certification for its UK and Ireland health and safety management system, meaning all sites and their operational management activities are compliant with recognised international occupational health and safety standards.

Improving health and safety

We can always improve our health and safety standards. To this end, we have developed the following key initiatives to drive culture improvements in health and safety:

1. reviewing the learning and development training products available to Sodexo managers – this major review aims to ensure all relevant training is available when necessary for managers to keep their teams and workplaces safe
2. developing a new corporate health and safety communications plan to keep health and safety paramount in all operations
3. completing focused audits at high-risk sites – we have identified the 35 sites responsible for a third of all accidents and are completing health and safety audits to identify and address major risks and problems at these sites
4. starting all meetings with a safety moment – using resources from our intranet to ensure that every meeting begins with a consideration of safety. Safety moments are available to download from the intranet and summarise issues like falls, slips and trips, road safety, lifting, etc

Injury incident rate reduction trend

FY2011	FY2012	FY2013	FY2014
642	503	381	358

Percentage of days lost due to sickness absence¹⁰

FY2011	FY2012	FY2013	FY2014
3.1%	2.8%	2.9%	2.8%

**Reducing accidents through root cause analysis and lesson learning**

We have previously reported the investment we have made in developing an HSE incident management platform to improve our accident reporting, investigation and root cause analysis capabilities as we seek to drive accident rates down. From the data reported we have met our objectives in reducing accident rates, but as our rates have improved, the rate of reduction has slowed.

The investment in Incident Management Software (SALUS) has provided Sodexo with greater management information to analyse the data we have and to profile our accident causes, target resources to understand root causes and start to drive further reductions in our ambition to achieve an LTIR of less than 0.5.

A product of this data analysis capability has been the Top 35 programme. Integrating the data identified that more than one-third of our accidents occurred on 35 of our 1,200 manned operational locations. This has allowed our corporate HSE team to programme coaching and mentoring visits to those sites supporting the development of hazard identification tours and action plans to attack these high incidences of accidents.

Our results in the last quarter of 2014 showed encouraging signs and this programme, supported by the Sodexo executive team, continues and is tracked through our established HSE governance committee structure.

¹⁰ This includes the number of days lost due to work accidents, illness and other absence.

HUMAN RIGHTS

As a business with a worldwide network, respecting human rights and protecting workplace rights is fundamental to our culture and collective responsibility.

WHY IS IT IMPORTANT?

We continually strive for better conditions at work and ways to track and report our progress.

WHAT WE'VE BEEN DOING

We abide by the United Nations Guiding Principles on Business and Human Rights and we proactively address the impact our business has on:

- employees – see our work on fundamental rights at work below
- suppliers' employees – all our suppliers are required to sign our supplier code of conduct or equivalent
- consumers – see our training on prisoners' rights below
- local communities – see how we support local community development

We commit to respect the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Sodexo further acknowledges and respects the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, as well as the employment and industrial chapter of the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

In 2011, we carried out a global assessment of the company's approach to protecting human rights at work. As a result of that assessment, we have developed a new internal audit process and internal control functions to protect the rights of the people who work for us and the people we serve. The four fundamental rights at work are:

- freedom of association and the effective recognition of the right to collective bargaining
- elimination of all forms of forced or compulsory labour
- effective abolition of child labour
- elimination of discrimination in respect of employment and occupation

This methodology, which uses internationally recognised standards, will serve as the management system to continually monitor and improve internal policies and procedures for operational elements of the four fundamental rights at work.

Sodexo Group has also launched an e-learning module on our global commitments to fundamental rights at work, and how to respect them in accordance with local laws and practices. It is mandatory for all senior management and we will roll it out to operational managers to add into training programmes for all new staff.

In 2012, we piloted Respect, rights and responsibilities: Sodexo's approach to human rights. It is a bespoke e-learning programme for all Sodexo Justice Services employees. This will ensure employees consistently uphold and respect prisoners' human rights. During 2013, we restructured and further developed the pilot into a final product before rolling it out in the UK and Ireland in spring 2014.

CONTACT US

If you have any comments, thoughts or suggestions about this report, or about Sodexo's approach to corporate responsibility, please let us know.

You can email our corporate responsibility team directly at CorporateResponsibility.UK@sodexo.com.

