

FISCAL 2007

Act as a Corporate Citizen
FOCUS



13.4 BILLION EURO
IN REVENUES

342,000
EMPLOYEES

29,000
SITES

80
COUNTRIES

sodexo

Making every day a better day

EDITORIAL

FROM MICHEL LANDEL

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

→ ACT AS A CORPORATE CITIZEN

As a leader in its markets, Sodexo is today recognized as a top performing company with a high quality product and service offer.

Our 342,000 employees, who together represent 132 nationalities, contribute their expertise and cultural diversity to accomplishing our common vision **“to become the premier global outsourcing expert in Quality of Life services” by 2015.**

Our firm commitment to improve the Quality of Life is fundamental to our relations with all of our stakeholders in each of our 80 host countries.

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

Sincerely yours,



Michel Landel



*“ Our vision:
become the
premier global
outsourcing
expert in
Quality of
Life services. ”*



LIVING our values

Our philosophy is the foundation of our success, both in the past and in the future.

◉ WHO WE ARE

Our company is the community of our clients, customers, employees and shareholders. Our purpose is to exceed their expectations.

◉ OUR BUSINESS STRATEGY: ORGANIC GROWTH

We continue to focus on achieving organic growth in earnings and revenues, while contributing to the economic development of countries in which we operate.

◉ OUR MISSION

To Improve the Quality of Daily Life.

◉ OUR VISION

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

◉ OUR CORE VALUES

- Service spirit.
- Team spirit.
- Spirit of progress.

◉ OUR ETHICAL PRINCIPLES

- Loyalty.
- Respect for people.
- Transparency.
- Business integrity.

DETERMINED TO MOVE FORWARD



FTSE4Good

2001

Inclusion in the FTSE4Good index



2003

Formalization of our sustainable development strategy by the publication of our "Ethical principles and sustainable development contract" charter



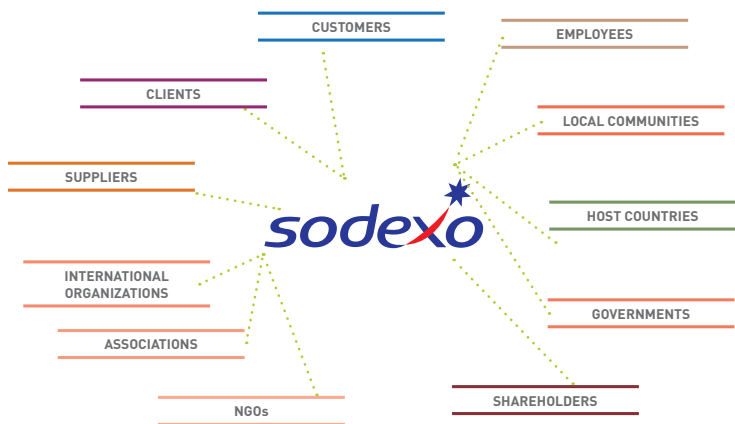
THE GLOBAL COMPACT

2003

Signature of the United Nations Global Compact

ACT AS A CORPORATE citizen

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



+ FOR MORE DETAILS, READ OUR "ACT AS A CORPORATE CITIZEN" REPORT AT sodexo.com



2004
Inclusion in the
ASPI Eurozone index

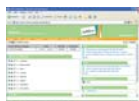


2005-2006-2007
Inclusion in the **Dow Jones Sustainability**
Indexes and **Worldwide Supersector**
Leader of the **Travel & Leisure** sector



2006
Publication of our first
Corporate Citizenship
report (FY 05)

CHALLENGES		SODEXO'S RESPONSES	PERFORMANCE	
			INDICATORS	2007
ECONOMIC AND COMMUNITY	CREATE VALUE	We strive to improve our performance, competitiveness and profitability	Client Retention	93.9%
	BE INVOLVED IN THE LOCAL COMMUNITY	We contribute to the development of the local economy and encourage local hiring and procurement	Local recruitment	97%
	STIMULATE THE ECONOMIC NETWORK	We encourage the food industry and local producers to raise their standards	Business Units which have implemented a supplier code of conduct	66%
	REDUCE THE CAUSES OF POVERTY AND SOCIAL VULNERABILITY	We fight hunger and malnutrition throughout the world	STOP Hunger Program: - Countries developing initiatives - STOP Hunger initiatives - Partnerships with NGOs and associations	22 229 153
SOCIAL	FOSTER EMPLOYABILITY	We develop local workforce skills and create local job opportunities	Internal promotions compared to the total number of job vacancies - Site manager - Managerial positions	19.8% 22.8%
	ENSURE NON-DISCRIMINATION AND RESPECT FOR DIVERSITY	We respect different cultural and ethnic identities and diversity	Employees questioned who responded that at Sodexo, employee diversity is valued for the differences it brings to the workplace - Food and Facilities Management services - Service Vouchers and Cards	79% 82%
	CONTROL RISKS AND ENSURE THE SAFETY OF INDIVIDUALS	We have rigorous programs, training, and monitoring of food and physical safety standards	North America - Safety and health audits - Food safety audits	3,166 sites 2,755 sites
	PROTECT THE HEALTH OF INDIVIDUALS	We offer nutritious meals to fight obesity and malnutrition	Business units providing clients, customers and employees with information and training on good eating habits	99%
	IMPROVE THE QUALITY OF DAILY LIFE	We foster an environment conducive to good working conditions	Employee retention - All employees - Site managers	64.2% 87.2%
	ENVIRONMENTAL	REDUCE OUR ENVIRONMENTAL FOOTPRINT	We aim to prevent all forms of pollution and we fight against global warming	Business Units that have implemented an environmental program Countries certified ISO 14001 at sites



2006

Deployment of **SoEthics**, our monitoring tool for Corporate Citizenship

2006

Creation of a **Steering Committee** for Corporate Citizenship

2007

Adoption of our **Business Integrity policy**
Launching of a survey on **Sodexo's Materiality**

food safety

50 MILLION CUSTOMERS SERVED EVERYDAY

99% of our business units promote healthy eating habits.



→ CHALLENGES FOR THE FUTURE

Clients and customers are increasingly sensitive to the origin and quality of the food they consume. We develop a very close cooperation with our suppliers in order to systematically comply with Food Safety & Hygiene standards and regulations. Educating the public about healthy eating is a priority for us as we are aware of the long-lasting, beneficial effects of a balanced diet.

→ OUR PROGRAMS

Risk prevention starts with ensuring the **highest quality and traceability** for our suppliers' products. We strive to implement complete transparency and have introduced **rigorous hygiene standards** and food safety programs in all countries. Our **QHSE** policy defines in every country minimum food safety standards that are often guided by the **HACCP** standard or are part of an **ISO 9001** management system. Through our 29,000 sites, we are implementing **healthy eating**

concepts at sites fully adapted to the geography and culture of food worldwide.

→ OUR OBJECTIVES

- Improve the **supply chain transparency**.
- Develop and promote an offer based on **healthy products**.
- Make 100% of our clients and customers benefit from our **healthy eating initiatives**.

→ OUR PROGRESS

In 2007, we issued our **Group Supply Management policy** which aims to formalize a set of corporate rules within which all Supply Management entities should operate.

→ AWARD

2006 - In United States, Sodexo's Food Safety team received the Food Safety Leadership Award from NSF International in the Systems Improvement category.

PROCESSES TO PREVENT HAZARDOUS SITUATIONS AND ALSO TO BE READY TO REACT IF NEEDED.



FOR MORE DETAILS, READ OUR "ACT AS A CORPORATE CITIZEN AGAINST MALNUTRITION AND HUNGER" BOOKLET AT sodexo.com

social elevator

342,000 EMPLOYEES

22nd LARGEST EUROPEAN-BASED EMPLOYER IN THE WORLD
6th LARGEST EUROPEAN-BASED EMPLOYER IN EUROPE
2nd LARGEST FRENCH-BASED EMPLOYER IN THE WORLD



OUR **342,000**
EMPLOYEES ARE
OUR PRINCIPLE
RESOURCE AT
SODEXO.

→ **CHALLENGES
FOR THE FUTURE**

A company with a worldwide presence, moving forward in an increasingly complex and demanding economic context, needs to be a **forum for personal opportunity and fulfilment**, to free the individual energies that drive our growth.

→ **OUR PROGRAMS**

Sodexo is a **community of experts, united by a common culture and shared values**. We are striving to give preference to **internal promotion**, allowing each employee to broaden their skills and responsibilities and foster their personal development.

Our intention is to:

- Encourage internal promotion
- Support continuous education.

→ **OUR OBJECTIVE**

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

→ **AWARD**

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

+ FOR MORE DETAILS, READ OUR
HUMAN RESOURCES REPORT AT sodexo.com

FOCUS ON

diversity

342,000 EMPLOYEES

in **80** countries
from **132** nationalities.



IMPROVING THE
QUALITY OF LIFE
FOR OUR EMPLOYEES,
OUR CLIENTS,
OUR CUSTOMERS, AND
THE COMMUNITIES
WE SERVE.

→ CHALLENGES FOR THE FUTURE

Our people are our greatest asset and in order to meet our future growth needs, we must **attract and retain the best diverse talent**. Embracing Diversity and Inclusion is a **key ingredient of our future success**.

→ OUR PROGRAM

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

- Commitment to diversity and inclusion.
- Promoting cultural diversity.
- Advancing equal opportunities.
 - ☉ In 2005, the Global Diversity Working Group was formed.
 - ☉ In 2006, the Executive Committee appointed Rohini Anand as **Senior Vice President and Group Chief Diversity Officer**, reporting directly to the Chief Executive Officer.

+ FOR MORE DETAILS, READ OUR HUMAN RESOURCES REPORT AT sodexo.com

- ☉ In 2007, we clarified our Global Diversity & Inclusion strategy.

→ OUR OBJECTIVES

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

- increase representation of **women** in senior management;
- **generations** in the workplace;
- **ethnic minorities**;
- **people with disabilities**.

→ AWARD

FY 07 – In United-States, Sodexo has been named one of the :

- **Top 50 Companies for Diversity**;
- **Top 20 Best Companies for Multicultural Women**.

FOCUS ON

local communities

97% OF OUR EMPLOYEES

are hired locally in the **80** countries where we operate.



CONTRIBUTING EFFICIENTLY TO THE QUALITY OF LIFE OF LOCAL COMMUNITIES.

→ CHALLENGES FOR THE FUTURE

Globalization has led companies to grow their operations in developing countries and companies must ensure that local communities benefit from the **development opportunities** that their presence implies. We consider the real challenges to be support of self-sustaining opportunities, developing employability and establishing long-lasting partnerships with local communities.

→ OUR PROGRAMS

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

→ OUR OBJECTIVES

- Maintain our **local recruitment** rate above 97%.
- Increase our **local procurement**.
- Increase the number of local **small business initiatives** we assist.

→ AWARD

Since 2004 – In Canada, Sodexo has enjoyed “Gold” certification from **PAR (Progressive Aboriginal Relations)** for partnerships intended to develop fair, harmonious relations with local indigenous communities.

+ FOR MORE DETAILS, READ OUR “ACT AS A CORPORATE CITIZEN” REPORT AT sodexo.com

FOCUS ON

malnutrition and hunger

22 COUNTRIES* CONDUCT AROUND

229 major initiatives and develop partnerships
with **153** NGO, associations, and charities.



→ CHALLENGES FOR THE FUTURE

We refuse to accept the fact that 854 million people around the world suffer from hunger and malnutrition.

→ OUR PROGRAM

Present in 80 countries, we are in a position to act by continuing to develop and expand the **STOP Hunger** program.

It has evolved into four major components since 1996:

- **Volunteering.**
- **Sharing** Sodexo's knowledge.
- **Food donations.**
- **Financial contributions.**

→ OUR OBJECTIVES

- Continue to **develop the STOP Hunger** program in the countries where it is active today.
- **Launch initiatives** in our other countries.

→ AWARDS

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

* ARGENTINA

AUSTRALIA

BELGIUM

BRAZIL

CANADA

FINLAND

FRANCE

GERMANY

HUNGARY

IRELAND

MADAGASCAR

MEXICO

MOROCCO

NETHERLANDS

NORWAY

PERU

POLAND

ROMANIA

RUSSIA

SINGAPORE

UNITED KINGDOM

UNITED STATES



+ FOR MORE DETAILS, READ OUR "ACT AS A CORPORATE CITIZEN AGAINST MALNUTRITION AND HUNGER" BOOKLET AT sodexo.com

global warming

95% OF OUR BUSINESS UNITS
have implemented an environmental program.

12 COUNTRIES
certified ISO 14001 at sites.



COMMITTED
TO BEING
ENVIRONMENTAL
CUSTODIANS.

→ CHALLENGES FOR THE FUTURE

Preserving the planet for future generations is the greatest challenge ever faced by humanity. Although Sodexo is considered a low polluter, we are concentrating our efforts to **limit our environmental footprint**. By protecting the environment, we strive to enhance Quality of Life for the local communities while responding to our stakeholders' expectations for a more sustainable planet.

→ OUR PROGRAMS

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

- **Preventing** pollution.
- **Waste treatment**.
- **Energy efficiency**.

- **Water** conservation.
- Promoting a **green Facilities Management services** offer.
- **Environmental Protection Management** and ISO 14001 certification.

→ AWARD

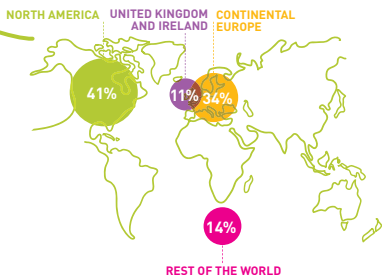
2007 – In United States, the Chuck Haugen Conservation Fund's **Business of the Year Award** for our intervention at California State University Monterey Bay and achievement in offering this University sustainable food options and waste recycling.

+ FOR MORE DETAILS, READ OUR "ACT AS A CORPORATE CITIZEN FOR THE PLANET" BOOKLET AT sodexo.com

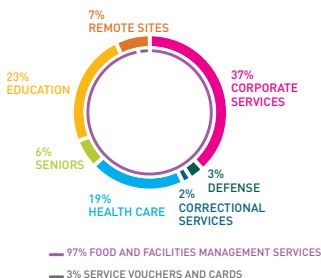
SODEXO in brief

AS OF AUGUST 31, 2007

REVENUES BY REGION



REVENUES BY ACTIVITY



2 activities in the service of the Quality of Life

FOOD AND FACILITIES MANAGEMENT SERVICES

97%
OF GROUP REVENUES

12,946
MILLION EURO
IN CONSOLIDATED REVENUES

17,114
MILLION US DOLLARS
IN CONSOLIDATED REVENUES

→ Source: Sodexo

SERVICE VOUCHERS AND CARDS

No.2
WORLDWIDE

3%
OF GROUP REVENUES

7.5
BILLION EURO
IN ISSUE VOLUME

447
MILLION EURO
IN CONSOLIDATED REVENUES

591
MILLION US DOLLARS
IN CONSOLIDATED REVENUES

310,000
CLIENTS
(NOT INCLUDING INDIVIDUALS)

20.2
MILLION BENEFICIARIES

1
MILLION AFFILIATED PARTNERS

+ FOR MORE DETAILS, READ OUR ANNUAL REPORT AT sodexo.com