



Sustainable Procurement
Supplies and services

sodexo
Making every day a better day



Our commitment

We are committed to identifying the elements of our business that impact on the environment and, where possible, eliminating or reducing these through the development of management practices and procedures involving systematic planning, operational control, monitoring and review.

Our environmental improvement programme:

These are the actions we are taking over the next three years:

- reduce the fuel consumption of site vehicles by 8% below 2006 levels
- reduce electricity consumption by 7% below 2006 levels at sites where Sodexo is responsible for energy procurement and consumption
- reduce carbon dioxide emissions over which Sodexo has an influence by 5% below 2006 with a 12% stretch target by 2010
- demonstrate a recycling composting or re-use rate of 50% for waste that Sodexo is legally responsible for
- develop an environmental learning and development strategy across the business to include optimising the use of resources, promoting recycling and energy efficiency
- develop a best practice protocol for managing and reducing utility consumption at sites where monitoring is not possible





In a company as diverse as Sodexo, reaching the highest standards of environmental practice is a challenge to which we are committed.

We have a three-year purchasing strategy and improvement programme which gives us tangible targets to ensure a consistent approach to environmental management across the UK and Ireland. It is to be backed by rigorous data collection to ensure we can identify the best opportunities for continuous improvement.

We have adopted a strategy to buy from more sustainable or renewable sources across our non-food services including power, recycling and waste management, examining how we use chemicals for cleaning services, and the disposable products we are all so used to. Even the uniforms for employees at our clients' sites are under scrutiny to ensure that they are sourced from manufacturers that meet the Sodexo Supplier Code of Conduct.

Sodexo has had an environmental policy for many years, but now we have raised the bar to ensure our purchasing practices contribute to sustainable development and help our clients to reach their own sustainability targets.

Bob Plummer
Buying Director, Sodexo



Finding solutions for the fundamentals of life

Everyone knows that turning down the heating a notch or two, turning off the tap when you brush your teeth, and switching off a couple of lights will have an impact on water and energy consumption.

When your 'house' is actually 2,300 sites across the UK and Ireland, it is quite a challenge. In many situations we are, quite literally, the heartbeat of the building, ensuring the heating, lighting and general utilities are maintained whether it is a global headquarters or the wards on a hospital.

We are acutely aware of our responsibility to purchase with care, building partnerships with suppliers who demonstrate their commitment and expertise in providing environmentally-friendly solutions in energy and utilities, wherever possible.

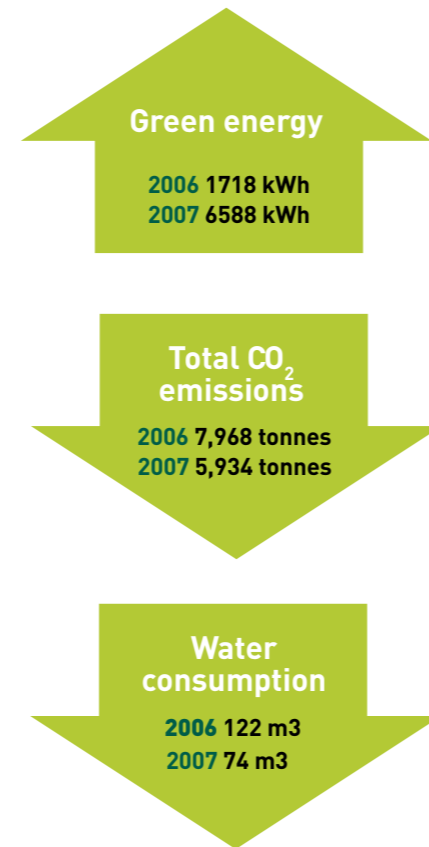
In 2006 Sodexo made a commitment to switch to 'green energy tariffs' at 80% of its

offices and sites where it has control over the energy consumption and procurement.

By the end of 2007, Sodexo exceeded this with 84% of its offices and sites using electricity from Good Quality Combined Heat and Power (GQCHP) which significantly reduces carbon dioxide (CO₂) emissions (see 'Green energy' - what is it? box).

Sodexo has also included in its three year improvement programme a commitment to reduce energy consumption at its offices and sites by 7% below 2006 levels by 2010.

We are working to drive down CO₂ emissions across our commercial vehicles, our company car fleet, and in the bulk purchase of fuel such as diesel for the tractors and lawn mowers we use in Land Technology contracts. We believe we are on track to meet our overall target of reducing CO₂ emissions by a total of 5 % below 2006 levels by 2010.



The eCube revolution

Sodexo is promoting the use of the eCube, a revolutionary new energy efficiency device, to its clients.

The eCube, a British innovation, is a small box that fits over a food refrigeration unit's thermostat sensor.

Refrigeration units work by monitoring the air temperature inside and switch to a cooling cycle when they detect a rise in temperature – sometimes just as a result of a brief opening of the door. By contrast, the eCube mimics food temperature, which rises more slowly than fluctuating air temperature, so the cooling cycle is activated less frequently. This leads to a significant reduction in the amount of energy consumed by the unit while still maintaining optimum food temperature.

Sodexo's purchasing team has been working closely with clients on trials of the eCube, with some notable successes.

A trial conducted by Sodexo on two refrigeration units at Stoke Mandeville Hospital delivered an impressive 24% reduction in energy consumption over a week.

At the site of a leading energy supplier, 22 eCubes were fitted across two freezers, five fridges, eight undercounter fridges, four dairy decks and three salad wells. Trial data pointed to potential annual savings of £2,300 in energy costs, 28,600 kWh (the equivalent of 19,861 x 60 watt light bulbs left on for 24 hours) and 12 tonnes of CO₂.

Potential annual savings from the 153 eCubes fitted to date:

- Energy – 200,000 kWh
- Energy costs - £16,000
- CO₂ - 80 tonnes



'Green energy' – what is it?

Green energy is the term used to cover a range of energy sources that are less pollutant than traditional fossil fuel sources like coal, oil or gas.

True green, or renewable energy sources include the sun (solar), the wind, or water (hydro). There are also other clean and efficient types of electricity generation available that come under the 'green' banner, such as Good Quality Combined Heat and Power (GQCHP).

GQCHP is the simultaneous generation of electricity and heat from a single waste source. Heat that would otherwise be wasted is captured and used to provide steam for hot water. This reduces the need for fossil fuel sources of energy and is therefore more environmentally friendly.

At Sodexo offices and sites where we have control of energy consumption and procurement, GQCHP is the main source of electricity.

Case study: Sodexo energy efficiency week

Sodexo's office-based staff experienced their personal impact on energy consumption during a special Energy Efficiency Week.

How it worked:

The activity took place at Sodexo's Solar House office in Stevenage where there are 135 employees.

Timers were fitted to the coffee and water machines and the heating system was fine-tuned so that energy was not wasted during out of work hours.

Employees were also encouraged to make simple adjustments to their routine, such as turning off the lights

when leaving a room and shutting their computers down properly at the end of the day.

The results:

Energy consumption at Solar House was reduced by 11% compared to previous weeks.

The simple actions taken by employees at Solar House continue today. For the first eight months of 2008 compared with the same period in 2007, energy consumption was:

- 4% less during working hours
- 15% less out of working hours
- 6% less overall

As a result of this success, Sodexo plans to run similar energy saving programmes at other offices.

Comment:

"It gave us the opportunity to introduce some energy saving practices and challenge the mindsets of our employees to show that small changes can make a big difference."

Paul Bracegirdle
Environmental Manager, Sodexo



Going green in the Emerald Isle

In Ireland, where Sodexo operates at 185 locations, we have made significant changes to our supply chain to progress towards our environmental targets.

Following a rationalisation programme we have appointed Agri Energy as our supplier for cooking oil. A single supplier now provides cooking oil and collects used cooking oil resulting in a lower carbon footprint. We now receive information on where our used cooking oil is converted into biodiesel.

Our major fresh suppliers now also take back their packaging – which removes

the waste from our units and means the packaging can be re-used or recycled more easily.

We are reducing the number of trucks and deliveries into our units by combining frozen and chilled deliveries onto one truck. This means one order, one invoice and one truck delivery – reducing our carbon footprint overall.

In our own offices we only run our dishwashers when full, and recycling cardboard and paper is a way of life.

Tillery Valley Foods – a showcase for sustainability

Sodexo's commitment to sustainable procurement is evident at our own Tillery Valley Foods operation which manufactures ready prepared chilled and frozen meals.

By buying in bulk and using predominantly nearby and UK-based suppliers, Tillery Valley Foods reduces food miles. It uses climate friendly refrigeration systems that are ammonia-based and, thanks to the efficiencies of new technology in refrigeration, reduces electricity usage.

All hand-wash and hygiene stations are equipped with knee operated time-controlled thermostatic valves to ensure that water runs at the optimal temperature, and cannot be left running. This investment has reduced water consumption by 20%.

Recycling is a high priority at TVF as 250 tonnes of cardboard and 250 tonnes of steel are sent for recycling each year: 80% of all outer packaging is reusable.

Tillery Valley Foods has exceeded its Climate Change Levy targets for the last three years.



“ Flushing accounts for some 30% of our daily water use, with older facilities using as much as 14 litres per flush compared to new dual flush models which use as little as 2.6 and 4 litres per flush. ”

Timed flushing saves water wastage

Sodexo is harnessing the latest technology to help clients tackle water wastage in toilet facilities.

By using so-called 'intelligent' systems and water displacement devices, we are able to find the best solution for every type of facility.

The PHS Intelligent Water Management System is a state of the art, award winning product that regulates the flushing of urinals by using an infra-red sensor that counts users and adjusts the flush rate accordingly. It has been awarded the 'Waterwise Marque' and qualified for Defra's 'Water Technology List' which recognises it as a product that contributes to sustainable water usage.



According to PHS, the system can cut water consumption by an average 70% compared to uncontrolled cisterns and up to 30% compared to an 'unintelligent' system (dependent on urinal usage). Many customers have seen reductions of 90%.

Sodexo is also providing the simple but effective PHS 'Flushwiser' to clients. This is a cistern device that reduces the volume of water used per flush by up to three litres. The device can be adjusted to suit each cistern taking into account size and performance to reduce water consumption without compromising hygiene.

We have also found ways to reduce the need for strong chemicals in urinals by fitting the 'Eco-shield', which uses enzymes and friendly bacteria to consume uric salts before they build up.

Sodexo wins BHA Environment award

Sodexo has won an Environmental Award from the British Hospitality Association in recognition of its commitment to measuring and managing environmental challenges. These include the reduction of packaging waste, fuel consumption of site vehicles, and energy use at locations where the company has responsibility for procurement and consumption.

A coffee machine uses 4kW a week - enough to light 66 60W bulbs for an hour. That energy is wasted overnight and at weekends if they are left on.

Packaging waste under the spotlight

Packaging around products and food continues to be the subject of fierce debate. Many consider that packaging has become excessive as a very significant contributor to landfill waste.

The UK Packaging Federation argues that, in fact, packaging only makes up 3% of landfill and avoidable food waste has some ten times the impact of packaging waste.

Sodexo has committed to reduce the packaging it uses by 15% by 2010 and we are working with key suppliers to achieve this.

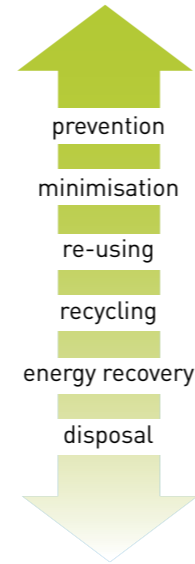
Paul Bracegirdle, Sodexo environmental manager explains: "The waste produced by Sodexo is principally food and

packaging. Our challenge is that we work on sites where it is hard to quantify waste volumes accurately because in most cases we dispose of our waste with the client's. Sodexo's approach to waste management is to ensure full compliance with waste disposal and recycling practices at clients' sites".

"From a company perspective, we decided to approach the issue from the front end, working with major suppliers to determine the weight of packaging that we are supplied in the first place. With that information collated across the business, we have determined a baseline from which to set targets."



most favoured option



least favoured option

Putting the genie back in the bottle

Fantastic plastic: lightweight, hygienic, disposable and cheap. In a relatively short period of time, plastic has infiltrated most aspects of our life, from plastic cups to hospital syringes and everything in between.

Society has become used to the benefits of plastic in all its varied forms including increased food shelf life, protection of products and high levels of hygiene.

Manufacturers of plastic products have, of course, been working on alternatives for some time and Sodexo is aligned with the industry's global leaders to find solutions.

Our efforts in this area affect all our sites. For example, in food services alone, they cover cups and plates, bowls,

cutlery, food containers, portion pots, salad containers, sandwich packaging and more.

Demand for environmentally friendly products is at an all-time high and we are working to bring as many products as possible to our clients. Our ultimate aim is to ensure all packaging is either made from recycled materials or biodegradable/compostable and is easy to dispose of in responsible manner.

Jo Davie, a Sodexo buyer, says: "We now use material that is 50% recycled for our plastic food containers and we are switching to Bioware products wherever possible."

The Bioware range, from Sodexo's primary packaging supplier, Huhtamaki, has a bio-coating and will totally

disintegrate within 60 days in controlled industrial composting facilities.

"Opting for biodegradable items is only half the story", says Jo. "You have to dispose of them correctly: if they end up in landfill, they will still take many years to decompose and emit methane, a very powerful greenhouse gas".

Other initiatives under way include making our sandwich packaging fully biodegradable - all the way down to a transparent window derived from vegetable starch.

Our efforts in this area were rewarded by the British Sandwich Association when our Delifresh brand, which features the new packaging, won the Workplace Sandwich Supplier of the Year award in 2008.

Working together to find eco-friendly solutions

Huhtamaki, one of the world's largest packaging companies, is at the forefront of developing eco-friendly products.

It has a 25 year long relationship with Sodexo in the UK and Ireland and the two companies have worked closely to find the right solutions for Sodexo's clients.

The Bioware range, which is being introduced into Sodexo units on request,

includes a full variety of paper cups with bio-coating for hot or cold drinks, plates and bowls from fibre, and a choice of other containers. These products are compostable and certified to EN13432, the European standard for compostability of packaging, which means that the products degrade completely in industrial composting facilities.



Recyclable, biodegradable or compostable...?

Biodegradable:

After use, biodegradable packaging breaks down into invisible pieces without turning to soil, thanks to micro-organisms. In the presence of oxygen, the material converts to CO₂, water, mineral salts and new biomass. Without oxygen, the product converts to CO₂, methane (a more powerful greenhouse gas), mineral salts and new biomass, hence the importance of disposing properly of biodegradable products properly. Using biodegradable products reduces the volume of packaging that goes to landfill and has the benefit of not using any external energy in the biodegrading process.

Compostable:

This material biodegrades and disintegrates to convert into soil in a controlled composting system under standard conditions.

Recyclable:

This is preferable to non-recyclable material but viewed as less desirable than biodegradable or compostable material as external energy is used in the recycling process.

Whichever material is chosen, it needs to be disposed of appropriately or the benefits of choosing ecological packaging are lost.

A meeting room lit by eight fluorescent tubes can use 1.3kW of energy in three hours. That contributes to the release of about 0.5kg of CO₂ and is enough to light 21 normal 60W bulbs for an hour.



Managing how we dispose of waste

Some 100 million tonnes of mixed waste from UK businesses, industry and homes currently go to landfill where biodegradable waste generates methane, a powerful greenhouse gas that contributes to climate change.

As part of its environmental improvement plan, Sodexo has pledged to recycle, compost, or re-use half of the waste it is responsible for by 2010 and we are working with suppliers to achieve this target.

Traditionally, waste disposal meant providing wheelie bins for general mixed municipal waste that was then collected and taken directly to landfill.

However, as Sodexo buyer Martin Baxter explains, our waste management systems have developed as the environment has become as forceful a driver as cost:

“Our clients are still extremely focused on cost reduction but this has been tempered by the need to be ‘greener’.

Our handling of waste has evolved toward landfill reduction and the recovery of component elements for recycling and remanufacture”, says Martin.

With the greater emphasis on recovery and recycling, Sodexo has consolidated its supply chain in the UK and in Ireland.

In the UK, we are moving away from having multiple, disparate contractors to a network of key waste management companies with specific capabilities in recovery and recycling and waste to energy.

In Ireland, the same streamlining process has resulted in our appointing a sole supplier, Greyhound, to meet our waste management requirements.

One area of particular focus is Sodexo UK’s Healthcare business where we are responsible for the storage, collection and removal of clinical, general and hazardous waste from some NHS sites.

Two new policies have been introduced following 18 months of analysis and research. These cover clinical and non-clinical waste management procedures and have been put in place to ensure compliance with all relevant client site waste and environmental legislation, policy requirements, and management standards such as ISO 14001.

Paul Bracegirdle, environmental manager at Sodexo, says: “Our new clinical waste management policy will lead to consistency across our Healthcare business by providing clear guidelines on how best to manage and handle waste. It will help employees to continue working in an environmentally responsible manner. Not only that, we are also able to introduce the non-clinical policy across other parts of Sodexo, including our catering business, to maximise opportunities to recycle and manage waste efficiently and effectively all round - a priority focus for us.”



Sodexo manages the disposal of all waste products from many clients’ sites and our own operations. This includes:

- Food
- Used cooking oil
- Paper
- Packaging
- Plastics
- Wood
- Clinical waste
- Sanitary waste
- Dental waste
- Grass cuttings
- Dog waste
- General litter
- Confidential waste
- Glass
- Builders’ waste
- Asbestos
- Metal
- Abandoned vehicles
- WEEE (Waste Electrical and Electronic Equipment)
- Motor oils and hydraulic fluids
- Road sweeping and drain clearing waste

Case study: Food recycling in action

A food waste recycling programme spearheaded by Sodexo at a leading energy supplier’s call centre has been very successful.

How it worked:

All food waste including vegetable peelings, unused cooked food, confectionery, yogurts, out-of-date food, plate scraps and liquids such as milk or fruit juices still in their packaging, was put into a separate container in the preparation area. Glass of any description, packaging on its own and any foil-type packaging was not accepted. The food waste was collected weekly by

PDM Group and taken to the nearest food recycling plant to produce biomass to fuel a combustion plant. In essence, waste food was turned into electricity that is used to run PDM Group’s facility and any surplus electricity was sold back to the National Grid.

The results:

In the first month of the trials, the Sodexo team collected 320kg of food waste. According to PDM Group, this will convert into the equivalent of 39 litres of bio diesel and generate enough electricity to power 160 homes for an hour. PDM Group provides a monthly report

on the quantity of food waste removed from a site and the energy generated from it. This provides valuable metrics for monitoring food waste and demonstrates the advantages of this disposal method.

Client Comment:

“When we had our ISO 14001 audit earlier this year, the auditor picked up on our food recycling programme. He hadn’t seen anything like it before and was very impressed.”

Zoe Spencer
Client facilities co-ordinator

Reducing the heating thermostat setting by just 1°C can save 8% in energy costs.



Changing our buying decisions so that 'less is more'

At the moment, the products needed to ensure that hygiene and sanitation in business offices and kitchens, in hospitals, schools, laboratories and care homes are not compromised, do have an environmental impact. However, while the environment and cleaning products may not always go hand in hand, Sodexo

has made significant progress with purchasing decisions that help reduce environmental impacts with the support of global hygiene product partner, Ecolab.

Our decision to purchase super-concentrated or solid (rather than liquid) versions of products has led to a reduction in the volume consumed

and in the volume of conventional packaging by up to 90%. In 2007, we saved the equivalent of 1,000 tonnes of plastic packaging.

The smaller product volume means fewer delivery vehicles are required for transport so delivery fuel emissions are reduced. Our buyers insist that all packaging material can be recycled.

The 'essence' of sustainable cleaning

Sodexo's 'essence' cleaning service is specially devised to minimise its impact on the environment.

We use the most up-to-date, environmentally friendly and cost-effective cleaning equipment and materials. Innovations such as micro-fibre systems, recycling initiatives and daylight cleaning, allow us to deliver quality cleaning services while meeting clients' and our own environmental aspirations.

Our knowledge of cleaning makes us an ideal partner at the design stage of a new building when, for example, we would advise fitting revolving or automatic doors to reduce the amount of soil coming into the building.

In existing businesses, a reduction in incoming soil can be achieved by reducing the number of entrances and exits staff can use and using an effective dust control or barrier matting.

We use micro-fibre cloths, mops and 'high efficiency particulate air filter' suction cleaners that remove 99.9% of airborne particles to control and collect dust – sweeping or feather dusters simply transfer it to other surfaces.

By introducing daylight cleaning we are saving a large part of the lighting energy usually used in evening cleaning.

Where possible we reduce the use of floor maintenance products that need to be stripped and reapplied so we save on the energy expended by the equipment. Where we do use them, we use strippers that work with cold water, again saving energy.

By introducing central recycling stations we do away with the need for individual bins, sometimes running into hundreds, each of which would have required its own plastic liner.

All our people are trained to high national standards to use products and equipment correctly and minimise waste.

We purchase hard-wearing equipment, such as mop buckets, with a view to it lasting the length of the contract and reducing the amount of equipment that goes to landfill.

We only purchase and use products based on enzymes or micro-organisms and are actively reducing the number of chemicals we use wherever possible.



Sustainability at the heart of hygiene

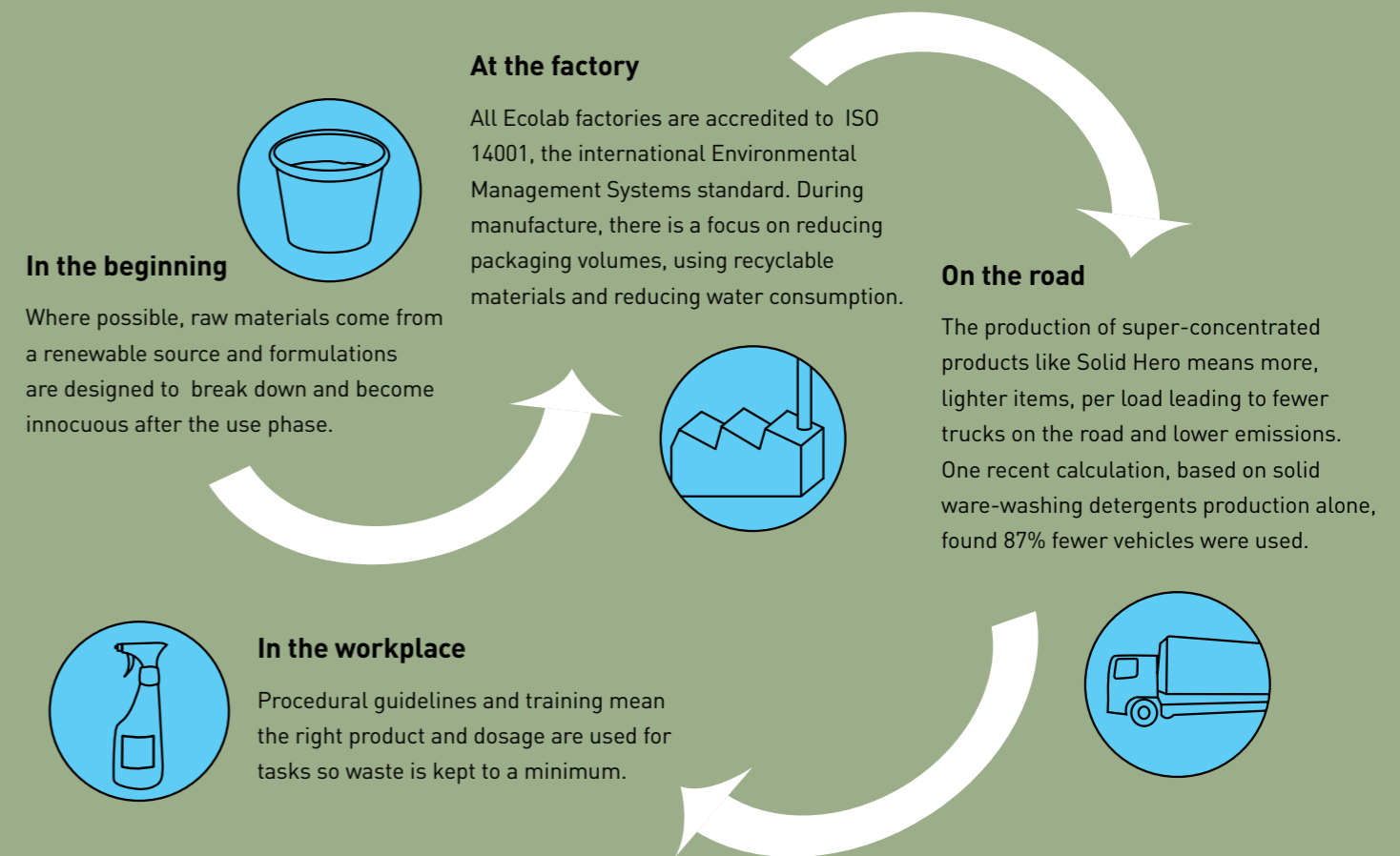
Ecolab, a company with an established track record of building in sustainability at all stages of the product life cycle, is Sodexo's global partner for chemical hygiene products. Ecolab is committed to providing customers with the most effective and efficient cleaning, food safety and infection control programme available. It recognises that sustainability encompasses the origin of raw ingredients, the processes behind them, the practicalities of reducing transportation, and well-structured and clear use procedures.

It is at the forefront of chemical hygiene development, already testing new formulations that don't need phosphates or NTA (Nitrilotriacetic Acid) as raw materials.

From concentrate, solid formulation to innovate packaging and dispensing, the products are designed to increase safety, lower water and energy consumption as well as reduce chemical and waste release into the environment.



Sustainability underpins the entire process, from raw material to end use at Sodexo sites. Here's how it happens, using Ecolab's 'Solid Hero' system dishwasher detergent product as an example:





Minimising paper product use

Thousands of sheets of toilet tissue, paper serviettes, hand towels and kitchen paper items are used every day at the 2,300 UK and Ireland sites where Sodexo operates.

Most of us don't think twice about taking a handful of paper serviettes with our meal or mopping a spillage with more paper towels than we actually need.

To tackle casual overuse, Sodexo sources products that limit the amount of paper dispensed each time. Our key supplier in this area is Georgia Pacific, which has

tracked its environmental progress and reported the results publicly for more than 10 years.

A key 'wiping product' (as the industry terms toilet tissue and hand towels used in washrooms) might be a fully enclosed dispenser which stops the roll inside from spinning freely. These often dispense just one sheet at a time and have been shown to reduce consumption and wastage by up to 40%.

"Controlled dispensing does reduce paper usage, so there is less waste"

says Sodexo buyer Andrea Lunn-Courtneil. "In addition, items like compactly wound rolls means more paper can be transported in the same space as standard toilet rolls – so transport miles and emissions are reduced."

We have been championing the 'Just One' paper napkin dispenser as part of our paper reduction initiatives across food facilities. As its name suggests, this offers customers soft absorbent napkins made from recycled paper one sheet at a time.

How using recycled paper saves more than trees

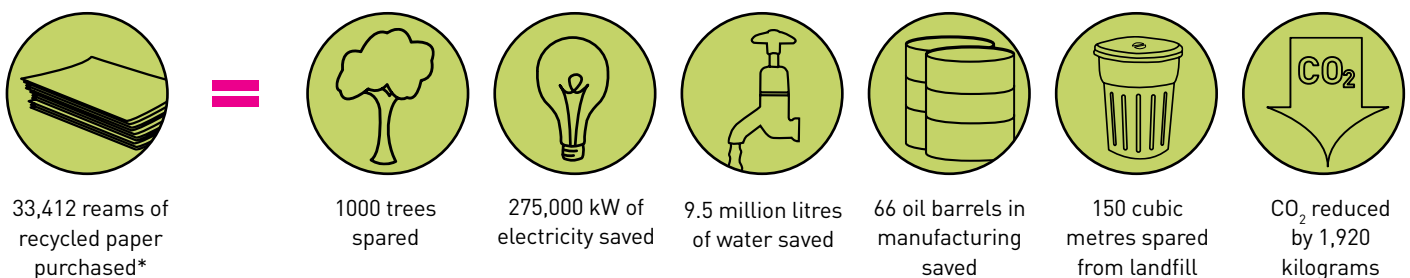
Office Depot, one of Sodexo's key stationery and toner cartridge suppliers, has calculated the positive effect of Sodexo's purchasing policy for recycled paper.

Senior buyer Gavin Harvey says: "Currently 30% of the products Sodexo purchases are made from recycled

material - a 25% increase compared to last year.

"One of the key aspects of our purchasing policy is that we take our environmental responsibilities into account during our decision making process. As a buyer, it is rewarding to manage financial costs while also reducing environmental

impacts. We encourage suppliers who can demonstrate their ability to reduce their products' impacts and have worked closely with Office Depot for many years. This strong partnership has helped us make a significant switch towards environmentally friendly products".



*Amount of paper purchased by Sodexo in the UK between January and June 2008

Want to know more?

All the initiatives and services outlined in this publication are available in the UK and Ireland. For further information please contact your Sodexo unit manager, or email purchasing.queries@sodexo.com

We would like to thank all of our suppliers for supporting our sustainable sourcing strategy.



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Making every day a better day