

SODEXO AND THE CIRCULAR ECONOMY

May 2019

“We will embed circular economy approaches in our offers to clients and our operations to ensure all waste streams have a beneficial use and nothing goes to waste.”

Denis Machuel, Sodexo’s Chief Executive Officer



CONTEXT

Given its position in the value chain, the breadth of its offer and the myriad opportunities it has to engage, Sodexo is well placed to contribute to more efficient and reduced consumption, and ensure the value of resources (waste) is not lost. Successful action and collaboration can have significant positive impacts on our clients, Sodexo’s operations, its industry sectors and supply chains.

IMPACTS

At Sodexo, we know that our work on waste has increased our understanding of where the best opportunities are to be more efficient and realize the contribution that collaborative initiatives can make. This is the case for all waste, but particularly, in the case of food it is not just because it makes strong business sense, but we also have a moral obligation.

- **Opportunities.** Our understanding of the waste streams in our operations and our supply chain position allow the company to take specific action for our clients at local level. It also contributes to both clients and Sodexo’s commitments to reduce the overall impact on the environment.
- **Reducing Costs.** Operational excellence is our imperative. We can help our clients to reduce their costs by supporting innovative initiatives that redesign their waste stream and capture the value of waste.
- **Increased Regulation.** New regulation is adding to business’ obligations. For example, the French listed company regulations have an impact on the entire Sodexo Group’s environmental reporting. An increasing number of states and regulators are prohibiting the dumping of waste.
- **Brand Risk.** Our clients are aware of the challenge and count on us to provide expertise and innovation, ensuring our client reputational risks are well managed.
- **Greater Accountability.** Though waste reporting, together with their water and carbon coefficients are still evolving, stakeholders including clients require ever more transparency and accountability.

STRATEGY & DEPLOYMENT: WASTE AS A RESOURCE

Better Tomorrow 2025 is Sodexo's corporate responsibility roadmap with 3 roles, 3 impacts and 9 commitments. As a world leader in On-site Services, operating in 72 countries, Sodexo commits to source responsibly and provide energy management services that reduce carbon emissions, as well as to champion sustainable resource usage.

We must embrace new and innovative ways to build systems where the value of the resources is not lost. This requires transformational change. **The objective of this strategy is to reflect Sodexo's commitment towards contributing to resource efficiency and to "Waste Free" workplaces and workspaces.**

Sodexo has developed a waste roadmap adopting the circular economy approach, building the profile of waste around the prevention of waste from a resource perspective. It has the following key elements:

- **Value chain collaboration and leadership:** we aim to reinforce collaboration within and across the value chain as a way to drive circular economy and thus, as an example, contribute to the UN SDG 12.3 target of halving food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest, by 2030.
- **Operational excellence:** we leverage the expertise of our 460,000 employees to provide our clients with the best in class waste management services that will help them manage resources more sustainably. We make sure our teams are trained and encouraged to innovate, for the benefit of our clients and consumers.
- **Client and consumer engagement:** With 100 million consumers served every day in our operations, we are in a unique position to drive behavior change toward waste reduction.
- **Marketing & Communications:** through our global actions, we help inform clients and consumers so they understand and support the waste prevention challenge.
- **Measuring and public reporting:** We ensure that waste management is an integral part of site management and require our sites to measure and report their performance. Our corporate responsibility data and reporting is externally audited down to site level and we ultimately report consolidated information publicly.

As a result, we will:

- Ensure that by 2025 all our sites will have progressed towards circular economy principles, operating in a system where the value of resources is not lost and every opportunity to optimize, reuse, recycle and repurpose is acted upon and integral to the way we do business
- Increase awareness and encourage changed behavior
- Implement effective processes
- Re-evaluate waste streams and move from waste to resources
- Monitor, measure and report impacts

PROGRESS TO DATE

To support the implementation, a Subject Matter Experts Working Group for Waste has been operating since 2010. This group meets on a monthly basis and is being assisted by the WWF as part of our global technical partnership. To date, Sodexo has:

- Made a Better Tomorrow company-wide commitment to eliminate avoidable waste by 2025. This covers both organic (food) and non-organic (packaging, disposables...) waste.
- Provided tools and training for site managers and district managers to support them in the implementation of on-site actions.
- Analyzed the annual site inventory for key information points such as the relative prevalence of awareness and behavior initiatives at Sodexo sites compared to quantitative measuring and monitoring.
- Initiated engagement with major suppliers to identify synergies and areas for collaboration.
- Founded the International Food Waste Coalition, an independent group of companies and NGOs focused on removing waste across the value chain and finding solutions to out-of-home food waste.
- Created and developed the “WasteWatch powered by LeanPath” program, Sodexo’s global comprehensive program to prevent and reduce food waste by tracking, monitoring and acting upon preventing food waste.
- Created the WasteLESS Week annual awareness intervention. Since 2012, Sodexo teams around the world engage clients to develop waste reduction programs, thus inspiring behavior change for consumers.
- Worked with pre-eminent organizations such as the OECD, WRAP and REFRESH and represented in bodies such as ReFED, Champions 12.3, EU Food Waste Platform.
- Joined forces with other leading companies and stakeholder partners through dedicated networks such as the Food Waste Reduction Alliance.
- Participated to Government and Authorities Reviews e.g. UK House of Lords, EC and UNEP Innovation Forum.
- Adhered to national agreements such as the Hospitality & Foodservice Voluntary Agreement in the UK aimed at reducing food waste and associated packaging.
- In May 2019, we made a commitment to implement WasteWatch powered by Leanpath to an initial 3,000 sites globally and to reach 70% of relevant sites by 2021.

PREVENTION RELATED TO CIRCULAR ECONOMY

Prevention of waste remains our predominant focus. The following actions support this preoccupation:

WasteWatch powered by LeanPath

Since 2011, Sodexo has been implementing WasteWatch in its operations across the world. WasteWatch is a food waste prevention programme focused on tracking food waste, monitoring performance, taking actions to drive reduction and communications. The Group aims to ensure 100% of its relevant food sites have taken actions to prevent waste by 2025 through implementation of WasteWatch.

Results: 50% reduction in food waste in 2 to 6 months (in line with the UN SDG 12.3 commitment)

Watch the video on our partnership with LeanPath: [VIDEO](#)

WasteLess Week

WasteLESS week is a week-long engagement campaign run by Sodexo on our sites around the world during October. It supports our overall waste reduction efforts, allowing sites to create customized messages for clients based on local actions and results. It empowers consumers, clients and Sodexo employees to reduce waste by celebrating the benefits of wasting less food, water, energy, paper and raw materials.

More information on our actions around Waste: <https://www.sodexo.com/home/corporate-responsibility/waste.html>

Elimination of single-use plastics

At present, the use of disposable plastic packaging is an essential element of food and retail services. Typical food service products include containers, boxes, cups, bowls, cutlery, utensils, wraps, bags, lids, straws and stirrers, which are all made from different material types with a high proportion of plastic. One key focus area of Better Tomorrow 2025 is **preventing waste**; which includes our global commitment to **reduce our carbon emissions** (food and packaging waste being the single biggest contributor to Sodexo's global carbon footprint); and to **champion sustainable resource usage**.

Sodexo has taken many actions to eliminate single-use plastics from its restaurants and offices, and to transform some sites into "**waste free sites**", in conjunction with some clients.

For example, many of our countries or regions have made a **public commitment to phase out single use plastics at least by 2025**, with a focus on prioritizing the highest volume items. We have also undertaken a major global study on key single use plastic items used within our business and launched a European tender to replace plastic disposables by more environmentally friendly alternative products.

More info in the "Plastics – Sustainable Resource usage" briefing paper on [Sodexo.com](#)