COMPASS GROUP



Our Social Purpose

Corporate Responsibility Report 2018



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Visit our website for related information www.compass-group.com

Message from our Chief Executive



Dominic Blakemore

It is my pleasure to introduce Compass Group's 2018 Corporate Responsibility Report which outlines how we view our social purpose and what we are doing to create a positive impact.

Every business has a social impact and leading with purpose is the way to fulfil the potential of our organisation and our people.

PERFORMANCE

We remain focused on food. This drives our growth as well as determining the material issues for our sustainability action platforms such as better nutrition choices and food waste. We are the largest player in the food service market and our scale allows us to offer our customers the best service. This scale also brings responsibilities, that we recognise.

Just as our financial performance is well managed and supported by rigorous governance procedures, so too is our corporate responsibility strategy. Our Corporate Responsibility Committee is responsible for assisting the Company in fulfilling its corporate responsibility in line with the Company's strategy. As well as the objectives we set for ourselves we are also signatories or supporters of international frameworks including the UN Guiding Principles and the Sustainable Development Goals (see page 19).

"Every business has a social impact and leading with purpose is the way to fulfil the potential of our organisation and our people"

PEOPLE

People are the key to delivering great food and services to our clients and consumers together with great financial results. We are in the process of further enhancing our employee proposition to ensure we have an engaged, high performing and fulfilled workforce that truly reflects the diversity of the societies we live in and the communities we serve.

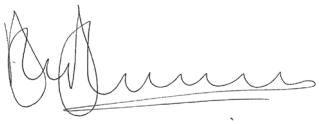
In this Report you will read about our refreshed safety culture that places care at the heart of our business and examples of the ways in which we are an engine of social mobility through the development opportunities we offer.

PURPOSE

Our purpose is first and foremost a social purpose: we take care of our own people and the people we serve by having a culture of safety. In addition, we are integrating our sustainability strategy more fully into the business. Our new sustainability strategy focuses on three areas: health and wellbeing, game changing environmental programmes and operating in ways that are better for the world.

We already have a strong commitment to corporate responsibility and great initiatives like our global Stop Food Waste Day. We are building on our existing strength and working more proactively with our clients and consumers to expand our efforts in our three priority areas.

We are excited about the positive momentum of our business in all three parts of our strategy: Performance, People and Purpose.



Dominic Blakemore
Group Chief Executive

January 2019

About Us

We provide great food and support services to millions of people around the world, every day.

Food is our core competence. We pride ourselves on our ability to provide clients with a wide range of innovative dining solutions. Corporate responsibility is a cornerstone of our commitment to provide the highest quality service to our customers.

A truly international business

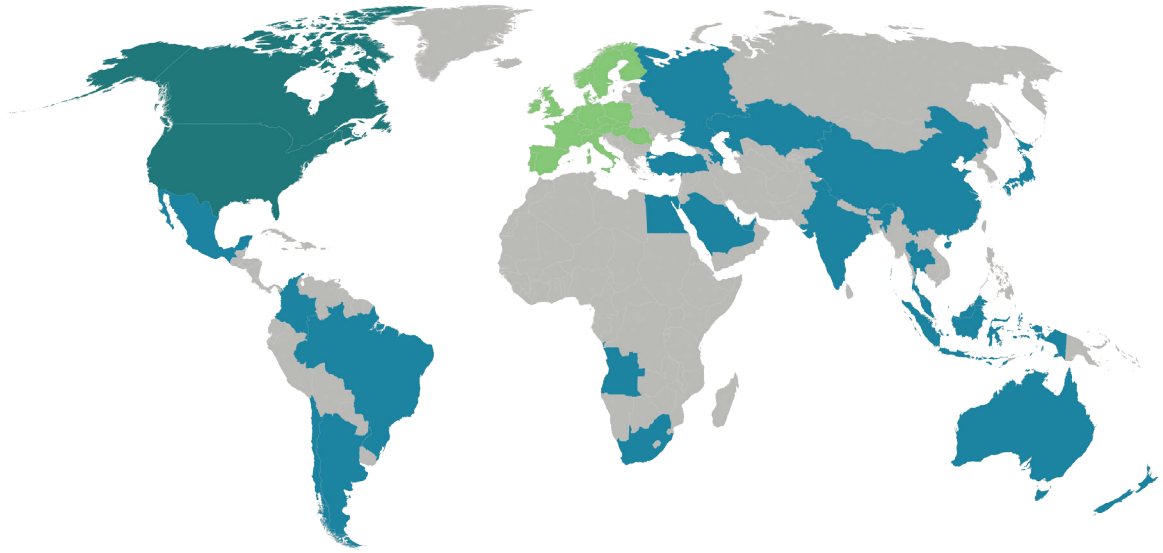
We have a global footprint and manage our business in three geographic regions: North America, Europe and Rest of World. Our scale allows us to achieve our goal of being the lowest cost, most efficient provider of food and support services. Scale is a benefit in terms of food procurement, labour management and back office costs. It underpins our competitiveness and enables us to deliver sustainable growth over time.

50
countries

55,000
client locations

600,000
colleagues

5.5 billion
meals



Group revenue

Our underlying revenue for the financial year ended on 30 September 2018 was £23.24 billion with organic revenue growth of 5.5%. For comprehensive information about our financial performance please download our Annual Report from our website: www.compass-group.com.

NORTH AMERICA
UNDERLYING REVENUE
£13,785m
(2017: £13,322m)

59%
of Group total

EUROPE
UNDERLYING REVENUE
£5,783m
(2017[1]: £5,598m)

25%
of Group total

REST OF WORLD
UNDERLYING REVENUE
£3,671m
(2017[1]: £3,932m)

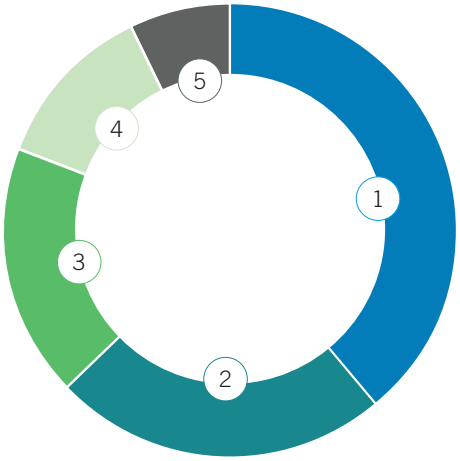
16%
of Group total

1. Prior year comparatives have reclassified Turkey from Europe region into the Rest of World region.

How We Operate

Our business is structured to reflect the markets in which we operate. We call it sectorising, which we deliver through a portfolio of unique brands.

We operate these brands in five distinct sectors each of which enables us to get closer to our clients to better understand their specific needs and in turn meet their expectations.



COMPASS GROUP REVENUE BY SECTOR

1.	Business & Industry	39%
2.	Healthcare & Seniors	24%
3.	Education	18%
4.	Sports & Leisure	12%
5.	Defence, Offshore & Remote	7%

CONDUCTING OUR BUSINESS ETHICALLY

Our policies

Our Code of Business Conduct sets out the clear standards of behaviour we expect all of our people to follow in dealing with colleagues and those outside the Group such as clients, suppliers and other stakeholders. The Code incorporates our Code of Ethics which underpins our social, ethical and environmental commitments.

We expect our suppliers to treat their employees and contractors in the same way that we treat our own and, to this end, we ensure that our supply contracts specify a commitment to comply with these two Codes.

As detailed in our global Human Rights Policy Statement, Compass Group fully supports everyone's entitlement to human rights. We are a signatory to the UN Global Compact which means we support their principles in the areas of human rights, labour, the environment and anti-corruption. We publish a communication on progress each year and our most recent report can be found here: www.unglobalcompact.org.

Our procurement teams and our suppliers are required to comply with our Global Supply Chain Integrity Policy. This policy is underpinned by a robust set of standards which clearly define our responsible sourcing principles and the values we expect our suppliers to uphold.

All these policies can be found on our website www.compass-group.com.

United Nations Global Compact

Whistleblowing

Our global whistleblowing programme, Speak Up, is managed by an independent company. This allows our employees to raise, in confidence, any concerns they may have about how we conduct our business, or report if they are witness to, or subjected to, any abuse of human rights. Each case is investigated and followed up by an assigned case manager. The CR Committee, Audit Committee and Executive Board receive regular updates on the nature of the reports and agree specific actions, including assessment and changes as required, reporting back to the Board. The content of the Speak Up reports are analysed to ensure we focus on and direct resources to potential areas of vulnerability. In 2017-2018, we received 4,351 reports (2016-2017: 3,697).

Message from the Corporate Responsibility Committee Chairman



Nelson Silva

Our corporate responsibility (CR) strategy sets out our global priorities for responding to social and environmental change, in support of our efforts to create a positive impact, drive growth and future-proof our business.

The ongoing evolution of this strategy is informed by our governance process and by feedback from our stakeholders.

Corporate governance

In order to support our responsible business practices, our management structure is underpinned by the highest levels of corporate governance. We empower our local leadership teams to manage their businesses to be competitive in their marketplace whilst operating within a strict corporate framework with clearly defined parameters.

Our overall approach to good corporate governance is overseen by the CR Committee of the Board. Established in 2007, the Committee continues to provide direction and guidance on all aspects of business practice and responsibility, taking into account the overall strategic plan.

The Committee's primary responsibilities include:

- endorsement of CR policies
- overseeing occupational health and food safety performance
- supply chain integrity
- environmental practices
- ethical business conduct
- the positive promotion of employee engagement, diversity and human rights.

In addition to supporting the development of our longer term CR vision, the Committee has driven an improvement in the scope of our CR commitments and the number of countries reporting against them.

Listening to our stakeholders

We maintain our position as a responsible business by continually engaging with our stakeholders and keeping pace with change on the issues that matter most to them, to us and to our industry.

During 2018, we spoke to our stakeholders to review and reformulate our sustainability strategy. We interviewed a wide variety of senior leaders and front line employees in our business, as well as consulting our clients and expert advisers.

This process has helped us to identify the key issues that materially impact our business, as well as the opportunities that can arise when we seek to deepen our relationship with our clients, our consumers and the wider community.



Nelson Silva
Chairman of the Corporate Responsibility Committee

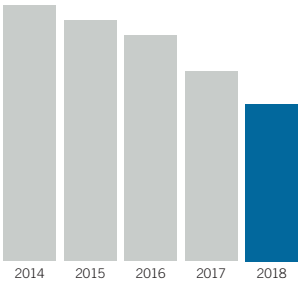
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Making a Positive Impact

GLOBAL LOST TIME INCIDENT FREQUENCY RATE

-39%

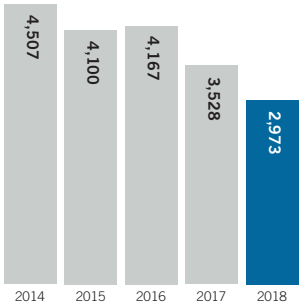
(since 2014)



GLOBAL LOST TIME INCIDENTS

-34%

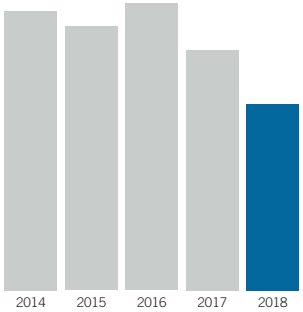
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GLOBAL FOOD SAFETY INCIDENT RATE

-33%

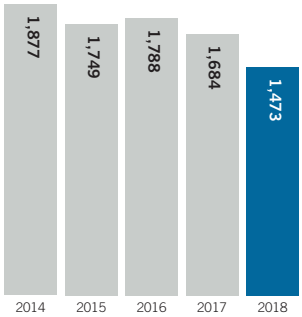
(since 2014)



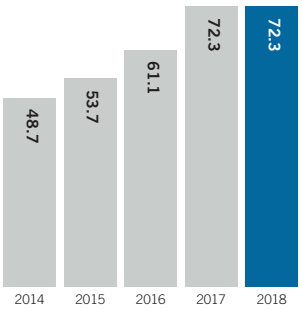
GLOBAL FOOD SAFETY INCIDENTS

-22%

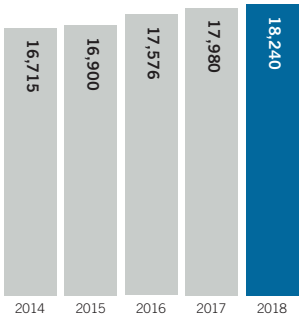
(since 2014)



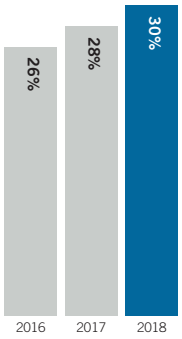
CARBON DISCLOSURE PROJECT (LEADERSHIP A-)



NUMBER OF SITES OFFERING HEALTHY EATING PROGRAMMES*



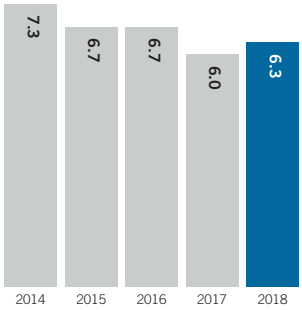
WOMEN IN GLOBAL LEADERSHIP TEAM



GREENHOUSE GAS INTENSITY RATIO

-14%

(since 2014)



* Of top 20 countries

We participate in numerous sustainability indices which allow us to benchmark our performance on economic, environmental and social factors in our sector. Please see the performance metrics table on page 21 and 22.

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

BBFAW Business Benchmark on Farm Animal Welfare

CDP

Great Place To Work. Certified OCT 2018 - OCT 2019 CANADA

BRITISH SAFETY COUNCIL Member

UN GLOBAL COMPACT WE SUPPORT

FTSE4Good

Our Approach to Corporate Responsibility

OUR BUSINESS APPROACH

As we grow our business, all of our markets are focused on delivering positive results in three core strategic areas: Performance, People and Purpose. This means delivering great financial results by making sure we have a well-supported and engaged workforce and are making a positive contribution to the wider world.

Our corporate responsibility (CR) activity underpins all three strategic ambitions:

Performance

Being a responsible business motivates our people, engages our clients and reassures our consumers, all of which are helping our business to grow.

People

Being an inclusive employer that treats people well, provides apprenticeships and training, and helps individuals to grow rewarding careers with us means we can attract and retain great talent.

Purpose

Being a purpose-driven business that understands the wider social and environmental issues that are affecting our industry means we can play our part to amplify the positives and mitigate the negatives.

OUR CR STRATEGY

As well as underpinning our strategic business ambitions, our CR strategy also flows from these three strategic areas.

For a people-centred business like ours, it is right that 'People' is both a strategic priority for the overall business, and a priority of our CR strategy.

From a CR perspective, we articulate the 'Purpose' of Compass as social purpose. It is about the difference we make to our people, to wider society and to the environment by keeping our people safe, playing our part in our local communities and driving forward on sustainability.

OUR PRIORITIES

This year, we have refreshed our corporate responsibility strategy to make it simpler for our people to know where to focus their energies and to make it clearer for our stakeholders to see what we are seeking to achieve.

Whilst each of the markets in which we operate is different, our teams share three common priorities: to build a workforce of talented individuals; to keep our people and our consumers safe; and to make sustainability a key driver in our decision making.

Our corporate responsibility strategy is built around these three priorities of people, safety and sustainability. Within each of these pillars, we have a number of Action Platforms. These are the areas where we can make an enhanced impact and deliver the most benefit. We are now working towards developing specific targets for each of these Action Platforms.

People

Our people lie at the heart of our business: with around 600,000 colleagues in around 50 countries, we rely on them being well-trained, motivated and engaged in order to deliver the excellent service our clients and consumers expect.

Safety

Safety is vitally important across our business; we care about our people and work hard to prevent them from coming to any harm. This is about more than complying with local regulations: we want to build a grassroots culture of safety which is employee led, where everyone is always looking out for each other. Every day, we ask ourselves 'are we doing this right?' in order to avoid having to ask, 'where did we go wrong?'.

Sustainability

This year, we have launched our new Sustainability Strategy. We considered macroeconomic trends, insights from employees, clients, consumers and industry experts to help us better understand the forces that are impacting the global food system, our industry and our operations. We have chosen to focus on the three priority areas where we can make a greater positive impact to both our business and wider society: health and wellbeing, the environment and our supply chain and the wider community.

Under each priority area we identified three specific action platforms around which we will focus our efforts and initiatives. Among other things, that means looking at our plastics use and waste, steering people towards a healthier diet, rebalancing proportions of animal and plant proteins, sourcing responsibly and being a force for good in our local communities.

Our Corporate Responsibility Strategy

Our three strategic priorities

People | Performance | Purpose

Governance ▶ Our CR strategy is informed by our governance and stakeholders and is built around our People and Social Purpose ◀ Stakeholders

People

- Developing our people
- Engaging our people
- Creating a diverse and inclusive environment

See page 9

Social Purpose

Safety	Sustainability		
	HEALTH AND WELLBEING	ENVIRONMENTAL GAME CHANGERS	BETTER FOR THE WORLD
Safety leadership	Better nutrition choices	Food waste	Sourcing responsibly
Sharing learning	Mental health	Single-use plastics	Enriching local communities
Simplification	Healthy lifestyle	Plant-forward meals	Collaborating for big change

See page 11 | See page 13 | See page 15 | See page 17

Our People

We have around 600,000 colleagues all over the world, so it is no understatement to say that Compass is people-powered. Our business simply would not be the success it is without having motivated and engaged colleagues. We attract and retain talent by creating opportunities for people and helping them to build their careers with us. We aim to create environments that are fair and inclusive where everyone has an equal opportunity to progress.

Relevant UN Sustainable Development Goals



DEVELOPING OUR PEOPLE

We continue to invest in order to develop and promote our great people.

Exceptional leaders

We apply rigorous evaluation methodology when appointing candidates to senior positions and support this with targeted development to grow our internal talent. Promoting internally helps us share learnings more quickly and builds and strengthens the Compass culture which is so important to our success. This year, two thirds of operational appointments into our leadership group were internal.

The best unit managers

Ensuring that our people have the right skills to do their job, lead their teams and develop their careers with us is critical to our success. We are investing significantly in unit manager training and development. To date we have trained 13,000 unit managers on our Mapping for Action programme and, in 2019, we are launching a Group-wide leadership programme aimed at helping unit managers to lead, engage and motivate their teams to deliver even greater performance.

Building strength for the future

Every year, we provide thousands of hours of on-the-job and classroom training. In many markets, we run apprenticeship schemes to accelerate and formalise the process of training people in preparation for particular roles. We have strengthened the number of graduate schemes across our business which allows us to select the best talent and prepare them for leadership roles. We currently have around 1,000 graduates on structured programmes, with more joining us in 2019.

We launched our first graduate programme in India this year, recruiting from the country's top hospitality and catering institutions (see image below). We selected 24 people to start their careers with us in this way and expect to recruit significantly more graduates next year.



ENGAGING OUR PEOPLE

We undertake a number of well-established initiatives in our markets which helps us to monitor the level of engagement and respond to our people's needs.

In 2018, we launched a project to gain a deeper understanding of our people's views, so we can further enhance our workplaces. Rather than embarking on the traditional attitude survey and questionnaire across all employees, we sought authentic insight through nearly 1,000 hours of face-to-face conversations, and over 200 hours of focus groups with different samples of employees. During these direct conversations, our colleagues told us that they value the camaraderie that comes from being part of a high-performing team, and that more focus on recognition, training and promotion were key to increasing their levels of engagement.

The insights gained from this research are helping us to define a new set of commitments for all our people, built on the foundations of our values. These will be introduced globally during 2019.

Recognition programmes are another way we aim to keep our people motivated and engaged. For example, in our UK business, we acknowledge and reward outstanding performance through our Be A Star employee recognition scheme and in the USA, we hold an annual awards banquet known as the Compass Night of Stars to celebrate Be A Star winners from across our North American business.

CREATING A DIVERSE AND INCLUSIVE ENVIRONMENT

We want people from every walk of life to feel welcome at Compass, to be able to be themselves, and to grow their career with us.

We are committed to diversity and inclusion and measure and report on the gender split of our workforce. Overall, women make up 57% of our total workforce and 30% of our senior leadership team (up from 28% last year). We have significantly increased the number of women represented on our Executive Board to 25% having been an all-male team just two years ago. We have a number of programmes in place aimed at supporting high-performing women to make it to the top. For example, our business in Japan has created a fast track programme for future leaders aimed at tackling a national skills shortage. Women were not well represented at the leadership level, so it was a priority to ensure potential female leaders were included. In the first year of the programme, 37% of the candidates were women and all have since achieved their first leadership role.

We celebrated International Women's Day at many of our sites in 2018 to acknowledge the contribution that women make and to champion women's rights. This included ceremonies to recognise successful women in our business, celebrating working mothers, and launching local strategic initiatives aimed at increasing female participation.

Creating an inclusive workplace is, however, about more than gender. We value all our people and know that we will be a better company if our workforce reflects the diversity of the clients and consumers that we serve and support in our local communities. Our passion for continuous improvement attracts great people with diverse backgrounds, talents and skills and we welcome the benefits that they bring to Compass through their differences. For example, in Australia we are committed to achieving positive, sustainable and capacity-building outcomes for Aboriginal and Torres Strait Islander peoples and, in Brazil, we partner with a community-based organisation that supports the independence of people with Down's Syndrome by training them to work in the catering industry.

PROTECTING HUMAN RIGHTS

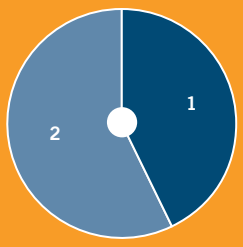
We are committed to ensuring that our employees are subject to fair working practices and are treated with respect. Within our business, the rights of our employees are respected by the implementation of our Human Rights Policy and Code of Ethics. Both are aligned to the principles of the United Nations Global Compact and the International Labour Organization core conventions.

We recognise the United Nations Guiding Principles on Business and Human Rights (UNGPs) as the basis for our approach to human rights in our direct operations and supply chains. We have identified a range of modern slavery issues that are relevant to our business. Some of these are geographical in nature, for example our focus on the Middle East, and others are thematic, such as the housing of workers. View our latest Modern Slavery Statement on our website: www.compass-group.com



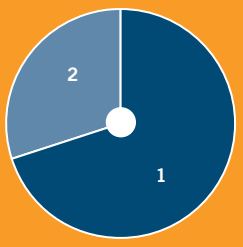
GENDER DIVERSITY

GLOBAL WORKFORCE



1 Male 43%
2 Female 57%
(2017: 45% and 55%)

SENIOR LEADERS



1 Male 70%
2 Female 30%
(2017: 72% and 28%)

Safety Culture

Safety is vitally important to us: we care about our people and consumers and work hard to prevent them from coming to any harm.

Relevant UN Sustainable Development Goals



SAFETY LEADERSHIP

We have a responsibility to protect our employees and aim to promote a culture of safety by leading from the top. Every time our leadership teams meet, safety is one of the first substantive items on the agenda.

The best example of the role of the leadership team in keeping people safe is in how we manage Lost Time Incidents. These are accidents which result in a member of the team having to take time off to recover. When one of these unfortunate events occurs, the leadership team aims to hold an immediate telephone conference so that the site manager can share the details and the team can agree and swiftly implement any required corrective action.

Sometimes good leadership is simply about keeping safety top of mind. In New Zealand, the leadership team take turns sending out daily safety messages. The aspiration is for these messages to be cascaded through the business, generating conversations about safety at every level and reinforcing how important it is. Another way this leadership team maintains safety focus is by visiting different sites regularly and taking the unit manager on a safety walk, checking safety procedures are being followed and above all engaging with all colleagues about their safety on site.



SHARING LEARNING

Where safety is concerned, learning never stops at Compass. We encourage an ethos where knowledge is shared and our people help one another to spot risks and stay safe.

In the Nordics, where a proportion of our business is offshore on oil rigs, there is an established and advanced focus on health and safety. Our team has brought that knowledge back on-shore to the remainder of the business in order to advance safety practices across all our Nordic sites. When a safety issue is identified, the business uses simple safety posters to highlight the correct behaviour in a direct, visual way that helps overcome language or educational barriers.

Another way that the Nordic business has helped to share knowledge is by creating a blame-free culture through its 'We Care' campaign that rewards people who speak up. Our people are encouraged to report it if they see something amiss, with the goal of keeping each other safe. The leadership uses the hashtag #proudabout to recognise employees who act on their concerns and say something. The 'We Care' message has been integrated into daily practice and all our people understand that they should go beyond compliance where safety is concerned.

SIMPLIFICATION

By focusing on simplification and the elimination of unnecessary bureaucracy, we are building a culture of safety that helps our people to work more efficiently and productively. We aim to reduce complexity in our processes and adopt practices that better suit the needs of our employees.

Food safety is a critically important issue for our industry. Having clear, simple processes that everyone can follow easily is key to getting it right. We know that our chefs want to buy seasonal products from their local communities but that it can be hard for these smaller scale producers to engage with our procurement system. It is essential that every supplier we buy from complies with our rigorous quality and safety standards. In Canada, we introduced new technology to simplify the process of adding smaller suppliers to our procurement database.

Driving is another area where the risks involved can be mitigated through simplification. In Kazakhstan, our team introduced the Blue Driver programme to build awareness of some of the easy steps our drivers can take to stay safe. We operate over 400 vehicles in the country including mini-buses, taxis and pick-up trucks and have taught our drivers the importance of wearing a seat-belt, braking slowly, and not speeding. In 2018, our people in Kazakhstan achieved the milestones of driving 100 million kilometres and working 50 million hours without a serious incident or injury.

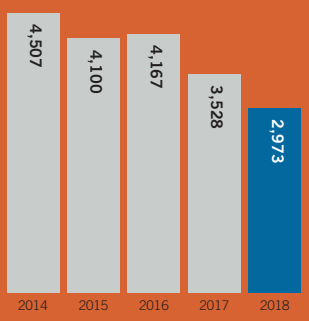




GLOBAL LOST TIME INCIDENTS

-34%

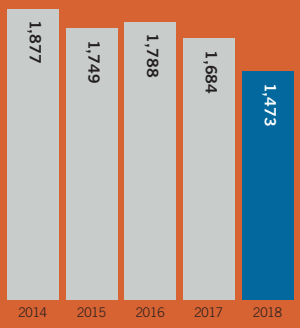
(since 2014)



GLOBAL FOOD SAFETY INCIDENTS

-22%

(since 2014)



Health and Wellbeing

What we choose to eat and drink is one of the biggest determinants of wellbeing. We aim to make a difference to people's health, happiness and productivity by supporting them to eat well and lead a healthy life.

Relevant UN Sustainable Development Goals



BETTER NUTRITION CHOICES

The world faces a nutrition problem: malnourishment remains prevalent while obesity rates continue to rise. Compass Group serves 15 million meals every day which puts us in a great position to lead the way in supporting consumers to be mindful of their consumption of salt, fat and sugar and increase their fruit and vegetable intake. We help consumers make healthier choices without compromising on quality or taste.

We aim to serve a healthy option at every meal in all our sites. Typically, this will be a meal containing fewer than 500 calories which provides at least one of your five-a-day and includes a wholegrain carbohydrate. In Germany, we have introduced Vitality Bowls, eight salad-based dishes that combine fruit and vegetables with proteins, healthy fats and carbohydrates. The dishes can be customised by consumers to suit their tastes and have proved very popular – consumption of salads has risen 10% since they were introduced.

Through reformulating our recipes, we can improve the nutrient profile of a dish without our consumers having to make any changes. In the UK, we have challenged ourselves to cut millions of calories by swapping ingredients for healthier alternatives. We changed our pesto supplier, opting for recipes which contained fewer calories. Since then, we estimate that our consumers have eaten 68 million fewer calories, without compromising on taste.

MENTAL HEALTH

Awareness of the importance of good mental health is increasing and we are taking steps to support the psychological wellbeing of our people and consumers. Through building awareness and creating encouraging workplaces, we aim to help our people to manage the normal stresses of life and enable them to be fulfilled and productive members of the team.

According to the Mental Health Foundation, one in six people will have experienced a common mental health problem in the past week. Given the large amount of time we spend at work, it is vitally important that we create environments which are understanding and supportive.

In Australia, we launched a mental health campaign called 'Got Your Back' which encourages people to manage their own mental health and to support their colleagues. By building awareness of the issue, we hope our people will feel able to ask for help and to support those around them. As part of the campaign, we produced a video sharing positive stories of people who have experienced mental health issues and did something to address it.

In the UK, we have signed the Time to Change pledge which is a movement that hopes to change how people think about mental health. Wellbeing ambassadors have been appointed across all sectors to help raise awareness of this important issue with both our own people and our consumers. In addition, our education business in the UK raises money for the mental health charity Young Minds.

In Canada, our Chartwells business has introduced 'Thinking Ahead, Giving Back', a social engagement strategy that aims to create an environment where business and social goals align. One of the ambitions of the programme is to create opportunities for young people to flourish and grow. We have committed to provide 10,000 hours of community support to help address issues facing the students we serve including mental health, depression and bullying.

chartwells
thinking ahead giving back

Beyond Chartwells Kitchen

#gotyourback

YOUNGMiNDS

time to change
let's end mental health discrimination

HEALTHY LIFESTYLE

A healthy lifestyle has many short term benefits and can add years to your life. We are dedicated to helping our consumers and employees adopt a balanced diet and make achievable lifestyle changes.

We are particularly passionate about helping young people learn about the importance of good nutrition and a healthy lifestyle. In Turkey, we created a series of cartoon superheroes based on different fruit and vegetables to excite children about the topic of nutrition. We provided schools with a pack containing infographic posters, cut-outs, brandings and stickers featuring the characters. The stickers are offered as a reward to children that choose to eat fruit and vegetables and have proved very popular.

In the UK, we have a team of chefs, nutritionists and food ambassadors who visit schools across the country to deliver engaging, educational sessions on diet, health and wellbeing. The programme is structured around six modules which cover topics such as physical wellbeing, mental health, food sustainability, and the importance of eating a well-balanced diet. The sessions are adapted for different age groups and are delivered as an all-day workshop or through shorter sessions spread throughout the school year.

In the Czech Republic, our team has launched a project focused on healthy cooking and eating. A collection of the nutritionally balanced recipes which are served in our sites has been shared via a blog, providing guidance and inspiration for people looking to make healthier choices.

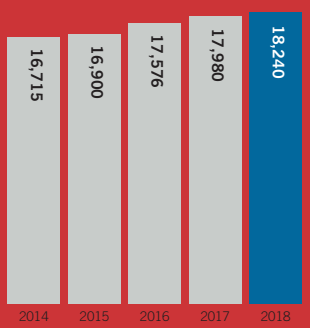




NUMBER OF SITES OFFERING HEALTHY EATING PROGRAMMES

+9%

(since 2014)



Of top 20 countries

Environmental Game Changers

As a leading food service business, we are targeting specific areas where we are able to make a significant positive impact on the food system and the environment.

Relevant UN Sustainable Development Goals



FOOD WASTE

Waste experts WRAP estimate that for every two tonnes of food we eat, a third tonne gets thrown away. As a food service business, we are well placed to help tackle this problem, whether by improving the efficiency of how we order and store food, making use of every bit of an ingredient in the kitchen, or repurposing unsold food into new dishes. We also work in partnership with local organisations that pass our surplus food on to people who need it.

To galvanise our teams around the world on this important issue, we created Stop Food Waste Day. The idea originated in our US business and, on 27 April 2018, 34 of our countries joined the movement including India, the UAE, Japan, France, UK, Germany and Argentina. A key aim of the day is to raise awareness of the issue of food waste and engage consumers in the challenge of reducing it. In the run up to the day in Turkey, our front of house teams lined food trays with paper mats displaying tips on how to reduce food waste. On the day itself, menu items were served in a variety of portion sizes to encourage consumers to think about how much they can really eat. The day after, we celebrated the success of the event by sharing information about the reduction in food waste with consumers.

Alongside such initiatives, we are exploring ways to divert food waste from landfill. Last year, we sent 3,500 tonnes of food waste from our UK sites for anaerobic digestion, where it was broken down to create biogas and nutrient-rich fertiliser. In the US, one of our businesses partnered with GrubTubs which turns food waste into animal feed by feeding scraps to beetle larva which, in turn, are matured and used as chicken and pig feed. Sites that provided food waste are invited to buy eggs laid by the chickens they helped to feed.

We occasionally have unwanted food that is still fit for human consumption and, in a number of markets, we have arranged for this surplus food to be shared with those in need. In Canada and the USA, individual sites have partnered with food banks or community-based projects that provide meals to vulnerable people. Our UK business donated 10 tonnes of food to FareShare this year as well as supporting Kitchen Social which helps tackle food insecurity in the school holidays. In the Czech Republic, we support an organisation that helps to feed school children from socially disadvantaged families.



34

OF OUR COUNTRIES JOINED THE MOVEMENT

SINGLE-USE PLASTICS

The food service industry relies on effective packaging to keep food safe and fresh and to get meals to consumers in perfect condition. However, we are addressing the industry-wide issue of single-use plastic. By redesigning our packaging and talking to our clients and consumers, we aim to rethink our use of disposable plastic items, ensuring more of them can be recycled or replacing them with reusable or biodegradable alternatives.

In the UK, we launched a guide to help our sites reduce their reliance on single-use plastics and make the switch to reusable solutions. During 2018, our UK business reduced its use of plastic straws by 2.6 million compared to 2017. We also replaced disposable items with metal cutlery and reusable cups.

We operate the restaurants at Google's Indian offices and have worked with them to implement a series of changes to reduce the use of disposable single-use plastic items at the site. We now serve water in carafes, helping to cut down on bottled water, and have swapped plastic plates and cups with washable dinnerware. Likewise, in China, our consumer brand DeliMarché completely eliminated disposable plastics and replaced them with more environmentally friendly alternatives. At the same time, we have been encouraging consumers to play their part by using reusable cups instead of disposable paper ones.

PLANT-FORWARD MEALS

Increasing numbers of consumers are choosing to eat less meat and embrace a plant-based diet that is better for their body and the planet. Our chefs have become agents of change as they rethink and develop great tasting, plant-forward menus that bring vegetables to the centre of the plate.

Our education and healthcare businesses in the USA continue to deliver the Food Forward Culinary Experience in partnership with the Humane Society. Chefs from both sectors received in-kitchen classes aimed at inspiring them to create delicious meals without using meat, eggs or dairy. They also learned the environmental and health benefits of doing so. In 2018, 3,200 chefs participated in the sessions, inspiring them to create vegetable-centric dishes for their clients. As a result, Chartwells Higher Education reduced the number of times they put beef on the menu each week and Morrisons Healthcare conducted a 21-day challenge at select hospitals to encourage the limited consumption of animal products.

Our Restaurant Associates business in the USA was inspired to create Not Junk Food, a brand of vegetarian fast-food style meals such as Buffalo Cauliflower nuggets and pulled 'pork' sandwiches made with jackfruit. Not Junk Food was awarded 'Best Menu' by Food Management magazine in 2018. The Fast Company recognised Compass Group USA as a whole as the Most Innovative Food Company because of our commitment to sustainable menus and food waste reduction.

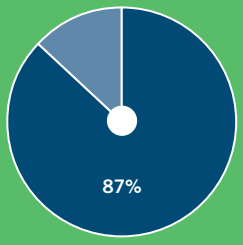
FAST COMPANY THE WORLD'S 50 MOST INNOVATIVE COMPANIES 2018

NJF NOT JUNK FOOD

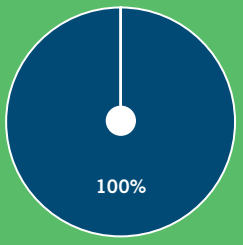


COUNTRIES OPERATING A FOOD WASTE REDUCTION PROGRAMME

COUNTRIES IMPLEMENTING 2017



COUNTRIES IMPLEMENTING 2018

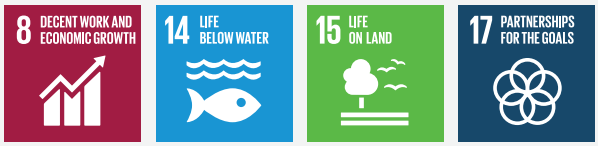


Of top 20 countries

Better for the World

Working with local communities and our own supply chains as well as global partners, we leverage our scale to make a positive contribution to the world.

Relevant UN Sustainable Development Goals



SOURCING RESPONSIBLY

We buy ingredients and products from all over the world. It is our goal to serve our consumers the best quality food from known sources and to make procurement choices that protect the environment and respect human rights. Our global supply chain integrity requirements ensure that we work with suppliers who share our values.

Protecting human rights

At Compass, we recognise our far-reaching influence on the people who help to produce our food. We have a duty to treat people fairly in our supply chains and are committed to eradicating modern slavery, human trafficking, and ending the exploitation of vulnerable people. We take a comprehensive approach with robust policies, risk-assessment programmes and employee training. This year, we are conducting a human rights risk assessment to strengthen our business. By training employees, we are able to spot the signs and support potential victims. In the UK, our e-learning programme for procurement teams has helped to raise awareness of the issue of slavery and human trafficking and is helping us to mitigate potential risks. By 2020, we are committed to extending this programme to our top 20 countries which, between them, account for over 80% of our global procurement spend.

Animal welfare

As part of our commitment to improving animal welfare throughout our global supply chain, we are collaborating with partners such as Compassion in World Farming, Humane Society International and The Humane League to help us continually improve our approach to animal welfare. All of our businesses around the world are aiming to source 100% cage-free shell eggs and liquid egg products by 2025. In 2018, 89% of shell eggs our USA business purchased were certified cage free.

Responsibly sourced seafood

We are buying more and more responsibly sourced fish in order to play our part in improving the health of our oceans. Our business in the USA has been dedicated to sourcing sustainable seafood for 16 years and, in the last financial year, 91% of seafood purchased was certified from sustainable sources. We also aim to raise awareness of the issue of over-fishing. During Responsible Fishing Week, our Eurest business in France ran a campaign in its 27 Marine Stewardship Council certified restaurants to encourage diners to choose responsibly sourced fish.



Addressing deforestation

Deforestation is another issue where we are working in partnership to find a solution. We are concerned about the negative impact that the production of palm oil and soy can have on the environment and local communities and are active members of the Roundtable on Sustainable Palm Oil (RSPO) and the Round Table for Responsible Soy (RTRS). We are aiming for all the palm oil used in our kitchens to prepare food to be 100% certified sustainable from physical sources by 2022.



RTRS

HUMANE SOCIETY INTERNATIONAL

GCAW
Global Coalition for Animal Welfare

CERTIFIED SUSTAINABLE PALM OIL ™
RSPO

ENRICHING LOCAL COMMUNITIES

Our success depends on the support and inclusion of the vibrant local communities which surround us. We aim to give back by getting involved with community projects and initiatives which benefit the local area.

In Canada, our education business Chartwells has partnered with a charity called WE to achieve a goal of donating one million meals to communities in the least affluent parts of the world. Every lunch time in over 600 schools across the country, we promote a dish as the 'WE Special'. By purchasing it, students contribute 25 cents to the WE movement, helping them to deliver tangible change by supporting communities to build up their food security. An online system allows the students to track their positive impact and follow the community they are supporting.

In the Netherlands, we have collaborated with an organisation called Made Blue which provides clean drinking water to communities in Senegal and Ethiopia. Every one litre of water that is sold in a Compass restaurant helps to generate two litres of clean, fresh water in these countries. In the last year, our Dutch sites have helped to provide over 15 million litres of water.



COLLABORATING FOR BIG CHANGE

As a global business, we recognise the critical importance of working in partnership with our clients, suppliers and other stakeholders to improve the positive contribution that we can make to help address some of the biggest issues facing all of us and the planet.

Whether it is tackling hunger by donating surplus food through charities like FareShare, developing our people to fulfill their potential or sourcing more sustainable products through not-for-profit trade associations, we could not achieve our goals without the support of our clients and suppliers, and the many excellent external organisations with whom we work.

As the biggest player in our industry we have the ability and expertise to help shape positive change on food focused issues. One example is the Global Coalition for Animal Welfare (GCAW) which we founded with seven other major companies including Unilever and Nestlé. We work together to improve animal welfare standards at scale and to meet consumer demand for food products from animals reared in systems that promote good welfare.



FareShare community food network

MADE BLUE

WE

Sustainable Development Goals

We support the United Nations' Sustainable Development Goals (SDGs) which were agreed by world leaders in September 2015.

The 17 goals are designed to help deliver the 2030 vision for a more sustainable planet. For the goals to be achieved, everyone needs to play their part, including businesses like ours. We have identified eight goals where we believe we can make the most positive social impact:

SDG		Commitments	Example
	**Zero Hunger**	Every year, we spend around £6 billion on food. Where we have surplus food, we can play a role in helping the wider community to tackle food insecurity.	In a number of markets, we have arranged for surplus food to be shared via food banks or community-based projects that provide meals to people in need. Our UK business donated 10 tonnes of food to FareShare this year.
	**Good Health and Well-Being**	Each year, we serve over five and a half billion meals. By pursuing our passion for wellbeing and nutrition, we are committed to helping our consumers and employees adopt a more balanced lifestyle.	In addition to our aim of serving a healthy option at every meal in all our sites, we explore ways to entice consumers to eat a balanced diet through new product development and engaging communications. In Turkey, we created a series of fun characters based on different fruit and vegetables to encourage children to eat more healthily.
	**Gender Equality**	Women make up 57% of our global workforce and 30% of our global leadership team. We are resolved to empower all our female employees as we know this leads to increases in productivity, organisational effectiveness and consumer satisfaction.	Developing talent from within is a key part of the Compass approach and ensuring equal access for all to development programmes is key. Our business in Japan developed a fast track programme for future leaders and 37% of the candidates in the first year were women; within 12 months, they had all taken on their first leadership role.
	**Decent Work and Economic Growth**	Our people are fundamental to our great service and reputation. Around the world we are working with local communities to offer fair employment and great career opportunities.	As well as providing stable, fairly paid employment, we offer on-the-job training and a variety of development opportunities in every market where we operate. Our business in India recently launched a graduate trainee programme which aims to bring new talent into the business and prepare them to take on leadership positions.

SDG		Commitments	Example
	**Responsible Consumption and Production**	Food waste is a significant issue for the hospitality industry. As part of our commitment to source, use and dispose of food in a sustainable way, we are continually looking to reduce waste throughout our business.	Our ambition is that all our sites operate a food waste reduction programme. In some markets we have introduced technology solutions to help us monitor and manage food waste. In April 2018, 34 of our markets marked Stop Food Waste Day to raise awareness of the issue of food waste and engage consumers in the challenge of reducing it.
	**Life below Water**	Three words encapsulate our approach to sustainable seafood: (1) Avoid: by not serving seafood on the Marine Stewardship Council's (MSC) 'fish to avoid' list; (2) Improve: by buying more certified sustainable seafood each year; (3) Promote: the availability of responsibly sourced fish to our consumers.	For over 16 years, our business in the USA has been dedicated to sourcing sustainable seafood and improving the health of our oceans. It purchased 4,500* tonnes of responsibly sourced seafood in the last financial year.
	**Life on Land**	We are working across our global supply chain to ensure we source our food and non-food products in a sustainable manner with the least possible impact on the environment.	We are concerned about the negative impact that the production of palm oil and soy can have on the environment and local communities and actively support the Roundtable on Sustainable Palm Oil (RSPO) and the Round Table for Responsible Soy (RTRS).
	**Partnerships for Goals**	As a global business, we recognise the critical importance of working in partnership with our clients, suppliers and other stakeholders to improve the positive contribution that we can make to help address some of the biggest issues that we all face in the 21st century.	We are co-founders of the Global Coalition for Animal Welfare, an initiative that unites major companies and animal welfare experts in improving animal welfare standards at scale and in meeting consumer demand for food products from animals reared in systems that promote good animal welfare.

* This has been recalculated since publishing our 2018 Annual Report.

Our Performance

As we embed our refreshed sustainability strategy across the business, we will be communicating our progress and working towards specific goals in a number of these priority areas.

	2016-2017	2017-2018
PEOPLE		
DEVELOPING OUR PEOPLE		
Improvement in employee retention rate		
• Total employees	N/A new for 2018	0%
• Management	N/A new for 2018	-2%
• Unit management	N/A new for 2018	2%
Number of graduates hired and tracked across the global business	N/A new for 2018	1,000
Global operational leadership team roles appointed internally, % of total	67%	77%
ENGAGING OUR PEOPLE		
Total number of cases reported by employees globally, via Speak Up	3,679	4,351
Hours of employee insight focus groups and conversations	N/A	1,200
CREATING A DIVERSE AND INCLUSIVE ENVIRONMENT		
Female representation in the global workforce, % of total	55%	57%
Women holding global leadership team positions, % of total	28%	30%
Management positions held by women, % of total	40%	42%
SAFETY		
Global lost time incident frequency rate (GLTIFR)	3.67	3.15
Total number of lost time incidents (LTI)	3,528	2,973
Global total recordable incident frequency rate (GTRIFR)	9.96	8.55
Total number of recordable incidents (TRIs)	9,573	8,263
Global food safety incident rate (FSIR)	0.31	0.24
Total number of food incidents (FIs)	1,684	1,473
Motor vehicle collision rate (MVCR)	N/A new for 2018	3.64
HEALTH AND WELLBEING		
Of top 20 countries, the number of units providing the Balanced Choices nutrition programme or equivalent	17,980	18,240
Of top 20 countries, those operating a sugar, salt and fat reduction programme	100%	100%

	2016-2017	2017-2018
ENVIRONMENT		
FOOD WASTE		
Of top 20 countries, those with a waste reduction programme in place	87%	100%
Of top 20 countries, reduction in food waste (in weight)		New for 2019
PLANT-FORWARD MEALS		
Of top 20 countries, carbon emissions of animal products (tCO_2)		New for 2019
Of top 20 countries, spend on fruit and vegetables of total spend (%)		New for 2019
SINGLE-USE PLASTICS		
Of top 20 countries, reduction in use of single-use plastic items (in weight)		New for 2019
GREENHOUSE GAS EMISSIONS		
Reduction in GHG emissions intensity since 2014		14%

Global GHG Emissions for the period 1 October 2017 to 30 September 2018	Unit	2017-2018 Current reporting year	2016-2017 Comparison year
Combustion of fuel & operation of facilities (Scope 1)	Tonnes (t) CO_2e	**129,516**	128,154
Electricity, heat, steam and cooling purchased for own use (Scope 2 – location based)	tCO_2e	**8,095**	8,376
Total Scope 1+2	tCO_2e	**137,611**	136,530
Emissions intensity per £M revenue	tCO_2e/£M	**6.3**	6.0

We have calculated our Scope 1 and 2 GHG emissions since 2008 and aim to improve the scope and accuracy of our reporting each year. We have established an organisational boundary, reporting on emissions originating from our top 20 countries, accounting for 94% of Group activity by revenue. Our GHG emissions calculations are based on the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and exclude laundries, CPUs and warehouses. Applying an operational control approach, we have identified relevant activity data for Scope 1 and 2 emissions and have used the location based Scope 2 calculation method.

BETTER FOR THE WORLD		
RESPONSIBLE SOURCING		
Of top 20 countries, those adopting our global Supply Chain Integrity Standards	85%	90%
Of top 20 countries, those with programmes to support ethically traded, certified sustainable or locally sourced products	90%	100%
Certified sustainable palm oil from physical sources used in our kitchens to prepare food, % of total		36%
Performance in Business Benchmark on Farm Animal Welfare	Tier 4 (2016)	Tier 3 (2017)
Of top 20 countries, eggs purchased that are sourced as cage free, of total eggs purchased		
• Shell eggs	N/A	33%
• Liquid eggs	N/A	15%

COMPASS
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