

Sodexo USA



# A Better Tomorrow 2021

## Sustainability & Corporate Social Responsibility Report

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### **About This Report**

“A Better Tomorrow: 2021 Sustainability and Corporate Social Responsibility Report” covers Sodexo USA during the fiscal year 2021 (September 2020 to August 2021). Our Key Performance Indicators (KPIs) are reported from June 2020 to May 2021 and cover our On-Site Services, excluding Employee Benefits & Rewards, Home Services and Entegra. We are committed to enhancing our reporting every year and this year we provide more detail on our KPIs.

To learn more about [Sodexo Group’s Corporate Responsibility](#) activities in 2021, we invite you to view our global integrated report.

### **Data Assurance**

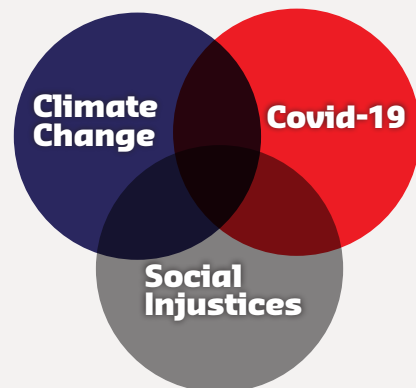
To ensure transparency, the indicators in this report have been audited by an independent third-party. Sodexo USA On-Site Services underwent a third-party audit as part of the verification for the fiscal year 2021 regarding the Non-Financial Reporting Directive of Sodexo Group, conducted by KPMG. The figures that were reviewed in the audit with limited assurance are labeled with a # and the indicators verified with a reasonable level of assurance (highest level possible) are labeled with an \* in this document.

### **Additional Information**

We invite you to view more details on our CSR and Sustainability approach and examples of how we live our CSR commitments every day on [our website](#).

# A Better Tomorrow

In 2021, we faced a triple pandemic of Covid-19, structural racism and climate change. Each of these threats and their implications are devastating on their own. As interrelated challenges, they negatively impact Black, Indigenous and People of Color (BIPOC) communities in impoverished areas at higher rates than others. Combined, they may seem like too much to overcome.



We know a better tomorrow is possible, but it depends on the choices we make and actions we take today. We look for solutions in crises. Sustainable, responsible choices are what we're about and have been since our founding in 1966. That's why we're optimistic about tomorrow.



## Who we are

Pierre Bellon founded Sodexo Group as a family-owned company in France in 1966. We are still majority family-owned and headquartered in France.

We have operated Sodexo USA since 1971, with U.S. headquarters in Gaithersburg, Maryland. Sodexo USA has 125,000 employees at 10,000 sites across all 50 states. We are a leading provider of integrated food, facilities management and other services for millions of customers in corporate, education, healthcare, senior living, sports and leisure, government, energy and other environments.

As a result, Sodexo is woven into the fabric of every aspect of everyday life. We feed and clean. We heat and cool. We help keep you healthy and safe. We are a tangible part of everyday life for young and old, workers and students, patients and healthcare providers, players and fans.

Wherever we work, our dedication to building a better tomorrow for people and organizations comes from our mission: improve the quality of life of our employees and those we serve, and contribute to the economic, social, and environmental development of the communities, regions and countries in which we operate.

# Better Tomorrow 2025

Better Tomorrow 2025, led by Sodexo Group, provides a global, company-wide direction on sustainability and is our global CSR strategy. This roadmap outlines nine commitments we made to leverage our interconnected roles as an Employer, a Service Provider and a Corporate Citizen to achieve positive impact on individuals, communities and the environment. The Better Tomorrow 2025 strategy informs the Sodexo USA approach to CSR and sustainability.

Our 9 Commitments & Objectives			
	Our Impact On Individuals 	Our Impact On Communities 	Our Impact On The Environment 
<b>Our Role As An Employer</b> 	Improve the Quality of Life of our employees, safely  <b>80% Employee Engagement Rate in the U.S.</b>	Ensure a diverse workforce and inclusive culture that reflects and enriches communities we serve  <b>100% of our segments have gender balanced management teams in the U.S.</b>	Foster a culture of environmental responsibility within our workforce and workspaces  <b>100% of our employees are trained on sustainable practices in the U.S.</b>
<b>Our Role As A Service Provider</b> 	Provide and encourage our consumers to access healthy lifestyle choices  <b>100% of our consumers are offered healthy lifestyle options everyday in the U.S.</b>	Promote local development, fair, inclusive and sustainable business practices  <b>25% of spend on small- and medium- enterprises (SMEs) in the U.S.</b>	Source responsibly and provide management services that reduce carbon emissions  <b>34% reduction of carbon emissions in the U.S.</b>
<b>Our Role As A Corporate Citizen</b> 	Act sustainably for a hunger-free world  <b>3.6 million annual Stop Hunger beneficiaries in the U.S.</b>	Drive diversity and inclusion as a catalyst for societal change  <b>Empower women in communities in the U.S.</b>	Champion sustainable resource usage  <b>50% reduction in our food waste in the U.S.</b>

Key: ■ Global commitment ■ US objective

# Leadership Messages to Our Readers

## Mia Mends

*Global Chief Diversity, Equity & Inclusion Officer and CEO, Impact Ventures*

When I reflect on 2021, three words come to mind: challenge, courage and consequence.

**The challenge is obvious.** Not only did our communities battle the physical costs of the Covid-19 pandemic but we were also tested by the mental and emotional toll it has taken. Not only did we see the tangible repercussions of systemic discrimination, but we also saw the intense backlash from those demanding change. Not only did the world fail to mitigate the climate crisis, we saw record temperatures and destructive storms. In fact, many of our colleagues experienced those consequences firsthand when Hurricane Ida ripped through their communities this year.

Sodexo's 2025 commitment to reduce by 34% the carbon emissions that are fueling the climate crisis is one way we're facing these challenges head-on. I am especially proud of our 44% reduction of direct carbon emissions and emissions in our supply chain. We recognize the Covid-19 shutdowns helped this year's acceleration, yet we know we're well on the way to maintaining long-term reductions.

**Our employees demonstrated courage to stand with our communities.** From our frontline employees who continued to show up and carry on the innovative problem-solving they started when the pandemic hit in 2020, to our company's advocacy against threats to voting rights and violence toward our Asian-American Pacific Islander community, and our generous colleagues who contributed to the Sodexo employee disaster relief fund, our Sodexo community led with courage.

More than 11,000 Sodexo employees volunteered throughout the pandemic during 2021 to further the mission of the Sodexo Stop Hunger Foundation which is expanding its attention to address the underlying issues that cause food insecurity, including protecting social safety nets and empowering women.

**The consequences of inaction have become all too real for all of us.** If we want to ensure an equitable, just and vibrant world for future generations, the time is up for us to act on the triple threat of pandemic, systemic racism and climate change. We are compelled to act inclusively. I am proud of what Sodexo has achieved this past year. But we can and must do better. We are doing this by: formally training every one of our thousands of employees in sustainable practices; reducing food waste at the source and through recovery, and ending gender imbalance in every business segment.

We are a Quality of Life company, and our efforts must continue to set the tone. Most important, our communities, our children and our entire planet deserve continued progress toward a better tomorrow.



*Pictured here: Mia Mends (center), honoring the Stop Hunger Foundation Stephen J. Brady Scholars of 2021.*

## Jessica Synkoski

*Vice President of Sustainability and Corporate Social Responsibility for Sodexo in North America*



At Sodexo USA, our aim is to act with intention to restore and improve quality of life through what we do and how we do it. That means finding sustainable solutions at the intersection of social and environmental issues where we can have the most impact—all in partnership with our clients, suppliers and allies.

Good partnerships require trust and trust thrives on transparency. Our sustainability reporting reflects our interest in providing more transparency of the progress and the challenges to sustainable outcomes. Being open about difficulties and sharing ideas on successes is a key component in our approach to being an advocate and an ally for the societal and environmental issues we face.

Our employees are working side-by-side with our clients and consumers every day to implement CSR solutions and bring to life these approaches in responsible, sustainable ways. We hope their stories in this report inspire your own sustainability journeys.

# A Better Tomorrow Takes Everyone: How We Work with Stakeholders

We engage stakeholders to inform and influence our actions, extend our impact and hold us accountable. Here's how we do it.

## We align to Global Frameworks

In 2015, the United Nations adopted the Sustainable Development Goals (SDGs). These 17 goals are a universal call to action to end poverty, protect our planet, and ensure that by 2030 all people enjoy peace and prosperity. While these goals primarily define and drive government action, we all have a role to play to make the world more equitable, fair and sustainable.

That's why we use this framework to inform how we fulfill our Better Tomorrow 2025 commitments. Our commitments are interdependent, recognizing that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

## We collaborate on Our Focus

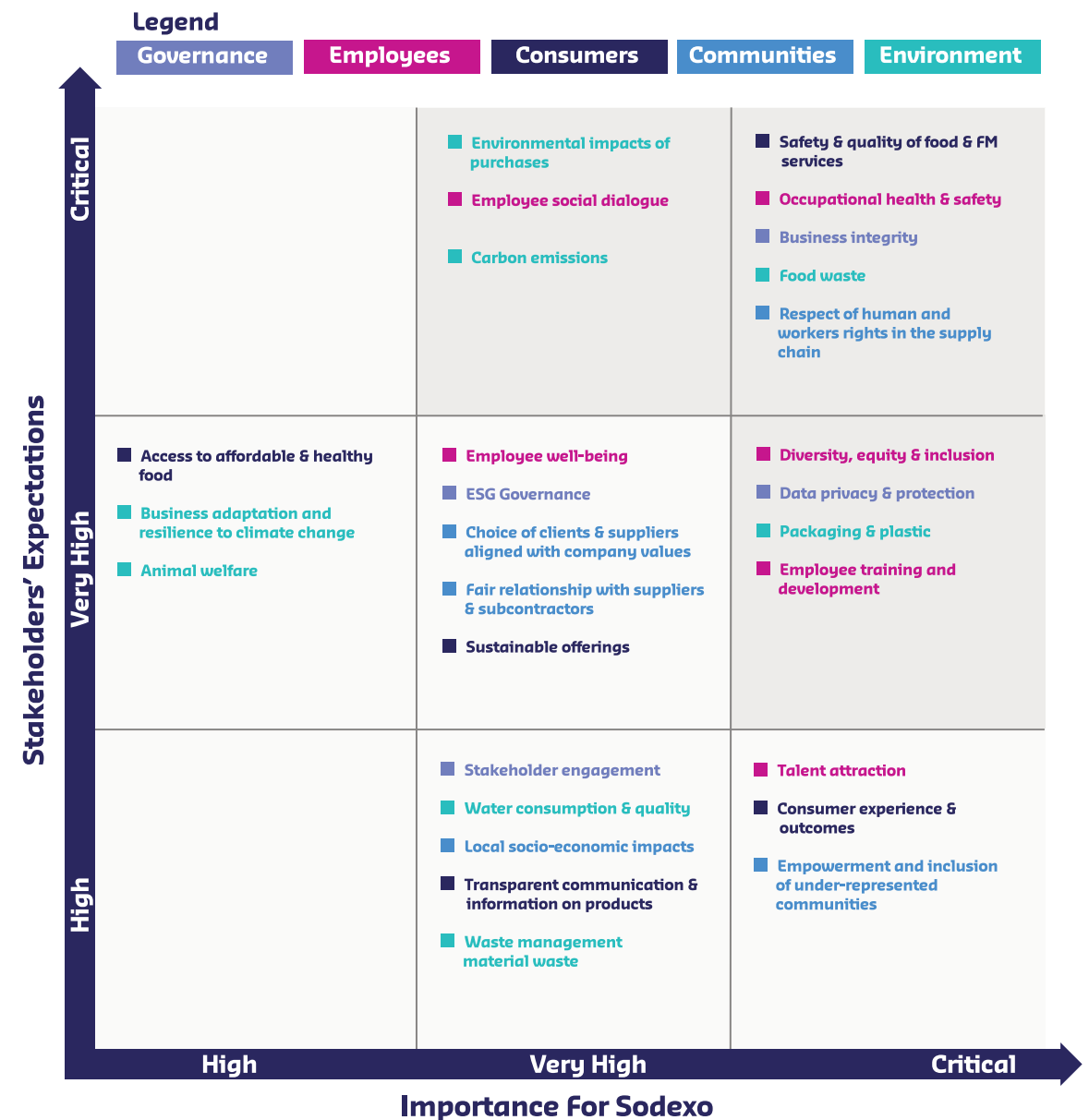
Our **materiality matrix** shows the way. Through **interviews and surveys with employees, clients, suppliers and non-governmental organizations (NGOs)**, we identified and ranked nearly 30 issues according to our *impact on them and their impact on our business*.

In 2021, we conducted our third materiality assessment and, for the first time, analyzed stakeholders and insights for the North American region. We learned that our top North American impacts were consistent with global findings. Despite the current societal and environmental crises, stakeholders did not propose changes to our nine commitments.

We also learned that North America demands more emphasis on social matters, such as empowerment and inclusion of underrepresented communities. We're using these results to tailor our approach to Sustainability and CSR in North America, specifically highlighting the social impacts of our efforts across each of our nine commitments.

These learnings reinforce our Better Tomorrow 2025 roadmap and establish that we're on the right track.

## North American Materiality Matrix



## We engage Employees: Governance

To support good governance of our sustainability practices and processes, we engage our employees at all levels of the company. Our Better Tomorrow Leadership Committee comprises members from directors to presidents in every business segment and key function. It meets quarterly to advise on the Sustainability and CSR strategy for the North American region.

In addition, our Sustainability Community of Practice is open to all employees. This voluntary engagement group comes together to share best practices and solve challenges for implementing our Better Tomorrow roadmap.

Employee participation is essential for both putting our Sustainability & CSR plans into action and providing valuable feedback on our performance.



## Recognition

**Dow Jones Sustainability World Index (DJSI) -**

Member of

**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

Top Rated Company:  
In 2020, Sodexo Group shared the highest score for Restaurants & Leisure Facilities on the DJSI for the 16th consecutive year. Sodexo had the highest scores in the Environmental and the Social dimensions and ranked second in the Economic and Governance dimensions.

**EcoVadis - Platinum:** EcoVadis is a collaborative platform used to evaluate Corporate Responsibility performance. The assessment covers Environment, Labor & Human Rights, Ethics and Sustainable Procurement dimensions. In 2020, Sodexo Group was awarded with a platinum rating, placing us in the top 1% of companies.



**FTSE4Good Index - Constituent:** Sodexo Group was a constituent of the FTSE4Good Index following the June 2020 review. The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices.






**FTSE4Good**

# A Better Tomorrow For *Individuals*

## Our Impact On Individuals

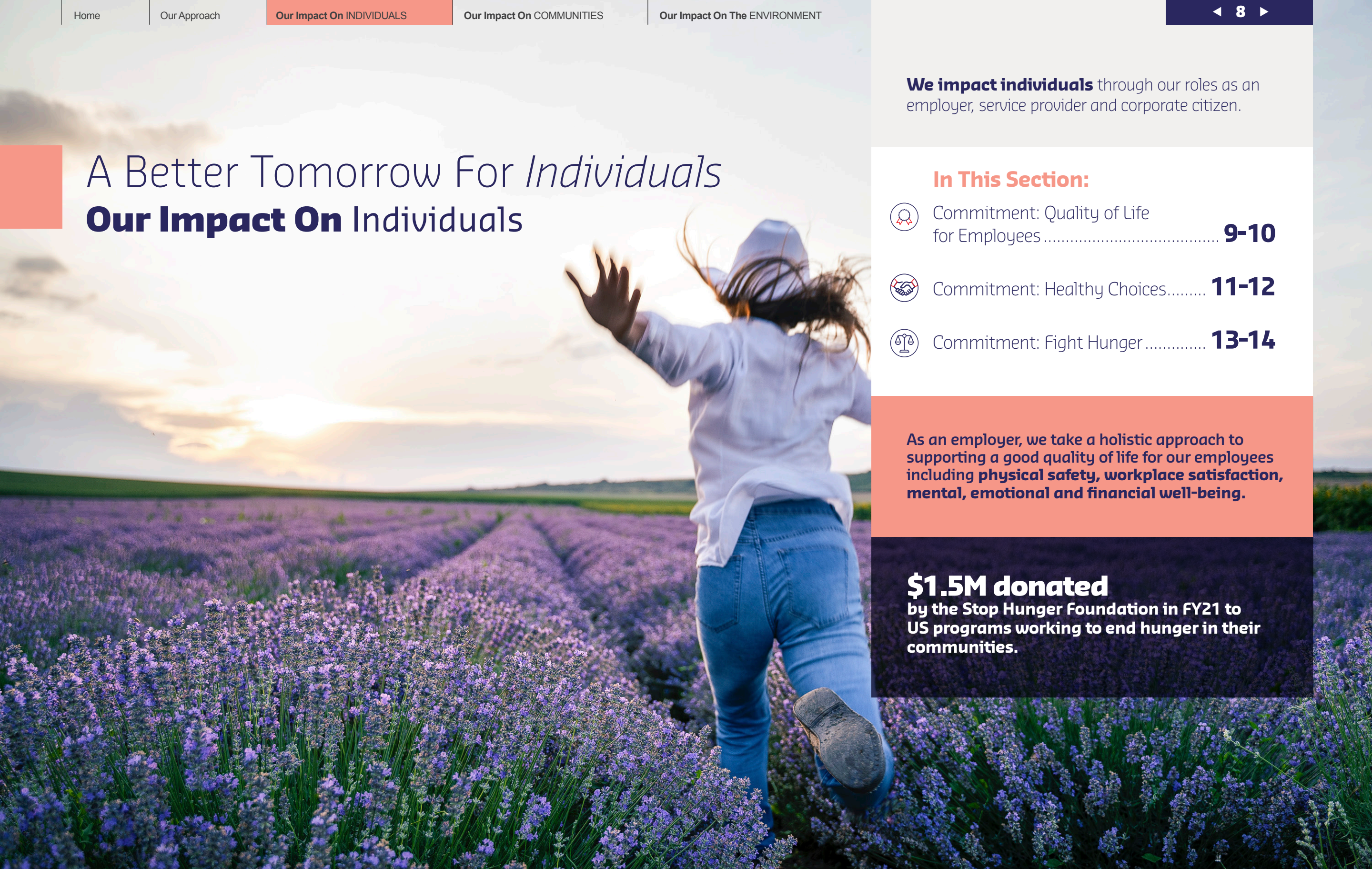
**We impact individuals** through our roles as an employer, service provider and corporate citizen.

### In This Section:

-  Commitment: Quality of Life for Employees ..... **9-10**
-  Commitment: Healthy Choices..... **11-12**
-  Commitment: Fight Hunger..... **13-14**

As an employer, we take a holistic approach to supporting a good quality of life for our employees including **physical safety, workplace satisfaction, mental, emotional and financial well-being.**

**\$1.5M donated** by the Stop Hunger Foundation in FY21 to US programs working to end hunger in their communities.







## Our Role As An Employer

# Quality of Life for Employees

### Overview

We are committed to **improve the quality of life for employees.**

It's our duty to provide a sound, positive and safe working environment for our employees; we must ensure the health and safety of workers through adequate protection. At its best, a sound working environment includes:

- ✓ A zero-harm culture
- ✓ Pleasant and adapted physical environment
- ✓ Protection from harassment
- ✓ New ways of working, such as flexible time and promoting work-life balance
- ✓ Employee access to financial well-being

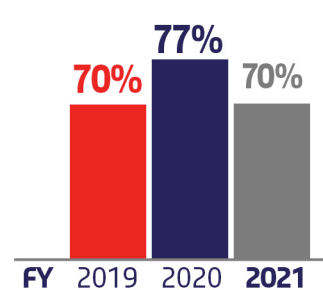
### Why This Matters

Healthy, safe work environment policies and practices are key to engagement, innovation, employee retention and customer service.

Sodexo directly manages full-time employees, part-time employees and subcontractors within the U.S. Our employees work in a wide variety of environments (industrial, kitchens, logistics, service, etc.), which means a wide variety of health and safety conditions.

An employee's health, safety and well-being cannot be isolated to the job site. We also understand and care about the ongoing trend in mental health concerns and need for financial well-being.

2025 Target  
**Our target is an 80% employee engagement rate by 2025.**



### Overall US Employee Engagement Rate\*

Employee engagement rate as a % of survey respondents. 41% of US population participated in FY21.

### VOICE Highlight



#### CSR Engagement Rate#:

**74%,**  
down 4 points  
from 2020

- I feel Sodexo is committed to being a socially and environmentally responsible organization.

#### Diversity & Inclusion#:

**80%,**  
up 9 points from 2020

- I feel Sodexo values diversity (e.g. age, gender, ethnicity, religion, sexual orientation, physical or mental abilities) in the workplace.

### How We Measure

Engagement, rooted in well-being, is fundamental to business outcomes. We know that we can only deliver a meaningful Sodexo experience to our clients and customers when our employees are engaged.

We measure employee engagement annually through Voice, our global engagement survey that focuses on nine themes:

1. Meaning
2. Autonomy
3. Growth
4. Impact
5. Connection
6. Diversity & Inclusion
7. Corporate Social Responsibility
8. Ethics
9. Happiness

This survey helps us better understand how our employees are feeling, what keeps them motivated, and what improvements could make Sodexo a better place to work.



Kevin is a visually and hearing impaired team member at San Diego's Marine Corps Recruit Depot.

“Working for Sodexo is my dream job and this will be my lifetime career. I love the fact that Sodexo is really open to their employees working in different venues, like hospitals and military bases, and that they have contacts throughout the world. I'm done. This is my place.”

- Kevin Tong, Level 2 Cook

## Key performance indicator

**Lost-time Incident Rate (LTIR)\***

**0.58 LTIR, down from 0.76 in FY20**

*Number of lost time injuries divided by the total number of hours worked from 9/2020 to 8/2021.*

## Our Commitment in Action

Spotlight:

### Mental Health

The Covid-19 pandemic created physical and mental health challenges for essential workers, including many Sodexo employees, who show up to serve in critical industries. 2021 elevated the need for mental health awareness and de-stigmatizing mental health in the workplace. We added two new measures to this year's employee Voice survey as part of our increased focus on employee mental health and sense of purpose. Results revealed the need to do more. As a step forward, in October 2021, we launched a new mental health and well-being portal to assist employees with training and resources for care.

**69%** My manager enables me to thrive and be fulfilled at work.

**62%** I feel my mental and physical well-being are supported by the organization.

“

The more psychologically safe workplace you can build with employees, the more physically safe workplace you'll have. When employees feel valued and know they can speak openly and frankly about their safety concerns without being judged or made fun of, that's what you want as a safety manager.

- Liz Masi, Unit Safety Manager,  
Sodexo | Corporate Services  
Sanofi Account”



## Our Commitment in Action

The International Organization for Standardization (ISO) standard for management systems of occupational health and safety is ISO 45001. Our North America Health & Safety Management System has been certified to this respected standard by an independent third party and it enables Sodexo to achieve its commitment to protect employees, clients, and customers from work-related accidents and diseases, including protecting physical and mental health.



## Our Role As A Service Provider

# Healthy Choices

### Overview

We are committed to providing and encouraging our consumers access to healthy lifestyle choices, including **balanced and nutritious eating**. Specifically, that means eating more fruits and vegetables, legumes, whole grains and dried fruits, as well as less salt, sugar, and fat. Increasingly, a healthy lifestyle also includes **plant-based culinary options**.

It's hard to make a healthy choice if they are not **affordable, available or high quality**. We specifically address these **three important barriers** influencing healthy dietary behaviors in our client services.

### Why This Matters

We have a responsibility to offer healthy products and help consumers choose healthy eating options.

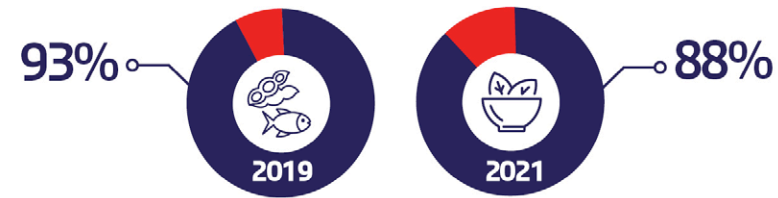
To ensure customer satisfaction, we must anticipate and respond to evolving customer expectations, including access to healthy lifestyle choices. We serve millions of consumers each day in the U.S. and 33% of U.S. consumers are actively trying to eat more plant-based foods.

Conditions of how and where people live, learn, eat and play affect a wide range of health risks and outcomes. These conditions are known as social determinants of health. Addressing these determinants advance health equity.

2025 Target

**100% of our consumers are offered healthy lifestyle options every day.**

Percent of U.S. sites offering healthy lifestyle choices.<sup>1</sup>



<sup>1</sup> This is calculated using 12 questions around offering and promoting healthy options to our guests including access to dairy alternatives, seafood on a regular basis and whole grain options. Sodexo's Mindful approach embodies these healthy principles and is the way we most often promote these ideals to our consumers. N/A 2020 (not measured due to COVID-19 interruptions)

### Our Commitment in Action

Spotlight:

#### Dietitians Address Food Insecurity During Covid-19

Patient nutrition is integral to a patient's care plan – both during and after a hospital stay. Anticipating food insecurity needs in patient populations is a key role for clinical dietitians in the health system. Food insecurity consistently leads to increased susceptibility to chronic conditions, impaired outcomes and declining overall health.

But when patients are challenged with access to nutritious food, how can care providers help?

Sodexo Dietitians at Tallahassee Memorial Hospital have one answer. During the Covid-19 pandemic, they

launched a program to address food insecurity concerns. The program assigns predetermined patients access to Dietitians, then provides emergency food kits, resources and assistance once discharged.

As part of the program, all patients are screened for food insecurity at admission using the Hunger Vital Signs™ two-question screening tool. If patients are identified as food insecure, a trigger is sent to the Registered Dietitians and the patient is offered an emergency food kit.

This kit also includes local and federal food assistance resources and a recipe book to help patients use food provided once discharged to help maintain a balanced diet. The team determines how food will be sourced and how much food to include.

### How We Measure

There can be various measures for healthy lifestyle choices. People have different nutritional needs and motivators to make a behavior change. In addition to the main metric shown here, we also review evolving health trends. For example, we measure the percentage of plant-based and vegan menu options we offer. See more about how we motivate consumer choices in the [Carbon Reduction section](#) on our webpage.

We also measure the number of registered dietitians we employ; this tells us whether we have enough experts for our clients to rely on when developing healthy lifestyle selections.

**Sodexo employs 2,060 registered dietitians in the US. We are the largest private employer of Registered Dietitians in the U.S.**

## Spotlight:

### Healthy + Climate-Friendly = Craveable & Delicious with Sodexo Future Food Collective

One of Sodexo's core values is to keep clients and guests at the center of everything we do. This means anticipating what our guests need before they realize it and striving to incorporate the industry's best practices into our offerings. It's that philosophy that led to the creation of Sodexo Future Food Collective. Launched in November 2020, this initiative brings together experts from the food industry to carry out research and work with our chefs on topics such as health and wellness, plant-based innovation and new cooking methods. Through data and insights, the Sodexo Future Food Collective ensures we continue to deliver the most relevant and balanced food solutions that reduce carbon impacts via plant-based options.



**FOOD FOR  
CLIMATE  
LEAGUE**

Partners include the Food for Climate League, a non-profit organization dedicated to making sustainable eating more accessible, Unilever, Kerry and the Alaska Seafood Marketing Institute.

“ **As an organization focused on making sustainable eating approachable, relevant and exciting for all people, Food for Climate League is thrilled Sodexo is taking this leadership role as a convener with the power to scale solutions for substantive change.** ”

- Eve Turow-Paul, Executive Director of the [Food for Climate League](#)



## Spotlight:

### Spreading the Health

Hannah Alvarez is the Executive Chef for Sodexo's restaurants at a 16-hospital healthcare system in Toledo, Ohio, where she is well-known for her community outreach programs, such as Kids in the Kitchen. This program teaches children about food, where it comes from and how to cook with it. Hannah plants, tends and harvests vegetables with her students and then makes fresh, kid-friendly dishes from the ingredients. Hannah recently adapted Kids in the Kitchen for the pediatric oncology unit, where young patients break up the wait during chemotherapy by making fun, healthy food. Hannah's latest project, cooking with a Chef, took off during the pandemic. At the hospital, she put together grocery boxes for members of the community and hosted online cooking shows.



**It makes cooking fun, teaches people how to make simple, healthy meals — all for under \$10 per meal for a family of four, which is more critical than ever during these uncertain times. Through these online shows, we are able to reach out to the community in a way that is safe and meaningful. Our recipes focus on a different theme each month — for example diabetes-friendly meals.** ”

- Hannah Alvarez, Executive Chef



## Our Role As A Corporate Citizen

# Fight Hunger

### Overview

**We are committed to fighting hunger and malnutrition.** Inadequate access to healthy food is a significant challenge for millions of Americans. For too many, healthy food is not affordable or available.

As a leader in the food service and facilities management industries, we are part of everyday life in thousands of communities across the U.S. We can use our skills, expertise, leadership and resources to address the problem of persistent hunger in America.

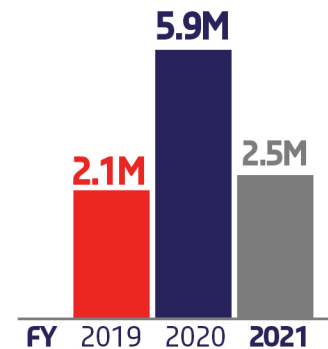
In 1996, we created our Stop Hunger initiative which led to the **Sodexo Stop Hunger Foundation**, a not-for-profit organization launched in 1999. The foundation ensures that every child in the U.S. grows up with dependable access to enough nutritious food to enable them to lead a healthy, productive life.

### Why This Matters

Our employees see hunger up close in the places we operate, especially among K-12 and university students. We work to reduce food waste, ([see Sustainable Resource Usage section](#)), increase food donations and increase nutritional menu items.

2025 Target

**3.6 million Stop Hunger beneficiaries annually**



### Meeting people's urgent needs in the US

Number of direct beneficiaries from the Stop Hunger program (in millions) from 9/2020 to 8/2021.#

### Spotlight:

#### Beyond Food Aid

What a child eats is a building block for healthy development and well-being. Yet structural racism, classism and inequities in our food system keep too many children from learning about, accessing and benefiting from healthy food. The pandemic has brought to light the prevalence of food and nutrition scarcity and the critical role schools play in children's relationship with food. Rates of hunger among Black and Latinx children are twice as high as for White children. Children without this nourishment are more likely to face health and academic struggles with lifelong implications.

Sodexo Stop Hunger Foundation grantee, **FoodCorps**, envisions an equitable education and food system where every school has the resources and support needed to foster student health and well-being and where every child has access to hands-on food education and nutritious school meals. In partnership with communities, FoodCorps fosters investment in the resources, people and policies that dismantle systemic inequities to make hands-on food education and nourishing meals in schools the norm. FoodCorps service members teach lessons on cooking, gardening and nutrition to students and work with school cafeteria staff to increase access to healthy food, preventing childhood hunger in the future.

### How We Measure

This year the Stop Hunger Foundation moved to a global metric tracking system. We adjusted our calculation methods to better account for beneficiaries. This change makes year-over-year comparison incompatible. Our new metrics will reveal not only our outputs but also the outcomes. We know relieving hunger today alone is not enough. We also must prevent hunger tomorrow, which is why we invest in – and measure our impact through – “beyond food aid” activities, such as women's empowerment.

## Spotlight:

### Advocating for No Child Hungry

Launched in 2010, Sodexo Stop Hunger Foundation grantee, **Share Our Strength's No Kid Hungry** campaign, has a singular goal of ending childhood hunger in America. Before the pandemic, childhood hunger was at its lowest level in decades. In March 2020, that progress vanished as school buildings closed, millions of parents lost jobs and the number of children living with hunger skyrocketed. With Stop Hunger's funding, Share Our Strength (SOS) supported children and families by:

#### Advocating for Kids

SOS, along with other hunger-fighting non-profits, like the Alliance To End Hunger, worked tirelessly to ensure social safety net programs remained strong. With their support, SNAP benefits and Pandemic EBT (P-EBT) were secured and elevated to help support hungry children and their families.



#### Developing Youth Ambassadors

The Youth Ambassador Program has connected more than 300 students with opportunities to help serve in communities both big and small, urban and rural. During the summer of 2021, 30 youth ambassadors helped to pack and distribute meals, connect families to resources like SNAP and P-EBT and contributed to making a difference in children's lives every day.



## Spotlight:

### Feeding Kids During Covid-19: Backpack Food Program

Since 2006, the Sodexo Stop Hunger Foundation has supported backpack food programs across the U.S. Through these programs, Sodexo works with local food banks and schools to provide backpacks filled with nutritious, easy-to-prepare, non-perishable food for students who are at risk for hunger when free or reduced-price school meals are not available. Backpacks are distributed to students in easily accessible, safe environments on the last day before a weekend or holiday.

These programs help ensure all children can access sufficient healthy food every day so they can learn, play and thrive. When fueled by consistent access to nutritious food, youth are more likely to get the education, health and employment necessary for a stable future. All of these factors mean that they are more likely to avoid or move out of poverty and less likely to experience hunger in the future.



**During the 2020-21 school year, we helped fund 39 backpack programs supported by Sodexo employees with \$1,000 grants. These 39 sites logged over 2,500 volunteer hours. The Stop Hunger grant contributed to providing the equivalent of 156,000 meals.**

## Spotlight:

### Feeding Our Future Summer Feeding Program

Sodexo's Feeding Our Future program helps prevent food insecurity and hunger during the summer for the millions of children who receive free and reduced-price meals during the academic year. Sodexo employees volunteer their time to prepare meals for this influential program. In 2021, over 2,000 volunteers helped children receive the summer nutrition they need when school was out of session. Feeding Our Future worked with 40 partners and provided almost 300,000 free meals to kids in 12 cities across the U.S. That is a 73% increase over 2020.

We invite you to review the [Sodexo Stop Hunger annual impact report](#) to learn more about our efforts to fight hunger and malnutrition.

# Improve Quality Of Life For Neighbors

## Our Impact On Communities

We impact communities through our roles as an employer, service provider and corporate citizen.

### In This Section:

-  Commitment: Diversity, Equity and Inclusion (DE&I)..... **16-18**
-  Commitment: Sustainable Development ..... **19-21**
-  Commitment: Social Change ..... **22-23**

“We are addressing the three aspects of equity, inclusion, and diversity where we have influence – across our value chain. The work needs to happen in employment, with our suppliers and clients, and at the societal level to positively impact and address the deep-rooted imbalance.”

- Zeta Smith, CEO of Sodexo Seniors North America; Executive Sponsor of Social Impact

**16.2%**  
of purchases we make benefit small businesses. Which helps local economies and diverse-owned businesses.



## Our Role As An Employer

# Diversity, Equity and Inclusion (DE&I)

### Overview

We are committed to ensuring a **diverse workforce and inclusive culture** that reflects and enriches the communities we serve.

Ensuring diversity, equity and inclusion fosters **well-being** at work, strengthens the feeling of **belonging** and attracts and retains people with key skills and talents. We aim to **avoid cultural bias and prevent discrimination** based on attributes such as gender, cultural or ethnic background, sexual orientation, age, gender, identity or (dis)ability.

We aim for our employees at all levels, including management and leadership, to have an appropriate balance across all attributes of diversity, while participating in an inclusive culture that enables them to thrive.

### Why This Matters

A dynamic, innovative company requires people with varied backgrounds and diverse perspectives. We live and do business in a diverse world with diverse needs. At every level, the best performance will come from teams who understand and appreciate this.

Sodexo is present in many communities across the U.S. Employing within the local community is essential to who we are and what we do.

2025 Target

**100% of our segments have gender balance in their management populations.**



**5 of 8** business segments have gender balance with between 40%-60% women in management



### How We Measure

We measure gender balance as a whole and within business segments to ensure the balances are present no matter where you work in Sodexo USA. We define gender balance as having between a 40% to 60% women to men ratio. Tracking this representation is only one aspect of how we address DE&I.

In addition to gender balance, in the U.S. we also measure ethnicity in our workforce at all levels of the organization (*see following pages*). This helps us understand and take actions for equity in hiring and development of our workforce.

### Our Commitment in Action

Spotlight:

#### DE&I Resource Development

One obstacle to having healthy conversations about ethnicity and racism is the fear of saying the wrong thing. "The Power of Conversation" guide provides a list of key terminology to talk about ethnicity and race. It also addresses questions regarding unconscious bias, creating safe and inclusive workplaces, allyship, feelings of marginalization and actions for inclusive leadership. It is available in five languages.



Similarly, our LGBTQ+ Conversation Guide contains resources and answers to questions that often arise from leaders in their desire to support the LGBTQ+ (lesbian, gay, bisexual, transgender, queer and others) community. It provides ways to enable inclusion and equity, create an open and safe environment and improve interactions with team members, clients, partners, consumers and stakeholders.



## Spotlight: How We Embrace DE&I

Sodexo USA's Diversity, Equity and Inclusion strategy has evolved to embrace an inclusive, intersectional approach that encompasses all aspects of an individual's background, experiences and identity. We address global dimensions of diversity, encompassing disabilities, generations, cultures and origins (inclusive of race and ethnicity), gender, as well as sexual orientation and gender identity. The convergence of racial injustice and the global pandemic amplified the stark need for swift progress and greater accountability to drive systemic change in our workplace. We have proactively accelerated our efforts to address equity and embrace advocacy to create systemic change and produce opportunities for diverse communities through five pillars:

1. Uplift the Employee Voice
2. Embed DE&I throughout the business enriching employee experiences
3. Business Innovation through Client Impact
4. Data-driven Insights and Transparency
5. Optimize Strategic Partnerships

### A Pro-human Approach

We have recently partnered with The Foundation Against Intolerance and Racism (FAIR). FAIR is a nonpartisan organization dedicated to advancing civil rights and liberties for all Americans and promoting a common culture based on fairness, understanding and humanity. The approach they foster is dedicated not to an anti-racist approach, but rather, a pro-human approach which emphasizes dignity, our common humanity, and 10 principles of peaceful change.

### Black Employee Experience

Recognizing that authenticity matters, whether it's our team members bringing their authentic selves to work or moving beyond relevance to true authenticity in the steps we take to make change, we are proud of our recent engagement with the Management Leadership for Tomorrow Black Equity at Work Certification. We feel it is an important step in improving the Black employee experience and plan to use the opportunity as a pilot to elevate and improve the employee experience for other groups within our organization. It is one of the many partnerships in which we've engaged.

### Employee Community Impact

We engage our employees through our nine voluntary employee business resource groups (EBRGs), dedicated to creating a safe space for conversation and enriching employee impact at all stages of their careers. Despite the impacts of the pandemic, the EBRGs led 120 virtual and in-person events with nearly 8,200 participants. Learn more about our [EBRGs](#).

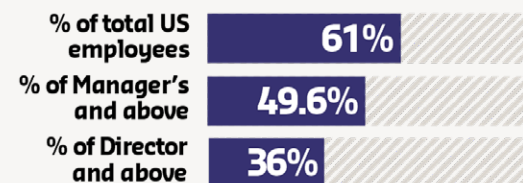


## Key Performance Indicators

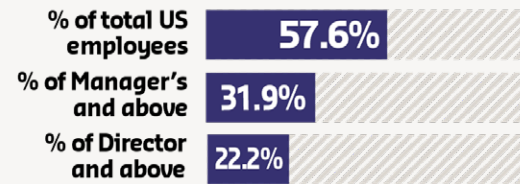
### Demographics of Sodexo in the US



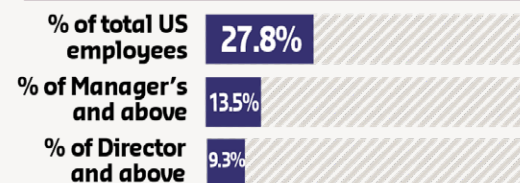
#### Women



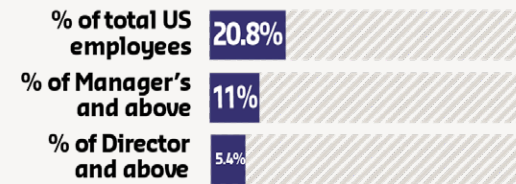
#### All Ethnic Minorities



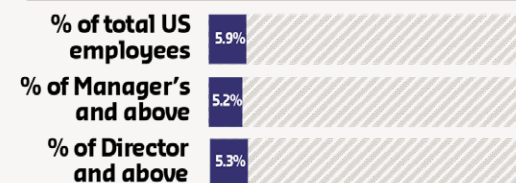
#### Black



#### Latinx



#### Asian and Pacific Islander



## Spotlight:

### SoTogether Empowers Women

A cornerstone of Sodexo's gender equality strategy is SoTogether, an advisory board dedicated to promoting women's advancement. It consists of 28 women and 7 men across 17 nationalities who are dedicated to ensuring better gender balance at all levels of the organization. Its mission is to enhance women's individual and professional growth to contribute to the success of our company and the communities we serve.



One woman who's benefitted from (and contributed to) SoTogether is Trisha Gary. Trisha joined Sodexo's Talent Acquisition team in 2007 and is a Recruitment Manager for Universities.

"In 2007, my husband and I relocated from Colorado to Kansas, and there were

limited HR career opportunities available that checked all of my boxes. While working for one organization, I grew frazzled by the daily hustle of being a new mom in my high heels, toting diaper bags and racing from work to daycare. I needed to find a new work-life balance for this stage in my life and a company that worked for me. I found Sodexo.

For several years, I have also been an active member of SoTogether USA, including serving as our current Social Media Chair. Through SoTogether, I have gained more experience and insight about diversity, equity and inclusion – especially the key area of gender balance – than I ever would have if I had just continued working in my role without this exposure.

Working for Sodexo and now contributing to SoTogether has helped me find the right work-life balance for every stage of my family's needs."

## Actioning DE&I

We are proud of what we've accomplished, yet recognize this work is an ongoing journey. As the DE&I space continues to evolve, we are committed to evolving with it. We consistently review and modify our approach to ensure that each action we take contributes to creating an environment of belonging for our team members.



**DiversityInc** - Sodexo was listed in the Hall of Fame at the 20th annual Top 50 Companies for Diversity event hosted by DiversityInc, which ranks companies on leadership accountability, human capital diversity, talent programs, workforce practices, supplier diversity and philanthropy. Sodexo was also ranked #9 on the Top Companies for Black Executives and #2 on the Top Companies for Talent Acquisition of Women of Color list. This is the thirteenth consecutive year Sodexo has been honored by DiversityInc.



**Bloomberg Gender Equality Index** - Member for the fourth consecutive year for transparency in gender reporting and advancing women's equality in the workplace.



**Human Rights Campaign** - 100% on the 2021 **Corporate Equality Index (CEI)** for corporate policies and for practices related to LGBTQ+ workplace equality for the 14th consecutive year.



## Our Role As A Service Provider

# Sustainable Development

### Overview

**We are committed to promoting local development and fair, inclusive and sustainable business practices.**

We focus on where our operations can have an influence, such as hiring local people, buying from local and diverse suppliers, working with small businesses and investing in the quality of life in local communities.

Our engagement with suppliers aims to contribute to their **social and economic empowerment and drive societal change through economic benefits.**

Trustworthy, equitable, healthy and sustainable relationships with our suppliers help ensure fair business.

Building **responsible, traceable supply chains** enables protection and promotion of human rights and fundamental freedoms, including eradication of forced labor, child labor, discrimination and respect of freedom of association and collective bargaining.

Ensuring **care and respect for animals in our supply chains** and supporting suppliers, farms and processing facilities with the highest standards of animal welfare is our duty as a catering and food service company. We follow the **Five Freedoms principles**: freedom from hunger and thirst, freedom from discomfort, freedom from pain, injury and disease, freedom to express normal behaviors and freedom from fear and distress.

Read more about our [Global Responsible Sourcing Strategy](#) on page 31.

### Why This Matters

Our scope and scale have a significant impact on the economic and social dynamism of the communities where we operate. As a significant purchaser, we have a responsibility to increase business with local, diverse, small, and medium-sized suppliers. We can play a leading role in empowering and employing local communities and providing business growth opportunities for Black, Indigenous and people of color (BIPOC) communities and women.

Small businesses are key engines for growth and job creation. Sodexo is involved in sectors where competition is high and supply chains can be complex and include intermediaries which can increase the risk of unfair relationships with suppliers. In the food industry, inequitable relationships along the value chain are a known challenge.

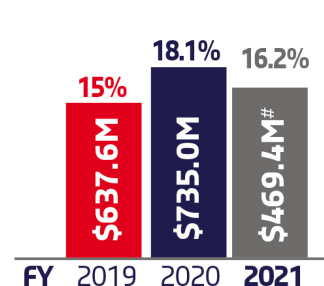
Animal welfare and well-being continue to be priorities for our clients and their respective stakeholders and, therefore, are key components that underpin our responsible sourcing goals. As such, we continue to strengthen our relationships with our suppliers and their supply chain partners and collaborate in multi-stakeholder groups where there are systemic challenges. In this way, we can continuously review and improve our goals and policies as enhancing animal welfare is our collective responsibility.

### How We Measure

Our measures for small businesses and diverse suppliers give us an overall picture of the value we bring to communities. This data tells us not only how many relationships we have, but how much economic benefit we are providing to our small and diverse suppliers. The U.S. standard for small business generally is a firm with less than 500 employees for most manufacturing industries and \$7 million in average annual receipts for most nonmanufacturing industries.

*Diverse is defined as Woman-, Veteran-, Service disabled-, LGBTQ+-, Disabled-, and Minority-owned*

### 2025 Target 25% of purchases we make benefit small and medium enterprises (SMEs)



US business value benefiting SMEs (million USD, % of total spend)

### Supporting Local and Inclusive Communities

FY21-During the Covid-19 pandemic, some small businesses struggled, and we lost some of our former partners. Additionally, some of our sites were not in operation and unable to source from local partners.

**3,030 diverse and small suppliers supported in FY21**

**26% of our US business value supported diverse and small suppliers in FY21**

## Spotlight:

### Boosting Local Flavors at Brigham & Women's Hospital Garden Cafe

Through a partnership with Boston's food business incubator, Commonwealth Kitchen, the Sodexo team at Brigham & Women's Hospital sources from local BIPOC- and women-owned businesses for café and patient food service. In August 2021, they decided to take that partnership a step further with the Local Flavors kiosk in the café.

At the kiosk, customers can purchase retail versions of the local businesses' products featured in café and patient menus. Through the Local Flavors kiosk, these start-ups build brand awareness, increase name recognition, expand their customer base and increase retail sales.



**Pictured here is Kamaal Jarrett of Hillside Harvest with his Sunkissed Tomato Hot Sauce.**

## Key Performance Indicators

### Number of Tier 1 women-owned small businesses



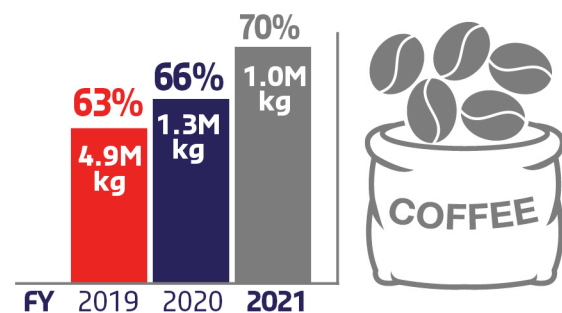
	FY19	FY20	FY21
<b>Sustainable Paper Disposables*</b> % spend sustainable paper disposables	65%	70%	96%
<b>Preserving biodiversity#</b> Sustainable fish and seafood as a % of total fish and seafood	82%	83%	83%
<b>Cage Free Eggs: Shell#</b> % number Cage free shell eggs/total shell	85%	81%	73%
<b>Cage Free Eggs: Liquid#</b> % volume cage free liquid eggs/total liquid	76%	83%	81%
<b>Concentrated cleaning products</b> % spend concentrated cleaning chemicals	75%	68%	66%



### Spotlight: Sustainable Coffee

In 2020, Sodexo partnered with Conservation International and joined the Sustainable Coffee Challenge along with 140 other partners. The project aims to make coffee the world’s first sustainable agricultural product for the well-being of the planet. The Sodexo commitment: 100% of coffee served within our brands and 99% of coffee sold in our retail channel globally will be responsibly sourced by 2021.

#### Sustainable and certified coffee purchased<sup>1</sup>



<sup>1</sup>All coffee, not retail-specific. Includes independent 3rd party certified (e.g. FairTrade) and supplier proprietary sustainable coffee (e.g. Starbucks CAFE)

### Spotlight:

#### Farm to North Carolina Agricultural and Technical (A&T) State University Table

Sodexo staff at North Carolina A&T increased the consumption of local produce in on-campus eateries by partnering with university staff and external vendors. Since January 2021, the team has been working with the university's horticulture and agriculture departments to utilize what’s being grown on campus.

As a Historically Black College and University (HBCU), North Carolina A&T also values deepening relationships with local BIPOC farmers. Led by Executive Chef, Ryan Dalton, the North Carolina A&T team got several of BIPOC- and woman-owned local farms approved as Sodexo vendors and now sources produce from New Ground Farm, Carolina Gold Rice from Tidewater Grain Company, local honey from Blue Ridge Apiary and microgreens from Sweet Peas Urban Gardens, among others. The team also collaborated with FreshPoint, a Sodexo-regional produce distribution partner, to connect chefs with local farmers. This relationship allows investment in the local economy and provision of seasonal produce for consumption.



“When we use what we grow on campus, buy locally and seasonally, it means we can really highlight those ingredients. It becomes a whole dining experience, not just a meal. It’s something chefs and guests get excited about. It creates a real buzz of positive energy on campus.”

- Ryan Dalton, Executive Chef

### Recognition:

#### WE 100 Corporations of the Year 2021 -

Women’s Enterprise USA honors companies that regard the inclusion of women-owned business enterprises as essential to supply chain productivity and profits.



#### National Business Inclusion Consortium (NBIC) - Best-of-the-Best:

NBIC honored Sodexo as one of the Best-of-the-Best corporations in America committed to diversity and inclusion across all communities.



#### Disability Equality Index (DEI) - 100%:

DEI is a comprehensive benchmarking tool and a joint initiative of Disability:IN and the American Association of People with Disabilities, to objectively measure a companies’ disability inclusion through: Culture & Leadership, Enterprise-Wide Access, Employment Practices, Community Engagement, Supplier Diversity and Non-US Operations.





## Our Role As A Corporate Citizen

# Social Change

### Overview

We are committed to driving diversity, equity and inclusion as a catalyst for societal change.

As a good corporate citizen and a community member, we aim to address the root causes of today's social inequities. These historical and systemic injustices have disproportional impacts on marginalized populations in the US including women, BIPOC, refugee and LGBTQ+ communities.

We take steps through our business practices, supplier relationships and programs to ensure that equity and inclusion are important lenses through which we view business opportunities.

### Why This Matters

According to the United Nations, women could increase their income globally by up to 76% if the employment participation gap and the wage gap between women and men were closed.

We operate in and serve communities that face issues such as quality employment, poor living conditions and access to education. Our intentional engagement can **contribute to social and economic empowerment and drive societal change** through benefits or support.

As a leader in the food service and facilities management industries, we play a key role in empowering and employing local communities, and driving diversity, equity and inclusion as a catalyst for societal change. We believe that investing in and empowering marginalized communities' benefits everyone.

### 2025 Target Empower women in communities



Sodexo's global target is to empower 500,000 women in global regions where women empowerment is a challenge.

**SheWorks**  
A SHADOWING PROGRAM FOR A BETTER TOMORROW



I liked how encouraging my mentors were and eager to help, not only during the session, but also going forward. They seemed to be open to further helping me as I continue my job search.

- SheWorks Participant

### Spotlight: SheWorks Connects Under-Represented Women with Sodexo

SheWorks, a global job shadowing initiative launched by Sodexo's SoTogether employee resource group, was launched in 2018 to connect women from several states with Sodexo "host ambassadors" for exposure and to explore potential career opportunities.

In March 2021, SheWorks hosted an online seminar with the goal of connecting Sodexo volunteers to mentor event participants. Participants included women who desired to enter industries where they are traditionally under-represented. This included women who were seeking independence through economic opportunity, refugees, justice-involved women, and women with disabilities.

### How We Measure

The number of empowered women is calculated by the culmination since 2020 of the SheWorks program, Stop Hunger Beyond Food Aid partnership and annual women-owned small business in our supply chain.

While we do not have a formalized US target, empowering women in the communities that we serve is critical to Sodexo. This includes our Stop Hunger Foundation initiatives which give us the big picture of our impact. **In 2021, we added two new women empowerment grants.**

In addition, we measure our investments in dollars spent with women-owned small business and women-owned businesses. This measurement shows us where our business decisions are empowering women.

## Key Performance Indicator



**309 number**  
of women-owned  
and operated small  
businesses  
we supported



**109**  
SheWorks  
beneficiaries

## Our Commitment in Action

### SodexoMagic: A Force for Transformation

SodexoMagic, founded in 2006, is a strategic alliance 51% owned by an Earvin “Magic” Johnson company and 49% owned by Sodexo. Together, we are a powerful force for positive social change, community development and closing the gender and racial wealth gaps. With 6,500+ employees (72% ethnic minorities) SodexoMagic serves consumers at more than 1,700 sites in corporate, healthcare, universities, K-12 schools and aviation.

Learn more about [SodexoMagic](#) online.



**We’re a rising tide that lifts all boats because our business model champions supplier diversity, economic development and sustainability. We subcontract in local communities and with minority-owned diverse not just minority businesses. It’s all about partnerships that help people live well and do better.**

- Selena Cuffe, President, SodexoMagic



## Sodexo's Commitment to Societal Change

Sodexo is proud of the work we have done to date as it relates to workforce diversity and recognizes we have much more work to do. The entire organization is working through tangible actions we can take to ensure cultural diversity and social inclusion. Moreover, we are focusing on having hard conversations as they relate to racial equity and equality.



### Spotlight: Together We Bake

The Stop Hunger Foundation supports Together We Bake and its mission to provide a comprehensive workforce training and personal development program to help women gain

self-confidence, transferable workforce skills and invaluable hands-on experience, which will allow them to find sustainable employment and move toward self-sufficiency. The program revolves around a social enterprise, a small baking business in Old Town Alexandria, Virginia. Women actively learn and participate in food production, food safety education and business administration. Each woman graduates job-ready, empowered and with a nationally-recognized ServSafe certificate, resulting in preferential hiring and higher wages.

# Sustainability At Scale

## Our Impact On The Environment

**We impact the environment** through our roles as an employer, service provider and corporate citizen.

### In This Section:

-  Commitment: Responsible Culture... **25-26**
-  Commitment: Carbon Reduction ..... **27-30**
-  Commitment: Sustainable Resource Usage ..... **31-33**

**“The climate crisis demands smart action now. That’s why we stay true to practices that have proven results for our own and at our clients’ operations.”**

- Sarosh Mistry, Chair of Sodexo North America & CEO Homecare, Worldwide - Executive sponsor of carbon reduction for Sodexo North America

**50%**  
Our WasteWatch system powered by Leanpath technology is proven to reduce food waste in our kitchens by 50% because what gets measured, gets managed.





## Our Role As An Employer

# Responsible Culture

### Overview

**We are committed to fostering a culture of environmental responsibility within our workforce and workspaces.**

Environmental responsibility is the role of each and every employee. From preventing waste to eliminating non-essential packing and sourcing responsibly, we aim to integrate environmental responsibility across our culture. We use various methods to reach our workforce with the appropriate resources and tools, including universal and customized trainings, an employee best-practice sharing group, a designated resource online hub and tying some bonuses to select Better Tomorrow goals.

### Why This Matters

Having a culture of sustainability reinforces our policies and guidance by empowering employees to embed responsible choices in the ways that they work. This supports employee-led innovations and sustainable decision-making.

We understand the connections between a healthy planet and healthy people. We also recognize that those environmental issues can disproportionality impact marginalized communities.

**We aim to support equitable and sustainable solutions for all.**

2025 Target  
**100% of our employees are trained in sustainable practices.**



**18%** (up 1.1% from 2020)  
**of employees trained**

**15,209 current employees**  
**trained since FY2015**

### How We Measure

We track the number of employees trained in sustainable practices annually. This tells us that employees have the skills, knowledge and ability to make sustainable choices, effectively implement our sustainability practices and support our clients' sustainability goals. We have expanded our measures beyond environmental training to be inclusive of those which promote all elements of our Better Tomorrow commitments.

We recognize that we have a challenge in achieving this commitment and in capturing our training reach. We are seeking new training awareness methods. We are also working to comprehensively capture the current training that is provided to our frontline workers who are trained outside of our main platform, often in person.



## Spotlight:

### Not on My Watch: Food Waste Training

Policies and commitments alone will not eliminate food waste or combat hunger or climate change. It takes every on-site employee making choices and acting every day. That means changing from what we have always done. Sodexo developed a new eLearning session to provide on-site managers with the essential tools and resources they need to lead and manage a successful WasteWatch powered by Leanpath (WWxLP) deployment, utilizing change management principles. With this training, 290 on-site managers and employees are ready to ensure no food waste happens on their watch.

“Not on my watch” declares a firm intention to prevent a negative action or outcome from occurring, in this case, as it relates to food waste. It emphasizes the five reasons why we do this work:

- 1. It's Important**  
Hunger and Climate Change are a Global Crisis
- 2. It's Right**  
Our Global Presence Requires Global Leadership
- 3. It's Simple**  
It Takes Only 12 Seconds to Make a Difference
- 4. It's Effective**  
We Manage What We Measure
- 5. It Makes Cents**  
Managing Food Waste is Operational Efficiency

For more on WWxLP, see our [Sustainable Resource Usage section](#) on page 31.



**3 IT'S SIMPLE**  
IT TAKES ONLY 12 SECONDS TO MAKE A DIFFERENCE

- WWxLP is easy, fun and inspiring for all Sodexo employees. The program provides education, fosters an alignment of employee and corporate values, and changes behavior at work, at home, and in the community.
- With just 7 minutes a day, Site Champions can review all results with the team, and they can walk away with no waste in just 12 seconds.

**4 IT'S EFFECTIVE**  
WE MANAGE WHAT WE MEASURE

- Automated tracking provides real-time information for site managers. WWxLP data helps make the invisible visible to identify opportunities for efficiency, inform the setting of operating procedures, and makes tracking progress a breeze. Using Leanpath, Sodexo sites saw significant food reduction by three months, with target reductions (in reduction) met within a year.

**5 IT MAKES CENTS**  
MANAGING FOOD WASTE IS OPERATIONAL EFFICIENCY

- The business case for WWxLP is clear. Pilot sites realized 14-18% in purchases, reduced waste disposal costs and costs less than 30% of total savings, with ROI within one year.
- Program savings allow Sodexo to provide targeted — and effective — support for climate neutral and zero hunger.

**FOOD WASTE IS ONE OF OUR BIGGEST COLLECTIVE TO MAKE A DIFFERENCE, AND YOU CAN PLAY A PART.** Actively engaging with our WWxLP solution and as an integral part of eliminating food waste at Sodexo.

**Being a champion of food** by saying no to food waste: wasted food by being mindful, deliberate and putting our hands up to make a Better Tomorrow a part of WWxLP puts the power of reducing food waste in our hands.

**870 MILLION PEOPLE worldwide go hungry EVERY DAY**

**FOOD WASTE NOT ON MY WATCH**

At Sodexo, our mission is to improve the quality of life in the communities we serve all around the world. Given our corporate footprint and food purchasing reach, fighting the global crises of climate change and hunger must be part of that mission. Sodexo is championing these efforts by reducing the amount of food that goes to waste on our watch.

Sodexo began developing its food waste prevention program, WasteWatch powered by Leanpath (WWxLP), over 10 years ago, and Sodexo groups have been deploying it at sites across the globe. These pilot studies confirm that WWxLP works. On average, Sodexo locations reduced food waste by 50%.

It is time to project that success across the company.

**SODEXO IS COMMITTED TO DEPLOYING WWxLP AT:**

- 100%** of sites by **2025**
- 3,000** sites globally in the next **12 MONTHS**

**FOR THAT, WE NEED YOUR PARTICIPATION!**

WASTE WATCH powered by Leanpath | sodexo

## Spotlight:

### Putting Power at the Frontline with Site Engagement Assessments

In 2021, Sodexo launched the Site Engagement Assessment (SEA) for a Better Tomorrow, an interactive site performance tool that empowers managers to track sustainability progress, share performance, benchmark against peers, and find resources. It is an action-oriented tool that is site- and client-centric, and available year-round. We rolled out the tool to more than 1,000 sites in the U.S. and expect to add 1,400 more sites in FY22.

SEA for a Better Tomorrow empowers teams and employees to make choices that are aligned with commitments. This tool puts the power into frontline decision making. It has practices that educate employees on how to implement innovations and make positive changes and how to train others to do the same.



SEA for a Better Tomorrow is a critical element in the growth of our CSR program. It's provided the baseline information needed to guide our internal strategies and provide insight to our clients, which is especially important since we operate in different regions offering the full suite of Sodexo services. We'll continue using it to track performance and drive our CSR efforts forward.



- Jeanie Johnson, Director Engagement, Corporate Citizenship & Sustainability, Colgate account



## Our Role As A Service Provider

# Carbon Reduction

### Overview

We are committed to source responsibly and provide management services that reduce carbon emissions.

We measure our **direct contributions to carbon emissions** (what's often called, Scope 1 & Scope 2 emissions), as well as **carbon emissions from our supply chain** (often referred to as Scope 3 emissions). Carbon emissions are also known as greenhouse gases or GHGs. We have committed to science-based targets for our carbon emissions.

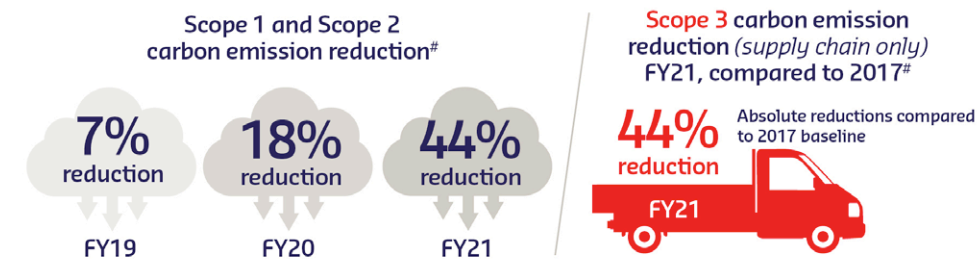
Where and how we source the products, services and raw materials essential to our quality of services is part of our **Global Responsible Sourcing Strategy**. We know that production of those essential raw materials, when not done responsibly, can lead to **deforestation, air pollution, soil erosion and contamination and resource scarcity, which can damage natural habitats and biodiversity.**

### Why This Matters

Companies must make a collective effort to limit global warming to 1.5°C to prevent climate change and global warming. This is the limit scientists say is the boundary to keep our planet livable. Food systems and buildings are key to our services and significant contributors to carbon emissions. That means we have an opportunity to align with science-based targets and limit our impact.

Climate change disproportionately impacts marginalized communities including BIPOC populations that lack access and opportunities. We seek climate solutions to improve the quality of life for these communities. We will continue to look for more and better ways to reduce environmental impact, including renewable energy and energy efficiency.

## 2025 Target 34% reduction in carbon emissions



## How We Measure

We are recording significant reductions for all our carbon emissions, in line with our reduction projections and helped by Covid-related decline in our activity.

We follow the [Greenhouse Gas Protocol](#) to calculate our carbon emissions and assign them into 3 categories called Scope 1, 2, and 3.

We are currently able to measure our direct contributions to carbon emissions (Scope 1 & Scope 2 emissions), as well as carbon emissions from our supply chain (Scope 3 emissions) and business travel. We are working on improving our methodology for the energy used at our client sites as well as our employee commuting. We hope to report our full Scope 3 emissions in FY22.

Globally, more than 95% of our emissions are a result of our work on client sites or the purchases, like food, we make for our clients—this is in Scope 3. This means it's critical that we partner with our clients to make an impact.

### Spotlight:

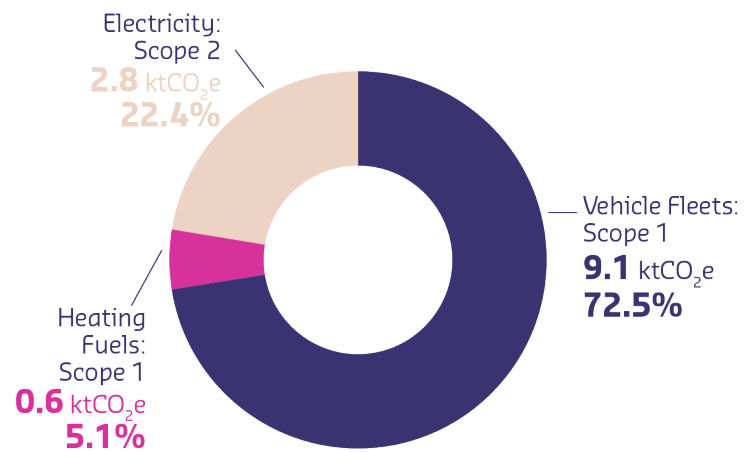
## Helping Our Clients "Green" Their Facilities



As the world shifts toward electric vehicles (EVs), Director of Facilities Operations David O'Brien wanted to install chargers for his client site, Rich Products in Buffalo, NY. First, he measured interest for an on-site charging infrastructure. Four associates had EVs, so David procured four charging units and the power capacity to add chargers over time. To make this an affordable reality, David was able to secure \$4,000 through state programs and tax credits for each of his four charging stations, and he worked with energy supplier National Grid to update the site's electrical infrastructure for free. David secured funds to cover 100% of the cost of the \$22,000 project. Rich Products saw a savings of 710 kg of greenhouse gas emissions, or a savings of over 80 gallons of gas.

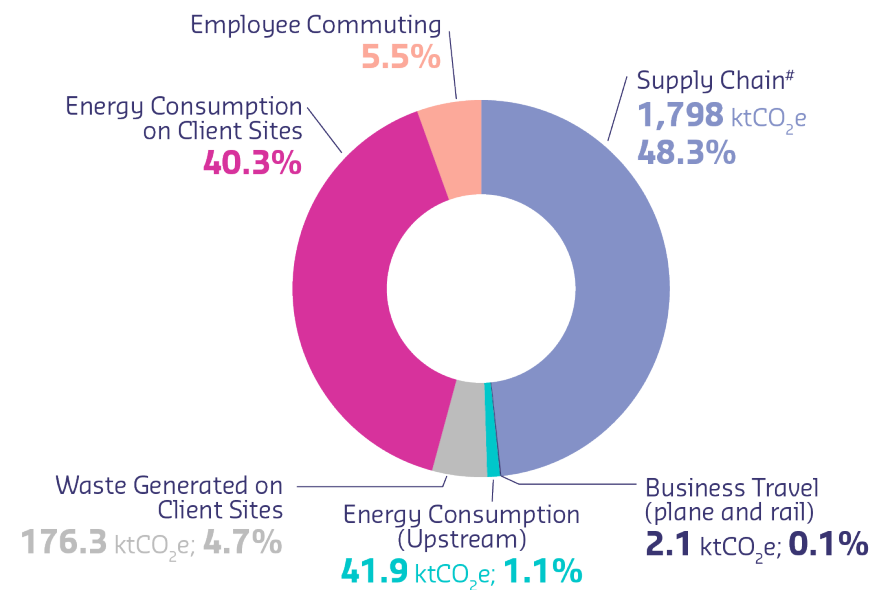
# Carbon Emissions Across Our Value Chain

## Direct Impact Scope 1 and 2#



Absolute Reduction Since 2017#	
Vehicle Fleets: Scope 1	↘ 38.3%
Electricity: Scope 2	↘ 38.9%
Heating Fuels: Scope 1	↘ 56.0%

## Indirect Impact Scope 3



Absolute Reduction Since 2017	
Supply Chain#	↘ 44.4%
Business Travel (plane and rail)	↘ 83.3%
Energy Consumption (Upstream)	↘ 36.3%
Waste Generated on Client Sites	↘ 57.2%
Energy Consumption on Client Sites	NA
Employee Commuting	NA

Sodexo does not publish Energy Consumption on Client Sites or Employee Commuting as the calculation methodologies are in the process of being made more reliable. These indicators will be published from 2022 to cover the entire Sodexo footprint.



## Spotlight: Science-Based Targets Initiative for Sodexo Group

We are the first foodservice and facilities management company with a target for scope 3 (indirect emissions) and only company to reach the CDP “A list” for carbon transparency and action

We are the first company in our industry to have a target approved by the Science-Based Targets Initiative (SBTi). SBTi validated in July 2019 that our 34% reduction target is in line with the climate warming trajectory limited to +1.5 degrees C.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## A Case Study of Plant-Based Eating

As we mapped our carbon footprint, we realized that a key to achieving our target is to adopt a more plant-based food supply chain.



### Insight #1:

Consumer demand for plant-based options is increasing. About 33% of consumers want to eat more plant-based meals out of concern for health, animal welfare and the environment.

### Insight #2:

About 1/3 of our total baseline carbon emissions in the US result from our animal-based purchases.

Based on these insights, our initial approach was to simply include plant-based options on our menus. We invested in recipe development and set a target of 33% plant-based planned menus by 2025.

But the story doesn't end there. We realized that significantly reducing our emissions would require a concerted effort to change behavior, both internally and externally.

**We're the first food service company to articulate the percentage of our carbon footprint that comes from animal products.**



**We had delicious solutions for guests, but as chefs, we were lacking an effective way to make a complex system easy for guests to understand and engage in. It became apparent there was a bigger opportunity to transform the entire message around climate-friendly eating.**

- Lisa Feldman, Director of Recipe Management, Sodexo North America



### Lesson #1:

A climate-friendly, nutritious menu won't mitigate climate change unless guests choose those options. We are integrating findings, discovered in partnership with the Future Food Collective, about how naming conventions impact consumer choice in the way we name recipes.



**You can do plant-based eating well or you can do it really poorly. If 99% of your menu is vegetarian or vegan, plus chicken nuggets and every customer is choosing chicken nuggets, then you're still buying a lot of chicken.**

- Nell Fry, Director of Sustainability and Corporate Social Responsibility for Sodexo in North America



## Lesson #2:

For plant-based eating to translate into carbon emissions reduction, a multi-faceted approach is required. We adjusted our focus and what we measure to ensure we are driving the behavior we want.

### Result:

We continue to expand the availability of plant-based ingredients in our supply chain to meet evolving consumer demands.



### Result:

**350 plant-based recipes:** In partnership with the Humane Society of the U.S. (HSUS), we've developed more than 350 plant-based recipes to meet a range of consumer preferences.



## Lesson #3:

Chefs are comfortable preparing the food they eat themselves or what they've been trained to cook. That isn't necessarily amaranth, lentils or tofu. If our teams aren't trained and they're not delivering a high-quality, delicious product, all the recipes and marketing in the world won't make a difference. We are investing in training and supporting our chefs to make the transition to plant-focused culinary excellence.

### Result:

**Up to 50% increase in plant-based menu items:** In partnership with the Humane Society of the U.S. (HSUS), we have delivered plant-based culinary training to our teams. A sample analysis of recent virtual training showed a potential increase of up to 50% in the portion of menu that was plant-based following the training.

Sodexo Executive Chef Dennis Dunn is serving Dillard University (New Orleans) students real-deal Cajun and Creole cooking while offering tons of plant-forward vegan and vegetarian options.



Sodexo Executive Chef Dennis Dunn, Dillard University

**“Let’s say for a chicken and sausage jambalaya, with mushrooms you can get the same flavor. And with a mouthful of gumbo, you’re not thinking ‘where’s the chicken?’ It’s actually yellow squash and zucchini. It’s all in how you prepare it. I served it to the kids, and they loved it. They couldn’t believe it was just mushrooms in it. I’m definitely making it again.”**



## Our Role As A Corporate Citizen

# Sustainable Resource Usage

### Overview

We are committed to championing sustainable resource usage.

This means managing, reducing and **preventing waste** through programs, initiatives, innovative systems and technologies, awareness and behavior measures and applying the principles of circular economy.

To us, food is only truly wasted if it ends up in the landfill. We strive to plan better to eliminate excess food, recover excess food and re-purpose food scraps or unused food for animals.

Materials management includes the appropriate collection, transport, treatment and disposal of waste, together with monitoring and regulation of the waste management process, waste-related laws, technologies and economic mechanisms.

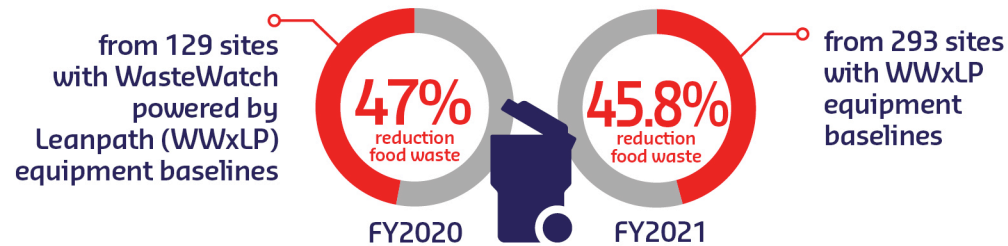
Because so much packaging is single use plastic and often ends up in a landfill or our oceans, we focus on reduction of plastic use, sustainable packaging, reduction of packaging weight, and the elimination of non-essential packaging.

### Why This Matters

Between 30%-40% of the food produced in the US for human consumption every year gets lost or wasted according to the US Department of Agriculture. Solutions across the food system can significantly improve food insecurity, carbon emissions and economic value. As a part of that system, we can help minimize food loss and food waste.

Other material waste also has heavy societal, environmental and economic consequences. For example, single-use plastics, traditionally a staple of the food services industry due to their ability to preserve food, contribute to landfill waste and consumer costs that disproportionately impact marginalized communities.

2025 Target  
**50% reduction in our food waste.**



### Our Commitment in Action

#### Responsible Sourcing Strategy

We have a Global Responsible Sourcing Strategy, that was created with support of the [Sustainable Purchasing Leadership Council](#). We aim to ensure that every dollar we spend will create a positive impact on individuals, communities and the environment. We focus on three main impacts:

- Ensuring health and well-being
- Fostering social equity and
- Protecting and restoring natural ecosystems

We work toward incorporating sustainability and corporate responsibility into our US strategies for purchasing according to the issues relevant to each category. Our balanced approach takes environmental, social and economic impacts into account as we set our goals, select products and services and engage with suppliers.

### How We Measure

We track several components of food waste to be sure we're reaching the right outcomes. That's why we aim to follow the US Environmental Protection Agency's Food Recovery Hierarchy that prioritizes source reduction, then feeding hungry people, feeding animals, industrial uses, composting and ends with landfill/incineration.

Our WasteWatch powered by Leanpath (WWxLP) program starts at the top of that hierarchy with a goal to reduce food waste at its source using near real time data to influence purchasing and efficiency of ingredient use.



### Spotlight:

## WasteWatch Powered by LeanPath



The WasteWatch powered by Leanpath (WWxLP) program on average prevents 50% of food waste from occurring. Using the program, Sodexo teams can rapidly and easily capture food waste data, giving clear insights into what is being wasted in their kitchens and why. With this new understanding, teams can implement targeted operational and behavioral changes to help end avoidable food waste, whether it's food waste generated in the kitchen or consumer food waste.

Our rally cry for WWxLP is "Food Waste, Not on My Watch!" It makes the invisible menace of food waste visible and creates ownership of the solution part of everyone's job description. It inspires creativity and innovation from our teams who are working with and preparing food.

We have created huddle cards (shown at right) to engage and educate all our employees on site so they can be part of the solution. There is no silver bullet for addressing food loss and waste; it requires many small, creative solutions to the multitude of sources of the issue. We focus on employee engagement and measurement because we know that is how we can collect the information we need to make decisions so that people can see, understand, and resolve the sources of food waste in our operations.



**“ Achieving 50% reduction in our food waste demonstrates our continued commitment to people and planet. We will continue to train our employees, innovate in our service delivery, and improve our processes and procedures with a forward thinking, proactive approach to sustainable resource use.**

- Executive sponsor, Husein Kitabwalla, Sodexo CEO Service Operations & CEO Food Transformation



## Key Performance Indicators



**2.9 million pounds of food waste avoided through WWxLP activity**



**9,242 metric tons of carbon dioxide avoided through WWxLP activity**

### Spotlight:

## Walnut Hill School for the Arts

Walnut Hill School for the Arts in Natick, Massachusetts, deployed WWxLP in early 2021 to put its team in a position to make a difference with food waste. General Manager Peter Walker reported no challenges deploying the program, saying "[it was] one of the most accessible programs to deploy." Peter stated, "training was easy thanks to engage team members who understand the importance of reducing food waste."

Walnut Hill School for the Arts also partnered with Rescuing Leftover Cuisine in Massachusetts and Rhode Island.

**In 2021, they have donated 7,916 pounds of food, which provided 6,597 meals and prevented 2,968 pounds of CO<sub>2</sub> emissions.**







Spotlight:

### The Next Moonshot: Ending Food Waste

When you work at a university where NASA regularly comes to recruit, you don't just claim you can solve a problem, you prove it. The engineer mindset at Rensselaer Polytechnic Institute expects facts, data and quantitative results. That's what makes WWxLP the perfect solution to food waste on campus. The program allows the Sodexo team to measure, classify and record all pre- and post-consumer waste, proving their hypothesis.

The campus chapter of Food Recovery Network (a Sodexo Stop Hunger Foundation grantee) gets students involved in eliminating waste. Over a seven-week period in the Spring, the student volunteers diverted more than two tons of edible, leftover food and donated it to Joseph's House, a nonprofit homeless shelter in the area. While donation is a beneficial solution for these leftovers, Sodexo's efforts aim to prevent food waste from ever occurring on campus.

Spotlight:

### Sodexo Waste Action Team (SWAT) Models Sustainability

In 2021, 30 Sodexo managers, chefs and district leaders who are also WWxLP super users joined the Sodexo Waste Action Team (SWAT) to connect to the wider sustainability ecosystem at Sodexo to learn and grow. These managers use that learning to champion and model sustainable resource usage in their segment or region. One key contribution from this group in FY21 was pilot testing a new Leanpath technology. Their feedback helped refine the technology resulting in global changes on LP tracking interface.

#### Who is SWAT?

SWAT is a group of WWxLP power users who are passionate about the topic of food waste that can assist Segment Deployment Leads in fielding questions, communicating updates, changes and consult with data review.



Being part of SWAT allowed us to review the WWxLP equipment and processes to make sure they're as user-friendly as possible. The elegance of WWxLP is in its simplicity. The simpler it is, the higher the probability our team members will use it. They'll be more confident in using it, which means they'll be more consistent.

- Dawn Aubrey, Resident District Manager,  
Commons Dining Hall, Rensselaer Polytechnic Institute, NY



Spotlight:

### Championing Food Waste

In 2015 the [UN launched Champions 12.3](#), a coalition of stakeholders who are dedicated to mobilizing action and accelerating progress toward achieving SDG Target 12.3 which calls for reducing food waste across the value chain 50% by 2030. Sodexo's CEO signed on to this group as it was formalized in 2016. That same year, Sodexo signed on to the [EPA and USDA Champions 2030 coalition](#) committing, again, to reduce our food loss and waste by 50% before 2030. Sodexo's ambitions actually go beyond the timeline from these groups aiming to cut our food loss and waste in half by 2025.

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