



A BETTER TOMORROW 2022

Sustainability & Corporate Social Responsibility Report

BETTER
TOMORROW

TABLE OF CONTENTS

About This Report.....	2
Who We Are	3
Leadership Message to Our Readers.....	4
Better Tomorrow 2025 Roadmap	5
How We Work with Stakeholders	6-7
Our Impact on Individuals	8
Commitment: Quality of Life for Employees	9-12
Commitment: Healthy Choices	12-13
Commitment: Fight Hunger	14-16
Our Impact on Communities	17
Commitment: Diversity, Equity and Inclusion (DE&I).....	18-20
Commitment: Sustainable Development.....	21-23
Commitment: Social Change	24-25
Our Impact on the Environment	26
Commitment: Responsible Culture.....	27-29
Commitment: Carbon Reduction	30-32
Commitment: Sustainable Resource Usage	33-34

About This Report

"A Better Tomorrow: 2022 Sustainability and Corporate Social Responsibility Report" covers Sodexo USA during the fiscal year 2022 (September 2021 to August 2022). Our Key Performance Indicators (KPIs) are reported from June 2021 to May 2022 and cover our On-Site Services and Entegra, excluding Employee Benefits & Rewards and Home Services (except where noted). We are committed to enhancing our reporting every year and this year, we provide more detail on our carbon emissions KPIs.

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 2022 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 an "LA," and the indicators verified with a reasonable level of assurance (highest level possible) are labeled with an "RA" in this document.

Additional Information

U.S.: On [our website](#), we invite you to view more details on our USA CSR and Sustainability approach, read our experts' blogs and explore examples of how we live our CSR commitments every day.

Canada: Explore sustainability and impact in the [Sodexo Canada's Better Tomorrow Report](#).

Global: To learn more about [Sodexo Group's Corporate Responsibility](#) activities in 2022 including the TCFD and SASB indices, we invite you to view our global integrated report.





Overview

To us, a better tomorrow is a world where everyone has equitable access to nutritious food and a healthy climate. As a food service and facilities management company, we choose to accelerate that future every day for our employees, clients, consumers, suppliers, communities and planet.

We know that our actions every day can bring a better tomorrow. By 2025, we aim to significantly reduce carbon emissions and food waste, and increase plant-based eating and positive social impacts. We are positioned to tackle these challenges together with our partners so the solutions will be just and lasting.

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

We are a majority family-owned company headquartered in France. We have operated Sodexo USA since 1971, with North American headquarters in Gaithersburg, Maryland. Sodexo USA has over 90,000 employees across 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. See more in our [Purpose video](#).

Leadership Message to Our Readers



Sarosh Mistry

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

“We are already living with climate change, and we all have a responsibility to protect our planet. Businesses don’t need to pick profits over reducing carbon emissions. We can do both, and Sodexo is proving that every day. We have ambitious sustainability targets and we’re committed to the global effort to cut carbon emissions.”



Jessica Synkoski

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

As consumer insights reveal, 79% of global consumers are changing their purchasing preferences based on social responsibility, inclusiveness or environmental impact [Stylus]. At Sodexo, we are happy to usher in that evolution. This past year our employees worked together, side by side, with our clients to create new customer experiences that are evolving toward more sustainable approaches.

In this report we’re pleased to present our actions toward our nine Better Tomorrow commitments — for individuals, communities and the planet. We share first hand accounts of how our employees took care of their guests and of each other. We also step back and analyze the performance metrics that show not only our successes, but also where there are struggles. We aim for transparency and to share our learnings as an advocate and an ally for positive societal and environmental impact.

This year, we’ve activated employee engagement and development opportunities, including a fun food waste reduction challenge (see GOALympics page 28) and an eye-opening chef training for plant-based meal preparation that helped us receive an A rating for protein sustainability from the Humane Society of the United States (see Recognition, page 7).

We also continued to strengthen our actions to reduce carbon emissions and fight the climate crisis. We remain on track to achieve a reduction of 34% by 2025, setting us up for our next stage — a journey to net zero by 2040, which we've announced and are formalizing with the Science-Based Targets initiative (SBTi).

Thank you for being a champion of change with us as we move forward together.







BETTER TOMORROW 2025

Our global CSR strategy is Better Tomorrow 2025, led by Sodexo Group. 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.

FORWARD TOGETHER

When it comes to creating a better, more sustainable and inclusive future, we believe in the power of the journey. We believe in a great experience provided by our teams' actions every day, and a better tomorrow made possible with our industry-leading commitments. We are united on this journey to help you make real impact to empower well-being, to maximize resources and minimize your carbon footprint, and to elevate quality of life for all as we move forward together.

Our 9 Commitments & Objectives

	Our Impact on Individuals 	Our Impact on Communities 	Our Impact on The Environment 
Our Role as an Employer 	<p>Improve the Quality of Life of our employees, safely</p> <p>80% Employee Engagement Rate in the U.S.</p>	<p>Ensure a diverse workforce and inclusive culture that reflects and enriches communities we serve</p> <p>100% of our segments have gender-balanced management teams in the U.S.</p>	<p>Foster a culture of environmental responsibility within our workforce and workspaces</p> <p>100% of our employees are trained on sustainable practices in the U.S.</p>
Our Role as a Service Provider 	<p>Provide and encourage our consumers to access healthy lifestyle choices</p> <p>100% of our consumers are offered healthy lifestyle options every day in the U.S.</p>	<p>Promote local development, fair, inclusive and sustainable business practices</p> <p>25% of spend on small businesses in the U.S.</p>	<p>Source responsibly and provide management services that reduce carbon emissions</p> <p>34% reduction of carbon emissions in the U.S.</p>
Our Role as a Corporate Citizen 	<p>Act sustainably for a hunger-free world</p> <p>3.6 million annual Stop Hunger beneficiaries in the U.S.</p>	<p>Drive diversity and inclusion as a catalyst for societal change</p> <p>Empower women in communities in the U.S.</p>	<p>Champion sustainable resource usage</p> <p>50% reduction in our food waste at 85% of our sites in the U.S.</p>

Key: ■ Global commitment ■ U.S. objective

A Better Tomorrow Takes Everyone: How We Work With Stakeholders

We engage stakeholders to inform and influence our actions, extend our impact and hold ourselves 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. 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. We also index to the Global Reporting Initiative (GRI), Taskforce on Climate Related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB) in our global reporting. Our commitments are interdependent. We recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

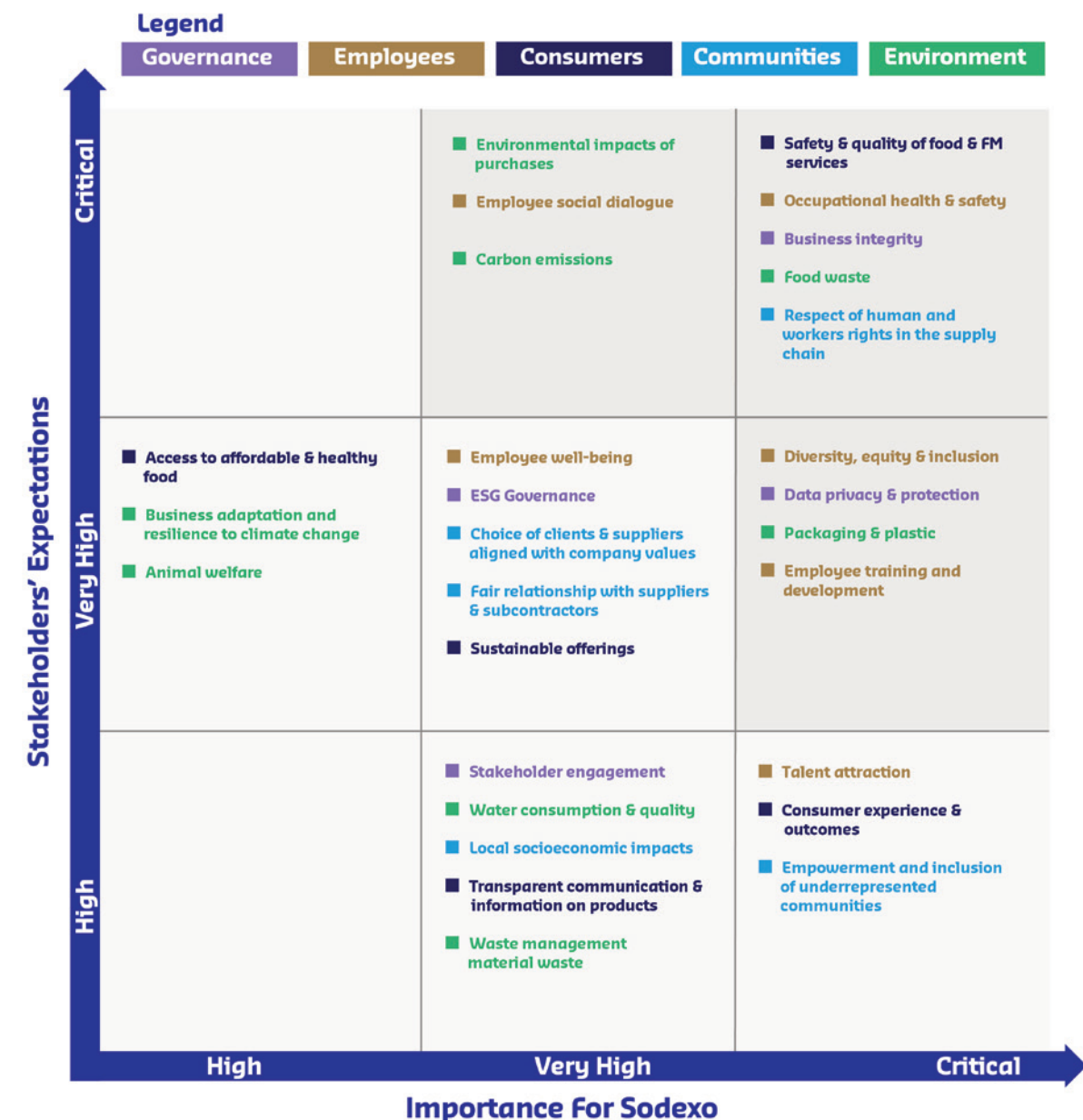
We Collaborate on Our Focus

Our **materiality matrix** shows the way. Through interviews and surveys with employees, clients, suppliers and community organizations, 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 analyzed stakeholder and insights for the North American region. We learned that North America demands more emphasis on social matters, such as empowerment and inclusion of underrepresented communities. We've used 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. As Executive Sponsors, our North American Region Chair and three Segment CEOs advise on and advocate for our four priorities: carbon reduction, waste reduction, plant-based eating and social impact. Our Better Tomorrow Leadership Committee comprises members from directors to presidents in every business segment and key function. It meets regularly to advise on the sustainability and CSR strategy for the North American region.

In addition, our Better Tomorrow Community of Practice is open to all employees. This voluntary engagement group comes together to share best practices, participate in trainings and solve challenges for implementing our Better Tomorrow roadmap. Employee participation is essential for both putting our sustainability and CSR plans into action and providing valuable feedback on our performance.



Recognition

Dow Jones Sustainability World Index (DJSI) - For the 17th consecutive year, Sodexo has been ranked as one of the top-rated companies of the Restaurants & Leisure Facilities on the S&P Global Dow Jones Sustainability World Index. Sodexo obtains the best score in the "Restaurants and Leisure Facilities" sector, with a score of 75 out of 100 (up 2 points compared to 2020), assessing the sustainability of the company.

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

EcoVadis - EcoVadis is a collaborative platform used to evaluate Corporate Responsibility performance. The assessment covers Environment, Labor & Human Rights, Ethics and Sustainable Procurement dimensions. In 2022, Sodexo has been placed in the top 1% of companies.



Humane Society of the United States (HSUS) Protein Sustainability Scorecard - Sodexo has been awarded an "A" by the HSUS on its Protein Sustainability Scorecard. Sodexo's commitment to embracing plant-based proteins, its [collaboration with HSUS](#) on increasing [plant-based menu options](#) and its assessment of emissions related to supply chain purchases placed it second overall on the scorecard.



CDP - Sodexo Group received a "B" score from the CDP. Our score is above the Europe average and the sector average of B-, and the same as the global average score. This recognition demonstrates key progress on our carbon strategy.



FTSE4Good Index - Sodexo Group is a constituent of the FTSE4GOOD Index, a series designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices.






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..... **9-11**
-  Commitment: Healthy Choices..... **12-13**
-  Commitment: Fight Hunger **14-16**

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.**

\$1.9M donated in FY22

“A key goal for ending hunger is to improve access to healthy, nutritious food,” Stop Hunger Executive Director Roxanne Moore says. “One of the easiest ways to accomplish this is through mitigating food waste and recovering more food.”



Our Role as an Employer 

Quality of Life for Employees

Overview

We are committed to **improving 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 adaptive 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

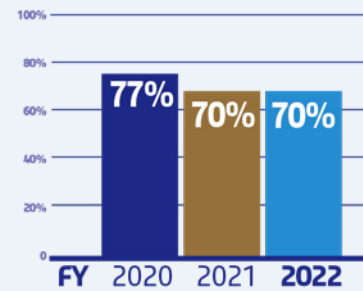
Healthy, safe work environment policies and practices are key to engagement, innovation, employee retention and customer service.

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 U.S. Employee Engagement Rate^{RA}

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

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 through Voice, our global engagement survey that focuses on nine themes:

1. Meaning
2. Autonomy
3. Growth
4. Impact
5. Connection
6. Diversity, Equity & 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.

FY22 was an unprecedented year for global workforces, and it was no different for Sodexo in the U.S. Labor shortages and lingering effects from COVID put continued stress on our frontline teams. Because of this, and in the spirit of quality of life, we took a year off from the additional task of collecting these survey results while we continued actions based on our FY21 performance. New for the upcoming year, we have added a safety measure into the bonus incentives plan for all U.S. Senior Managers and above to further embed accountability for our culture of safety.



Our Commitment in Action

Spotlight:

Tulane University Crew Achieves Highest Food Safety Standards

Every food business must ensure its food is safe and its work environment hazard-free. At Tulane University in New Orleans, the team excels at food safety, recently earning ISO 22000 certification from the International Organization for Standardization. The global certification is considered the gold standard for food safety, granted to sites with exemplary food management systems, processes and policies. "It shows our clients that we subscribe to the highest food safety and sanitation standards," says Unit Safety Manager Ray Campbell. "Our clients conduct audits and every year, we achieve increasingly higher scores." Campbell and General Manager Wesley Turnage are proud of their team's effort, from hourly staff to management. "We have a 'zero harm' mindset," Campbell says. "We want people to leave work in better shape than they came in."

The staff participate in daily huddles where they discuss best practices and Sodexo standards and guidelines on safety and sanitization. They also receive in-depth annual and new employee trainings, with demos on how to properly use equipment like knives and fire extinguishers. Engaging employees is key. "You have to strive for excellence. When you get buy-in, you can't be anything but a success," Campbell says. Turnage credits Campbell's passionate leadership and the entire team's dedication for making Tulane a meticulous, professional space. "When you teach employees the right thing to do, they take accountability," Turnage says. "They understand that it's better for them, working in a safe and clean environment. They take pride in their workplace."



Key Performance Indicator

Lost-time Incident Rate (LTIR)^{LA}

0.76 LTIR in FY20

0.58 LTIR in FY21

0.58 LTIR in FY22

Number of lost time injuries divided by the total number of hours worked from 9/2021 to 8/2022.

Spotlight:

Virtual Dietitians Create Health Equity in Underserved Communities

Healthcare sites have come through tough times in recent years, battling the COVID pandemic and supporting understaffed and overworked employees. Hiring staff – in any healthcare community – remains challenging. Sodexo's Nutrition and Wellness Center is helping to solve one issue: the shortage in registered dietitians. In 2020, we were already creating a HIPAA-compliant telehealth program to assist sites with outpatient dietitian services. "I guess we were a little ahead of our time," National Nutrition Director Susan Ramsey says. "But then COVID hit, and everything had to be virtual. Our telehealth nutrition service has really exploded."

Sodexo's registered dietitians provide services at hospitals and clinics, assessing patients via phone or Zoom and consulting with physicians, nurses and staff on nutrition prescriptions. Dietitians can advise on general nutrition, critical care nutrition, tube feedings and therapeutic diets for diabetes, oncology, kidney issues, liver transplants, eating disorders, cardiac disease, obesity and more. "They are interacting as if they are actually the dietitian on the floor, but working remotely," says Bunny Foxhoven, Manager of Sodexo Nutrition and Wellness Center.

These dietitians serve more than 20 sites nationwide, some of which are located in underserved or rural communities that may not have full-time staff. Some are filling in; others continue long-term. Through "hospital at home" programs, we also work with patients needing home care. The service works for providers, patients and dietitians. Providers can offer patients high-quality, expert care they might not otherwise be able to access. Dietitians love the flexibility of working from home. And patients can attend appointments from a hospital bed, their work or home, or even on the go. "Patients love the virtual appointments," Ramsey says.



Our Commitment in Action

The global 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 and whole grains, as well as less salt, sugar and unhealthy fats. Increasingly, a healthy lifestyle also includes **whole-food plant-based options**.

Healthy choices can be made easier when they are **accessible, affordable and high quality**. We address these **three important barriers** within 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.^{LA}



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. In FY22, our Better Tomorrow this indicator calculation has been updated from percentage of sites to percentage of revenue at sites in order to reflect the reality of volumes and consumer coverage. Our FY21 achievement has been updated to reflect that. Indicator was not measured in FY20 due to COVID-19 interruptions. This indicator is measured on the 9/2021-8/2022 reporting year.

Our Commitment in Action

Spotlight:

Sodexo Dietetic Internship Receives DE&I Award

This year, Sodexo's Dietetic Internship program won an Inclusion, Diversity, Equity and Access (IDEA) Action Award from the Academy of Nutrition and Dietetics. We received this recognition for recruiting and retaining students from underrepresented groups and for developing an inclusive learning curriculum.

Sodexo employs more than 4,000 registered dietitians worldwide and our internship program serves as a pipeline for talented employees seeking a diverse and rewarding environment.

Our Interns complete 1,024 hours (about 35 weeks) of supervised practice in clinical and foodservice placements at Sodexo-managed accounts.

Program participants must be enrolled in a Didactic Program in Dietetics (DPD), the college degree required for dietetics practice. After their internship, they can sit for the national exam to become a Registered Dietitian Nutritionist.

Interns report that their assignments gave them valuable and diverse clinical experiences and enabled them to build confidence in their skills and contributions to patient health.



As one wrote about their experience:

My time within my dietetic internship has allowed me to gain valuable insight into myriad ways dietitians are able to make a positive impact on their communities, whether that is through educating and treating patients in a clinical setting or developing nutrient-dense recipes in a community setting.



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 and consumer insights. For example, we measure the percentage of Mindful options, plant-based and vegan options we offer.

33% Plant-Based Planned Menus by 2025

Based on our efforts in the U.S. this year, 12.8% of our planned Fall 2022 menus are plant-based. The Campus segment is leading with 28% plant-based Fall 2022 planned menus. We anticipate doubling our overall plant-based planned menu offers in the U.S. in 2023 to align to our customer demand and our carbon reduction targets.

See more about how we motivate consumer choices in the [Carbon Reduction](#) section on our webpage.

We also track the number of registered dietitians we employ; their expertise helps clients develop healthy lifestyle selections. **Sodexo employs 2,047 registered dietitians in the U.S. We are the largest private employer of Registered Dietitians in the U.S.**

Our Commitment in Action

Spotlight:

Pioneer General Manager Creates Healthy Eating Program for Employees

Who doesn't want an Energy Reboot? Employees at Parkview Regional Medical Center in Fort Wayne, Indiana, are experiencing the benefits of an innovative program designed to help them eat healthier and strive toward personal health goals. Created by General Manager Andy Lockwood in collaboration with Parkview's employee wellness team, the Energy Reboot Program won Sodexo North America's 2022 MyGreenIdea contest, for best practices in Corporate Social Responsibility. "We focus on employee energy levels, not just weight loss," Lockwood says. "It's about showing up at your best."

The intensive, eight-week program teaches plant-based eating and mindful practices, such as exercise, meditation and sleep, with support from a Master Wellness instructor, dietitian and physician. To date, 140 employees have participated, from senior leaders to food and nutrition workers.

To start, employees are asked about their motivation, to best understand their goals. They receive surveys and baseline biometrics for body mass, blood sugar and cholesterol. Next, they receive weekly health coaching, discounted healthy meals, hands-on cooking lessons and follow-up questionnaires. Results have been overwhelmingly positive. One hundred percent of employees who followed the plant-based diet saw their cholesterol levels drop to a healthy range and every participant lost weight and lowered their blood pressure. The program was so effective, the team extended the concept to the retail environment, creating lower-cost plates with central plant-based items.

In a separate program, the Healthy Teams Initiative, employees can receive free meals when they sign up for regular health coaching to set and make progress on personal health goals. About 70

employees are choosing these "Mindful Meals," featuring whole grains, vegetables, fruit, lean proteins and other healthy ingredients.

"I wanted to offer free food to employees in my department," Lockwood explains. "I think it's very impactful. They're getting one really good meal per day and working toward their goals with their coach." Lockwood says employees exhibit a real spark when they join Energy Reboot.

"When you commit to it, you'll notice an immediate change in your energy level," he says. "I see it as their manager. They notice it with each other."

One employee started a "Couch Potato to 10k" program, building fitness gradually by running a little more every day. Another reported, "I have lost 43 pounds on this journey. This program has changed my life. I plan to continue this plan for the rest of my life. I can't believe healthy food can taste this good." Lockwood has shared the Energy Reboot program with colleagues in Sodexo's Better Tomorrow Community of Practice, a corporate social responsibility collaboration working to embed sustainable practices into operations. Now, it's under evaluation as a model for a global strategy around employee well-being and healthy eating.

The program embodies Sodexo's commitments to both reducing carbon emissions through increasing plant-based eating and improving employee quality of life. "Employees feel like they're being invested in," Lockwood says. "They feel like they're being cared for."



Our Role as a Corporate Citizen

Fight Hunger

Overview

Sodexo is 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.

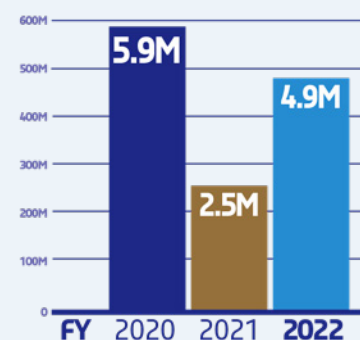
As a leader in the food service and facilities management industries, we are part of everyday life in thousands of communities across the U.S. We can use our skills, expertise, leadership, and resources to address the problem of persistent hunger in America.

More than 20 years ago we created the **Sodexo Stop Hunger Foundation**, a not-for-profit organization launched in 1999. The foundation aims to ensure 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. The Stop Hunger mission is now present in 54 countries. 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 – food aid and “beyond food aid” activities, such as women’s empowerment. The Foundation galvanizes our employees to volunteer and is the main partner for hunger relief initiatives we have at our client sites.

Why This Matters

Our employees see hunger up close in the places we operate, especially among K-12 and university students. We work to ensure people have access to healthy food today by reducing food waste, [\(See Sustainable Resource Usage section\)](#), increasing food donations and supporting backpacks, food pantry and summer feeding programs. We are also committed to ending hunger permanently by supporting a variety of programs like workforce development and community gardening.

2025 Target 3.6 million Stop Hunger beneficiaries annually



Meeting people’s urgent needs in the U.S.

Number of direct+indirect Stop Hunger beneficiaries.^{RA}

Reporting year: 9/2021 to 8/2022

Our Commitment in Action

Spotlight:

Food Rx Improves Health for At-Risk Community Members

People living with chronic health issues can require frequent emergency room visits and multiple medications to manage their conditions. However, some healthcare professionals have begun embracing the idea of food as medicine, pursuing a more holistic approach to treatment that considers factors such as diet and lifestyle. Addressing these areas can improve patients’ health, decrease emergency room visits and even reduce or eliminate the need for medication. In 2021, MedStar Health launched Food Rx at its Collaborative Care Program clinic at Good Samaritan Hospital in Baltimore, Maryland, to support patients with chronic health issues. The clinic addresses food scarcity and insecurity and examines other social determinants of health. The comprehensive program provides free nutrition education,

counseling and healthy meals, at no cost to participants. Patients begin by meeting with a Sodexo registered dietician for a one-on-one consultation. Food Rx is a six-month program that provides 10 meals each week for the patient and other household members. Patients also receive ongoing education regarding nutrition, cooking and exercise. Patients typically have multiple doctors and must travel to see each one, creating transportation challenges. Food Rx brings together the healthcare professionals in one place to collaborate on patient care and achieve positive outcomes. Throughout the program, the dietician works with doctors to monitor patients’ health and adjust medications as needed. Within its first 10 months, Food Rx enrolled nearly 70 people and provided more than 5,400 meals. The program is so successful that MedStar Health began expansion efforts to a second location at Harbor Hospital in Baltimore.

How We Measure

The Stop Hunger Foundation uses a global metric tracking system. The calculation method was adjusted in 2021 to better reflect meal equivalencies, as well as better account for beneficiaries. This change makes comparisons prior to 2021 incompatible. Stop Hunger metrics reveal not only outputs but also the outcomes. We know relieving hunger today alone is not enough.

Our Commitment in Action

Spotlight:

Recovering More Food = Feeding Hungry People

America doesn't have a food shortage problem; we have a food access and logistics challenge. Between 30 and 40% of all food in the U.S. is wasted, according to the U.S. Department of Agriculture. Of that, businesses that serve or sell food account for 40%. Meanwhile, more than 10% of American households experience food insecurity.

Food recovery – redistributing edible food from food service businesses to hungry people – is one tool for closing this gap. It's a sustainable solution that reduces carbon emissions and decreases landfill waste. It also builds stronger, healthier communities, in which businesses and local organizations work together to feed people.

At Sodexo, we're striving to make food recovery as efficient, effective and safe as possible, in alignment with our commitment to cut waste 50% and impact 3.6 million food insecure people every year.

To sharpen our skills, Sodexo and our nonprofit Stop Hunger ran an eight-week food recovery pilot this year. Goals included recovering more food, building new partnerships, simplifying processes, improving data tracking and eliminating safety and liability concerns. First, the team gathered information from sites already donating food. Next, they explored contracting with diverse food recovery partners. Last, sites tested processes and provided feedback. A new Food Recovery Toolkit grew out of the project, detailing what we learned about processes, partnerships and best practices. And we'll share key lessons, so industry peers can benefit from our experience.



Our Commitment in Action

Spotlight:

Addressing Food Insecurity on College Campuses

Skipping meals. Working second jobs. Taking “poverty naps” to stave off hunger pangs. Dropping out of college altogether. More than one-third of U.S. college students employ drastic measures like these to cope with food insecurity.

Battling hunger requires a united front. As one of the world’s leading providers of campus food services, Sodexo plays a crucial role in this fight.

Our partnership with Swipe Out Hunger, a national nonprofit committed to ending hunger on college campuses, is key in this effort. Aligned to combat food insecurity, together we’ve improved the lives of thousands of students nationwide.

How it Works

The Meal Swipe program helps students facing pervasive or short-term food insecurity by providing access to free, nutritious meals on campus.

It’s a simple concept with effective results. Students with surplus meals can donate swipes from their meal plans to a “swipe bank.” Donated swipes are then distributed to student ID cards in blocks of 5 to 15 meals. Allocations are made anonymously, so students who apply for help can swipe for meals at dining halls without experiencing the stigma associated with food insecurity.

Sodexo’s Innovation

Sodexo is pushing the program even further: for every campus meal plan purchased, we donate two meal swipes to the bank. So, regardless of student donations, there is always a substantial number of meal swipes to allocate to anyone, at any time in the semester.

Sodexo is the only provider offering this level of broad commitment. We have a longstanding partnership with Swipe Out Hunger, working closely together to fine tune and build this robust program. And we actively promote the program to the campuses we serve.



What’s Next

Since the successful pilot program in the spring of 2020 — banking more than 15,500 meals and providing 7,035 meals to 1,100 students — the Meal Swipe bank program has launched to 50-plus campuses, bringing us closer to our 100-campus goal. (Any unredeemed meals remain in the bank for students to access, as needed.) The program is expected to grow, as more campuses are showing interest.

“It’s a unique solution to address student food insecurity. This approach provides a much-needed safety net without the stigma students often fear,” says Kate Shearer, Director of Sustainability and CSR for Sodexo Campus.

“Food insecurity is going to look different for every student and occur at different points in a student’s journey. At times, students may need a safety net and this program is one of the ways we can catch them before they drop out.”

The pilot program’s quality of life outcomes showed that 80% of participating students felt less stress and 44% performed better in their classes.

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)..... **18-20**
-  Commitment: Sustainable Development..... **21-23**
-  Commitment: Social Change..... **24-25**

“We are leading our partners and the industry in how we address the needs and opportunities within our communities. We center diversity, equity and inclusion within our business. Through these efforts, we help our employees, our suppliers, our partners, and our society to positively impact and address imbalances.”

- Zeta Smith, CEO of Sodexo Seniors U.S.; Executive Sponsor of Social Impact

15.2%
of purchases we make benefit small businesses. This 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**, as well as contributes to attracting and retaining 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 to represent our diversity dimensions, while participating in an inclusive culture that enables them to thrive.

Why This Matters

A dynamic, innovative company requires people with a variety of backgrounds and perspectives. We live and do business in a diverse world with needs that reflect that same diversity.

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. Hiring 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.



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

Reporting year: 9/2021 to 8/2022



How We Measure

As a component of our commitment to gender equity, we have set a goal for gender balanced leadership teams. We define that as having between a 40% to 60% female to male ratio. We consistently measure gender balance organizationally, as well as within business segments to ensure gender-based leadership equity is present no matter where one works in Sodexo USA.

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, as well as helps create a better employee experience.

Mental health has been a major focus for our employee business resource group (EBRG), particularly during the pandemic and as we adjust to living with the reality of COVID. We want people to understand that mental health is an unseen disability. So, we offer education, webinars and partner resources, especially during National Disability Employment Awareness Month in October. We want all employees to know about LifeWorks, our counseling benefit. And we've worked with managers, to help them understand how to best support employees.

Discussing mental health through an intersectional lens is also critical, as people bring different cultural perspectives to these issues. Going forward, we hope to decrease the stigma by engaging more leaders in honest conversations. We know people feel more comfortable sharing their own experiences and seeking support when they know they're not alone.

- Mark Tucker, National Chair of the Sodexo Organization for disAbilities Resources (SOAR) EBRG and Vice President of Operations, Healthcare

Recognition:

Employee Business Resource Groups Provide Comfort and Support During Pandemic

For Sodexo's Employee Business Resource Groups (EBRGs), the pandemic created significant challenges. Two-plus years later, leaders reflect on how they've navigated using creativity, innovation and collaboration.

A.J. Francavilla, PRIDE Chair (LGBTQ+ and Ally Group) and Senior Director, Digital Experiences: "We focused on supporting members, staying connected with those still employed, providing professional development and highlighting well-being. We helped furlough-impacted employees, providing grocery grants. We emphasized normalcy and fun with a pizza party virtual meeting and mailed COVID kits, with masks, gloves, stickers and Skittles! We collaborated, cross-EBRG, to support Black Lives Matter actions. We safely continued our community work, fighting hunger and donating to schools. Our community stands strong."

Laura Antal, Director DE&I Communities "During the pandemic, I told our EBRG leaders this is a hard time. When people look back, they'll remember feeling supported by the EBRGs. I held a series of virtual open houses for leaders and EBRGs worked collaboratively to support members. In 2020, we held 86 events with 9,096 attendees, focusing on mental health, COVID's impact on different races and ethnicities, networking and professional development. The EBRGs provided a place to connect, find resources, share and find comfort."

Valeria Mosconi, SOL Chair (Sodexo Organization for Latinos) and Vice President DE&I "SOL had been online-focused for years – a strength. But we faced huge challenges; we lost key leaders. Everyone had to dig in and do the work. It built resilience. We held online events and partnered with supply management to provide PPE to communities. We've continued to promote Latino hiring and retention. Now, we want to increasingly emphasize collaboration, intersectionality and allyship. For me, the strong relationships of our SOL team have been the sunshine throughout the pandemic."



Spotlight:

GM Inspires Model for Community Partnerships

Find your passion and get to work. That's the advice of Kathleen Tisdale, rockstar volunteer Senior Area General Manager. Kathleen's passion for vulnerable LGBTQ+ kids fuels their work with Orlando's Zebra Coalition, a "safe space" for youth (ages 12 to 26) to get food, counseling and support. This year, that passion inspired a successful fundraiser for the nonprofit, a collaboration between Sodexo's Stop Hunger Foundation and nine employee business resource groups (EBRGs). Kathleen, a PRIDE EBRG leader who identifies as nonbinary, experienced homelessness as a teen. Their experience makes them a powerful advocate. "If we're going to say we're part of the community we serve, we have to be part of all the communities," they say, adding LGBTQ+ youth are at higher risk for homelessness, hunger and suicide.

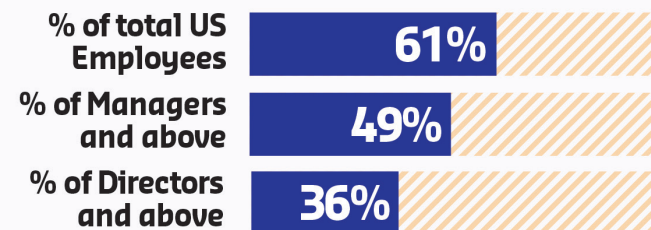
Supported by the team, Kathleen marshaled their team to make meals for the kids. During the pandemic, they continued to organize outdoor meals, distribute food and collect donations. The Zebra Coalition received a \$5,145 check from Stop Hunger and the EBRGs at a meeting in Florida last spring. Colleagues praise Kathleen, who has received company awards as a SodexoMagic Magic Maker and Stop Hunger Hero of Everyday Life. For Kathleen, it's simple. "I just want kids to stop taking their lives. I want them to grow up and work for companies where they can be themselves."

Key Performance Indicators

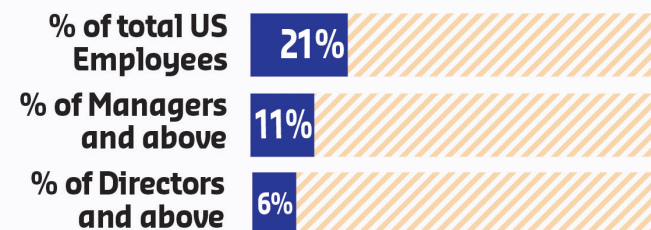
Demographics of Sodexo in the US



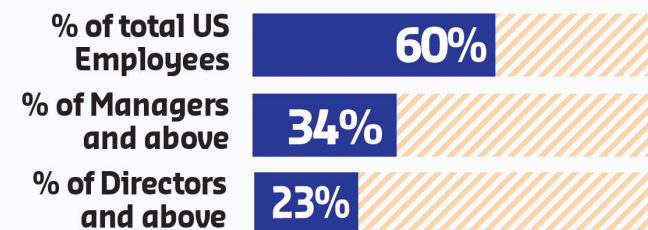
Women



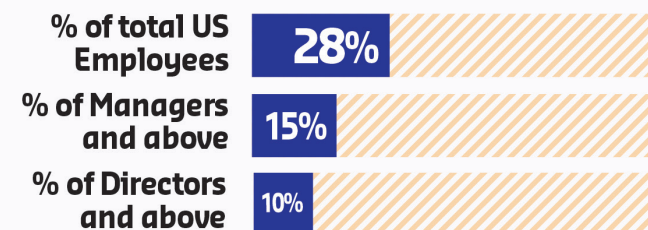
Latinx



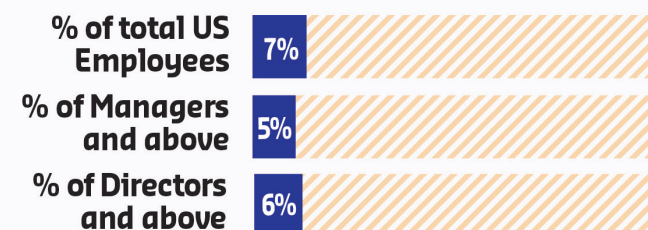
All Ethnic Minorities



Black



Asian and Pacific Islander



Reporting year: 9/2021 to 8/2022

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 Hall of Fame - Sodexo was listed in the Hall of Fame at the 21st 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. This is the 14th consecutive year Sodexo has been honored by DiversityInc.



Disability Equality Index - The Disability Equality Index (DEI) is a comprehensive benchmarking tool that helps companies build a roadmap of measurable, tangible actions that they can take to achieve disability inclusion and equality. Sodexo has received this award for the eighth consecutive year.



Seramount | Best Company for Multicultural Women - Seramount's Best Companies for Multicultural Women tracks corporations' progress in creating cultures that encourage multicultural women to join and rise through the ranks. In honor of our 15th consecutive year on the list, we joined the Seramount Best Company for Multicultural Women Hall of Fame.



Human Rights Campaign - 100% on the 2022 **Corporate Equality Index (CEI)** for corporate policies and for practices related to LGBTQ+ workplace equality for the 15th 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 33.

Why This Matters

Our scope and scale have a significant impact on the economic and social dynamism of the communities where we operate. We have a responsibility to increase business with local, diverse, and small suppliers. We can play a leading role in empowering and employing local communities and providing business growth opportunities for our diverse community including disabled, ethnic minority, LGBTQ+, service disabled, veteran and women owned businesses.

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, especially in dealing with the volumes and service levels necessary for operations. It is important to establish the right conditions and develop the capabilities of small and diverse businesses to ensure we are creating mutually beneficial partnerships.

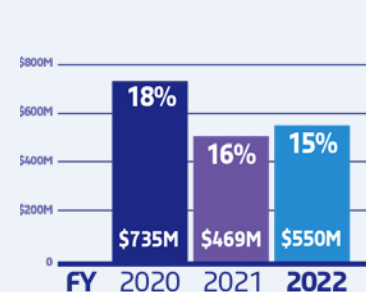
In addition to supporting diverse and small businesses directly, we hold our vendors accountable to support diverse and small business by having contract language in our agreements. We do this for several reasons: to give additional opportunities to diverse vendors in categories where we do not directly contract and to align our vendors' support with Sodexo values. By helping suppliers when needed to establish a program, we aim to bring our vendors along the journey with us and expand their supply chains to be more inclusive.

Animal welfare are key components that underpin our responsible sourcing goals. 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. See our new disclosures on our [Animal Welfare webpage](#).

How We Measure

We track 10 metrics for our supplier diversity program on our small businesses and diverse suppliers to give us an overall picture of the value we bring to communities. Additionally, we have supplier diversity goals for increasing our spending and engagement goals with our diverse vendor community and requirements to include diverse businesses in all Supply Request for Proposals. 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 is a firm with fewer than 500 employees for most manufacturing industries and \$7 million in average annual receipts for most non-manufacturing industries. The definition of a diverse company is a business that is at least 51% owned and controlled by one or more individuals from a diverse category.

2025 Target 25% of purchases we make benefit small businesses



Supporting Local and Inclusive Communities

U.S. business value benefiting small business^{1A} (million USD, % of total spend). Does not include Entegra spend.

During the 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.

3,411 diverse and small suppliers supported in FY22

23% of our U.S. business value supported diverse and small suppliers in FY22

Our Commitment in Action

Spotlight:

Collective Action Leads to Systemic Change in Single Use Packaging

Compostable cups, reusable to-go containers, plastic bottles... How can operators compare products and buy what's best when waste systems vary from one location to the next? When existing sustainable solutions are not practical at scale, systemic change through collective action is required. How do we address the scale and complexity of sustainable packaging?

Meet the UP Scorecard, developed by a cross-industry group of technical experts, sustainability leaders and global food service companies, including Sodexo. This tool allows procurement and operators to compare foodware and packaging and is under continual development with the nonprofit Single-Use Material Decelerator, also known as (SUM'd). Judy Panayos, Sodexo's Senior Director of Sustainability and Supply Management, participated in the Scorecard's development and now sits on the steering board of SUM'd. The free, online Scorecard is easy to use, guiding users through a process that helps them make more sustainable, science-based decisions. Scores cover six areas: plastic pollution, chemicals of concern, climate, water use, sustainable sourcing and recoverability. As more decision-makers adopt the tool, their massive purchasing power will provide producers with direction regarding demand for sustainable products.







"We hope it will send the market message that producers should be developing holistic solutions encompassing all aspects of corporate responsibility," Panayos says. The Scorecard is a powerful tool that supports the development and deployment of Sodexo's sustainable food service packaging strategy. It ensures progress toward our responsible sourcing commitments around health and wellbeing, social equity and protecting the natural environment.



Key Performance Indicators

Number of Tier 1 women-owned small businesses



	FY20	FY21	FY22
 Preserving biodiversity Sustainable fish and seafood as a % of total fish and seafood ^{RA}	83%	83%	81%
 Cage-Free Eggs: Shell % number cage-free shell eggs/total shell ^{RA}	81%	73%	70%
 Cage-Free Eggs: Liquid % volume cage-free liquid eggs/total liquid ^{LA}	83%	81%	85%
 Sustainable Paper Disposables % spend certified sustainable hygiene paper	70%	96%	96%
 Concentrated cleaning products % spend concentrated cleaning chemicals	68%	66%	67%
 Sustainable and Certified Coffee purchased* % spend	66%	70%	72%

Entegra spend is not considered in scope for our reporting purposes, and not included in the above figures.

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

Our Commitment in Action

Spotlight:

Sodexo's Good Eating Company (GEC) Supports BIPOC Farmers

Cauliflower, broccoli and kale. Strawberries, parsley and baby bok choy. Watsonville, California, has become a vibrant hub for minority-owned farms using regenerative agriculture practices. And Sodexo's Good Eating Company is committed to bringing more of this sustainable produce into our kitchens. GEC is a premium food brand emphasizing locally sourced ingredients. Acquired by Sodexo in 2017, it expanded from the U.K. and Ireland to the U.S. in 2021. **It has committed to dedicating 15 percent of its food budget to source from farms with regenerative agriculture practices by 2025.** Last year, GEC launched a regenerative pilot program in northern California that sources from BIPOC (Black, Indigenous, People of Color) farmers engaged in regenerative agriculture. Such practices include organic pest management, reduced tillage, composting, cover cropping and crop rotation. These practices improve soil health, water and air quality and sequester carbon, all while producing more nutritious food. Nonprofit Kitchen Table Advisors and consultant Heather Frambach from Supply Change supported the farmers (and their food hub), by linking them to buyers like GEC and their clients, including San Francisco Bay Area tech companies.

Eight Good Eating Company sites are using the produce and several chefs have toured the farms, says Renee McKeon, Vice President of Sustainability & CSR for Corporate Services. Now, she hopes to engage more chefs and inspire them to continue ordering. GEC will also work with farmers to crop plan this fall for the next growing season. "We had a lot of great learnings and we are excited to replicate this model beyond California."

Spotlight:

Woman-owned Rhode Island Bakery Delivers the Goods

Apple cinnamon muffins. Chocolate chip breakfast "rounds." Nut-free brownies. Students in Sodexo's Northeast cafeterias are enjoying healthy, whole grain breakfast treats from a revered local bakery. Ashley's Confections, based in Rhode Island, supplies our K-12, university and healthcare sites in New England, New York and Washington, D.C., with plans to expand.

Formerly named Ice Cream Machine, Ashley's Confections is a woman-owned family business and longstanding Sodexo supplier. It operates an ice cream shop in Rhode Island, along with bakery facilities – one completely nut-free. "They've worked closely with Sodexo to help develop products as we need them," says Elissa Knott, Senior Manager, Culinary Systems. She particularly appreciates Ashley's willingness to work together on labeling and ingredients. The company will often reduce fat in products, make allergen-friendly ingredient substitutions or decrease the number of ingredients, she says. This makes products healthier and labels easier to understand for consumers. The vendor also works with Sodexo to create new products and offer fun, educational student tastings. For example, Knott says, "we really needed a thaw and serve cinnamon roll, and they were able to develop it. They're extremely flexible."

Ashley's completely separate nut-free facility ensures those with allergies are protected from any exposure. Knott says during the pandemic, the company was a fantastic partner, providing individually wrapped items and helping feed people during a uniquely challenging time. Most importantly, Ashley's Confections are delicious, and everyone loves them. "From mango-pineapple to blueberry, they have a lot of different flavors," Knott says. "And they innovate; we're developing a new muffin right now. They're great partners."



Diversity, Equity & Inclusion at SodexoMagic

SodexoMagic, a partnership between majority-owner Mr. Earvin "Magic" Johnson and Sodexo, is a certified minority-owned business and strategic enabler of supplier diversity delivering 100% Tier 1 spend. Led by President Selena Cuffe, we're proud of our performance in DE&I.

Senior Leadership Team:
100% Diverse Women

Company-wide Management Team:
50% Women

Workforce:
88% Diverse

Annual Revenue Spent with Diverse Suppliers:
Almost 50%

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 U.S., including women, BIPOC, refugee and LGBTQ+ communities.

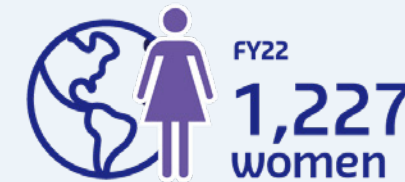
We take steps through advocacy, our business practices, supplier relationships and programs to ensure that equity and inclusion are important lenses through which we view business opportunities.

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 lack of educational access. 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



Stop Hunger numbers are reported during 9/2021-8/2022 and women owned businesses do not include Entegra data.

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.

Key Performance Indicators



323 number
of women-owned
and operated small
businesses
we supported



135
SheWorks
beneficiaries



572
Women empowered
through beyond
food aid grants from
Stop Hunger

Stop Hunger numbers are reported during 9/2021-8/2022 and women owned businesses do not include Entegra data.

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 businesses in our supply chain.

While we do not have a formalized U.S. 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 businesses. This measurement shows us where our business decisions are empowering women.

Spotlight:

SodexoMagic Enhances Patient Care and Community Health at Methodist Hospitals

Methodist Hospitals in Northwest Indiana has faced significant operational challenges. The not-for-profit community healthcare system has struggled with staff vacancies, employee satisfaction, high costs and aging infrastructure at its 24 locations, which include two hospitals. In food services, it aimed to improve on quality, cost and delivery, and meeting special dietary needs. It also wanted to support patients with nutritional counseling. The surrounding community also struggles with “food desert” issues and food insecurity. Enter SodexoMagic, a partnership between majority-owner Mr. Earvin “Magic” Johnson and Sodexo. The premier food and facilities management team provided innovative solutions, grounded in an inclusive culture that champions diversity and equity. In facilities, improvements included new processes, energy-efficient equipment and infrastructure planning. Daily staff huddles and monthly safety trainings increased education and professionalism. In the kitchens, SodexoMagic streamlined scheduling, menu ordering and food purchasing. Standardized menus led to better food at lower cost, and registered dietitians assessed dietary needs. A new HIPAA-compliant telehealth platform also supported patients with chronic conditions. In its first contract year, SodexoMagic saved the system \$415,000 in facilities costs and \$400,000 on food procurement.

On the food insecurity front, SodexoMagic supported food drives, grant-funded food pharmacies and employee markets. It also connected local farmers with SNAP-eligible farmers markets. Patients received counseling and education addressing health issues like diabetes.

For Kevin Parker, SodexoMagic Director of Plant Operations and a native of Gary, Indiana, **providing exceptional service to Methodist is “especially personal.” “The healthcare system’s underserved population reinforces our drive to be a strong partner in enhancing patient experience... while impacting the well-being of our wider community.”**

Spotlight:

Expanding Access to Maine-Grown Products Throughout the Year

Since 2015, Sodexo has supported farmers and fishers through Maine Course, a state-wide program dedicated to improving the lives of Mainers through deep community partnerships and purchasing commitments for local produce, grains and sustainable seafood. “Maine-grown food is important to our consumers – especially students – because they’re genuinely interested in seeing their community members flourish,” says Maeve McInnis, Maine Course Director. One of Maine Course’s successful initiatives comes to fruition this fall, as Maine-grown frozen broccoli arrives on Sodexo campuses and in regional grocery stores. The project’s three-year journey began when Maine Course recognized the need to invest in equipment to freeze produce for year-round use. The Maine Course team partnered with Good Shepherd Food Bank to explore solutions and chose broccoli as the first of several commodities to explore. The veggie is popular with consumers, grows well in Maine and is harvested after the large blueberry crop, allowing access to underutilized existing equipment and labor. McInnis worked closely with Kristen Miale, President of Good Shepherd Food Bank, to seek funding through the Henry P. Kendall Foundation’s 2019 New England Food Vision Prize. The pair successfully secured \$250,000 in seed money to establish a first-of-its-kind vegetable-freezing facility, which is now operational. Over the years, the collaboration grew to include more partners and funders to address production and supply chain hurdles. The initiative provides consumers with more local produce and creates a more inclusive market for Maine farmers, processors and small business owners, building supply chain resiliency. Supporting Sodexo’s commitment to expand food justice, a portion of the frozen broccoli is provided to food-insecure Mainers.



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... **27-29**
-  Commitment: Carbon Reduction..... **30-32**
-  Commitment: Sustainable Resource Usage **33-34**

"As a community leader, I'm proud to support our youth and demonstrate Sodexo's commitment to protecting the environment. Members of Generations Z and Alpha are more aware of environmental issues than any previous generation and they are passionate about making a difference. As more young people take up the fight to avert climate disaster, it is essential that leaders in education, business and other communities support them with resources and guidance. That's why we provide K-12 students with education around the impact of eating more plant-based dishes to reduce greenhouse gas emissions."

- Stephen Dunmore, CEO North America Schools at Sodexo

50%
of our electricity consumption in FY22 is covered by renewable energy credits (RECs) in support of U.S. renewable energy infrastructure.



Our Role as an Employer 

Responsible Culture

Overview

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

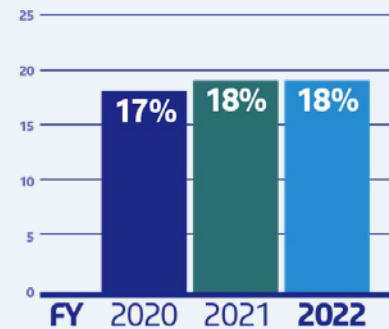
Environmental responsibility is the role of each and every employee. From preventing waste to eliminating non-essential packaging and sourcing responsibly, we aim to integrate environmental responsibility across our culture. We use various methods to reach our workforce with the appropriate resources and tools, including universal and customized trainings, an employee best-practices 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 disproportionately impact marginalized communities. **We aim to support equitable and sustainable solutions for all.**

SEA for a Better Tomorrow is Sodexo's proprietary client site sustainability tool to benchmark performance, implement best practices, track progress and share results with our clients. This real-time, interactive performance tool, empowers managers to address client sustainability priorities, action on them and show progress over time. SEA has 60+ best practices that enable managers to execute improvements with expertise.

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



Our focus on creating a culture of sustainability had led to:
15,233 current employees trained since FY2015



Our Commitment in Action

Spotlight:

Employee Enthusiasts

Sodexo has a long history of gathering like-minded practitioners to collaborate on shared concerns and passions, forming and growing groups as needs emerge. In that spirit, Sodexo North America recently relaunched its best practices group as the Better Tomorrow Community of Practice (BTC).

Fueled by invigorated executive support from our Better Tomorrow Leadership Committee, the group's mission has expanded from environmental sustainability topics to broader Corporate Social Responsibility (CSR), Diversity, Equity & Inclusion and Nutrition Health and Wellbeing practices.

Meeting virtually, the group is more accessible. It currently has about 200 volunteer members, referred to as Subject Matter Enthusiasts (SMEs),

many of whom are district managers, general managers, operators or marketing managers.

BTC members receive Better Tomorrow content, share best practices and updates in a quarterly newsletter, participate in focus groups, attend monthly meetings and train quarterly on tangible actions.

The gatherings are a highly effective learning tool, says La'Shaune Barker, BTC Co-Chair and Program Coordinator in the Office of CSR.

Anyone can lead a focus group to collectively address a challenge or present something that's working in the field, from achieving green cleaning certification to cutting food waste, conducting sustainability audits to improving employee health. Subject matter experts lead in-depth quarterly trainings, such as a recent session on plant-based eating with sustainability and CSR experts and certified dietitians and nutritionists.

How We Measure

We track the number of employees trained in sustainable practices annually. This tells us that employees have the skills, knowledge and motivation 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 who 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:

Employees Compete to Reduce Food Waste in GOALympics

What re-energizes employees after a challenging year? Purpose and fun. This year, Sodexo North America rolled out its first food loss and waste reduction contest, the GOALympics, themed for the international sports competition. "Everyone was struggling for so long during COVID," says Jude Medeiros, Manager, Sustainable Operations at Sodexo North America. "It was time to have fun and really engage our teams. We wanted to get people refocused and re-energized around food waste." Sodexo has a strong commitment to food waste reduction and an ongoing campaign, "Food Waste, Not on My Watch!"

Understanding that food waste is a major contributor to climate change, we are committed to reducing our food waste 50% at 85% of sites by 2025.

Medeiros started designing the program in 2021, consulting with waste reduction partner Leanpath. Objectives included: increasing engagement; generating awareness and support; reinforcing individual responsibility; and emphasizing the value of reducing waste and re-purposing food that might otherwise go to waste. More than 250 Sodexo sites across seven business segments participated by joining Team Endurance or Team Determination. Team Endurance sites used Sodexo's WasteWatch powered by Leanpath tool, which utilizes a scale and digital display to measure, track and report food waste. These sites were required to track regularly, with goals set by Leanpath and the Office of Corporate Responsibility. Sites not using Leanpath were required to hold "weigh the waste" events, recover and donate food, and create recipes utilizing leftover vegetables. Customers were also involved in many of the GOALympics games.

"Food waste is not just a front of house or back of house issue," explains Dave Britton, executive director of Leanpath. "Food waste occurs from the moment food hits the loading dock and only by proper tracking can we determine where to set the best goals." Leanpath provides great technology tools, he says, but team engagement is really the driver behind meaningful food waste reduction.



Medeiros says team building was key. Each segment identified a liaison, who communicated with and cheered on their GOALympians. Corporate Responsibility aligned each liaison with a coach, who kept their segment on point, sharing important data and updates. The encouragement of senior leaders kept the competition strong. The competition included games like CO2 Cutters, rewarding those sites who avoided the most carbon and Meal Rescue Squad focused on saving the most meals possible during the February timeframe. The goal was to have fun while focusing on engagement and education. During on-line closing ceremonies, the Corporate Responsibility team awarded 50 gold, silver and bronze medals to employees whose teams scored highest in 15 separate games and events.



"We really learned a lot," says General Manager Erica Block, whose team at the Ronald Regan Presidential Library in California won

several medals for leftover re-purposing and its customer-focused "weigh the waste" event. "It's important for us to be mindful and realize how much waste we are creating here." Britton says Leanpath assists foodservice clients and Sodexo regions globally in support of employee engagement. But Sodexo USA's Corporate Responsibility team is the "first to put such high-level production value around a food waste competition. I can't wait to do it again." We know we can only reach our 2025 food waste reduction goal by working together. Innovative and spirited competitions like GOALympics, which promote and reward teamwork, are an important weapon in tackling the food waste crisis.

GOALympics 2022:

Recorded
230,838 lbs.
of waste

Prevented 
109,910 lbs.
of waste

Saved
91,588
meals

Avoided
347
metric tons
in CO₂ emissions

Spotlight:

Turning Leftovers Into a Winning Plant-Powered Culinary Strategy

Sodexo's dedication to seasonal, healthy and sustainable food isn't just work; there's room for our team members and clients to have fun. In our plant-based contest, our culinary experts used tofu crumbles, fruit peels and more in a friendly competition to create healthy menu items that reduced waste and environmental impact. During Earth Month, a group of Sodexo chefs created entrée, salad, dessert and soup recipes that emphasized plants and re-purposing food for hospital clients. Chefs received points for creating at least three plant-based entrees per week, using plant proteins and food that is typically discarded, like vegetable scraps that were turned into stock, and leftover cauliflower from the salad bar that was used in cauliflower and tofu curry. Sites also received points for promoting plant-based items and displaying signage. One menu at CarePoint Health Christ Hospital in Jersey City, New Jersey, included jackfruit carnitas on corn tortillas with spicy jicama cabbage slaw, and chickpea stew, also known as chana masala, with steamed basmati rice. The contest winner at Hoboken University Medical Center café served teriyaki tofu fried rice with ginger snow peas, as well as vegetarian minestrone soup and tri-colored quinoa-stuffed zucchini.

The contest was created to bring awareness to clients and site team members about the integration of a plant-based menu within Sodexo's food-service operation. Soledad Hearon, registered dietitian nutritionist and project manager for Sodexo Health & Care, says the concept created a greater acceptance of the cafeteria offerings and strengthened the connection between kitchen staff and clients. Hearon says the contest helped site staff break out of the conventional thought pattern of restricting plant-based menu items and offer a more diverse, thoughtful and innovative selection.

Sodexo is committed to reducing our carbon footprint in partnership with our clients by offering plant-based meals and reducing waste.



Chefs received points for creating at least three plant-based entrees per week.

Our Role as a Service Provider

Carbon Reduction

Overview

We are committed to sourcing responsibly and providing management services that reduce carbon emissions.

We measure our **direct contributions to carbon emissions** (what's often called, Scope 1 and 2 emissions), as well as **carbon emissions from our supply chain** and the **energy used and waste created at our clients' sites** (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.

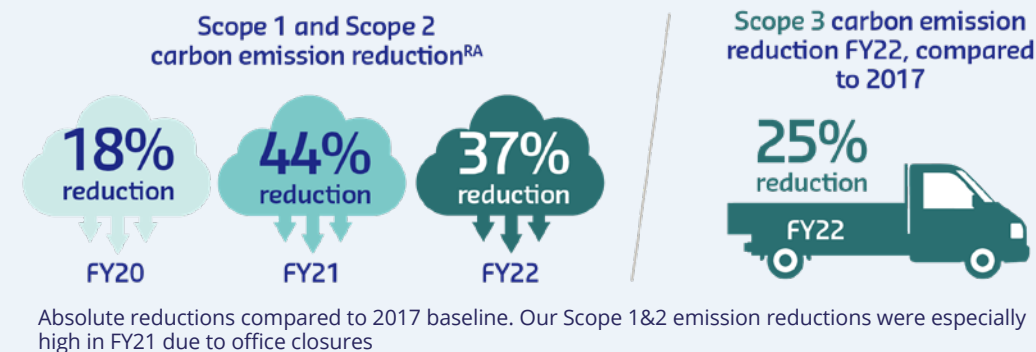
Where and how we source the products, services and raw materials essential to our quality of services is part of our **Global Responsible Sourcing Strategy**. We know that production of those essential raw materials, when not done responsibly, can lead to **deforestation, air pollution, soil erosion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



Our Commitment in Action

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 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.



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.

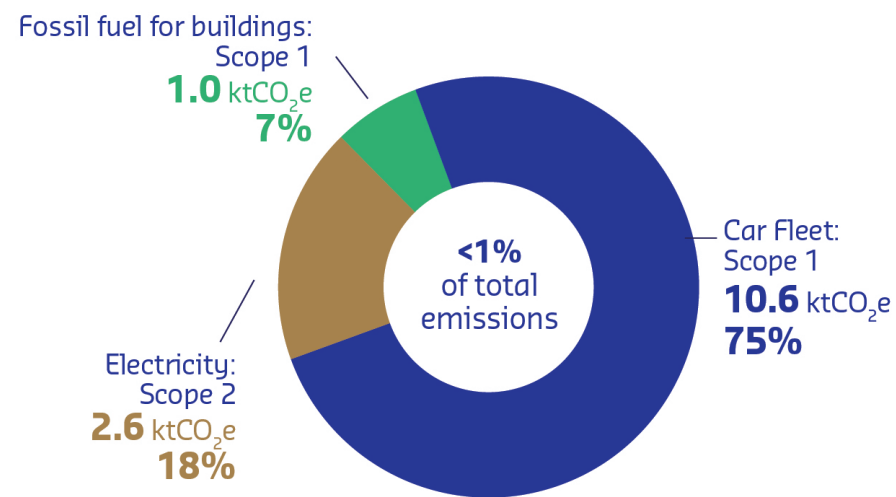
We follow the **Greenhouse Gas Protocol** to calculate our carbon emissions and assign them into 3 categories called Scope 1, 2 and 3.

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. We are proud to measure and report a near-complete update on our entire carbon footprint for the first time since setting our FY17 baseline. This includes our direct contributions to carbon emissions (Scope 1 and Scope 2 emissions), as well as carbon emissions from our supply chain, client site activities and business travel (Scope 3). The small remaining piece that we cannot yet report with much assurance, is our employee commuting, but we are putting systems in place to bring you that data in FY23. Although there are many assumptions that must be included in the measurement of emissions at client sites, we will continue to use our client site sustainability measurement and reporting tool, SEA for a Better Tomorrow, and client partnerships to improve our reporting capability.

Carbon Emissions Across Our Value Chain

Our Direct Greenhouse Gas Emissions Scope 1 and 2

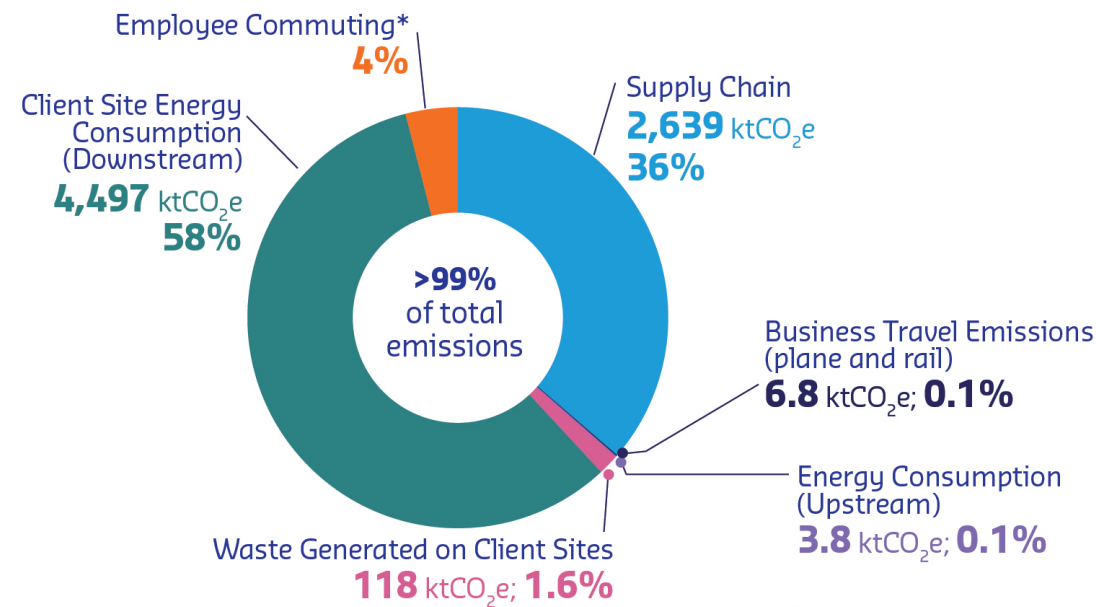
37% absolute reduction between 2017 and 2022^{RA}



Absolute Reduction Since 2017 [#]	
Car Fleet: Scope 1	↘ 28%
Electricity	↘ 60%
Fossil Fuel for Buildings (Scope 1)	↘ 9%

Our Indirect Greenhouse Gas Emissions Scope 3

25% absolute reduction between 2017 and 2022



* Based on estimations.

Absolute Reduction Since 2017	
Supply Chain	↘ 27% ^{RA}
Business Travel Emissions (plane and rail)	↘ 45%
Energy Consumption (Upstream)	↘ 16%
Waste Generated on Client Sites	↘ 51%
Client Site Energy Consumption (Downstream)	↘ 23%
Employee Commuting	N/A

Sodexo is not publishing Employee Commuting reduction as the calculation methodology is in the process of being made more reliable. This indicators will be published starting in 2023. Entegra's supply chain is considered out of scope for our reporting, and is not included in our Scope 3 calculation.

Spotlight:

Investing in a Data-Driven Path to Lower Carbon Emissions

As we aspire for a better tomorrow, we're also refining the tools we use to achieve our goals and make positive contributions to society and the environment. To that end, Sodexo has launched an internal proprietary program, the Carbon Trajectory Tool, with carbon software tech company Traace and EY. Using this strategic planning platform, our regional and segment leaders will have refined, specific guidance to work toward meeting Sodexo's 34% carbon reduction target by 2025. The Carbon Trajectory Tool takes in data to help Sodexo's leaders create scenarios, set interim targets and chart their own segment's or region's path to successfully reducing carbon emissions. The tool consolidates multiple data streams, including energy consumption and food waste, then shows actionable steps we can take to reach our sustainability goals. Data transparency is a common problem for climate-aware companies. While the broad categories of actions are understood, the specific impact of each initiative is often hard to quantify. Our years of increasingly in-depth Scope 3 supply and site level carbon measurement (those emissions resulting from activities not directly under our control) enabled the creation of this tool, allowing for more precise strategic planning.

The tool helps map out how much change is needed to align with company-wide emissions targets, such as what percentage of the menu should be plant-based. It also provides a starting point for conversations with business leaders about their contributions to carbon emissions. The tool allows our segments and regions to pinpoint what we can do to reduce emissions, rather than estimating how much a particular action would drive change. Our new carbon reduction strategic planning platform helps Sodexo's leaders focus sustainability efforts as we work side-by-side with consumers and clients to reach our shared goals. This additional investment reaffirms our commitment and distinguishes our capabilities with data backed, action-oriented, segmented planning.

Spotlight:

Introducing a Delicious and Healthy Plant-Based Eating Culture to Patients

When staff offered plant-based lunches to patients at New York City Health + Hospitals, everyone wondered if patients would accept the meals or ask for meat instead. But dishes like mushroom garden Bolognese and kabocha squash over rice proved popular during the eight-week program, designed to measure patient acceptance and satisfaction. Ninety percent of patients did not reject their plant-based meal and 80% reported enjoying it. The program was so successful, plant-based dishes are now standard patient lunches. "It's really showing patients the health benefits without having the center of the plate be meat," says Samantha Morgenstern, a registered dietitian and Sodexo Director of Nutrition for NYC Health + Hospitals. The plant-based program is built on the success of a 2019 campaign: Meatless Mondays, featuring weekly plant-based meals at NYC Health + Hospitals' 11 acute care hospitals. The food and nutrition team collaborated with the cardiology and lifestyle medicine teams to recommend plant-based diets when appropriate. Then came 2020, bringing COVID-19 and operational challenges. New programs went on hold until fall 2021, when the plant-based lunch program was planned, in alignment with New York City wellness and sustainability efforts. The program launched on March 1.

Eligible patients received two top plant-based "chef recommendations." (Some could not participate - due to dietary requirements.) If patients made no choice, they received the top plant-based "default" meal. Staff collected data on orders and solicited feedback. Dietitians rolled the program out to the patients, staff and community, sharing the science and positive environmental impact behind the meals.

With unfamiliar foods, such as edamame falafel, patients received how-to guides. They also received educational materials to take home. Some sites were more accepting of plant-based foods, based on the patient populations' traditional food cultures. Other lessons from the program? Include milk to ensure adequate vitamin D intake. Plant-based meals can provide adequate protein, by serving complementary higher-protein grains and legumes. The program's "uptake number" – the increase in patients who accepted or selected plant-based was also strong.

"About 55% more patients ate plant-based meals during the program, as opposed to those who normally would," Morgenstern says.

This increase falls at the high range for adoptions of any healthy new foods. Program results were highlighted in a documentary created by the non-profit Better Food Foundation, which featured Morgenstern, Chef Philip Demaiolo and others. Next, the team is planning plant-based dinners. "It's been a great partnership," Morgenstern says. "It really has brought to life the essential role dietitians play in promoting nutrition and its overall impact on the health and well-being of our patients."



Ninety percent of patients did not reject their plant-based meal and 80% reported enjoying it.

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.

To address the environmental and health issues related to packaging, we are developing a comprehensive food service packaging strategy. There is no simple solution to this complex issue. It requires collaboration across the value chain to tackle the systemic challenges.

To ensure that our strategy can be effectively operationalized, we embarked on a robust stakeholder engagement process that is centered on our business and involves our shared service function owners to identify strategy components and critical business considerations.

Why This Matters

Every year, between 30% and 40% of the food produced in the U.S. for human consumption gets lost or wasted, according to the U.S. Department of Agriculture. Solutions across the food system can significantly improve food insecurity, carbon emissions and economic value. As 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 human health costs that disproportionately impact marginalized communities.

2025 Target

50% reduction in our food waste
at 85% of sites.*



*based on raw material cost

Our Commitment in Action

We have a Global Responsible Sourcing Strategy

Our strategy 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
- Protecting and restoring natural ecosystems

We work toward incorporating sustainability and corporate responsibility into our U.S. 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 U.S. Environmental Protection Agency's Food Recovery Hierarchy, which prioritizes source reduction, followed by feeding hungry people, feeding animals, industrial use, composting and finally ending with landfill and/or 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:

Sodexo Joins Pacific Coast Food Waste Commitment to Help Cut Regional Food Waste in Half by 2030

This year, Sodexo became the first foodservice company to join the Pacific Coast Food Waste Commitment (PCFWC), one of the largest public-private partnerships committed to cutting food waste in half by 2030. The group brings together U.S.-based leaders in food industries and area jurisdictions to meet the food waste reduction goal, which is aligned with United Nations Sustainable Development Goal 12.3 and other global, national and regional commitments.

We aim to enhance the campaign in two key ways:

- By reducing food waste and increasing food recovery throughout our operations
- By influencing suppliers and our partners up and down the value chain

We know that sharing data and best practices with peers is an inspiring and effective way to target, measure and act to reduce food waste.

Our participation in the PCFWC, through our relationships with hospital and campus client sites, represents a significant expansion of its efforts, through our relationships with hospital and campus client sites. It also bolsters our ongoing work to cut operational food waste, which includes tracking data on kitchen and customer waste, training and engaging employees on innovative food waste prevention, and donating surplus food to nonprofits to feed those in need.

Key Performance Indicators

4.3 million pounds of food waste avoided through WWxLP activity



13,569 metric tons of carbon dioxide avoided through WWxLP activity

*Numbers are FY22

Spotlight:

Food Waste Superstars Light Up the BBC

Employees at ECU Health Beaufort Hospital in Washington, North Carolina, have a winning recipe for saving money, helping the planet and having fun: waste less food.

“We talk about waste every day,” General Manager Denise Hewitt says. “We do a daily huddle, and we share statistics.”

This small community hospital team is so expert at reducing waste, it was featured on the BBC's "Age of Change" this summer. The mini documentary follows the team as it measures, tracks and assesses food waste, using Sodexo's waste management program, WasteWatch powered by Leanpath.

In the past two years, the team saved almost 17,000 pounds of waste from occurring and helped avoid 53 metric tons of CO2. It also won several medals in Sodexo's GOALympics food waste competition. [\[See Responsible Culture for more on GOALympics\]](#)

Led by Chef John Jacob Phillips, tracking waste has become a satisfying everyday activity for employees. Many share their knowledge at home and use their skills to budget and teach their families about waste.

When they understand they're part of a larger mission, they're inspired to new levels of creativity and engagement, Hewitt says. “I tell the team, this is our time. We are all here for a reason.”

[View the "Our Role in the Fight Against Food Waste" video.](#)



BETTER
TOMORROW

To learn more about Sodexo, visit
us.sodexo.com, and connect with us on



Facebook



Instagram



LinkedIn



Twitter



YouTube

sodexo 