

# RESPONSIBLE SOURCING

#### PROGRESS AND PRIORITIES

We have a long-standing commitment to advancing sustainable sourcing practices that minimize impacts on people, animals, and the environment - which has direct impact on our local and global economies, our health and wellness, and the environment. We consider these impacts with every purchase and work with many partners to source local, seasonal, and responsibly raised and grown products whenever we can.

The Aramark <u>Supplier Code of Conduct</u> serves as our foundation, setting forth our guidelines and expectations with respect to key areas of responsible sourcing. We regularly evaluate our priorities to identify the most material environmental and social issues in our supply chain and work with suppliers to shift our purchases to address key issues.

Aramark's <u>Sustainable Sourcing Policy</u> addresses our priorities including animal welfare, antibiotics stewardship, no-deforestation, sustainable seafood, and single-use plastics. For each priority, our actions are guided by a set of principles that serve as the foundation for what we expect from our suppliers and inform time-bound commitments across the countries where we operate.

## **ENGAGING SUPPLIERS**

We continue to strengthen our supplier partnerships and engagement on sustainability and sustainable sourcing.

- Since 2020, we have added comprehensive sustainability questions at the RFP (request for proposals) stage for high impact categories to ensure sustainability is factored into supplier selection.
- In 2020, we rolled out a supplier sustainability assessment utilizing <a href="EcoVadis">EcoVadis</a> a leader in the space of supplier surveys and scorecards. EcoVadis enables us to benchmark our suppliers and identify those leading in the sustainability space as well as those falling behind. As of late 2022, we started using EcoVadis to engage suppliers on improvements they can make to further evolve their sustainability programs. In 2022, we also activated the EcoVadis supplier sustainability assessment globally. As of the end of FY23, we have cumulatively engaged approximately 600 suppliers.
- Further engagements relating to specific issues and industries include:
  - We continue to expand our programs to engage suppliers on their actions to address climate change and deforestation. We mainly engage key suppliers of cattle, soy, palm, and timber/paper products to better understand their climate and no-deforestation efforts.





# SOURCING SUSTAINABLY

### SUSTAINABLE SEAFOOD

At Aramark, we support our oceans on two main fronts—by watching what comes out of the water as well as what goes into it. Our <u>Sustainable Seafood Policy</u> (part of our Sustainable Sourcing Policy) details our purchasing practices, commitment to reporting, and approach to stakeholder engagement, while our commitment to reduce single-use plastics minimizes waste that may end up in our oceans.

#### Our progress includes:

- Continuing to source 100 percent contracted canned tuna that meet Monterey Bay Aquarium Seafood Watch recommendations.
- Ongoing assessment of our seafood contracts to ensure additional species we purchase meet Monterey Bay Aquarium Seafood Watch recommendations – such as salmon and frozen shrimp products.
- Stating opposition to genetically engineered (GE) salmon. We will not purchase it should it come to market.

### **HUMANELY RAISED PROTEINS**

Our Animal Welfare Policy (part of our Sustainable Sourcing Policy) addresses the treatment of animals for egg, meat, and dairy products across a range of animal welfare issues including confinement, painful procedures, and rapid growth. Our global principles are the foundation for what we expect from our suppliers, while our policy details purchasing commitments specific to the countries where we operate.

Through engagement with suppliers, academia, and non-governmental organizations (NGOs) such as Compassion in World Farming (CIWF), the Humane Society of the United States (HSUS), Global Coalition for Animal Welfare (GCAW), and many others, our industry-leading policy continues to expand on commitments we've made over the last several years.

#### **EGGS**

Supply chain disruptions related to outbreaks of the avian flu continue to affect the supply of cage-free eggs. Despite these challenges, we continue to drive advancement towards our existing commitments. In fiscal year 2023:

- Globally, 61% of our eggs were cage-free
  - 72% cage free liquid eggs
  - o 44% cage free shell eggs
  - o 60% cage free other/further processed eggs
- In the U.S., 80% of our eggs were cage-free, which positively impacted more than 560,000 hens
  - o 82% cage free liquid eggs
  - o 81% cage free shell eggs
  - 73% cage free other/further processed eggs





- We initiated reporting by global region:
  - o 34% of our eggs were cage-free in Canada. Shell eggs were at 80%
  - o 61% of our eggs were cage-free in Europe. Belgium, Czech Republic, and Germany were above 95%
  - >1% of our eggs were cage-free in Asia
  - >1% of our eggs were cage-free in Latin America

Aramark remains committed to reaching 100% cage-free eggs globally by the end of 2025. As part of our ongoing transparency, below are the benchmarks we're aiming for in each region. While there may be challenges along the way, or events that enable us to accelerate, this is what we're working to reach. As noted, in the United States, Canada, and Europe (where most of our operations are), we're well on our way to reaching 100% cage-free eggs and have a strong sense of what's needed to complete the transition. For our operations in Asia and Latin America, our teams are currently working on benchmarks that we'll publish at a later date.

Country/R egion	Current	End of 2024	End of 2025
United States	81% Cage-Free Shell 82% Cage-Free Liquid 73% Cage-Free Other	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other
Canada	80% Cage-Free Shell 6% Cage-Free Liquid 3% Cage-Free Other	100% Cage-Free Shell 75% Cage-Free Liquid 50% Cage-Free Other	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other
Europe	61% Cage-Free All Eggs	75% Cage-Free All Eggs	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other
Asia	>1 % Cage-Free All Eggs	Benchmarks in development	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other
Latin America	>1% Cage-Free All Eggs	Benchmarks in development	100% Cage-Free Shell 100% Cage-Free Liquid 100% Cage-Free Other

#### **PORK**

Aramark intended to purchase 100% group-housed pork by the end of 2022. Due to supply chain constraints, such as lack of product availability and limitations in traceability of product from farm to production, our progress has been delayed. We are proud of the significant strides we've made in advancing pork welfare within our supply chain.





In fiscal year 2023:

- In the U.S., 91% of our contracted pork, by spend, was group housed or higher, including crate free and proposition 12 compliant.
- Our progress positively impacted 125,000 hogs and 4,000 mother pigs.

Aramark maintains our commitment to eliminate gestation crates from our supply chain and we continue to work with suppliers to drive towards this goal.

#### **BROILER CHICKENS**

Aramark's efforts to elevate the welfare of broiler chickens continue across the United States, Canada, and Europe. We are engaged with our suppliers and the general market by participating in multiple cross-industry working groups including Compassion in World Farming's U.S. Working Group for Broiler Welfare. We are working with our suppliers to make broiler welfare improvements in line with the Better Chicken Commitment (BCC). We have engaged our suppliers covering 66% of Aramark's chicken purchases in the United States, Canada, and Europe to influence their progress and we will continue to expand our engagement to cover additional suppliers. Aramark will continue to work with our supply chain partners and broader market towards meeting the various elements of the BCC by the year-end dates presented below. We will continue to report progress annually and remain transparent regarding any market challenges that may require us to adjust our pathway timeline.

Below we present the engagement and progress plan we are working towards in the United States and Canada. The icons indicate the year at which Aramark is intending to fully meet each specific attribute.

Welfare Attribute	2024	2025	2026	2027
Stocking Density			ES	
Litter	ES			
Lighting		ES		
Enrichments		ES		
CAS Processing (Controlled Atmospheric Stunning)			ES	
3 <sup>rd</sup> Party Auditing			ES	
Higher Welfare Breeds				ES





As of May 2023, we are able to report the following progress toward improving broiler chicken welfare in the USA.

BCC Component	% of Spend
Breed	0%
Stocking Density	<1%
Litter	57%
Lighting	<1%
Enrichment	<1%
CAS	0%
Audit	<1%

Future updates will include reporting for Canada and Europe.

"Compassion in World Farming is grateful to have a strong partnership with Aramark to improve the lives of chickens raised for meat. This public reporting demonstrates that Aramark takes this work seriously and we are excited to work alongside this food service leader to publish a roadmap to meet the Better Chicken Commitment."

- Julia Johnson, US Head of Food Business, Compassion in World Farming





#### **NO-DEFORESTATION**

At Aramark, we believe preventing deforestation is imperative to the wellbeing of our global community, so in 2019, we announced our No-Deforestation Policy (part of our Sustainable Sourcing Policy). We are on a journey to continually improve sustainable sourcing practices in partnership with our suppliers, as well as industry and NGOs. Aramark is committed to working with our partners toward No Deforestation, No Peatland Loss, and No Exploitation of people, inclusive of legal and illegal deforestation.

We are proud of our progress to date:

- All soy used in our contracted soy oils, as well as soy used in our contracted margarines and shortenings, is sourced from regions with no deforestation risk.
- Palm oil in our contracted margarines and shortenings meets Roundtable on Sustainable Palm Oil (RSPO) standards.
- 90% of beef purchased by Aramark in the U.S. under a contract agreement was confirmed to be sourced from areas with no deforestation risk.
- Further details on our performance are provided in <u>Aramark's CDP Forestry</u> Response.

### **ANTIBIOTICS STEWARDSHIP**

As detailed in our Antibiotics Stewardship Policy (part of our Sustainable Sourcing Policy), we believe protecting the efficacy of antibiotics and preventing the development of antibiotic resistant bacteria is imperative to the wellbeing of our global community. We continue to work with our suppliers to reduce the use of antibiotics important to human medicine and increase our purchases of products raised with less antibiotic usage.

# **SOURCING ETHICALLY & INCLUSIVELY**

### LOCAL PURCHASING

At Aramark, we define locally sourced purchases as products that are, "grown, raised, caught, manufactured or processed by a farm or an independently owned business located within 250 miles (400km) of the Aramark location."

We strive to purchase products from small-scale, community-based producers that are independently or cooperatively owned enterprises. As a global company, our scale gives us the opportunity to influence purchasing decisions and minimize environmental impacts in hundreds of locations across our operations and in our communities.





Our commitment to purchase from local farmers and growers within 250 miles of our locations:

- Ensures investment in businesses and services in our local communities.
- Maintains farmland and green space.
- Reduces greenhouse gas emissions by minimizing shipping and distribution.
- Provides fresh seasonal ingredients.

In fiscal year 2023, we worked with 639 local farms and sourced \$157 million in local products in the U.S.

### SUPPLIER DIVERSITY

We commit to working with local, small businesses and businesses owned and operated by minorities, women, and other diverse populations. These relationships help us provide more culturally authentic products, value to our clients, and support local economies. By 2025, our goal is to source 25% of our spend in the U.S. through small and diverse suppliers.

We also work to help diverse suppliers become certified by a third-party agency. Our partner in this endeavor, Certify My Company, is a certified women-owned business enterprise (WBE) and disabled-owned business enterprise (DOBE). Progress within our Supplier Diversity program as of fiscal year 2023 include:

- 59% of our diverse suppliers in the U.S. are certified by a third-party diversity agency.
- 18% of our spend in the U.S. is will vendors identified as local, small or diverse owned.
- Completed mentoring and capacity building programs with over 40 minorityand women-owned businesses participating.
- Continued to support The Fruit Guys Community Fund. Aramark helped fund 20 sustainability projects in the 2023 grant cycle which were directed to farmers of color, women farmers, and farmers who are veterans.

