

Aramark Sustainable Sourcing Policy

Introduction

Aramark's mission to enrich and nourish lives means ensuring a foundation of providing safe, nutritious, quality food is core to who we are. Be Well. Do Well., our plan to make a positive impact on people and planet, accelerates our sustainability efforts and aligns with our vision for our future: improving equity and wellbeing of millions of people, and reducing our greenhouse gas emissions by 2025. These goals convey our priorities and ambitions, focusing our efforts and inspiring our organization.

An essential part of this strategy is our commitment to source responsibly, ethically and inclusively. We prioritize issues by evaluating the social, environmental, and business risks in our supply chain, and focusing on the most material impacts. Our approach to driving change includes establishing public commitments, integrating commitments throughout our supply chain processes, engaging subject matter experts across industry and advocacy organizations to continuously inform our approach, and reporting publicly on progress and challenges.

We established a Sustainable Sourcing Framework to guide Aramark's end-to-end management of environmental and social impacts in our supply chain, aligned with enterprise business objectives. Our 4-step process, based upon a model of continuous improvement, includes: Issue Monitoring & Stakeholder Engagement; Strategy & Commitments; Implementation; Tracking & Reporting. A core cross-functional team reviews progress monthly and provides quarterly reports to Aramark's executive-led ESG (Environmental, Social, Governance) Steering Committee.

Overview of Principles and Policies

Our priorities include <u>animal welfare</u>, <u>antibiotics stewardship</u>, <u>no-deforestation</u>, <u>sustainable</u> <u>seafood</u> and <u>single-use plastics</u>. We also focus on reducing our greenhouse gas emissions from purchased goods and services by developing and offering climate-healthy menu options, driven in partnership with Aramark's culinary, supply chain and marketing teams.

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 our time-bound commitments. We focus our attention on the U.S. food service business which represents about 70% of Aramark's global food service operations. As we learn from our experiences in the U.S., we apply our knowledge to advance responsible sourcing practices in the other countries in which we operate. Our goal is to support global progress and we are prioritizing change based on where we can make the greatest impact.

Our time-bound purchasing policies are specific to products within Aramark's controlled spend which includes contracted products from authorized suppliers, unless otherwise noted. Unless otherwise noted, all time-bound commitments are intended "by end of" the respective year, or sooner if possible.

Our Progress

This policy document is updated when our time-bound commitments are completed, whereas annual progress updates toward each of our purchasing commitments are available on <u>aramark.com</u>.

Supplier Expectations

As a leading food service provider, Aramark purchases a wide variety of food and beverage and related products to meet client and consumer expectations across our lines of business and geographies.

All Aramark suppliers are required to meet a set of baseline environmental and social expectations, including meeting all environmental and labor laws in the countries, regions, and cities in which they operate. Aramark suppliers must be aware of and demonstrate compliance to industry standards and government regulations including those related to their specific industries. Aramark expects its suppliers to conduct their businesses in accordance with these standards, as detailed in Aramark's <u>Supplier Code of Conduct</u>.

Additionally, we developed a multi-pronged supplier sustainability engagement strategy to address high priority environmental and social issues, across key product categories, including but not limited to the topics covered in this policy.

To ensure accountability for implementation of our principles and commitments, Aramark will:

- Engage our supply chain and suppliers to build understanding of our sustainable sourcing policies.
- Incorporate our principles and policies into contracts, requests for information (RFI) and requests for proposals (RFP).
- Source from suppliers who identify and provide specific products that meet our sourcing policies.
- Encourage suppliers to have policies and procedures in place to cover their specific industry impacts.
- Collect supplier data progress reports and supporting internal or third-party documentation demonstrating that suppliers meet or exceed our expectations, as detailed above.
- Expect swift and decisive action from suppliers in unforeseen cases of illegal, unethical or unsustainable practices, or risk termination of our business relationship.

Industry Engagement

Aramark strives to engage in relevant conversations and actions pertaining to our sustainable sourcing policy with government bodies, industry groups and through pre-competitive engagements.

We believe environmental and social sourcing issues are best improved with collective action. To that end, we monitor our country level impacts, and stay apprised of relevant regulations and practices to continually identify opportunities for improvement across our global business.

Animal Welfare

Introduction and Principles

We are committed to offering meat, egg, and dairy-based dishes from products that are sustainably produced, healthier for people, and from animals raised responsibly and humanely. We provide options and choices to meet the varying dietary needs and tastes of the millions of consumers we're proud to serve. In addition to humanely raised animal products, we are also committed to increasing our offerings of vegan, vegetarian, plant-based and plant-forward menu options, meeting consumer interests and minimizing our greenhouse gas emissions.

Aramark recognizes the "five freedoms" of animal welfare developed by the Farm Animal Welfare Committee (FAWC) of the United Kingdom as the Global Principles to address farm animal standards within our supply chain. The five freedoms are defined as: 1) Freedom from thirst, hunger and malnutrition; 2) Freedom from discomfort; 3) Freedom from pain, injury and disease; 4) Freedom to express normal behavior; 5) Freedom from fear and distress.

While specific practices vary across countries and regions depending upon differences in scientific insights, cultural norms, and consumer expectations, all suppliers in all countries must work toward these as the minimum standards.

Purchasing Policies

Multiple Products: United States

- *Pork:* Aramark will purchase only 100% group-housed pork by the end of 2022. <u>Learn more</u> about our progress, challenges and continued commitment to eliminate the use of gestation crates in our supply chain. We also work with our suppliers to address issues of pain relief associated with castration and the eventual elimination of tail docking, as well as responsible use of feed additives.
- *Veal:* In alignment with the American Veal Association's 2007 resolution, since 2017, Aramark does not purchase veal that has been confined in crates. Aramark announced this commitment in 2015.
- Dairy/Beef: We are committed to working with our suppliers to address issues of pain relief for disbudding and castration procedures, and eventual elimination of tail docking and dehorning. We work with suppliers to ensure the responsible use of hormones and feed additives and strive toward eliminating the use of recombinant bovine growth hormone (rBGH or rBST).
- *Ducks and Geese:* In 2011, we committed to eliminate the purchase of all foie gras. We remain committed to this position.
- *Turkeys:* We continue to work with our suppliers to address animal welfare issues associated with genetic selection for fast growth and support eliminating slaughtering systems that use live dumping and shackling.

As we learn from our experiences in the U.S., we continue to apply our knowledge to advance responsible sourcing practices in other countries in which we operate.

Eggs: United States, Canada and Global

- United States: Aramark committed to purchase only cage-free eggs (shell, liquid and processed*) in the U.S. by the end of 2020 (Learn more about our progress). We conduct ongoing monitoring to ensure we maintain our cage-free shell transition, achieved in 2015.
- *Canada:* In May 2016, Aramark committed to transition to cage-free (i.e. free-run) shell eggs by the end of 2022, and all eggs (including liquid and processed) by 2025, or sooner if possible, in our Canadian foodservice operations.
- *Global:* In February 2017, Aramark expanded our commitment to source 100% cage-free eggs (shell and liquid) globally by the end of 2025, or sooner if possible.

*Processed eggs are defined as egg products that are further processed (e.g. dried, pre-scrambled). This does not include egg as an ingredient such as the eggs in a prebaked or prepackaged product.

Broiler Chickens: United States, Canada and Europe

United States and Canada: Aramark is calling on producers, processors and suppliers to implement additional humane conditions for the treatment of broiler chickens. This includes asking our supply chain to take the following actions by 2024, or sooner if possible:

- Reducing maximum stocking density to equal to or less than 30 kg/m2or 6 lbs./sq. ft.
- Providing chickens with enriched environments including hay bales, perches, litter and lighting.
- Rendering chickens unconscious prior to shackling using Controlled or Low Atmosphere Stunning. And taking the following action by 2026, or sooner if possible:
- Transitioning to strains of birds based on measurably improved welfare outcomes.

We will work with our suppliers to ensure certification under Global Animal Partnership's 5-Step Animal Welfare Rating Program or seek third-party verification of these practices based upon criteria that meet GAP standards.

Northern and Continental Europe: By 2026, we will require our European suppliers to meet the following requirements set out in the European Chicken Commitment (ECC) for 100% of the fresh, frozen, and processed chicken in our supply chain:

- Comply with all EU animal welfare laws and regulations, regardless of the country of production.
- Implement a maximum stocking density of 30kg/m2 or less. Thinning is discouraged and if practiced must be limited to one thin per flock.
- Adopt breeds that demonstrate higher welfare outcomes: either the following breeds, Hubbard JA757, 787, 957, or 987, Rambler Ranger, Ranger Classic, and Ranger Gold, or others that meet the criteria of the RSPCA Broiler Breed Welfare Assessment Protocol.
- Meet improved environmental standards including: At least 50 lux of light, including natural light; At least two metres of usable perch space, and two pecking substrates, per 1,000 birds; On air quality, the maximum requirements of Annex 2.3 of the EU broiler directive, regardless of stocking density; No cages or multi-tier systems.
- Adopt controlled atmospheric stunning using inert gas or multi-phase systems, or effective electrical stunning without live inversion.
- Demonstrate compliance with the above standards via third-party auditing and annual public reporting on progress towards this commitment.

As with all our Sustainable Sourcing Policies and related goals, we intend to regularly report on our activities and progress publicly. Aramark has been working on engaging the market and gathering data related to our chicken welfare commitments and we plan to report on activities and status by the end of 2022 and annually thereafter.

Antibiotics Stewardship

Introduction and Principles

According to the United Nations Food and Agriculture Organization (UN FAO), antimicrobials play a critical role in treatment of terrestrial and aquatic food-producing animals and plants, helping to assure food safety and quality, animal health and welfare and farmer livelihoods. At the same time, the World Health Organization (WHO) states that antibiotic resistance is one of the biggest threats to global health, food security and development today, and the overuse and misuse of antibiotics in humans and animals is accelerating the process¹.

At Aramark, 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 recognize that antibiotics, used responsibly, along with good animal-care practices, help improve food safety, animal health and welfare and sustainability.

Aramark accepts the One Health approach² which recognizes the importance of considering the relationship between human, animal and environmental health. This approach is defined by a commitment to collaboration across sectors which reaffirms our commitment to engage diverse stakeholders including suppliers, industry, non-governmental organizations and global quasi-governmental organizations.

Purchasing Policy

We are committed to phasing out the routine use of antibiotics for use as growth promoters or disease prevention across poultry, beef, pork and seafood categories in our supply chain. We seek to ensure that antibiotics are only used for the treatment of sick animals or control of an identified disease outbreak as deemed by veterinarians to ensure their appropriate and judicious use. We encourage the development of surveillance systems for the usage of antibiotics to monitor trends in resistance and effectiveness of prescribed antibiotics in livestock production. We are on a journey of continuous improvement and are prioritizing the reduction of antibiotics that are medically important to human health.

We review our poultry purchases annually to ensure we're making progress against our goal of protecting the efficacy of medically important antibiotics. We also recognize the inherent challenges in reducing or phasing out the use of antibiotics across beef, pork and seafood categories and remain committed to working with our suppliers to understand, evaluate, and prioritize how to drive continued improvement across these categories while caring for the health of both animals and humans. We will continue to prioritize working with suppliers that demonstrate responsible and judicious use of antibiotics and overall reduction.

¹ <u>https://www.who.int/en/news-room/fact-sheets/detail/antibiotic-resistance</u>

² https://www.cdc.gov/onehealth/basics/index.html

No-Deforestation

Introduction and Principles

Forests are vital ecosystems, providing homes for wildlife and livelihoods for humans. Forest loss contributes to a multitude of environmental and societal issues. Although deforestation results from many human activities, over half of the world's deforestation is linked to land conversion to produce only four raw materials –palm oil, soy, beef and paper (timber). At Aramark, we believe preventing deforestation is imperative to the wellbeing of our global community. To that end Aramark is committed to working with our partners toward No Deforestation, No Peatland Loss, and No Exploitation of people (NDPE), inclusive of legal and illegal deforestation.

The Accountability Framework initiative (AFi) – a globally recognized approach for setting, implementing, and assessing commitments on deforestation, ecosystem conversion, and human rights in agricultural and forestry supply chains – serves as the foundation for our two global principles set forth below:

- 1) Protection of forests and other natural ecosystems:
 - No deforestation of natural forests. No burning to clear land for new planting or replanting.
 - No new clearing or development of peatlands, regardless of depth.
- No clearing or development in High Conservation Value (HCV) or High Carbon Stock (HCS) areas.
- 2) Respect for human rights:
 - Respect for the rights of indigenous peoples and local communities, including land rights.
 - Obtaining consent from local communities on projects that may affect them or their territories.
 - No use of child, forced or slave labor.

Purchasing Policy

The following actions are intended to address our commitment to NDPE purchasing, focusing on the four main deforestation related commodities: palm, soy, beef and paper (timber).

By 2025 we will implement the following for all contracted products in the U.S.:

- 1) Continue to source all contracted soy-based oils from regions with no deforestation risk as achieved in 2020.
- Continue to ensure all specified margarines and shortenings contain soy from regions with nodeforestation risk, and palm oil that meets RSPO (Roundtable on Sustainable Palm Oil) standards as achieved in 2020.
- 3) Ensure all contracted beef products are sourced from regions with no-deforestation risk.
- 4) Require contracted beef, poultry and pork suppliers to submit details on soy utilized for feed including where it is sourced from and what is in place to ensure it is not grown on deforested land (i.e. deforestation-free soy) and other important ecosystems (e.g. natural habitat conversion-free soy).
- 5) Require our contracted palm oil, soy, beef and paper suppliers (starting with foodservice disposables and office paper) to submit details on the percentage of products sold to Aramark traced back to their source (farm, ranch, plantation, forest), and/or the percentage verified by credible third parties as meeting Aramark's No-Deforestation Policy.
- 6) Increasing transparency by reporting on our progress annually. We continue to actively share progress and challenges with consumers, clients, shareholders and other partners by participating in CDP Climate Change and Forestry questionnaires.

Sustainable Seafood

Introduction and Principles

Seafood is one of the most popular proteins in the world and yet, according to the United Nations Food & Agriculture Organization³, 90 percent of the world's wild-capture fisheries are at risk, threatened by overfishing or harvesting practices that create undue stress on the environment and other marine life. Fish farming, also known as aquaculture, is a growing sector with a variety of its own impacts. Additionally, human rights violations, labor abuses, and other social impacts are on the rise across wild-capture and aquaculture fisheries.

At Aramark, we define sustainable seafood as: Seafood from sources, whether fished or farmed, that can maintain or increase production without jeopardizing the structure and function of affected ecosystems, while maintaining healthy marine life populations, and respecting seafood workers and communities throughout the supply chain.

We are committed to sourcing seafood products that:

- · Conserve the health of ocean ecosystems
- Ensure responsible labor practices
- Improve traceability and transparency
- Support the long-term viability of the seafood industry

Aramark adheres to a set of Global Principles that serve as the foundation for how we approach this category. Our commitment is built upon the Conservation Alliance for Sustainable Seafood Common Vision⁴, a roadmap developed by a coalition of organizations that includes 6 steps:

- Make a public commitment
- Collect data on seafood products
- Make responsible sourcing decisions
- Be transparent
- Educate staff, consumers and vendors
- Support improvements in fisheries and aquaculture

We established these principles as the foundation of our efforts, while partnering with locally relevant organizations because we understand that there are local/regional differences and expectations when it comes to sustainable seafood.

Purchasing Policy

The following actions are intended to address our commitment to responsible sourcing for fresh, frozen and shelf-stable seafood for both wild-caught and farm-raised products.

- In 2008, we committed to source 100% of our contracted seafood from responsible sources by 2018. Since then we have achieved 90% towards that goal and continue to close the gap.
- We define responsibly sourced products as species recognized by the Monterey Bay Aquarium Seafood Watch® program as green "Best Choice" or yellow "Good Alternative", as well as specific

³ http://www.fao.org/resources/infographics/infographics-details/en/c/231544/

⁴ https://solutionsforseafood.org/resources/common-vision/

eco-certified products recommended by Seafood Watch, including but not limited to certain species certified by organizations such as the Marine Stewardship Council, Aquaculture Stewardship Council or Global Aquaculture Alliance. In other countries where we operate, we also refer to definitions from these and other locally relevant and globally recognized organizations.

- We seek to support responsible fisheries management practices by purchasing from sources that: ocean conservation organizations have identified as being responsibly managed; are on a clear welldefined path toward achieving certification; or are engaged in a credible Fishery Improvement Project (FIP) that meet criteria outlined by the Conservation Alliance for Seafood Solutions or Aquaculture Improvement Project (AIP) based on guidance provided by Seafood Watch.
- We are committed to working with our suppliers, culinary teams and consumers to promote awareness about alternatives to red-listed species. We also work in partnership with our suppliers and distributors to avoid buying seafood that was transshipped at sea or is from illegal, undocumented and unregulated (IUU) fisheries. And, we continue to advocate for policy reform in the U.S. government and domestic and international fisheries management bodies, addressing IUU fishing, Harvest Control Rules (HCRs), and other key issues.
- We are actively engaged in industry-wide discussions with suppliers, distributors and nongovernmental organizations (NGOs) to standardize tracking of key data elements (KDEs) covering the what, where and how products were farmed or caught and increase transparency and traceability across the entire industry to drive accountability throughout the seafood supply chain.
- Reiterating our previously stated opposition to genetically engineered (GE) salmon, we will not
 purchase it should it come to market. Avoiding potential impacts to wild salmon populations and
 indigenous communities, whose livelihoods are deeply connected to and often dependent upon this
 vital resource, is core to our company's commitment to making a positive impact on people and the
 planet.

Single-Use Plastics

Introduction and Principles

Every year, more than 8 million tons of plastics leak into the world's oceans. Of the world's ocean fisheries, 90 percent are at risk—threatened by fishing practices that stress the environment and marine life. We recognize the importance of healthy ocean ecosystems – critical to the wellbeing of people and planet. We are equally focused on purchasing sustainable seafood in accordance with our industry-leading Sustainable Seafood Principles and Policy and advancing our holistic strategy to reduce single-use plastics, such as straws, stirrers, bags and more. We are proud to support our oceans on two fronts – watching what comes out as well as what goes in.

We understand the interest in convenience and portability to our consumers and clients, while also recognizing the importance of addressing the issues of plastic waste. In general, we align our operational and purchasing decisions on the following principles:

- 1) Reduce: Reduce the amount of waste created whenever possible. For example, make items such as straws, designed to be used once and then thrown away, available upon request to reduce the amount used. We know that the best way to reduce waste is to avoid creating it in the first place.
- 2) Reuse: Where possible, eliminate disposability. We encourage the use of reusable products such as bags and take-out containers when possible.
- **3) Recycle:** When selecting disposable products, ensure materials align with the local waste stream for the most responsible end of life management. For example, bioplastic products should be used when a compostable waste stream which accepts those products is available.

Purchasing Policy

Aramark is committed to significantly reducing the use of single-use plastics across our global foodservice operations by the end of 2022.

The company's single-use plastic reduction strategy announced in 2018 includes:

- 1) By the end of 2020⁵, we achieved our goal to reduce usage of plastic straws and stirrers by 60% across our U.S. foodservice operations.
- 2) Prioritizing additional categories to drive reduction of all single-use plastics, such as bags and cutlery.
- 3) Expanding offerings of reusable water bottles, coffee mugs, take out containers and bags.
- 4) Partnering with suppliers and national brands to reduce packaging through design and innovation.
- 5) Educating and enabling consumers to eliminate or reduce single-use plastics.
- 6) Reporting on our progress and challenges to ensure transparency and continuous improvement.

In the wake of the 2020 novel coronavirus pandemic (Covid-19) and the ensuing rise in takeout dining and usage of personal protective equipment (PPE), there has been a surge in plastic waste globally. At Aramark, we are committed to serving our consumers safely, while maintaining our focus on single-use plastics reduction. Throughout the pandemic, we have continued to adapt our operations and practices to mitigate the amount of waste generated. For example, we included "opt-out" options for disposable utensils in our digital ordering platforms and expanded our usage of reusable takeout food containers. We remain committed to significantly reducing the use of single-use plastics in our foodservice operations.

⁵ Aramark was on track to achieve the company's 60% reduction target of plastic straws and stirrers in the first half of fiscal year 2020, prior to the Covid-19 pandemic business shutdowns, which further reduced our usage of these items. As business returns to pre-pandemic levels, we will continue to monitor our usage of plastic straws and stirrers to ensure we maintain our progress.