

COMPASS GROUP

SUSTAINABILITY DEEP DIVE

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COMPASS GROUP®

Sustainability is contributing to our growth…

- Ingrained in our culture for decades, embedded in our operations and established in our processes
- A clear competitive advantage in winning new business and creating long-term client partnerships
- Increased demand from all stakeholders to deliver tangible progress
- Leading food waste initiatives and plant forward recipes helps reduce emissions and costs
- Developing thought leadership, investing in technology and using culinary expertise to address challenges

…and improving our business model



We were the first to set industry leading commitments...

PLANET PROMISE
OUR COMMITMENT TO A SUSTAINABLE FUTURE FOR ALL

Climate net zero by 2050

Carbon neutral (Scope 1&2) by 2030[1]

We have reduced our emissions whilst growing revenue by around 25%[2]

Scope 1 & 2	Scope 3 emissions for purchased goods
16%	c.30%[3]

...and are making encouraging progress

[1] Targets supported by SBTi

[2] Compared to 2019 as at HY23 on reported exchange rates

[3] We have improved our methodology to measure emissions on a volume basis rather than spend - a more accurate reflection of our scope 3 emissions- compared to 2019



Bon Appétit Management Company – a pioneer of sustainability for decades

CASE STUDY

- Founded in 1987, acquired by Compass in 2002
- Original founder still leads the business today
- Championed sustainability from inception
  - ‘Farm to Fork’ local sourcing
  - Reduced use of antibiotics
  - Sustainable seafood
  - Upholding farmworkers’ rights
  - Tackling climate change through food choices
- Revenue increased 10x to $1.5bn today

BON APPÉTIT
MANAGEMENT COMPANY

PLAY VIDEO



Sustainability is embedded in our MAP* framework

MAP 1
Client sales:
Driving growth; contributing to clients' carbon reduction; dashboards & data; ingrained partnerships

MAP 2
Consumer sales:
Providing greater transparency; expanding offer of planet friendly, healthy food

MAP 3
Cost of food:
Reducing food waste helps improve operational efficiency, align to client objectives and reduce emissions

MAP 4
In-unit costs:
Chefs driving change through delicious, plant-forward recipes, closer alignment with procurement

MAP 5
Above-unit costs:
Measuring and reporting progress, leveraging best practice and partnering with third parties

…and contributes tangible commercial benefit

*Management and performance



Driving new business wins and higher client retention…

MAP 1

- Collaborating with clients to reduce their carbon footprint, which can also generate cost efficiencies
- Trusted adviser providing auditable data and enhanced reporting
- Shared ambition to drive change through partnerships and influencing across the broader value chain

100%
Global clients
considered our sustainability leadership as part of their decision making process

80%
New wins (UK)
requested evidence of emissions tracking

50%
New wins (Australia)
included sustainability credentials

…underpinning our growth



A partnership with a common vision

CASE STUDY

- First arena worldwide to announce ‘Carbon Removed’ events
- Teaming up with carbon removal specialists, CUR8
- Carbon will be extracted from the atmosphere and stored indefinitely
- Estimated to remove over 100 tonnes of carbon emissions per event
- First event February 2024
- Contract extension with The O2 until 2030 - delivering on sustainable targets was fundamental to the decision



“Thank you to all of our partners who have collaborated with us on this – it’s going to be game-changing, not just for us, but the industry as a whole, and is a fantastic way to kick off an exciting 2024 at The O_2.”

Sam Booth, Director of Sustainability at AEG Europe



Aligning with evolving consumer preferences

MAP 2

- Harnessing data and investing in proprietary research

Global Eating at Work Survey across 26 countries, conducted for Compass Group by Mintel

Sustainable & healthy food
is paramount, especially for younger generations

71%
of workers think employers should promote sustainability at work

63%
of Gen Z workers advocating for more meat-free, plant based options

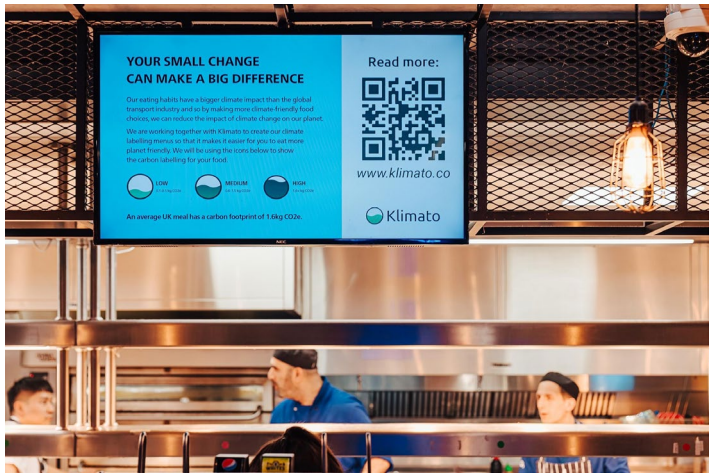
- Using innovation to increase transparency and influence behaviour:
  - Chefs driving change through delicious plant forward recipes
  - Advocating suppliers to be progressive and supporting them in trialling new initiatives
  - Increased use of carbon labelling



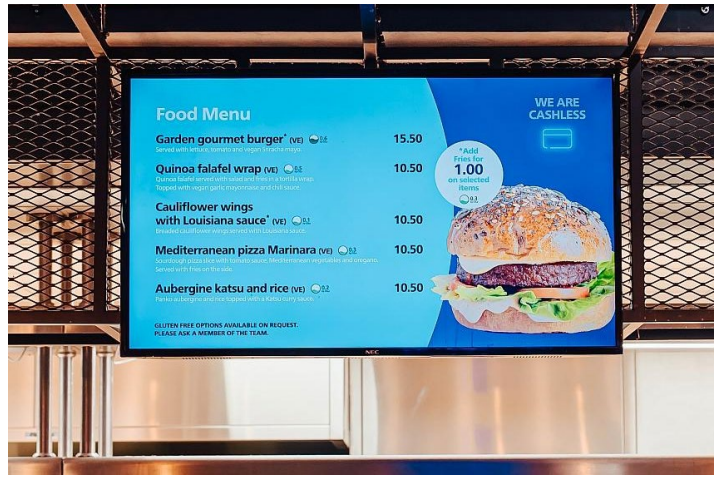
Global superstar Billy Eilish concert at O2 stadium, London

CASE STUDY

Levy UK embraced the challenge to host a fully plant based event







100%
Plant based menu

Food sales
+8%
Compared to typical event

#1 seller
Garden gourmet burger

14 tonnes
Carbon saved



Tackling food waste…

MAP 3

Raising awareness

- Launched by us in 2017
- Become a global movement
- Prevent, inspire and re-purpose waste

STOP FOOD WASTE Day®

Measurement technology

- Proprietary digital tools built by chefs
- Global rollout underway
- Linked to Management incentives

WASTE NOT 2.0

Partnering with suppliers

- Encouraging packaging innovation
- Safe, diverse, trial opportunities
- Leverage purchasing scale

Chefs transforming waste

- Innovating with leftovers and by-products to make delicious dishes
- ‘Rule of 5’, ingredients used in 5 different ways

Cook to order model

- Eliminates waste, prepared off-site
- Demand-led, digital solution

Time2Eat

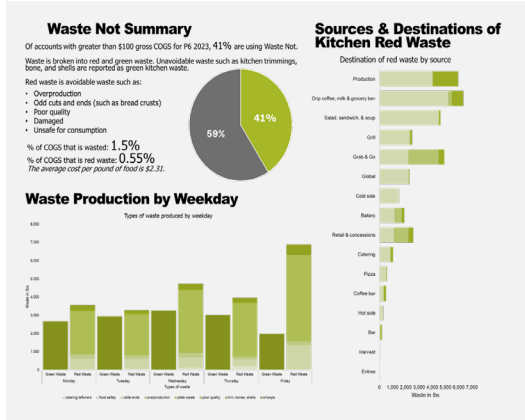
…improves operational efficiency, aligns to client’s objectives and reduces emissions



By measuring waste, we can change behaviour…

CASE STUDY

- Target to **reduce food waste by 50% by 2030**
- Technology and data are key
- Proprietary waste measurement tools, e.g. **Waste Not 2.0**
  - Built by our chefs, for our chefs
  - Tracks carbon impact of wasted food
  - Reduces food costs
  - Data increases awareness and empowers change
- Clients value dashboard reporting for their own sustainability targets
- Rollout underway to 8,000 kitchens, representing our most material sites





…and last year, **food waste reduced by 30%***

* In sites recording food waste



Harnessing the talents of our Chefs to advocate change

MAP 4

Culinary innovation helps reduce emissions…

- Board sponsored Global Culinary Forum leading change
- Network of 3,000 senior chefs share best practice
  - Educate on plant forward dishes and health benefits
  - Can help manage food costs

…supported by close alignment with procurement

- Increased use of seasonal, local produce
- Investing in small producers and community enterprises
- Closer relationships between buyers and chefs
- Influencing and supporting suppliers to evolve their operations

CHEFS CREATING CHANGE





Culinarians positively influencing environmental change

CASE STUDY

Innovation in plant forward meals:

- Acting on consumer preference insight
- Using behavioural science
- Climate friendly dishes at the top of menus
- Focus on flavour
- Reducing reliance on animal proteins





PLAY VIDEO

The 50:50 meat / mushroom burger

- Created using surplus wild mushrooms direct from our supplier
- It tastes delicious, cuts emissions by 50% and showcased by the BBC

UK&I

- Defence sector, serving 12m meals to service personnel, 38% meals plant forward (May 2023)
- Business & Industry using 40% less meat across top 12 dishes





Industry leading reporting, best practice sharing…

MAP 5

- Increased sustainability disclosure in line with evolving regulations
- Focusing on the most material areas of immediate impact
- Tracking emissions centrally measured on most accurate basis
- Best practice sharing whilst supporting relevant local market initiatives
- Partnering with industry experts for continuous improvement
- Investing in our people's capability and talent



- EU Taxonomy
- Sustainable Finance Disclosure Regulation (SFDR)
- Corporate Sustainability Reporting Directive (CSRD)
- MIFID II



- Sustainable Disclosure Requirements Regime (SDR)
- Investment Labels
- Sustainable Focus
- Sustainable Improvers
- Sustainably Impact



- SEC Climate Disclosure Proposal
- "80% Rule" to apply to ESG fund nomenclature



- International Sustainability Standards Board (ISSB)

…and people are critical enablers to progress



Partnering with climate experts...

CASE STUDY

- Planet FWD help us measure our carbon emissions to the highest standard
- Joint projects with Oxford University to understand consumer behaviours around sustainability
- Strategic initiatives with Foodsteps to develop carbon labelling for consumers
- Guidance of Oxford University Professor, Sir Charles Godfray, to evolve our approach



Julia Collins
Founder and CEO of Planet FWD

UNIVERSITY OF OXFORD

Foodsteps



...challenges us to go further



We are leading change in our industry…

- A clear competitive advantage that helps us grow and develop strategic partnerships with clients
- Data is providing powerful insight to help create long term, sustainable change in behaviour
- Driving systemic operational change where we can make the biggest impact
- Advocating suppliers to embrace change across the wider value chain
- Empowering all stakeholders to think differently, to innovate and drive meaningful change

…generating exciting growth opportunities and building resilience across the value chain



GLOBAL CULINARY FORUM.

COMPASS GROUP®

CHEFS CREATING CHANGE

GROWTH & INNOVATION BY COMPASS

PLANET PROMISE

OUR COMMITMENT TO A SUSTAINABLE FUTURE FOR ALL



COMPASS GROUP®

Our sustainability roadmap

APPENDIX

2004
- Group joined UN Global Compact

2010
- Joined Roundtable on Sustainable Palm Oil
- CDP Reporting

2016
- Published Global Cage-Free Egg Commitment

2017
- First Stop Food Waste Day – USA
- Published Global Sustainable Seafood Commitment
- Published Global Palm Oil Commitment

2018
- Published first Global Sustainability Report
- First Stop Food Waste Day - global
- Eat Forum partnership
- Launched 3Ps People, Performance, Purpose

2020
- Joined Global Sustainable Seafood Initiative

2021
- Set SBTis and Net Zero Targets
- Joined Terra Carta
- Joined Social Value International
- Joined Slave Free Alliance
- Reported on the Task Force on Climate-related Financial Disclosures (TCFD)
- Launched Global Supplier Code of Conduct
- Relaunched Speak Up, We're Listening Programme globally
- Refreshed Group Ethics and Integrity Programme Strategy and Priorities

2022
- Appointed Professor Sir Charles Godfray as Climate and Sustainability Advisor
- First Sustainable Bond issue in the food services sector
- Joined the International Food Waste Coalition (IFWC) to strengthen our fight against food waste
- Launched Global Deployment of Waste Not 2.0
- Launched Compass Foundation
- Updated Global Human Rights Policy

