

2022 Environment, Social & Governance Highlights



At the core of our identity is a genuine commitment to environmental sustainability. We are taking steps to reduce our carbon footprint and our natural resource intake while providing our customers with local, organic, and other sustainable food choices. We are diverting food from landfills and providing it to those in need.

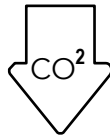
CLIMATE

7%

reduction in store carbon emissions per sq. ft. over a 2019 baseline

51k

MTCO₂e averted through food recovery programs



PACKAGING & PLASTICS



320 Sprouts brand products launched with How2Recycle logo

2.5M

Polystyrene meat trays transitioned to recyclable PET trays

800k

pounds of plastic bags and film recycled from customer and in-store use

WASTE & RECYCLING

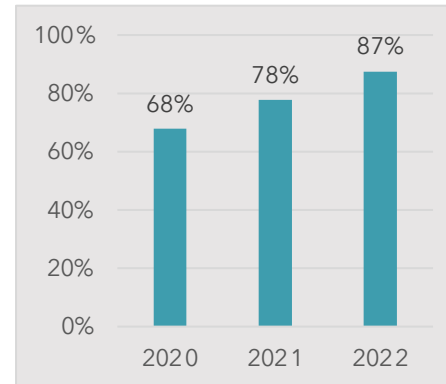
69%

landfill diversion rate

77k

tons of food and recyclables diverted from landfill

FOOD WASTE RECOVERY



Food waste recovery rate

87%

of food waste recovered, and donated equivalent to 27 million meals



2022 Sustainable & Responsible Sourcing

Millions of customers choose Sprouts because they can find products that are grown and produced in ways that are healthier for the planet and people. Our stores are stocked with a wide variety of organically grown, non-GMO, and plant-based options that lower the environmental impact of the food consumed.



26% of total sales from organic products totaling nearly **\$1.6B** in sales

\$3.2B in sales of products with a social or environmental attribute

250 local growers provide fresh seasonally grown produce

100% cage-free, pasture-raised, or free-range eggs

19% increase in less carbon intensive plant-based product sales

100% responsibly sourced seafood

100% of Sprouts Brand whole pork is from suppliers that utilize open-pen housing systems

100% of Sprouts Brand chicken and pork are raised without antibiotics

Committed to **improving chicken welfare** in providing **environmental enrichments** by 2024, **reduced stocking density** by 2025, and allow for **more humane processing**, through CAS (controlled-atmosphere stunning), by 2026



2022 Social

Providing safe and healthy food is at the core of our commitment to health and well-being. We collaborate with our team members, supply chain partners, community organizations, and industry experts to promote food safety, support workers' rights, source responsibly, and develop a diverse and inclusive workplace.

TEAM MEMBER DEVELOPMENT & INCLUSION



1,300 new jobs created

22% of team members promoted

51% female and **48%** racially/ethnically diverse workforce

585,000 hours of in-store training delivered

COMMUNITY IMPACT



\$3M awarded local programs supporting youth nutrition education and food system equity

120 local non-profit partners supported in the communities we serve

TEAM MEMBER SAFETY



6% reduction in workers' safety claims over the prior year

5,400 safety audits completed

105,000 safety training hours completed

SAFE AND HEALTHY FOOD



\$3.1B in sales of products labeled to promote health and nutrition attributes

6,000 food safety audits completed

96 supplier food safety audits completed



2022 Governance



We pride ourselves on operating with integrity, accountability, and transparency. Our ESG goals and initiatives are integrated throughout our business strategy, and strong oversight by our executive leadership team and Board of Directors ensures that the long-term interests of our stakeholders are factored into our decision making.



COPORATE GOVERNANCE ⁽¹⁾



88% of board members are independent



25% of board members are female and
25% are racially/ethnically diverse

RISK MANAGEMENT

Formed a board-level Risk Committee to monitor enterprise risk management program and provide oversight of our risks related to cybersecurity, critical systems, and environmental and social matters among others.



DATA PRIVACY & CYBER SECURITY

Maintaining our customers' and team members' trust by safeguarding their personal data and respecting their privacy decisions is critical to our success. We did not experience any data breaches during 2022 due to our cybersecurity best practices.

ETHICS AND COMPLIANCE

Acting ethically and with integrity helps us maintain our reputation with our customers as a preferred shopping destination, as a safe and welcoming place to work with our team members, and as a responsible corporate citizen with our communities and stakeholders.

Established Commitment to Human Rights with Board oversight that sets forth our high standards and expectations for human rights and fair labor in our operations and supply chain.

(1) As of December 31, 2022

