



Environmental, Social and Governance 2022 Progress Report



United Nations Sustainable Development Goals

2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 
5 GENDER EQUALITY 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 



“We’re in the people business; we just happen to sell groceries.”™

Overview

Southeastern Grocers’ (SEG) annual Environmental, Social and Governance (ESG) report, formerly referred to as a Corporate Social Responsibility (CSR) report, defines our advancements and accomplishments over the past year to create stronger communities, better products and a more sustainable future for all. To streamline sustainability efforts, we have aligned our objectives with six specific United Nations Sustainable Development Goals to address hunger, health, education, inequalities, responsible consumption and production, and ocean conservation.





Environmental

We believe it is our responsibility to be good stewards of our planet’s resources, and we made several commitments and efforts in support of the planet’s shared resources.



Sustainable Packaging

We pledged to increase the sustainability of our own brand packaging by the end of 2028. We are re-evaluating our Own Brand packaging to identify sustainable packaging and to promote the use of recyclable, compostable and reusable materials. In 2022, we took several exciting steps to improve our sustainability.

In partnership with How2Recycle®, we began labeling products with easy-to-understand recycling instructions. The first items with these labels hit our shelves in the fall. Additionally, in an effort to move away from single-use packaging, we carry reusable snack bags, metal straws and reusable, mesh produce bags.

Looking ahead, we will continue to make strides and report on progress toward our 2028 packaging goals, [here](#).



Looking Ahead

SEG formed a partnership with Relocalize to pilot ice manufacturing in the world’s first autonomous micro-factory, designed to help eliminate middle-mile logistics to reduce global greenhouse gas emissions, water waste and plastic pollution. This innovative and automated manufacturing process launched in March 2023 with the introduction of SE Grocers Party Cubes, a super-premium cubed ice made efficiently, locally and on-demand for select Jacksonville locations.

Pollinator Health Policy

We are committed to the development of lasting change for some of the earth’s smallest, yet essential inhabitants. Pollinators are fundamental to the development of crops, which makes them vital to our world’s food supply. The use of pesticides in conventional farming methods is perpetuating the destruction of pollinator habitats, resulting in the loss of pollinators entirely. As a grocer, ensuring food security now and for future generations is of paramount importance. In 2022, we committed to engaging with supplier partners to establish clear objectives, resulting in healthier environments for pollinators.

[Read more here.](#)



Animal Welfare

We firmly believe animals raised for food should be treated and cared for humanely. We are committed to the guiding principles of the Five Freedoms of Animal Welfare to further enhance our animal welfare policies and the shared values of our customers, associates and communities. Read our [statement here](#).





Greenhouse gases

In 2022, SEG worked to reduce our greenhouse gases and our impact on climate change. Our emissions are trending down.

Scope 1 - Reducing our refrigerant emissions by over 80,000 metric tons of greenhouse gases through lower GWP refrigerants and managing our leak rate.

Scope 2 - Increasing our energy efficiency by;

- Making sure our hot and cold food bars, refrigerators, ovens, stoves and other systems are calibrated to their optimal efficiencies
- LED retrofits in stores and parking lots – 100% of our stores have LEDs

Scope 3 - Category 4, Upstream Transportation and Distribution: We have reduced emissions from this category by 7% by changing our distribution routes, so our trucks drive fewer miles from the distribution center and upgrading to a more fuel-efficient fleet.

Category 9, Downstream Transportation and Distribution: We're continuing to reduce emissions from customer travel by providing access to 12 Tesla Superchargers in our parking lots with the addition of four new stations in 2022:
 Brooksville, FL • Auburn, AL
 Big Pine Key, FL • Dothan, AL



Waste

It's in our DNA to always do the right thing, and we're passionate about leaving the planet better than we found it. In 2022, we continued to reduce our waste from operations by:

- Eliminating the use of over 5,000 pounds of paper through paperless receipts and reduced printing across our stores
- Recycled 250% more electronic devices compared to 2021 through our partnership with ecoATM

Additionally, our Community Bag with a Giving Tag program encourages our customers and associates to protect the planet and their local ecosystems. The program benefits local nonprofit organizations and prevents single-use plastics from going to a landfill. Through this program, we donated over \$72,000 to local nonprofits that serve our communities while doing better for our planet.



Social

SEG is committed to developing **Reliable, Empathetic, Accountable Leaders** - whom we refer to as ...

R·E·A·LSM

Reliable · Empathetic · Accountable · Leader



Great Place to Work

Our dedication to belonging and fostering an inclusive environment where communities are supported, differences are celebrated and people are empowered to be their true, authentic selves is what makes SEG a great place to work. SEG's people-first culture and advocacy of belonging, inclusion and diversity in the workplace have garnered national recognition, including:

FORTUNE'S 2022 BEST WORKPLACES IN RETAIL

NEWSWEEK'S LIST OF AMERICA'S MOST LOVED WORKPLACES RANKING NO. 26 OF THE TOP 100 COMPANIES, A CLIMB FROM OUR 2021 RANK OF NO. 48

THE TOP SUPERMARKET IN THE RETAIL SPACE IN NEWSWEEK'S LIST OF AMERICA'S MOST TRUSTWORTHY COMPANIES 2022

STORE BRANDS' 2022 RETAILER OF THE YEAR

PROGRESSIVE GROCER'S 2022 IMPACT AWARD FOR WORKFORCE DEVELOPMENT/EMPLOYEE SUPPORT

THE SHELBY REPORT'S DIVERSITY & INCLUSION AWARD 2022

THE SILICON REVIEW® AS ONE OF THE 30 FABULOUS 2022 COMPANIES OF THE YEAR



CERTIFIED AS A GREAT PLACE TO WORK® FOR THREE CONSECUTIVE YEARS

Supplier Diversity

In 2022, we welcomed 20 new diverse suppliers to SEG. In 2022, we made efforts to garner additional vendors and collaborate with underrepresented suppliers through introduction events and a new dedicated platform for diverse suppliers to share their products with SEG. Additionally, we became a member of top national organizations that support supplier diversity, including:

- Women's Business Enterprise National Council
- National Minority Supplier Development Council
- National LGBT Chamber of Commerce
- Lewis and White Business League by JAX Chamber

As a result, we are able to offer our customers an expanded variety of everyday products from women, Black, Hispanic, Asian, Native American, LGBTQ+, veteran and disability-owned businesses. By encouraging support and partnership of diverse businesses, we offer local products with great value that embrace the culture of the neighborhoods we serve while supporting the local economy.



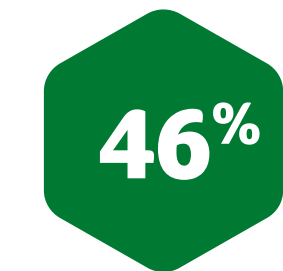
Supplier Spotlight

Helmed by Jennifer Cramer, The Spice Lab is a woman-owned and family-run business with an extensive product line of salts, award-winning seasonings and rubs, premium spices, peppercorns, natural sugars and unique gourmet gifts. With its WBENC certification as a Women's Business Enterprise, The Spice Lab is consistently recognized for one of the Top 50 Women-Owned Businesses in Florida.

Belonging, Inclusion and Diversity

We believe our team should reflect the diversity of the communities we serve and foster an environment of belonging across all cultural backgrounds.

Additionally, our internal communications can be translated to more than 100 different languages, providing our associates with information in their preferred language. We celebrate differences and what makes each associate unique, all while empowering them to be their true, authentic selves.



46% OF IN-STORE ASSOCIATES ARE DIVERSE



18% OF DIRECTORS AND ABOVE ARE DIVERSE AND 27% ARE FEMALE



100% OF ASSOCIATES CAN PARTICIPATE IN UNCONSCIOUS BIAS TRAINING



Educational Scholarships

We make it a priority to invest in our people, and associates are encouraged to apply for our scholarship program each academic school year. In 2022, we awarded \$70,000 in college scholarships to 28 associates through our SEG Scholarship Program, an increase of \$43,000 over the prior year.

Scholarship spotlight: Brianna Smith

Brianna Smith, a part-time stocker at Winn-Dixie store no. 1581 in Zachary, Louisiana, is a criminal justice student at Southern University and A&M College in Baton Rouge. Brianna is studying to become a detective or forensic scientist, a career she hopes will ultimately better her community and society as a whole. In her role at Winn-Dixie, Brianna serves as a team leader, and was selected as a 2022 SEG scholarship recipient because of her Reliable, Empathetic, Accountable Leadership qualities.

"I am very grateful and thankful to be a part of this store team and SEG community. I appreciate all of my peers and managers who have helped me become the person I am today. I will continue to strive for excellence and be the best person I can be throughout my entire life. Thank you so much to SEG for taking interest in me and noticing my potential!" - Brianna Smith, SEG scholarship recipient



Associate Benefits

As a people-first organization, we offer our associates a comprehensive assortment of health benefits, including medical, dental, vision, life insurance and disability programs. In 2022, we expanded our offerings and added new programs to assist our associates' overall well-being at no additional cost, including:

-  Increased medical coverage for annual physical and preventative exams
-  Expanded our MyWellness platform to provide associates with more activities to support holistic wellness goals
-  Reduced out-of-pocket costs for prescription medications
-  Expanded diabetes management program which offers a free blood glucose monitor, test strips, lancets and online coaching



Pharmacy

SEG is committed to being a valued partner in our customers' health and wellness journeys by providing affordable, top-notch pharmaceutical services. Our pharmacy team helps customers by offering commonly prescribed generic medications for \$4 to \$10.

Our pharmacists also provide Medication Therapy Management (MTM), using direct patient care. Our pharmacies' overall effectiveness in delivering comprehensive medication reviews (CMRs) and resolving drug therapy problems through targeted interventions, earned SEG recognition as the top medium chain for MTM outcomes.

We remain committed to vaccination offerings, including the COVID-19 vaccination and we distributed free masks at our pharmacy locations. SEG was recognized by the White House as a trusted pharmacy partner for our communities and selected as a participant in the Center for Disease Control's (CDC) ICATT program, which provided rapid COVID-19 testing to customers at no cost.





Charitable Giving

Our charitable arm, the SEG Gives Foundation, aligns giving with causes that are priorities to the communities we serve. Each of our charitable pillars are vital to the strength of our communities; including the **fight against hunger, support for military service members and their families**, relief to those affected by **extreme weather and natural disasters** and championing **belonging, inclusion and diversity** by combating social injustice to bridge the gap of inequities.



Fight Against Hunger

In partnership with Feeding America®, the nation’s leading domestic hunger-relief organization, and Feeding America network food banks, we provided more than 7.5 million meals to our neighbors in need throughout the five states we serve.



Break from Hunger

We offered healthy, \$2 “Student Summer Lunch Packs” to all customers and associates ages 17 and younger as part of our Break from Hunger program to ensure no child went hungry ahead of the back-to-school season. More than 1.6 million children in the five Southeastern states we serve don’t know where their next meal will come from, so we recognized and acted upon a critical need to help our customers and communities. Additionally, to help with the long-term fight against hunger, we donated \$100,000 to Feeding America to support Summer Hunger efforts.

Hunger Action Month (September)

In recognition of Hunger Action Month, we distributed more than 820,000 meals during seven mobile food pantry events and donated \$70,000 to seven Feeding America network food banks to help alleviate food insecurity in underserved communities.

Holidays

To help our neighbors enjoy a traditional Thanksgiving meal, we distributed more than 7,000 frozen turkeys and Thanksgiving side dishes during 13 food distribution events throughout the Southeast. We also donated more than \$288,000 as part of our Holiday Hunger commitments.

Support for Military Service Members & Families

With some of the largest veteran populations residing in the five states we serve, SEG has established a long history of supporting veterans, military members and their families.



Folds of Honor

Together with the SEG Gives Foundation and our generous customers and associates, we donated more than \$1.25 million to Folds of Honor during our fifth tour of giving with the nonprofit, providing more than 250 educational scholarships to the legacies of those who were disabled or fallen during service.

USO Support & Veterans Day Discount

Thanks to our customers and associates, we were able to donate \$100,000 to the USO and support its mission to keep America’s military members connected to family, home and country throughout their service. Additionally, we offered an 11% discount to veterans and active-duty military service members who shopped with us on Veterans Day, Friday, Nov. 11.



Belonging Inclusion & Diversity

In 2022, we expanded our charitable giving focus to support local organizations that share our passion for belonging, inclusion and diversity. Our commitment has helped us make a larger impact within our communities while empowering authenticity, educating the broader society and helping to eliminate long-standing barriers.



Romay Davis Belonging Inclusion and Diversity Grant Program

The Romay Davis Belonging Inclusion and Diversity Grant Program provides funding to nonprofit organizations that promote inclusivity and eliminate long-standing barriers in education, food insecurity and health care. In 2022, we presented 30 nonprofits with funds totaling \$300,000 to help each organization achieve equity in education, food insecurity and health care for underrepresented populations.

Extreme Weather & Natural Disaster Relief

Hurricane Ian & American Red Cross

When Hurricane Ian, a devastating Category 4 storm, hit Southwest Florida, we mobilized recovery efforts by dispatching mobile pharmacies and providing bottled water, ice, nonperishable food and cleaning supplies to more than 2,000 impacted families. Additionally, we donated \$600,000 to the American Red Cross to support emergency assistance, disaster preparedness and relief programs for our communities in 2022.

SEG Cares

Our hardworking associates are essential to operations and, as a people-first company, we prioritize those who make up the backbone of SEG. Our SEG Cares Foundation allows associates to help associates in their times of need, and has supported more than 1,800 associates since its inception in 2013. In 2022, SEG and its compassionate people and partners provided more than \$700,000 in SEG Cares support, particularly to help provide relief to those impacted by Hurricane Ian.





Governance

Good corporate governance ensures SEG builds and maintains trust with our stakeholders and enables us to continue to thrive.

Corporate Governance

In 2022, SEG's 7-member executive board continued to be champions of belonging, as executive sponsors of many of the company's associate resource groups. They engaged directly with associates during thought-provoking panel events as allies and actively participated in inclusive development offerings. Furthermore, to ensure all voices are heard and represented, we created the Shadow Board. The Shadow Board is comprised of nine women who exemplify strong leadership qualities. These women come from different generations, diverse backgrounds and various seniority levels from each key area of the company to ensure the many voices of our associates and customers are represented and have a seat at the table. The Shadow Board's primary focus is on new ways of working, increased visibility and belonging for underrepresented groups, as well as strategic recruitment and retention to aid in our commitment to an inclusive workplace.



Building and Maintaining Trust with our Associates and Customers

At SEG, we put people first, always. To better serve our neighbors, we encouraged our customers to provide feedback on priorities ranging from animal welfare to single-use plastic bags to diversity. In 2022, we engaged with nearly 9,000 customers on environmental and social sustainability topics. This feedback influences our sustainability strategy and additional business priorities. Customer trust is a top priority, and as an omnichannel retailer, we are committed to practicing ethical marketing practices and protecting customer data through cybersecurity risk management. We engage all associates in company-wide training sessions regarding cyber-related risks to best protect our customers and communities.



We believe our team should reflect the diverse customers we serve and should celebrate differences. In order to have a culture of belonging, we invest in all of our associates. Our trainings consist of a range of topics, including:

- Leading a diverse team and multigenerational team
- Managing through remote work
- Being an effective resource for associates struggling with mental health
- Suicide prevention

For all associates to feel safe at work, we offered safety training sessions to help create a safe environment in their workplace. Additionally, associates participated in various machinery safety programs, physical security, unconscious bias, discrimination and harassment trainings.

We're committed to growing and developing our associates in an inclusive environment. SEG's culture of belonging celebrates differences and empowers our associates to be their true, authentic selves. Through our dedication to developing Reliable, Empathetic, Accountable Leaders, over 5,000 hardworking associates earned promotions in 2022.





Conclusion

At Southeastern Grocers, we care passionately about putting people first, doing the right thing and constantly improving. We are steadfast in our promise to empower our associates, customers and neighbors as well as our support for the welfare of our environment and communities. You can always count on us. We are committed to a sustainable future for our people, our products and our planet.

Disclaimer: The report was compiled by our Environmental, Social and Governance (ESG) team to the best of our abilities. Figures were estimated and calculated in good faith. The report was reviewed by management; however, it has not been third-party verified. The company may consider third-party verification in the future. This report encompasses 2022, unless otherwise noted. Southeastern Grocers operates a continually changing business. Southeastern Grocers takes on no responsibility to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.