





SOCIAL RESPONSIBILITY REPORT

2022

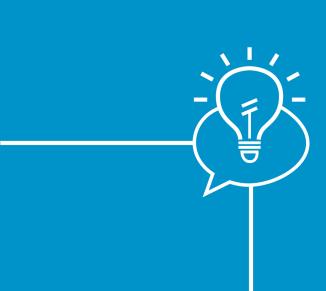






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TRAINING & DEVELOPMENT

HHS is committed to investing in its employees and creating a positive work environment for all individuals. We have created training and development programs that equip our team members with the necessary tools and resources to thrive in their job and help them grow both personally and professionally. This leads to a more sustainable and socially responsible business model that benefits our company, employees, and stakeholders.

During orientation, we educate our new managers on our sustainability and financial stewardship programs through a series of training modules and testing. This training reinforces our programs and the importance of sustainability. In 2022, 405 managers graduated from our orientation program, including 80 hourly to salary promotions and 7 salary to salary promotions.

Each month, managers receive continuing education assignments to keep them informed of new initiatives and reinforce their knowledge of our existing programs.

 In 2022, HHS managers completed 12,667 monthly training programs. These training programs cover topics such as compliance, leadership development, and company systems and processes. We provide our team members with online training and testing on programs specific to their assignment areas, and they receive hands-on support from their on-site management team. We use competency evaluations and performance improvement technology to measure their performance against these programs.

In 2022, our hourly team members completed 431,148 team member tests, and our managers performed a total of 858,257 Performance Improvement Reports (PIs). PIs enable us to track, monitor and improve operational performance at all HHS facilities.



Continuing Education Opportunities



In November 2021, HHS partnered with Southwest University (SU) in El Paso, Texas to provide our team members with access to higher education. Through the partnership, HHS team members are invited to enroll in a two-year online associate's degree program. The total cost of the program is approximately \$25,000, but SU offers a scholarship of nearly \$14,000 for HHS team members to offset tuition fees. The majority of the team members are eligible to receive federal financial aid assistance to cover the remaining cost of the program. This allows them to earn their degree at effectively no cost to them. This program is open to all interested HHS team members and enables them to gain the skills needed to pursue additional career goals, whether that is with HHS or elsewhere. A new program begins every 12 weeks, so our team members can start their education when it's right for them. There are nearly 100 active HHS team members currently enrolled in the program. 21 active HHS team members who enrolled in the inaugural program that began in November 2021 earned their degrees in February 2023. Five of those team members have earned promotions—in some cases from an hourly to a salaried position—since enrolling in the program.

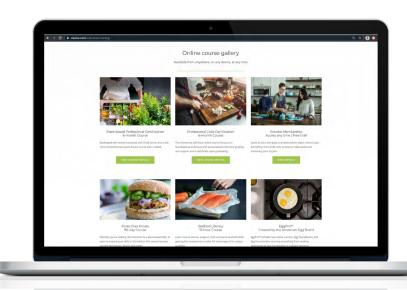
Read: <u>HHS and Southwest University Make College Easier for Full-Time Workers</u>





Rouxbe offers an online cooking school that teaches students the fundamentals of cooking. HHS partnered with Rouxbe to provide hourly frontline team members with opportunities to grow their careers within the culinary field. Topics covered in this training include food and kitchen safety, proper cooking methods, plating techniques, basic nutrition, and more. This is a self-guided program that typically takes anywhere from eight to 24 months to complete depending on the team member's schedule.

HHS began our partnership with Rouxbe in 2018 and enrolls **20** team members in this training each year. Job-site managers select candidates for the program based on merit, performance, and tenure, and a committee reviews the candidates to select students to participate. This program is provided **completely free of charge** for team members. About **60%** of Rouxbe graduates have been promoted to leadership positions with HHS.





In 2021, HHS formed a new partnership with Escoffier to provide team members with opportunities to pursue online associate degree or diploma programs in the culinary arts. Team members can select from seven different programs that allow them to specialize in their area of interest. Programs include culinary arts, food and beverage operations, baking and pastry, and plant-based culinary arts. The cost of the program is \$17,000, and Escoffier offers all HHS team members a \$2,000 scholarship. The majority of team members are eligible to receive federal financial aid that covers most of the remaining fee, enabling team members to earn a degree for about \$3,000 on average. Diploma programs can be completed in one year, and associate programs can be completed in 18 months. There are currently **four** team members enrolled in Escoffier programs, and one team member has graduated from the program. There are new enrollment dates every six to eight weeks. This program is open to all interested HHS team members.















Team Member Well-Being

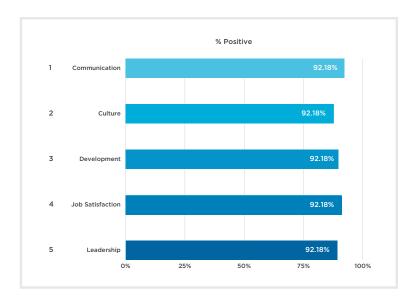
At HHS, adding to the quality of our team members' lives is just as important as adding their professional skills. HHS provides benefits and utilizes policies that promote the overall well-being of each team member. This is an integral aspect of our social responsibility plan as it directly impacts the physical and mental health of employees. HHS provides resources such as mental health support, work-life balance initiatives, and healthcare benefits, to create a positive impact on our teams and their families

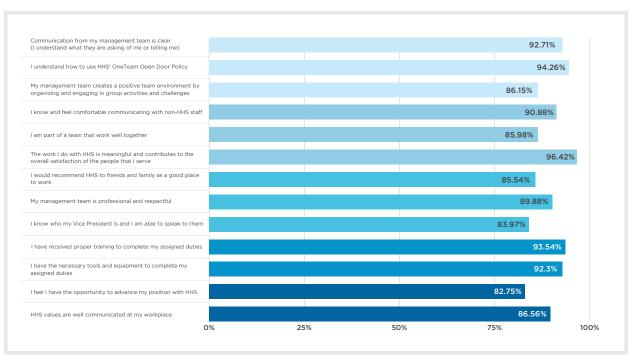
Team Member Engagement Survey

Our success depends on the commitment, dedication, and well-being of our team members, which is why we conduct an annual, company-wide team member engagement survey.

This survey not only allows our team members an opportunity to voice their opinions but also helps our leadership team to determine how HHS can continue to improve productivity and job satisfaction.

Responses by Category





Open Door Policy

HHS encourages team members to bring concerns, complaints, or ideas about work-related issues to the attention of management. To help address such issues promptly and constructively, team members are given the opportunity to share them through our Open Door Policy and OneTeam Helpline, administered by Team Member Resources (TMR) at the HHS Home Office. Each concern brought forward is thoroughly investigated, and HHS is committed to ensuring there are no unfavorable recourse or actions against team members who submit a complaint. In 2022, Team Member Resources reviewed and successfully resolved 489 claims from HHS team members.



Benefits

HHS offers competitive benefits to all team members to ensure they can access care that supports their wellbeing. In addition to health. dental, and vision, insurance coverage, team members are encouraged to utilize the following benefits:

- Paid Time Off (PTO): Full-time hourly team members accrue PTO throughout the year that can be used for vacation, sick, or personal time as needed. The amount of PTO that is accrued each year is based on each team member's tenure with the company. Team members are encouraged to use their PTO to rest, recharge, and care for themselves and their families.
- HealthJoy and Teladoc: These options allow for HHS team members to meet their minor medical needs from the comfort of their homes. Team members who are enrolled in an HHS benefit plan can use these services free of charge.









Teladoc gives you access 24 hours, 7 days a week to a U.S. board-certified doctor through the convenience of phone, video or mobile app visits.

It's an affordable option for quality medical care











GET THE CARE YOU NEED

- · Cold & flu symptoms Pink Eve
- Respiratory infection
 Sinus problems
- Skin proble
 And more!

primary care physician



Talk to a doctor anytime!









HealthJoy.

Online Medical Consultations AT HEALTHJOY

Simple. Convenient. Affordable.

HealthJoy is an easy and trusted way for adults and children to request visits with board-certified medical providers on demand for minor illness es and injuries. Get the care you need, when and where you need it or using the HealthJoy app -24/7/365.

When to use HealthJoy Online Medical Consulations:



YOU'RE NOT FEELING YOUR BEST.

Our medical team can diagnose medical concerns and common medical concerns and offer personalized care.



YOU NEED A SHORT-TERM

PRESCRIPTION.

"My daughter had an infection, so within 10 minutes I got a live

consultation from a physician. He was able to diagnose the infection and send a prescription

so much time! SHANNON P. HEALTHJOY MEMBER

HealthJoy providers can send new prescriptions and short-term refills to your pharmacy.



IT'S THE MIDDLE OF THE NIGHT.

Illness and injury often happen at inconvenient times, so we offer care 24/7/365



YOU'RE TRAVELING.

Get diagnosed and have a prescription sent to a local pharmacy nearby, wherever life takes you.*

We can help with:

- Abrasions bruises
- Colds, flu and fever Sore throat, cough,
- congestion
- Allergies, hives, skin infections
- ► Bites and stings
- ► Medication refills (short-term)* Diarrhea, vomiting, nausea Urinary tract infections
- ► Eye infections, conjunctivitis
- ▶ And more!

For best service, use the HealthJoy iPhone or Android app or call (877) 500-3212.





Employee Assistance Program (EAP): HHS team members who are facing challenges and hard times can utilize the Optum and Cigna Employee Assistance Programs to get the help they need. These programs offer free short-term counseling, online therapy, 24/7 access, and free access to the Sanvello mental health app.







Everyday resources to help make your everyday easier.

Give us a call or go online under "Find/Work Life Resources" to get up to five qualified referrals through LiveCONNECT.



Adoption: Adopting a child is one of the most wonderful times in an adoptive parent's life. But it can also be stressful. Our adoption services provide all the support you need to help find the right adoption specialists and support groups to get you headed in the right direction.

- Parenting: Receive guidance on child development, sibling rivalry, separation anxiety and much more.
- Prenatal Care: Get the information you need for a healthier pregnancy and delivery.
- Child Care: Whether you need care all day or just after school, find a place that's right for your family.
- after school, find a place that's right for your family.

 Children with Special Needs: Let us help you better understand care for your unique family needs.

 Summer Care: Our summer care services provide parents with the resources to help find the right summer camps and programs for your children.



Education: We understand the importance of your child's education. That's why we offer a full suite of child's education. That's why we offer a full suite of progress of the child suite of the child suit



Financial Services: When it comes to finances, most of us need a little help now and then. Get a free 30-minute talk with a qualified financial services specialist. In addition, you can get 25% off on tax preparation when you take advantage of this service.



Identity Theft: If you think you might be a victim of identity theft, talk to a fraud resolution specialist. To start, you'll get a free 60-minute consultation and resources to help you protect your identity.



Legal: Some of life's events call for expert advice. When you need legal assistance, contact us. You can be connected to a lawyer in your area for a free 30 minute consultation and up to a 25% discount on usual fees for most legal issues.



Pet Care: Your pet is part of your family, so we understand the importance of finding solutions to any number of needs. From vets to dog walkers, our pet care services will help connect you with the right resources so that your furry friends are well taken care of.



Senior Care: When it comes to managing important senior citizen care issues that arise in your family, making the right decisions can be difficult. That's why we provide the information you need along with a support system to help guide you through the process.



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All Copy probusts and stream as provided calcularly for through operating subsidiation of Copy Copy actions, including Copy Behavioral Health, Inc. The Copy a neme, logs, and other made so even early Copy interhectual Property (i.e., Inc.) the Copy a neme, logs, and other made so even early Copy interhectual Property (i.e., Inc.) the Copy a neme, logs, and other made so even early Copy interhectual Property (i.e., Inc.) the Copy a neme, logs, and other internal and interhectual Property (i.e., Inc.) the Copy and interhectual

Wage Rates

Over the past five years, HHS has grown our average wage rates (AWR) to help ensure our team members earn a liveable wage.

2019

7.09% increase from 2018

2020

3.67% increase

2021

8.89% increase

2022

7.53% increase

Total 5-year AWR Increase

30.11%

Safety and Compliance

At HHS, safety and compliance are not only important from the standpoint of accountability, risk, and the well-being of clients but also for the well-being of our team members.

Because staying safe is one of the most important aspects of what we do, HHS rewards team members who perform their assignments in a safe manner. HHS spent more than **\$500,000 on safety awareness recognition** for team members at job sites that remained consistently injury free. Across all HHS locations, we maintained a total of **204,000 injury-free days** in 2022.

Community Engagement

We encourage and empower our on-site teams to support their local communities in ways that make sense for them. They may choose opportunities based on their personal interests, the skills of their team, or the needs of those around them. Just a few ways that our teams support their communities include:

- Fundraising and supporting local charities to raise awareness for causes such as breast cancer, domestic violence, arthritis, heart health, and many others
- Collecting non-perishable food items for area food pantries
- Purchasing and collecting items to send to victims impacted by natural disasters
- Holding raffles and raising funds for individuals battling health challenges
- Purchasing holiday gifts and supplies for those in need
- Donating time and resources to cater meals at charity events



In 2022, we launched our first-annual "HHS Gives Back" event. The monthlong initiative is held in July to correspond with HHS' anniversary. Throughout the month, employees are encouraged to find creative ways to support their communities and share their activities with HHS.

On average, **one volunteer hour is worth \$29.95** to the organization. Throughout the month of July 2022,

Our team volunteered

909 hours

in our communities

Providing

\$27,225

in value

HHS Home Office Gets Into Gardening

A small team from the HHS Home Office had the opportunity to spend half a day volunteering at Casa De Miel. Casa de Miel facilitates experiences with horse and nature-based programs for group homes, recovery programs, and special needs groups. They aim to promote deeper connections while also providing food for individuals who don't have access to fresh produce.

Upon arriving, the HHS team had a moment to meet the staff, hear about their mission and practice mindfulness. Then, they worked together as a team in the Texas summer heat rebuilding garden beds and restoring the soil in preparation for the fall planting season. The garden beds will be used to supply produce for communities in need.

Before departing, the team harvested a small portion of the summer harvest to create a refreshing snack.







Miranda Anspach Prepares Meals for Kids with Type 1 Diabetes

Miranda Anspach has spent the last week volunteering her time at a summer camp for kids with type 1 diabetes. She works in the kitchen, and her assignment is to prepare meals for individuals who are vegetarian/vegan, gluten-free, or have other allergies or special diets. Each day the camp prepares meals for about 200 people, around 45 of whom have special diets. Miranda's goal is to provide each camper with the same great experience, regardless of their dietary needs.







Zachary Presnell Plans a Beach Clean Up

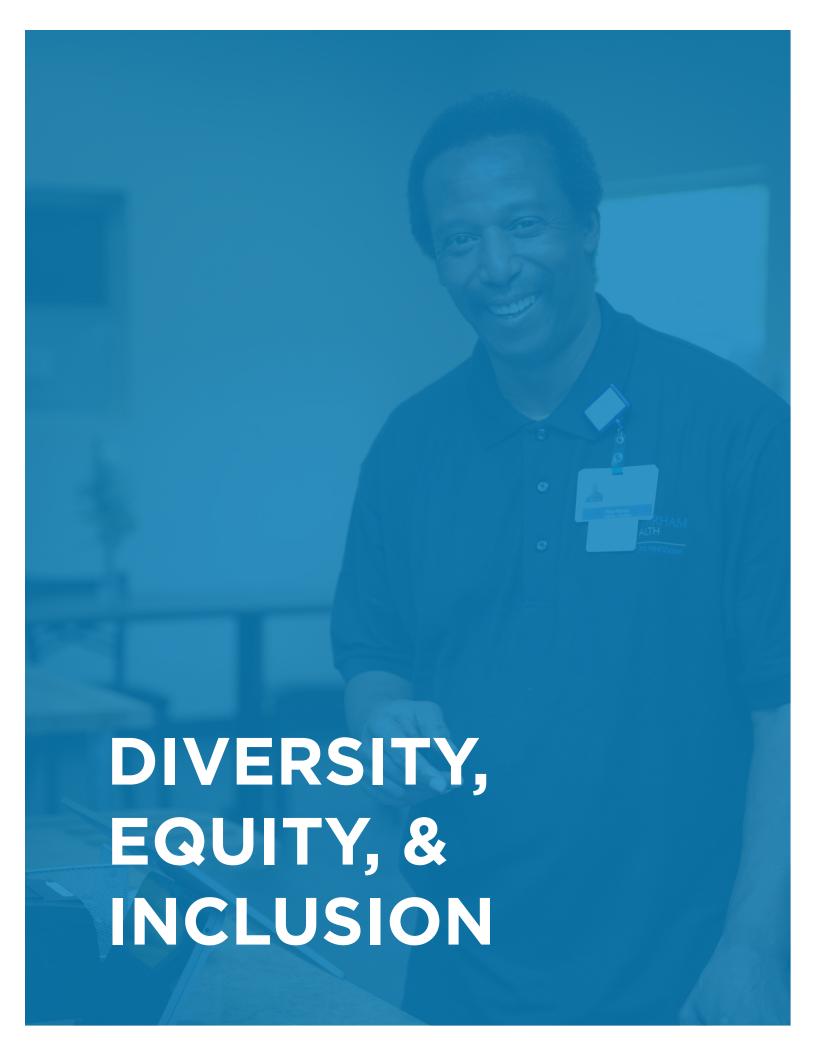
After a busy 4th of July weekend, the beach at Hilton Head Island, South Carolina was a mess. Zachary organized an opportunity for his team to help support their community by picking up litter from the beach, preventing it from contaminating the ocean waters. He says, "Being in hospitality is not only about serving our guests, but also our community."



Read: <u>Civil Air Patrol National Commander Recognizes HHS Director Julie Moses</u> for Volunteer Work

Read: Making a Difference Using her Culinary Skills: Miranda Anspach Gives Back





Diversity, Equity, and Inclusion (DEI)

Diversity, equity, and inclusion (DEI) are essential components of social responsibility as they promote fairness, respect, and equal opportunities for all stakeholders, including employees, customers, suppliers, and communities. HHS strives to foster a culture that values differences, treats people equitably, and promotes diversity at all levels. DEI is an essential aspect of our social responsibility plan because it not only benefits the company but also creates a positive impact on society at large.



In early 2021, HHS formed a DEI team to review and inform company practices and policies through a diverse, equitable, and inclusive lens. HHS is committed to modeling diversity and inclusion throughout our organization and creating an equitable workplace for all. To achieve this, we are committed to the following goals and action steps:

- Connect diversity, equity, and inclusion to our mission, vision, and values, while increasing the visibility and accessibility of our efforts
- Create and support programs and policies to expand diversity within all levels of our leadership
- Establish and promote training sessions on diversity, equity, and inclusion to provide information and resources for our teams
- Identify and confront unconscious biases that interfere with inclusiveness and implement systems to be intentional and conscious during the hiring, promoting, and evaluating process
- Continually review and improve our policies, systems, programs, and services in pursuit of a just and equitable workplace for all team members
- Practice transparent communication in all interactions
- Lead with respect, empathy, and understanding

Our Accomplishments

The goal of the first year of the DEI Team was to create a foundation to build upon so we can achieve long-term success. Below are a few of our accomplishments from 2021.

- Created and sustained the first HHS DEI Team, consisting of members from across the organization.
- Wrote and published HHS' DEI statement.
- Rolled out HHS' first-ever DEI training curriculum to promote a culture of inclusion and belonging.
- Launched DEI pages on the company intranet and <u>website</u> to share our progress.
- Created a "DEI dashboard" to provided visibility into the breakdown of our workforce by gender, race/ethnicity, and age at every level of management.
- Conducted a survey of all HHS employees to understand how our employees view our company initiatives and which demographic groups are in need of most support.
- Developed a communications plan to recognize and celebrate diversity and inclusion events such as Pride, Black History, and Hispanic Heritage.
- Expanded opportunities for HHS team members to advance their careers through degree programs with Southwest University and Escoffier Culinary School.



Diversity Metrics

At HHS, we know that we're stronger together. We strive to build an inclusive environment where all team members feel valued, heard, and respected, and where everyone can be their true, authentic selves. We celebrate the unique skills, life experiences, and heritages that make us diverse. Through servant leadership and our OneHHS philosophy, we empower our teams and communities to grow and succeed.

Through our efforts to build a diverse leadership group, we strive to remain humble enough to listen to and bold enough to act on the perspectives and opinions of people representing different races, ages, genders, and sexual orientations. This helps drive innovation by creating a space where more ideas and viewpoints can be shared candidly.

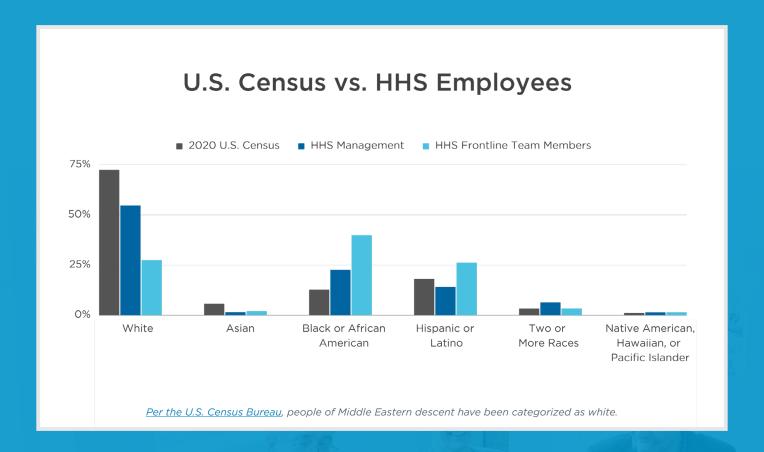
While there is still a lot of progress to be made, the strides we're making now will help us know where we're doing well and identify specific areas where we need to improve so that we can work together to build a workplace environment where everyone belongs.



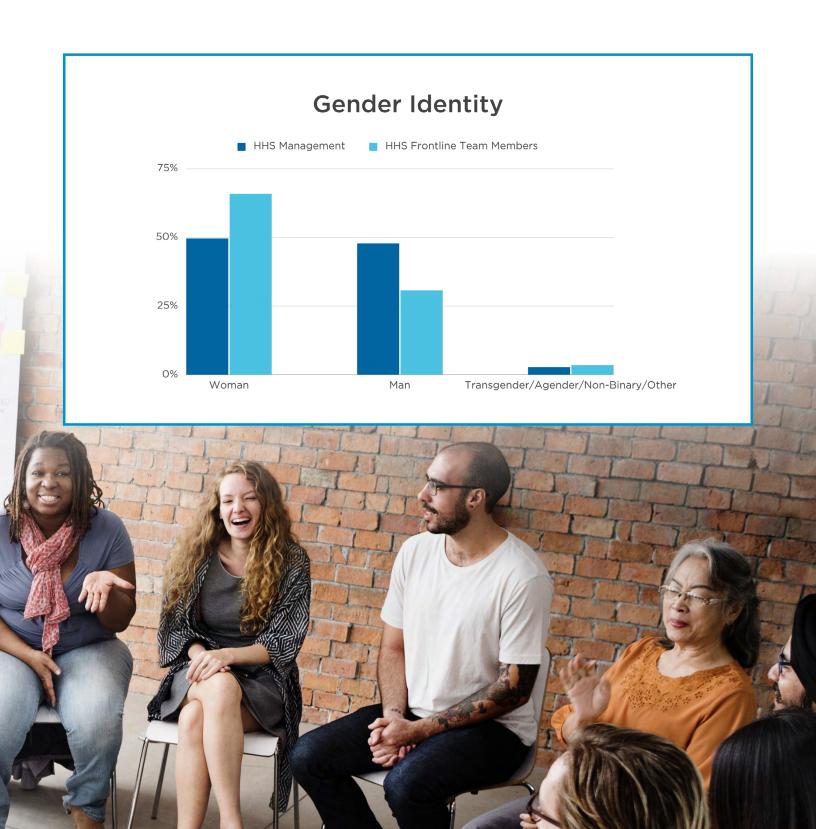
HHS DEI Survey Metrics

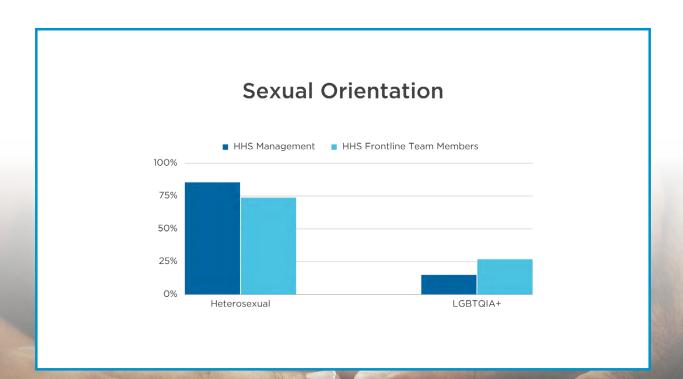
We conducted our second annual DEI survey of management and frontline team members in 2022. As a part of this survey, we gathered demographic metrics on HHS employees. With over 10,000 respondents to the survey, this provided new insight into the identities of our team at all levels.

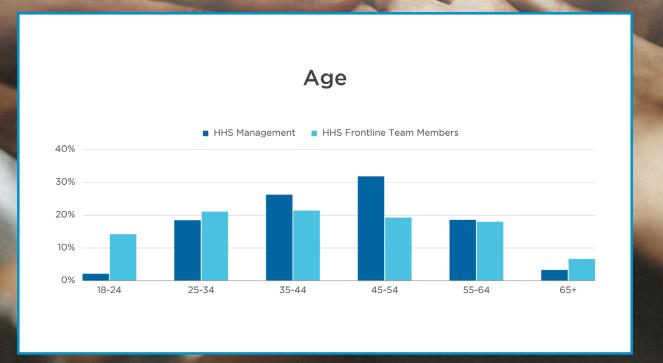
By comparing the population of HHS employees to that of the 2020 U.S. census data, we can see that HHS employs a diverse team, at both the frontline and management levels.



Historically, HHS has seen more men in management than women. We have significantly increased women leaders in the past five years, and our goal is to continue to provide equal opportunities for advancement for people of all backgrounds and walks of life. In 2022, HHS appointed <u>Lisa Molnar as Chief People Officer</u>, making her the first woman appointed as a top executive in the company. We continue to seek out opportunities to develop people from our internal ranks to leadership positions.







Inclusion

While it's fairly simple to view and track diversity, measuring inclusion is a greater challenge. As part of our DEI survey, we asked questions about inclusion to understand how our workforce views HHS' efforts in this area. The anonymous survey includes demographic information so that we can determine which groups of individuals feel included and which groups may need additional support. By conducting this survey each year, we will be able to see the impact of our efforts on our workforce.

More than 10,000 HHS employees, including both management and frontline team members, responded to the survey. In the table below, you'll find a summary of the overall responses for both the hourly and management surveys. The table compares this data to the survey scores broken down by gender, sexual orientation, race/ethnicity, and age (as self-reported by employees in the survey). Meaningful gaps in average group scores have been highlighted below. Compared to 2021, we saw an increase in nearly every response category.

In both 2021 and 2022, we noticed slightly less positive responses from team members who self-identified as LGBTQIA+. Based on this, we created an employee resource group (ERG) for LGBTQIA+ team members and allies and we rolled out new training on LGBTQIA+ inclusion. We continue to monitor these trends and engage members of the community to provide support and resources to promote inclusion.

Read: HHS Team Members Share Their Coming Out Stories

Read: Never Dim Your Glow: Ashley's Search for Family and Self-Acceptance

	All (Management + Frontline Team Members)	Women / Gender Nonconforming	LGBTQIA+	ВІРОС	Over 45
My manager supports diversity.	94.5%	94.1% (-0.4%)	92.0% (-2.5%)	94.1% (-0.4%)	94.0% (-0.5%)
I believe that my job performance is evaluated fairly.	90.8%	90.1% (-0.7%)	87.9% (-2.9%)	90.4% (-0.4%)	90.3% (-0.5%)
My pay is NOT impacted by my gender, race, sexual orientation, identity, or culture.	93.1%	92.9% (-0.2%)	89.6% (-3.5%)	92.2% (-0.9%)	92.4% (-0.7%)
People from all backgrounds have equal opportunities to succeed at HHS.	94.5%	94.3% (-0.2%)	91.6% (-2.9%)	94.0% (-0.5%)	94.1% (-0.4%)
I feel that my unique background and identity are valued at HHS.	92.3%	92.1% (-0.2%)	88.9% (-3.4%)	92.4% (+0.1%)	92.1% (-0.2%)
HHS is a safe and supportive workplace for Black, Hispanic, Indigenous, and all people of color.	96.2%	96.1% (-0.1%)	93.9% (-2.3%)	95.9% (-0.3%)	96.2% (0%)
My co-workers treat each other with respect regardless of identity.	90.5%	89.6% (-0.8%)	87.2% (-3.3%)	90.2% (-0.3%)	89.6% (-0.9%)
If I raised a concern about discrimination, I'm confident my employer would take action or do what's right.	92.9%	92.2% (-0.7%)	89.0% (-3.9%)	92.9% (0%)	92.8% (-0.1%)
I can share my suggestions or opinions at work.	91.8%	91.2% (-0.6%)	88.1% (-3.7%)	91.7% (-0.1%)	92.0% (+0.2%)

Key:

Women / Gender Nonconforming: Respondents who identified as female, agender, non-binary, transgender, or other.

LGBTQIA+: Respondents who identified as asexual, bisexual, gay or lesbian, pansexual, queer, or other.

BIPOC: Respondents who identified as African-American/Black, Asian, Hispanic/Latino, Indigenous/Native American, Native Hawaiian/Pacific Islander, or Two or More Races.

Over 45: Respondents who identified as being aged 45-65+.

Celebrating Inclusive Holidays

In 2022, HHS launched a campaign to honor and recognize holidays and events that promote an inclusive work environment. This includes holidays such as Black History Month, National Coming Out Day, Mental Health Month, and more. The DEI team identified a list of holidays to recognize and developed a tiered approach to ensure holidays of similar magnitudes received equal recognition. Each month, HHS' Internal Communications team works with the DEI Team to create content to help our onsite leadership teams celebrate the holiday with their team members. Typical recognition avenues include:

- Flyers and fact sheets
- Graphics posted on HHS' social media (13,000+ followers) and internal communication platforms
- Information shared via company newsletter
- Blog posts highlighting team members who identify with the group being recognized
- Emails from leaders regarding their perspective on the holiday
- Facts about the holiday shared as part of daily huddles













I am honored to be chosen to share indights into my Native American culture and history. I was born in Pensacola, Florida, approximately of miles from the Pourch Band Creek of Creek Indian Reservation locates near Amore, Alabama, Although I never lived on the reservation, I have participated in many cultural activities, like our Annual Thanksplring Powow.

In the late 1700s, the center of the Creek Nation was located near present-day Montgomery, Alabama, By 1930, there were a restinanted 22,000 Creek Indianal Wingil the Southeast United States. The Poarch Creek Indians were originally members of the Creek Nation, but were separated during The Trail of Tears and formed a new, distinct tribe. Today, the Poarch Trails follows the Creek Indiana were the only federally recombined tribe in the state of Alabama.

A few years ago I had the opportunity to attend the Gathering of Nations, which is the largest annual pownous obligation in Nation America, held in Albuquerjue, New Mexico. Ny older sister was the Poarch Creek Indianal: Editor Protects that year I vastend her these part in the Grand Editor, which is when the dancers enter the circle, led by the veteran and head discress, and share an opening answer-Sovien the Interiors of the Nation anteriors and interiors and in the Indianal Section 1.

One of the Challenges for flative Americans is that people assume that our people still vior in the paid. We are a couple of presentations removed that being althorizopens, to their justiced as productive members of society, and being seen as second-class ottors. We have seen changes in the last second years. Or removation has first-class enablature facilities and housing. We have exportunities to gain an education, build on our own farms or small businesses, or work for great companies like Hist.

When I researched Poarch Creek recipes, I found that most of the foods consisted of small game, root vegetables, com, and winter and summer squashes. Tomato gravy was always a favorite recipe for my family, and I recently traced its roots to Poarch, Alabama. It can be served at breakfast, lunch, and dinner on to got biscuits or rice. I hope you'll enjoy it.

Thank you, or in Creek Language, Muh-Di

Jack Wilder
Vice President Business Evrellence 1885 Cult

Read: <u>Celebrating Past Achievements and Working</u>
Towards an Equal Future



Employee Resource Groups

OneHHS Connect Groups are HHS' employee resource groups (ERGs). An ERG is an employee-led and employer-recognized group that supports a group of individuals with shared characteristics. Those characteristics may include race, ethnicity, gender, sexual orientation, disability, age, and more. OneHHS Connect Groups are open to individuals who identify as a member of the group as well as those who would like to support their colleagues as an ally.

OneHHS Connect Groups support several primary purposes:

- To create a sense of belonging and provide support
- To foster an inclusive environment that values our diversity and interconnectedness
- To advise on practices and policies that support an inclusive environment
- To help group members grow professionally and personally
- To support groups that are underrepresented and whose needs might not be well-reflected in company policy otherwise
- To connect members to the larger organization







HHS Women Connect



HHS Pride Connect



HHS Afro Connect

HHS launched our first three Connect Groups in Summer 2022. Each group meets virtually once per month and has an email group for members to connect and share ideas outside of meeting times.

During group meetings, the group leaders lead discussions on topics that are relevant to their group. Recent discussion topics include:

- Mentorship and sponsorship
- Empowerment and positive affirmations
- Support for mental health and healthcare for underserved communities
- Finding support and community after tragedy
- Current affairs and trending news topics
- Recognizing and celebrating heritage months and relevant holidays

Read: HHS Afro Connect Provides a Place for Voices to Be Heard







ENIVORONMENTAL SERVICES & OUR COMMITMENT TO SUSTAINABILITY

We are committed to being good stewards of all the resources under the care of our environmental services teams. HHS managers and executive leadership work closely with our facilities to achieve our joint sustainability goals to help improve conservation efforts and reduce waste.

EVS Supplier Diversity

HHS partners with procurement specialists who help us track our Diverse vendor spend. Our procurement specialist source, negotiate and contract with the suppliers and minority-owned businesses we purchase products and services from. HHS and our procurement partners are committed to advancing DEI initiatives, strengthening our supply chain with various diverse vendors, and increase our diverse vendor spend year of year.

Below is a summary of our EVS supplier diversity spend by diverse business classification in 2022.

- \$24,734.61 Minority Business
- \$1,682.57 Physically Challenged
- \$671,779.14 Women-Owned Business

Total: \$698,196.32

Floor Care Best Practices

We've implemented new floor care initiatives at **299** facilities that reduce the need for restorative care and ongoing maintenance. In turn, this also reduces our use of chemical and raw materials, such as water and packaging, improving indoor air quality while protecting our natural resources.

We are committed to implementing these new practices at **all HHS locations** we serve by 2023.





Chemical Dilution Systems

We use chemical dilution systems at all the facilities we serve to ensure chemicals are properly diluted. By guaranteeing proper dilution, we are able to decrease chemical waste due to dilution errors and save on packing materials, transportation costs, and raw materials. Total chemical spend in 2022 amounted to \$3,097,883. Total cleaning products dispensed through a dilution station accounted for 23% of our total chemical spend, or \$716,950 a 67 percent increase year over year. Our goal is to increase our use of chemical dilution systems by ten percent in 2023.

Microfiber Materials

We utilize microfiber mops and cloths in all our cleaning practices to reduce the amount of water and chemicals being used. Microfiber materials can be laundered more than double the number of times of traditional mops, meaning they'll last longer and help save resources and money.

Eco-Friendly Cleaning Chemicals

When possible, we use **Eco-Friendly** cleaning products and chemical dilution systems with green attributes to help protect our natural resources. HHS' environmental product penetration as a percentage of our total chemical spend, at the facilities we serve is **30%** or **\$2,738,23**. This percentage will increase as we work towards expanding the use of green chemicals and dilution stations in place of non-green chemicals and ready-to-use (RTU) products.



Right-Sizing Standardization Program

Our trash liners standardization program determines which liners can be used to serve multiple purposes. This process helps to reduce waste and saves **10 to 15%** on liner costs.







FOOD SERVICES & OUR COMMITMENT TO SUSTAINABILITY

Food is an integral part of our daily lives, and we are committed to sustainably sourcing the items we use in our cafes. We collaborate with each facility to be good stewards of our resources by sourcing locally farmed produce and sustainable seafood and implementing waste reduction programs.

Animal Welfare Policy

In early 2017, HHS pledged to foster responsible stewardship, animal welfare, and sustainability practices companywide. To further our commitment, we created an Animal Welfare Position Policy and have worked diligently to create an environment consistent with The 5-Step Animal Welfare Rating Program developed by the Global Animal Partnership (GAP). Since making that pledge and establishing our animal welfare policy, HHS has:

- Purchased only cage-free eggs from the United States.
 In 2022, this amounts to \$280,608 in total purchases
- Eliminated all seafood raised in unsustainable environments
- Removed veal in all culinary operations due to unethical treatment
- Eliminated the use of gestational crate pork bacon in 2022

Joyce Farms

Joyce Farms' mission is to provide all-natural meat and poultry with the flavor and health benefits that Mother Nature intended. Their animals are



raised humanely and naturally, without antibiotics or growth stimulants, and are either allowed to graze the pastures or roam free in barns. Through this partnership, HHS is able to provide the facilities we serve with the highest quality and best tasting meat products available on the market today. Joyce Farms utilizes regenerative agriculture, which is a farming practice that helps to restore habitats, reduces carbon in the atmosphere and supports animal welfare.



Waste-a-Weigh

We track and measure all the food that goes into the trash — from vegetable peelings to expired inventory and leftover food — to see where we can make improvements and optimize our ordering. This saves money by enabling us to only buy what is needed and allows us to implement best practices to reduce waste.



Monterey Bay Seafood Program

We purchase only sustainable seafood certified by the Monterey Bay Seafood Program to help decrease destructive fishing and farming practices. The guidelines in this program ensure responsible seafood choices that are eco-certified and of the highest quality grade. The total spend at our facilities on sustainable seafood in 2022 was \$792,129.

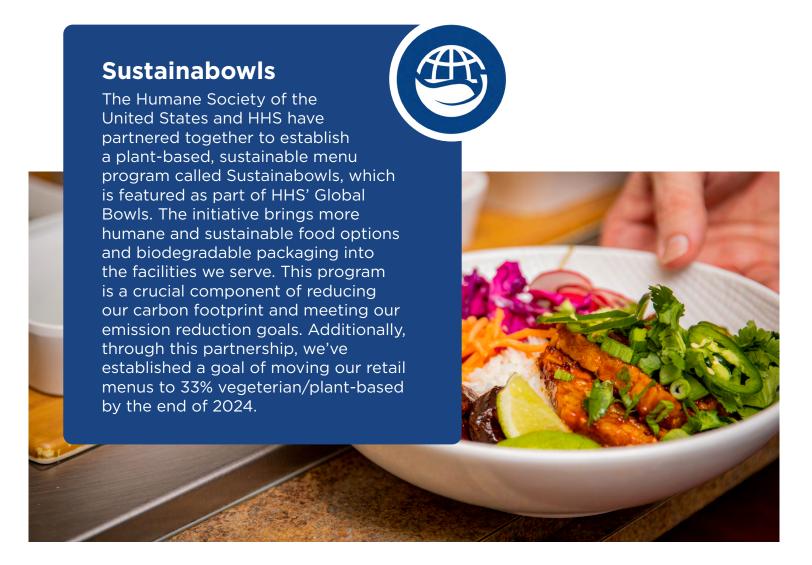


Clean Water

Our on-site management teams ensure all outgoing water from our kitchens is efficiently filtered through grease traps to reduce unwanted materials flowing back into the gray water system.

100% Sustainable Disposable Products

We work with our vendors and GPOs to offer our partners 100% sustainable disposable products based on their facility's preference.



Local Purchasing Initiatives

We partner with area farms, in collaboration with our current vendors, to purchase products, meats, and produce to support sustainability practices and positively impact the local economy. In 2022, HHS purchased more than **\$4,512,123** worth of fresh food products for our facilities from more than **115** local vendors.







OPERATIONS & MAINTENANCE (O&M)

O&M is committed to a supplier diversity program that builds sustainable economic strength by creating mutually beneficial business relationships with a network of diverse suppliers in the communities we serve.

Through materials and subcontracts, O&M has contributed more than \$7.1 million to the growth of diverse businesses. Below is a breakdown of O&M's contribution to supplier diversity by diverse business classification in 2022.

26.68%

\$723,354.00

Small Disadvantaged Business 33.83%

\$917,159.50

Woman Owned Small Business

25.08%

\$679,929.98

HubZone

7.20%

\$195,172.09

Veteran Owned Small Business

7.20%

\$195,172.09

Small Disabled Veteran Owned Small Business Total Small Business Spend:

\$2,710,787.66

Total Spend: \$3,172,730.50

LINEN UTILIZATION MANAGEMENT (LUM)

HHS provides LUM to over 50 facilities throughout the United States. The reduction in linen usage and waste has not only provided financial savings to our partners but has paved the way for sustainable stewardship of our environment. Below are the reductions that can speak to LUM's environmental impact.

Environmental Impact - 1/1/2022 - 12/31/2022

17,669,444

Pounds of Linen Use Eliminated

47,530,805

Gallons of Water Preserved

353,389

Kilowatt Hours Saved

2,191,011

Pounds of Greenhouse Gas Reduced

So far, HHS has saved **47,530,805** gallons of water.

Which is equivalent to



2,066,602 loads of laundry.



or the water used in



2,763,419 showers.

Additionally, HHS has reduced linen usage by **17,669,444** pounds.

That's the equivalent of



8,834,723 bed sheet changes,



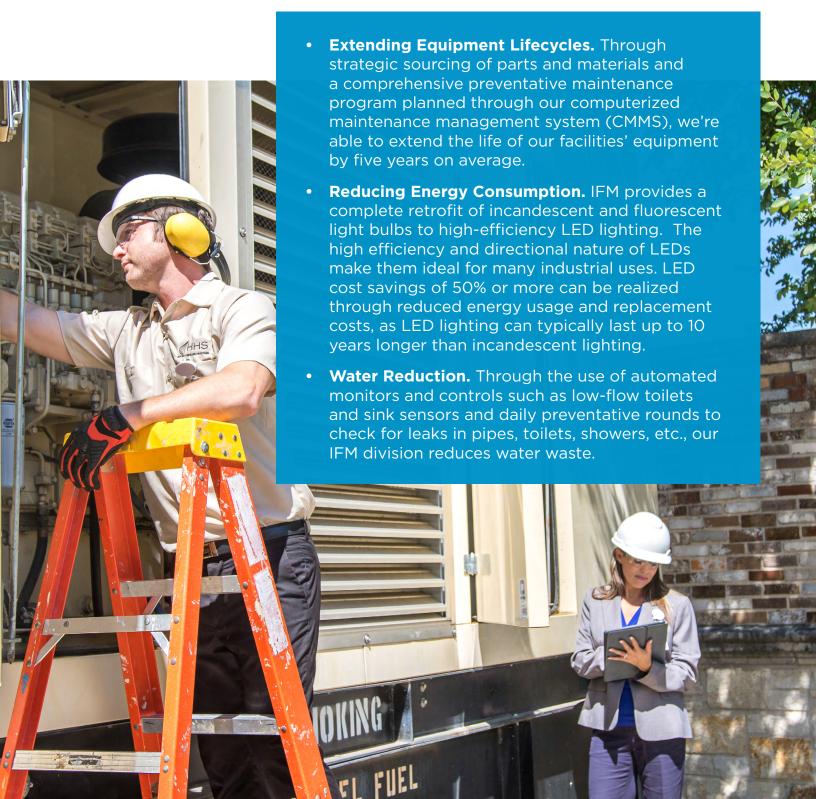
or the weight of



1,147 adult African elephants.

INTEGRATED FACILITIES MANAGEMENT (IFM)

Through various sustainable practices and initiatives, IFM ensures our partner facilities run smoothly, efficiently, and safely. Some IFM practices that lessen our environmental impact include:

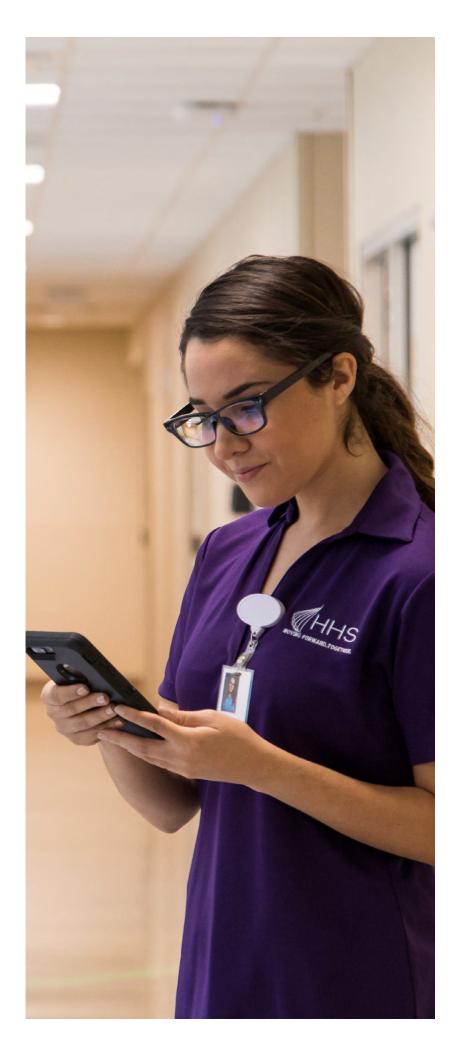


PATIENT FLOW

BedWatch® offers a suite of software modules providing advanced visibility of patient throughput and facility management. As a cloud-based, mobile application, BedWatch is designed to lead to a more sustainable environment, by removing dependencies on products and industries driving the use of nonrenewable resources.

BedWatch reduces the reliance on traditional paper and ink resources within a facility, as well as printers, fax machines, ink cartridges, and toners. Shrinking the use of these resources leads to less manufacturing waste and deforestation.

All BedWatch team members work remotely, which includes the implementation of our software at seven new facilities and sustaining technical support for over 70 hospitals. This greatly reduces the overall effects of car and airplane travel and the emissions generated by those industries.





2022

- Austin-American Statesman Top Workplaces
- Food Management's (FM)
 Top 50 Contract Management
 Companies
 - HHS Culinary named #19
- Food Management's 9 Largest Healthcare Food Service Operators
- The Humane Society of the United States - 'A' ranking and #7 on The Food Service Industry Protein Sustainability Scorecard

2021

- SEAL Business Sustainability Award in Innovation for Linen Utilization Management
- Food Management's (FM)
 Top 50 Contract Management
 Companies
 - HHS Culinary named #19
- FM Top 9 Risers
 - HHS Culinary named #1

2020

Food Management's (FM)
 Top 50 Contract Management
 Companies

2019

- ISSA CIMS-quality systems; service delivery; human resources; health, safety, and environmental stewardship, management commitment, green building certified with honors
- Food Management's (FM)
 Top 50 Contract Management
 Companies
- FM Top 8 Risers

2018

- Austin Business Journal's Fast 50
- ISSA CIMS-quality systems; service delivery; human resources; health, safety, and environmental stewardship, management commitment, green building certified
- Food Management's (FM)
 Top 50 Contract Management
 Companies
- FM Top 10 Risers

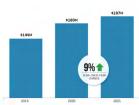


FEATURED ARTICLES



Meet the 2022 winners of Food Management's Best Healthcare Recipe Contest





The Top 50's Nine Largest Healthcare Companies: HHS



Delta Airlines Expands
Partnership with HHS



Havasu Regional Medical
Center Beats Out 20
Restaurants to Win Top Chef
Competition



Take Action: Steps for an Effective Emergency Management Plan



<u>Leaders in Supplier</u> <u>Diversity</u>



4 Ways to Customize Your Dining Experience



The Cool Collaboration
Behind HHS' New
Sustainabowls



How a Team Doubled Staff
Satisfaction Scores Amid
Covid



FlavorPort Turns Hospital
Cafeterias Into Street Food
Destinations

FEATURED ARTICLES



Building Your Best Bowl Menu Ever



The Humane Society of the United States and HHS bring sustainable menu options to people across the country



Hospital housekeeping staff using UV light technology to fight COVID-19 spread



Hospital cleaning crews are first line of defense against COVID-19



Quiet heroes: Hospital housekeepers on the front lines of COVID



'There's still good people in this world' says woman who lost ring in Myrtle Beach