2021

# Corporate Social Responsibility Report





## **Table of Contents**

#### 00 Introduction

- 1 Letter from Our President
- 2 Letter from Our Chief Financial Officer
- 3 Key Accomplishments

## 01 An Ongoing Global Pandemic

- **5** Vaccination Support
- **8** COVID-19 Testing
- 8 Sick Pay & Benefits

#### 02 Caring for Our Staff

- 10 Healthcare Coverage & Accessibility
- 10 Mental Health
- 12 Tutoring & Education
- 13 Staff Retention & Tenure

## 03 Caring for Our Communities

- 15 Hurricane Ida & The HELP Fund
- 15 Nourish Program
- 16 Feeding America®

#### 04 Diversity, Equity, Inclusion & Belonging

- 19 Demographics & Representation
- 21 Equity
- 22 Inclusion & Belonging Culture & Working Environments
- 26 Awards & Recognition

#### 05 Sourcing

- 31 Social
- 32 Environment
- 34 Animal Welfare
- 37 Training, Auditing & Governance

#### **06** Environment

- **40** Energy
- 40 Waste
- 40 Water
- 11 Packaging
- 12 Climate

#### **Appendices**

- 45 Environmental, Social & Governance Methodology
- 46 Environmental Data Summary
- 47 Sustainable Sourcing Update
- 62 Sustainable Accounting Standards Board Index
- **66** Global Reporting Initiative Index
- 73 United Nations Sustainable Development Goals Index

TAP THE LOGO ON ANY PAGE TO QUICKLY JUMP BACK TO THIS TABLE OF CONTENTS.





#### Letter from Our President

At the beginning of 2020, many thought the restrictions and implications of a global pandemic would be short-lived; however, it didn't take long to realize the lasting impacts COVID-19 would have across relationships, working environments, social settings, and so much more. The Cheesecake Factory was uniquely situated at the intersection of so many activities. We employ over 45,000 people in our restaurants, bakeries, and Corporate Support Center. We are known for our busy restaurants brimming with energy. I'm immensely proud of our team and the ways in which we took on challenges with enthusiasm and vigor while also living our long-held

values and beliefs. I'm not sure what "normal" will look like next year or in the next decade, but I know that everyone at The Cheesecake Factory is dedicated to adapting and evolving our business in a way that is true to our brand and continues to deliver an exceptional experience to each of our 87 million guests across the country.



David M. Gordon

President



#### **Letter from Our Chief Financial Officer**

The pandemic's devastating impact on the restaurant industry has been well documented. The latest data from the National Restaurant Association® indicates 15% of restaurants nationwide remained closed through 2021. And while these past two years have certainly been the most challenging operating environment The Cheesecake Factory has ever faced, our business remains remarkably resilient, with strong consumer demand for our brands and exceptionally high restaurant operator tenures.

Throughout the pandemic, our teams have remained focused on our long-standing commitment to deliver delicious memorable food and excellent hospitality to our guests. The delicious and

compelling dining experiences we create drive our consistent and competitive sales performance relative to the rest of the casual dining industry.

We are a leader in upscale casual dining with highly differentiated, well-positioned concepts that deliver unique guest experiences, creating what we believe is a significant competitive advantage. In addition, we believe our brand reputation and guest loyalty allow us to capitalize on increased consumer demand for off-premise dining.

We have made strategic investments that we feel have allowed us to best manage through the continued volatile environment and also position us well for what comes after the pandemic. As we look to the future, we will continually strive to provide our guests with exceptional dining experiences and seek to offer additional growth opportunities for our teams.



Mathew E. Clark

Executive Vice President

& Chief Financial Officer



## **Key Accomplishments**

662,000

pounds of food donated to local non-profits

20%

reduction in restaurant portfolio greenhouse gas emissions (GHG) emission intensity per sq ft since 2015

Leading

Retention

rates in our industry

**PEOPLE** 

award recipient

~10,000

more metric tons diverted from landfill, representing an 8% increase in our waste diversion rate

100%

cage-free eggs for our

domestic restaurants

9<sup>TH</sup> Year

as one of the FORTUNE 100

Best Companies to Work For®

as one the FORTUNE Best Workplaces for Millennials®

**Companies** that Care®

4TH Year

in a row ranked at Tier 3

by Business Benchmark

for Farm Animal Welfare

**Supporting Staff** 

by continuing to offer expanded sick pay benefits for actively employed staff or managers who became physically ill with COVID-19 as well as offering paid sick pay benefits for all staff at time of hire. We also maintained healthcare benefits and premiums at no increased cost to staff members.

Nearly 4,800 sessions

of free mental health counseling were provided from licensed psychologists and psychiatrists at no cost to staff members.

From Fortune ©2022 Fortune Media IP Limited. All rights reserved. Used under license. Fortune and Fortune 100 Best Companies to Work For are registered trademarks of Fortune Media IP Limited and are used under license. Fortune and Fortune Media IP Limited are not affiliated with, and do not endorse products or services of, The Cheesecake Factory Incorporated.





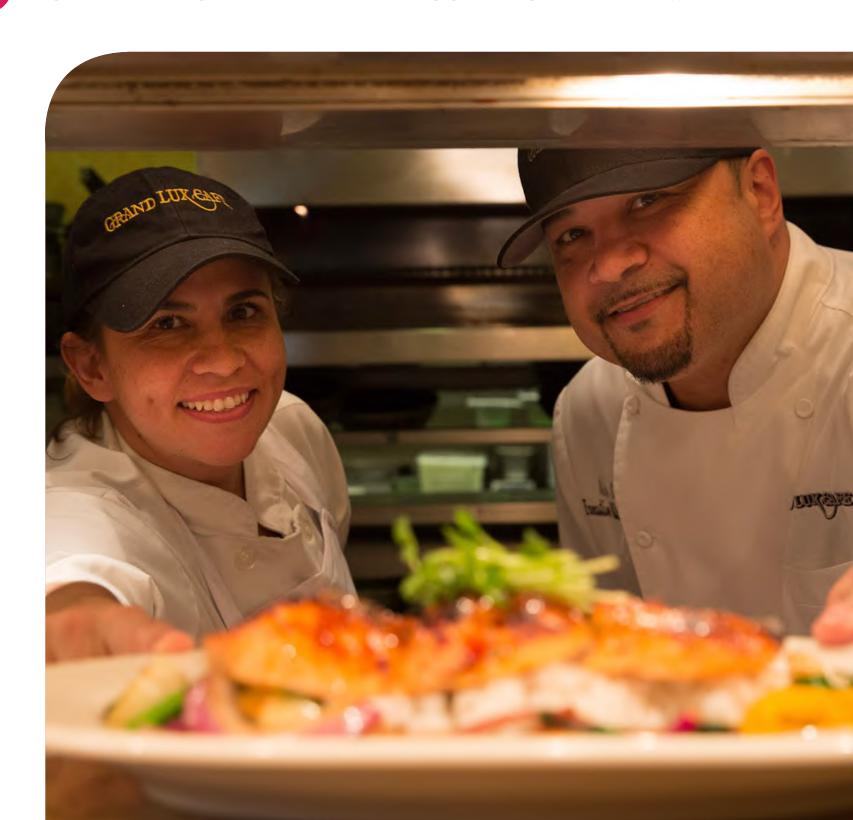
## **An Ongoing Global Pandemic**

Throughout the COVID-19 pandemic, we've undertaken significant efforts to protect the safety of all our staff and guests.

We encouraged our staff to keep themselves safe by receiving the COVID-19 vaccine and booster shot. This included providing robust information and support for those who chose to get vaccinated. We also developed innovative programs to incentivize our staff to receive the vaccine.

#### **VACCINATION SUPPORT**

To help alleviate barriers to access, we held or promoted vaccination clinics for our staff including collaborating with our Fox Restaurant Concepts® division in the Phoenix, AZ area on a vaccination clinic for all restaurant staff in the area and holding onsite vaccination clinics at our East Coast Bakery.



To further incentivize staff and managers to receive the vaccine, we held a "Your Shot to Win" Sweepstakes. All vaccinated restaurant and bakery hourly staff and managers were automatically entered into a drawing for cash prizes. Eighteen randomly selected winners were awarded a total of \$60,000. Here's what one of our winners, who received a \$10,000 prize, said:



I am filled with gratitude to receive this generous prize," said Kristopher Legasto, **Executive Chef at North Italia** Reston. "I am still in disbelief that I won. but I am not surprised that our company put this drawing together. The pandemic shook the world and this past year has been tough on us all. Despite the struggles, The Cheesecake Factory was committed to putting their people first. I have experienced firsthand how the company prioritizes our livelihoods and even more so, our health. I will be forever grateful for the opportunities the company has given me this year."



## Vaccine availability notifications

In many areas, food-service workers were granted priority for receiving the COVID-19 vaccine in early 2021. We sent out frequent location-specific communications to inform restaurant staff and managers as soon as they became eligible for the COVID-19 vaccine. Communications included tailored instructions for finding vaccination sites, scheduling appointments, and proving food-service worker (or other eligibility) status to simplify the process and eliminate much of the guesswork around rapidly evolving information.

To further encourage staff to receive the vaccine when eligible, we also shared stories of staff, managers and executives who chose to receive the vaccine and their personal reasons for doing so.

#### Special Vaccine Pay

We didn't want staff to feel like they had to choose between getting paid for work and getting vaccinated, so we instituted Special Vaccine Pay. All hourly staff members who received the COVID-19 vaccine were eligible for two hours of pay per vaccination or booster dose, up to a total of six paid hours, even if they received the vaccine during their regularly scheduled time off.

In addition, staff who received the COVID-19 vaccine were able to receive discounts on their 2022 benefits premiums, ranging from \$520 to \$780 annually.

### **Sharing my "why"**

We invited VP of Guest Experience, Linda Candioty, to tell us why she chose to get the COVID-19 vaccine. Here's her story:



## "Taking my shot lets me see my family safely in person."

"Because I got my vaccine, I was able to finally spend time with my 93-year-old mother as well as my brother and his young granddaughter (my grand-niece) all together. To be able to let my mother see her great- granddaughter in person just made me want to cry with joy."



#### **COVID-19 TESTING**

In keeping with local health department guidelines, we instituted safety policies that required either COVID-19 vaccination or weekly COVID-19 testing at our Corporate Support Center, bakery production facilities, and restaurants as mandated. To make this feasible for staff, we made free at-home COVID-19 test kits available to staff members who were required to submit weekly test results.

#### **SICK PAY & BENEFITS**

Even prior to COVID-19, we saw the importance of our staff having access to traditional sick pay benefits. In this spirit, in 2021 we expanded our sick pay eligibility benefit to everyone starting at day of hire. In addition, we recognized the need for a supplement to traditional sick pay. We didn't want staff with COVID-19 to exhaust their sick time while recovering. As a result, we continued to offer

Temporary Special Sick Pay ("TSSP") in 2021 to actively employed staff and managers who became ill with COVID-19. Eligible staff and managers were able to supplement their existing sick time or paid time off balance with TSSP.

We covered benefits premiums and protected eligibility for hourly restaurant staff during dining room closures. In order to maintain staff eligibility for benefits, we allowed hourly restaurant staff who participated in 2021 benefits open enrollment to keep their 2021 benefits coverage through July 31, 2021, waiving the traditional worked hours requirement, as long as they paid their benefits premiums on time.





## Caring for our staff

In keeping with our values, we continued to evolve our benefits philosophies and programs with an emphasis on caring for the whole person. Our robust healthcare and benefits plans support physical, mental, emotional, and financial health. We also invest heavily in our staff members' training, development, and education so they and their families can continue to evolve both professionally and personally.

In a time when access to healthcare has never been more critical, we sought to ensure our staff had access to affordable and high-quality healthcare. We emphasized the importance of health of the whole individual – including mental health.

## HEALTHCARE COVERAGE & ACCESSIBILITY

For staff on The Cheesecake Factory® insurance plans, we held medical, dental and vision plans premiums flat from 2021 to 2022, even as healthcare costs

continued to rise annually. To keep healthcare accessible to as many staff members as possible, we offered low-cost medical plans, including a new medical plan option in 2022 that costs as little as \$5 per pay period (after non-tobacco and wellness program credits). This plan offers robust features, including healthcare visits via telemedicine.

#### MENTAL HEALTH

During the past two years, our teams have been presented with unprecedented challenges. Between increased worry due to COVID-19, heightened incivility, social divisiveness and stress caused by uncertainty, the number of people seeking help for mental health issues has significantly increased, including among our staff and managers. Our dedication to our Purpose — to nurture bodies, minds, hearts and spirits — compels us to find ways to support our people and their mental and emotional health.

To support the mental health of our workforce, we continued to offer all staff — including those not enrolled in our medical insurance plan — access to mental-health counseling via telemedicine from licensed psychologists and psychiatrists at no cost.

Nearly
4,800
free behavioral health
visits by staff in 2021

When evaluating how to best support our managers and staff as individuals facing evolving and challenging situations, we immediately realized the importance of relative and adaptive training.

Leaning into the increased need for mental-health training and support, we launched "Maintaining a Culture of Emotional Wellbeing," a critical part of



our ongoing "Leading our Evolving Workforce" training initiative. This timely program was designed to help our leaders recognize when someone may be struggling with a mental-health challenge and understand how to connect those in need with professional help.

To deliver this training, we conducted approximately 120 webinar sessions with more than 1,800 managers over a span of eight weeks. Each 75-minute webinar was highly interactive and involved reallife scenarios for participants to roleplay. The impactful nature of the content and the psychological safety created by our Staff Relations managers encouraged restaurant managers to be open and honest in their conversations. For example, one of the training scenarios (taken from a real-life situation in our restaurants) concerned a performance issue with a staff member who had recently endured the death of her child.

After the participants worked through the scenario, one of them felt compelled to share her own experience with the rest of the group. She too had lost a child, and when this terrible loss occurred, her team surrounded her with empathy and support. To this day, they know that during certain times of the year, such as the anniversary of her child's death, she may not be herself at work. Her team understands and provides invaluable compassion and support to help get her through these difficult times. We were honored that she felt safe enough to share her story with others so they could gain an even better understanding of how they can have a real positive impact on others through empathy and understanding.



This training came at the absolute best time. Yes, we were really busy in the restaurants, and I was worried about how to make time for another required training. But I needed this. I needed to hear it was okay to take care of myself and my mental health."



I'm so glad I took this training.
It made me more confident in addressing mental health issues.
When a staff member wanted to talk about what they were experiencing, I felt ready."



#### **TUTORING & EDUCATION**

We also know that our managers and staff don't shed their responsibilities when they leave our restaurants. The demands of work and educational instruction collided when parents were forced to navigate children completing school instruction from home during the pandemic. After piloting on-demand tutoring services with our restaurant managers and Corporate Support Center staff in 2020, we made them available to all staff and their families in 2021. Staff and their family members can receive complimentary on-demand, personalized online tutoring for any K-12 school subject and some college-level subjects. Staff also receive unlimited access to on-demand study guides, practice tests and other supplemental resources.

While prioritizing training and support for mental health, emotional wellbeing, and physical health, we also realized COVID-19 presented unique and complicated financial challenges. We wanted our staff to be equipped with the tools and knowledge to navigate complicated financial decisions. At the beginning of 2021, we offered all our staff and managers free financial tools to help them with their financial planning. Our online financial wellness toolkit offers articles, interactive calculators, and virtual coaching sessions to bring clear, in-depth information on important financial topics such as general financial literacy, creating a budget, getting out of credit card debt, buying a home, paying for college, and planning for retirement.

The financial wellness toolkit also offers interactive courses to help children and teens build their financial knowledge. We also made one-on-one financial coaching available. All staff and managers can speak with a professional about their unique financial situation and receive tailored guidance on their specific financial situation.

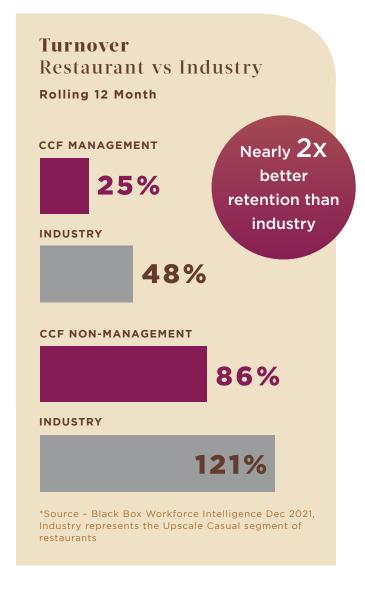


#### STAFF RETENTION & TENURE

Our people are what make us such a great company. We have some of the best talent in the industry, and we believe that makes for world-class results.

The aforementioned programs are expressions of our values and genuine care for our staff members and managers. We believe they're also one reason why, compared to our industry, we have leading retention rates. We are consistently in or near the top tenth percentile of the upscale casual dining industry with respect to both the retention of our restaurant management and hourly staff. Additionally, our 2021 manager turnover was almost half of that of the industry and our hourly turnover was more than 35 percent points lower than the industry, which was particularly important during a time of historically high levels of turnover in the hospitality industry.

We believe these numbers are a tangible result of our culture and people practices, training and educational programs, career advancement opportunities, and competitive pay. Tenure for our Area Directors of Operations and our Area Kitchen Operations Managers averages more than 20 years. For General Managers and Executive Kitchen Managers at The Cheesecake Factory and Grand Lux Cafe, tenure averages more than 14 years. We believe the tenure of our restaurant leadership ensures our restaurants are led by people who have a comprehensive understanding of our values and practices, which in turn allows our culture — in which people are cared for, appreciated, respected and inspired to strive for excellence — to flourish within the four walls of each restaurant.







## Caring for Our Communities HURRICANE IDA & THE HELP FUND

We believe in the power of community. At a time when community and support was already tested by a global pandemic, Hurricane Ida made landfall.

In late August, our Cheesecake Factory Metairie staff members faced this deadly and destructive Category 4 storm that ultimately became the second-most damaging hurricane on record to make landfall in the state of Louisiana, behind only Hurricane Katrina.

For 17 days, our Metairie restaurant was closed. While staff members were not working due to the closure and various evacuations, we paid our staff as if the restaurant was open and they were working their normal schedules.

Thankfully, none of our staff members were injured, however, many experienced

extreme damage to their homes and property. Our Hardship & Emergency Lifeline Program ("HELP") Fund Team jumped into action to support these staff members. Our HELP Fund, which is funded by staff contributions, provided more than 90 grants, totaling approximately \$160,000, to help affected staff members with emergency expenses as quickly as possible. Out of concern, caring and a sense of elevated urgency, the HELP Fund Team proactively reached out to our Metairie staff to help with grant applications (including gathering the necessary documentation) and expedited their grant approvals.

#### **NOURISH PROGRAM**

During 2021, through our Nourish Program, we donated over 662,000 pounds of food to nearly 500 non-profits, which were on average about seven miles from our restaurants. Our program, which captures excess food from our restaurants and bakeries to give it to those in need, helped to avoid almost three million pounds of greenhouse gas emissions.

With an extensive menu of dishes, handmade, in-house with fresh ingredients, much of what we donate to local nonprofits can be used right away. In 2021, we began donating ingredients from our two bakery facilities and quickly realized we could get more creative in our donation partnerships. As our menu evolves, we sometimes find we have ingredients on hand that we no longer use. This past year we found ourselves with an inventory of unused and unique ingredients, like peppermint chips, peppermint extract, and Butterfinger™® pieces. Working alongside our food donation partner, Copia®, we found wonderful non-profit organizations who were able to repurpose the ingredients and put them to great use in their local communities making Halloween treats and other baked goods. Throughout the vear we endeavored to donate any excess items from our bakeries to local non-profits.

We continued to expand our Nourish Program in 2021, beginning pilot tests with our restaurant concepts Grand Lux Cafe and North Italia. We plan to continue expanding the program to new markets and concepts in 2022.

#### FEEDING AMERICA®

In 2021, we again commemorated our favorite holiday of the year - National Cheesecake Day - by donating \$1 to Feeding America® for every slice of cheesecake sold in our U.S. restaurants on July 30. Additionally, we introduced our new Coconut Cream Pie Cheesecake on National Cheesecake Day. For every slice of coconut cream pie sold (through July 29, 2022) we donate \$0.25 to Feeding America®. Since 2008, we have donated more than \$5.5 million to Feeding America® through the sale of our specially designated cheesecakes.

Feeding America® is a registered trademark owned by Feeding America non-profit corporation.



On one recent occasion we found ourselves with an excess of chocolate ganache and hazelnut spread, but through our donation program, we were able to find an amazing recipient who was able to repurpose them. For Goodness Cakes® ("FGC") is a non-profit organization that gives underprivileged youth the chance to have a birthday celebration.

"Thank you for everything!! The pickup couldn't have been easier! FGC is so grateful for the support!! I'm so excited about this amazing donation and my volunteers are going to be too!!! Many deserving FGC youth and young adults that we bake for will enjoy this donation."



We've always believed in treating every teammate with respect, dignity, and fairness. To help ensure equity and inclusion in today's complex world, we've become more intentional about providing education around diversity, inclusion and bias, increasing representation for underrepresented groups and fostering a sense of belonging for everyone.

In 2020, we established a diversity, equity, inclusion and belonging (DEI&B) working group, led by our Chief People Officer, to formalize our approach to maintaining an inclusive and equitable environment for all staff. We've identified four ongoing focus areas:

- Creating opportunity for all
- · Fostering our inclusive culture
- Telling our story
- Providing education

In addition to the work we're doing through our DEI&B team and these four pillars, we also dedicated our efforts to pursuing "parallel paths." The first path is training and education for our senior leaders who make decisions about hiring and promotions. The second path is taking a more inclusive view of leadership to deepen and diversify our talent pipeline.

#### We focus on:

- Building greater DEI&B competence and confidence among our senior leaders and elevating their awareness and skillsets. Since they're responsible for so many decisions related to hiring and promoting, we are seeking to ensure their alignment, confidence and competence in this area to make meaningful progress. Ultimately, we're seeking to strengthen all our leaders, and we've decided to begin with those at our highest-levels, since they will role-model and influence behaviors for all other managers in our organization.
- Taking a wider, more inclusive view of leadership potential and readiness, and
  investing in the growth and development of talented individuals from a wider
  range of backgrounds and experiences. This includes targeted development for
  both individuals and groups, so when opportunities arise, we can access a deep
  and diverse talent pipeline ready to succeed in their new roles.



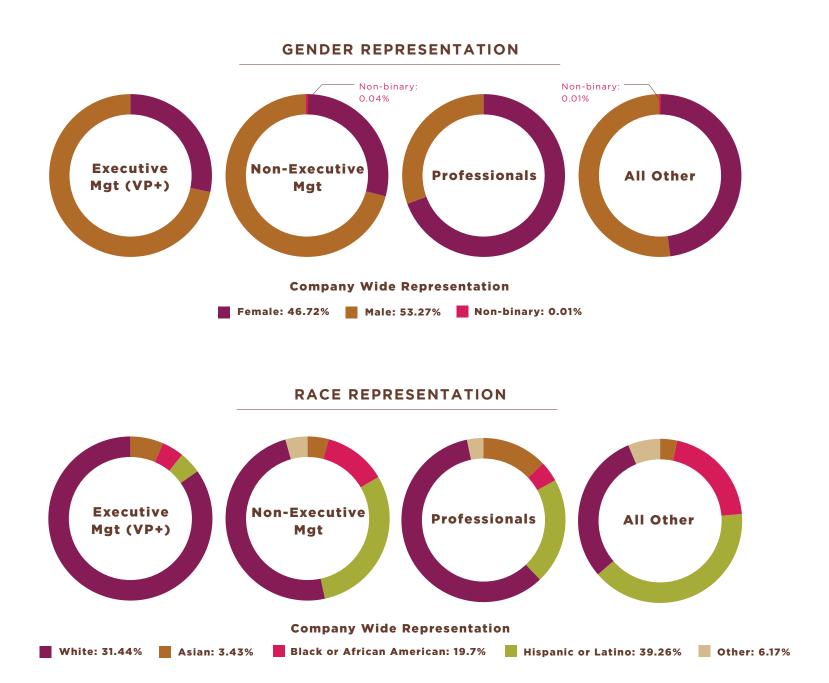
## DEMOGRAPHICS & REPRESENTATION

#### Representation in Leadership

With diverse talent making up nearly two-thirds of our workforce, and women making up almost half of our workforce, we are committed to providing equal opportunities and are working to ensure there is equity in hiring, development and advancement. We're continuing to work to increase the percentage of both underrepresented and female talent in our senior levels across the organization.

## In 2021, we launched three new programs to provide greater opportunity for underrepresented talent:

• Lean-in Circles: We provide this forum for our female restaurant managers to share experiences, learn and network. These circles meet virtually and are a place where women can be unapologetically ambitious, explore their goals and aspirations, and find support through networking and collaboration.







I appreciate the Leaders of Color Network because it has allowed me to network with new people I never would've met before. I feel more of a connection with leaders in our company because of the personal engagement we have had in our meetings. When you hear corporate job titles it can be intimidating and make you lose sight that there is a person behind that title that I can connect and learn with. The network has introduced new ways for me to process how I engage and teach others because I was able to hear how others deal with challenging situations." - Kuulei Roberts

• Female Kitchen Leaders Program:

Traditionally, restaurant kitchens have been staffed predominantly by men, which can pose cultural barriers and challenges for female cooks and kitchen managers. To provide support and a sense of belonging, every new female kitchen manager is now partnered with a seasoned female kitchen leader, called an "Advisor." Their formal partnership runs for a full year and provides these new female kitchen leaders with additional support from a woman's perspective. Advisors share best practices, coach on a variety of topics, and provide overall support.

• Leaders of Color Networking Group:

Designed for mid-level managers, this program provides targeted experiences and opportunities to restaurant leaders from diverse backgrounds to assist in their professional growth. We're also committed to providing development to all our mentors in this program, who come from diverse backgrounds, as well as learning from these experiences to broaden overall growth for mentors throughout the organization.

We're continuing our commitment to developing female leaders through our Women's Network Group ("WNG") program. We established WNG in 2014 to provide female managers at the Senior II levels and higher with increased mentoring, leadership development and networking opportunities. Our goal has been to provide support to these managers as they develop into future General Managers and Executive Kitchen Managers. By elevating female leaders in our restaurants, we believe we will strengthen our business and create even

Among managers in the Women's Network Group, retention has historically been two times better than managers in equivalent levels who are not in the group.

more opportunities for women.



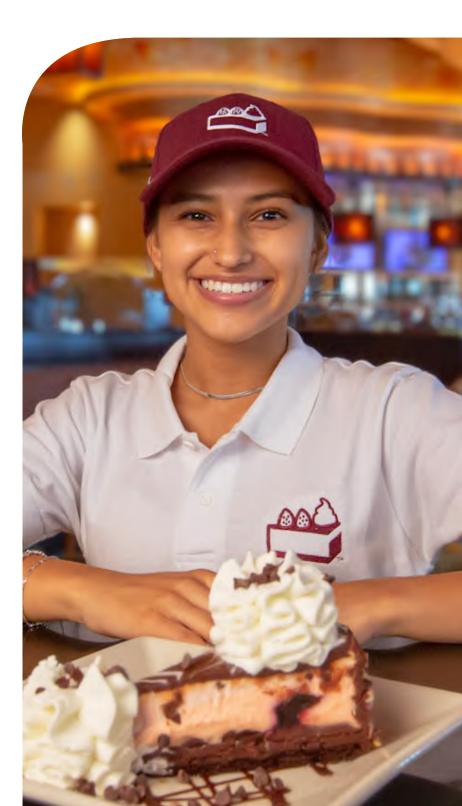
#### **EQUITY**

We regularly conduct internal analyses to monitor pay equity in our restaurants by gender and race. We also look for any discrepancies based on gender or race as part of our annual compensation reviews for our Corporate Support Center and bakery workforces.

We reaffirmed our commitment to equitable pay in 2021, by retaining a thirdparty consulting firm to conduct an independent pay equity analysis of our managers and Support Center staff to identify risks and determine if there were unexplained base pay gaps in our organization by gender or race. The consultant ran statistical models for the different segments of our workforce to determine the factors of pay (role, work experience, restaurant sales category, span of control, market median pay and cost of living) and external market conditions, such as geographic location, and to normalize pay based on these factors. The results of this analysis indicated there was no preferential treatment specific to any class of

employee, which supports our commitment to ensuring we pay our employees equally across gender and race.

We recognize that since compensation decisions are made every day, pay equity requires ongoing diligence and commitment. Additionally, we know pay equity issues can be created each time we hire a new manager into our organization. To help ensure we maintain pay equity, we are committed to continuing both internal reviews and external third-party audits and verification on an ongoing basis. We have also trained our recruiters to be able to identify and address pay equity issues real-time during the hiring process utilizing internal reporting. Our recruiters are trained to review current staffing and hiring reports to determine if there is an apparent pay equity issue while negotiating salaries. If a discrepancy is identified, the recruiters work directly with the hiring manager to adjust the hiring offer, heading off any pay equity instances before they arise.



## INCLUSION AND BELONGING - CULTURE & WORKING ENVIRONMENTS

We believe we've been inherently strong in inclusivity and belonging, based on what staff members have said about their experiences working with us. And during the past three years, we've intensified our efforts to provide a welcoming and inclusive environment for all our staff and managers.

Through Great Place to Work® Trust Index Survey data, staff say we have particular strength in the Justice focus area, which has been our most positively rated focus area for the past three years. In 2021, staff members indicated:

- People here are treated fairly, regardless of their gender (91% positive)
- People here are treated fairly, regardless of their race (91% positive)
- People here are treated fairly, regardless of their sexual orientation (94% positive)

Survey comments from our staff also indicate they feel our workplace is one that welcomes everyone and demonstrates commitment to inclusion, equity and belonging.



The Leading Our Evolving
Workforce initiative, where
we all were trained to expand
our perspectives, has helped
me in both my professional
and personal life. We don't
shy away from talking about
how to handle the challenges
of race, politics, and mental
health for our teams. And
we take care of each other.
I'm incredibly proud to say I
work here." - Anonymous staff
member from our 2021 GPTW
Trust Index Survey

Great Places to  $Work^*$  is a registered trademark owned by Great Places to Work Institute Inc.

While we believe our inclusive environment has been key to our success as a business and as a workplace culture, we also realize that to be truly effective, we need outside expertise to review our practices and culture in a more objective approach.

After careful research and examination, we partnered with diversity, inclusion and bias expert Dr. James Pogue, who has expertise within the hospitality industry. Dr. Pogue conducted a comprehensive demographic review, surveys, focus groups and interviews with staff across levels of our organization. Equipped with this insight, Dr. Pogue then provided recommendations to inform our long-term DEI&B strategy and our future efforts. In addition, he continued to provide key DEI&B education and training to our entire senior leadership team throughout 2021.



During 2021, all of our above-restaurant leaders (area-based leaders, training managers and regional leaders), our executive team and our DEI&B working group participated in the "No-Nonsense Experience" led by Dr. Pogue. Over four weeks, these leaders met weekly in small groups to discuss issues around diversity, inclusion and bias. Prior to each meeting, participants were given homework assignments that included thought-provoking reading or video content, as well as selfreflection. Being able to understand and discuss the impact of racial bias or societal challenges that occur outside of work contribute to an increased ease in tackling the challenges internally.

The goals of the "No-Nonsense Experience" were to encourage leaders to increase their comfort and skills in participating in conversations about race, diversity, inclusion and bias, and build strategies for change at both the individual and organizational levels. As a company, we are committed to developing our leaders as individuals while also better acknowledging and understanding their roles in creating and maintaining an equitable and inclusive workplace.





In 2021, we pursued various programs and initiatives designed to foster our inclusive culture:

Ensuring our recruiting processes and recruitment marketing materials reflect the diversity of our teammates and the communities we serve. We have focused on showcasing the range of diversity among our staff in our recruitment marketing materials. In 2021, we assembled a diverse team to redesign our job descriptions and the career sites for all our restaurant concepts. As we crafted messaging and selected images of our staff and managers, we wanted to help job applicants across the country see themselves represented to convey a sense of belonging and acceptance.

Capturing gender identity descriptions beyond "female" and "male" in our human capital management system. We worked with the vendors of our human capital management, electronic onboarding, and benefits administration systems to give staff the ability to select from a range of gender identity options. This allows staff who are gender non-binary to self-identify in a way that reflects who they are. It also allows us to better see and understand the unique needs of these staff members.

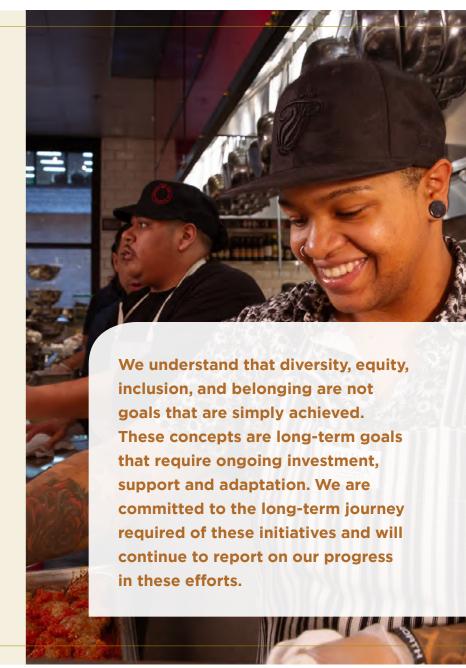
**Sharing stories of our own staff.** We want our staff members to know they work for an organization that values inclusion and the differences that make individuals unique. We also started sharing stories of some of our leaders from diverse backgrounds so that staff members can see themselves represented within our leadership ranks.



Establishing a regular DEI&B observance communications cadence. We leveraged all our internal communications channels to commemorate key observances such as Black History Month, Women's History Month, Asian American and Pacific Islander Heritage Month, Pride Month and Hispanic Heritage Month. Throughout each of these months, we celebrated notable events and achievements of important groups and individuals in ways that we believe resonate with our staff. For example, during Black History Month, we shared stories of prominent African American chefs (including Edna Lewis, Leah Chase and Rodney Scott) and culinary innovators who produced technologies that we use in our restaurants to this day. Through sharing these stories, we hoped to break down stereotypes and celebrate excellence from diverse people whose stories and accomplishments may be overlooked otherwise.

**Embedding stories of diverse leaders throughout internal and recruitment marketing communications.** Throughout the year, we highlighted the achievements of our senior female kitchen leaders and Area Directors from minority backgrounds. We know that representation matters—it's important for women and minorities to see people like themselves in leadership, so they know they have the opportunity to achieve these roles—and we will support them in doing so—if they aspire to.

**Sharing DEI&B achievements with staff members.** At the beginning of 2021, we shared our DEI&B philosophy and goals with our staff members through our staff newsletter. We plan to continue to share updates so we can be clear and transparent about our actions and progress.





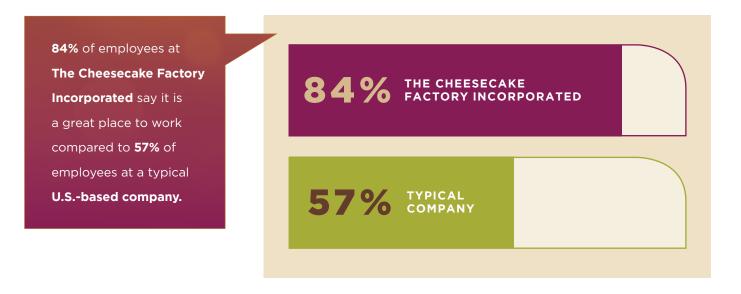
#### **AWARDS & RECOGNITION**

For the past nine consecutive years, The Cheesecake Factory has been named as one of the FORTUNE 100 Best Companies to Work For® and is often the only restaurant company to make the list.

Our placement on this prestigious list is largely based on sentiment from our staff members, gathered through the Great Place to Work Trust Index Survey™. Through the survey, team members across the company indicated that The Cheesecake Factory is a great place to work, and this sentiment was generally consistent across various demographics, including gender, age, tenure, workgroup, race/ethnicity and sexual orientation.

## COMPANY CULTURE AT THE CHEESECAKE FACTORY INCORPORATED

The employee experience at The Cheesecake Factory Incorporated, compared to a typical company.



91%
When you join the company, you are made to feel welcome.

89%
I am treated as a full member here regardless of my position.

88% I'm proud to tell others I work here. 88%
I can be myself around here.

**87%**People celebrate special events around here.

Source: Great Place to Work® 2021 Global Employee Engagement Survey



For a sixth consecutive year, The Cheesecake Factory was named on the FORTUNE Best Workplaces for Millennials® list. Placement on this list is determined by what our millennial staff and managers say about their experience of trust and reaching their full potential as part of our organization, no matter who they are or what they do. The recognition also considers our millennial staff and managers' daily experiences of innovation, our company values, and the effectiveness of our leaders, as well as the consistency with which millennials have a positive experience with these elements of our culture.

In 2021, for the first time, The Cheesecake Factory was named to the PEOPLE Companies that Care® list, which highlights the top U.S. companies that have succeeded in business while also demonstrating outstanding respect, care, and

concern for their employees, their communities, and the environment. PEOPLE Magazine recognized us for finding meaningful ways of protecting our people and the community during the COVID-19 pandemic, including donating meals to healthcare workers, and diverting hundreds of thousands of pounds of excess food to more than 500 non-profits and food banks in 2020. We were also commended for caring for our staff in tangible ways, such as providing daily meals at no cost to every staff member and offering extended benefits to furloughed staff.





## Sourcing

Since we first published our Sustainable Sourcing Policy and Sustainability Code of Conduct in 2016, a lot has changed, both for our own operations and in the market more broadly. We faced a global pandemic, experienced a challenging and rapidly changing supply chain, and added several new restaurant concepts, just to name a few. Through all of this we have continued to hold true to the commitments we made in 2016 and despite the multitude of unforeseen challenges, we have continued to make tangible and measurable progress for the people in our supply chain, the animals raised, and the quality of the ingredients we source.

#### Several of our key highlights include:

- Sourcing 100% cage-free eggs for our restaurants and working to accelerate this commitment for our bakeries.
- Advancing several pre-competitive working groups with Monterey Bay Aquarium-Seafood Watch® and the Global Coalition for Animal Welfare® to improve our sustainable seafood and animal welfare efforts.
- For the fourth time, we were recognized by the Business Benchmark for Farm Animal Welfare (BBFAW) at a tier 3 level.
- We continued to pursue a group-housed pork supply that has at a minimum <28 days of gestation crate use for pregnant sows, and due to our efforts in 2021, expect to transition the majority of our contracted pork to this standard in 2022.

Monterey Bay Aquarium® and Seafood Watch® are registered trademarks owned by the Monterey Bay Aquarium Foundation.



Our Sustainable Sourcing Policy demonstrates our commitment to leading practices within our supply chain and establishes our buying preference for ingredients that are third-party certified for sustainability, that are environmentally and socially responsible, that promote animal welfare, and that are traceable back to the source or farm, as feasible and appropriate. **Our three key areas of focus include:** 



#### SOCIAL

We strive to operate in a way that reflects fundamental respect for the rights of the staff members we employ, and the people who grow and produce the products we source.



#### **ANIMAL WELFARE**

We fundamentally understand that animal welfare is not a singular issue for a single species, but rather, a set of holistic and comprehensive principles for all animals throughout their lifecycles.

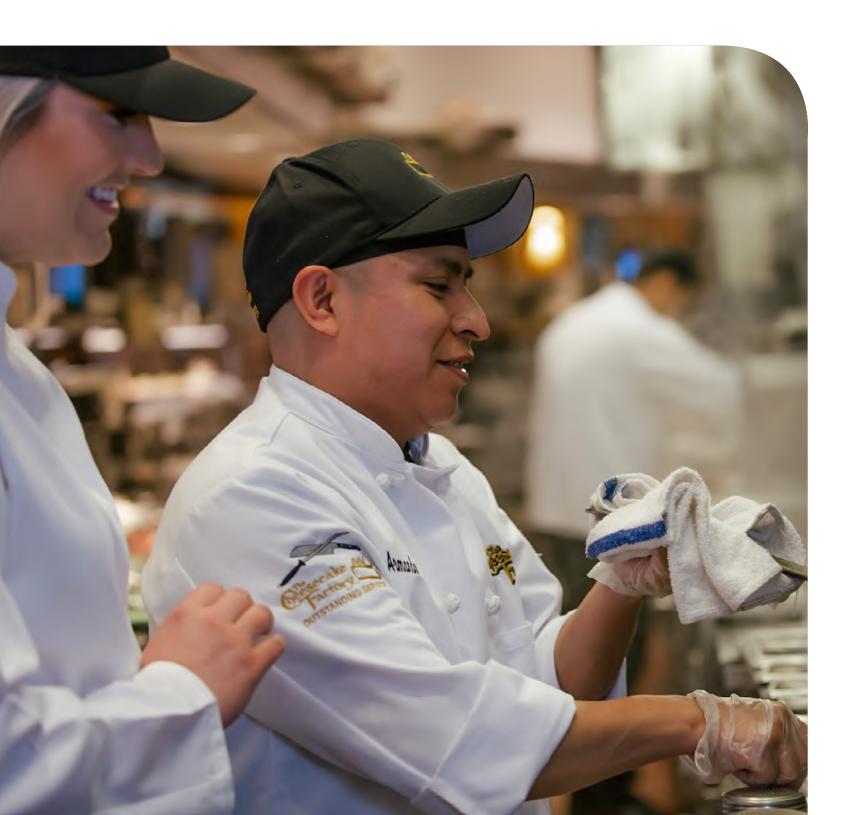


#### **ENVIRONMENT**

When it comes to our menu, we strive to source not only high-quality ingredients, but also those that are sustainably managed and produced.

We expect that any concept or business acquired and operated by us after January 1, 2018, will incorporate and meet our Sustainability Sourcing Policy and the Sustainability Code of Conduct within eight years from the date of the full acquisition and operation by us.



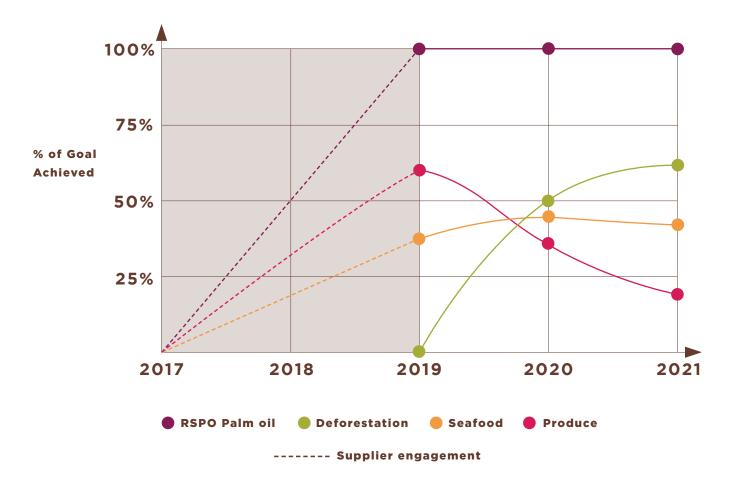


#### SOCIAL

When committing to serve fresh, delicious food made from scratch, ensuring a responsible supply chain is one of the key elements of this commitment. We are committed to managing our supply chain ethically and with respect for the rights and dignity of the people who help grow, produce, and make our ingredients and products. To help advance our commitment we use several tools, policies, and resources in different areas of our business. Our Sustainability Code of Conduct seeks to uphold our values and principles by establishing certain standards for our suppliers with respect to legal requirements, ethical practices, and environmental standards. The Sustainability Code of Conduct provides guidance and sets expectations of our suppliers in the following areas: Business Integrity, Freely Chosen Employment, Environmental Practices, Safe Working Conditions, Fair & Equal Treatment, Working Hours & Compensation, Communication & Implementation and Reporting & Record Keeping.

#### **ENVIRONMENT**

As we work to source ingredients that are sustainably managed and produced, we are keenly aware that we cannot do everything all at once, so we seek to focus on the highest priority issues for the ingredients we purchase. We are proud of the strides we have continued to make and realize there is still progress to be made.



RIGHT SHEILA'S CHICKEN AND AVOCADO SALAD





In 2021, almost 70% of our seafood sourcing met one of several respected third-party certifications, including Marine Stewardship Council® (MSC), Better Aquaculture Practice (BAP), and Aquaculture Stewardship Council® (ASC).



While many would stop at third-party certification, we have set our bar higher as we continue to pursue a benchmark of environmentally responsible (Best Choices or Good Alternatives) as set by Monterey Bay Aquarium - Seafood Watch. This means that in 2021, approximately 43% of our purchasing volume was rated as green or yellow per Monterey Bay Aquarium-Seafood Watch.



#### Produce

In an effort to ensure strong environmental performance across all our produce ingredients, we continue to expand the number of priority ingredients for which we require our suppliers to submit annual environmental data in areas including water consumption, pesticide use and toxicity, fertilizer use, biodiversity conservation and deforestation. This year, in addition to the 20 ingredients we reported on last year, we added nine additional ingredients, now representing nearly 70% of our annual produce purchases by volume. Due to

this expansion, many suppliers received our sustainability data request for the first time in 2021, and our progress towards our goals has, on average, held steady with 2020 data despite the larger pool of responding suppliers.



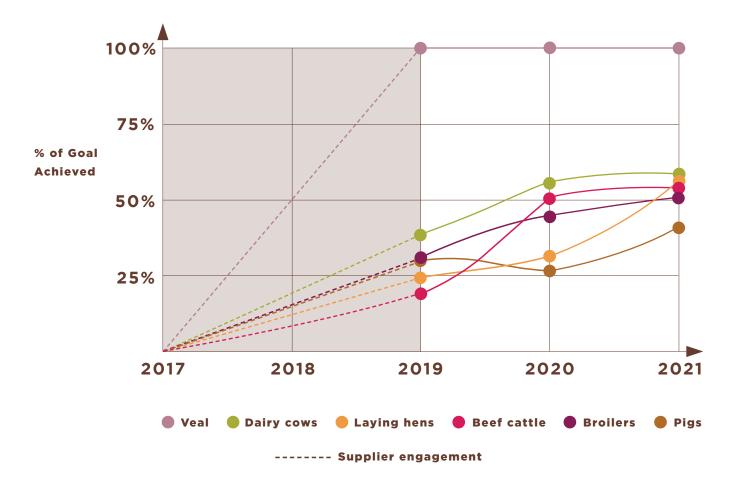
We have continued to maintain
Roundtable for Sustainable Palm Oil
(RSPO) certification for all our direct
purchases of palm oil, and source from
suppliers who have committed to no
deforestation and no development on
peat/high carbon stocks. Additionally,
based on our expanded review of our
key produce ingredients, we estimate
62% is free from deforestation, with the
remaining percentage currently unknown
due to insufficient local level data.

Marine Stewardship Council\* and Aquaculture Stewardship Council are registered trademarks owned by the Marine Stewardship Council limited company and Aquaculture Stewardship Council Inc., respectively.

LEFT
HERB CRUSTED FILET OF SALMON

#### ANIMAL WELFARE

We fundamentally understand that animal welfare is not a singular issue for a single species, but rather, a set of holistic and comprehensive principles for all animals throughout their lifecycles. As a part of our Sustainable Sourcing Policy, we are currently working towards a number of animal welfare goals, and our specific performance in 2021 for these goals can be viewed in our *Appendix: Sustainable Sourcing Update*.







# Key highlights of our performance in 2021 and planned progress include:



# Dairy Cows

A number of our core and longer-term suppliers have helped us make strong progress towards our goals, including reaching greater than 90% achievement for eliminating the use of rBST/rBGH, using holistic feed, and removing the practice of tail docking. We have also made progress ensuring cows are not tethered (except during milking or veterinary care) and are provided pain relief during dehorning and disbudding.



### Beef Cattle

Due to the dispersed nature of the beef industry in the U.S., it has been difficult to make consistent progress on all of our goals, but we saw several positive trends emerge since our last CSR report in 2020 with our beef supply including: strong growth in the provision of pain relief, use of best practices when dehorning or disbudding, and further reductions in the use of antibiotics from both "responsible use" and "no antibiotic ever" (NAE) programs.



#### Pigs

While only 29% of our pork supply in 2021 was housed in gestation crates for less than 28 days, we have begun a unique partnership with our key suppliers which is designed to facilitate significant progress by the end of 2022. We are committed to sourcing pork that is raised in alignment with CA Prop 12 standards that specifically prohibit animals from being confined in a manner that prevents lying down, standing up, fully extending limbs, or turning around freely and prohibits confining a breeding pig with less than 24 square feet of usable floorspace per pig. In partnership with our suppliers, we have reinforced our commitments to sourcing gestation-crate-free pork and are striving to transitioning 75% of our pork supply to crate-free by the end of 2022.

**LEFT**BRULÉED FRENCH TOAST WITH BACON



### Laying Hens

We were pleased to have met our 100% cage-free egg goal for our restaurants last year and to have also transitioned one of our two bakeries to cage-free eggs. We have since made several key announcements regarding our egg sourcing, including our intention to meet our 100% cage-free egg goal for both of our bakeries by the end of 2022, which will be three years ahead of schedule. We also began work with our international licensees to transition all eggs used in their restaurant operations to cage-free and are currently discussing a plan and timeline for reaching that goal by or before 2030. In addition to the progress on cage-free egg sourcing, we saw several jumps in performance improvement for antibiotic usage, beak trimming, and the use of environmental enrichments in 2021.



# Broiler Chickens

2021 was a challenging year for us to make broad progress on our goals for broiler chickens due to supply disruptions and shortages across our restaurants and the wider industry. However, we did see progress on several goals including no antibiotics ever, use of holistic and wholesome feed, and an increased use of controlled atmosphere stunning.





# TRAINING, AUDITING & GOVERNANCE

We recognize that strong performance in social, environmental, and animal welfare requires mutual commitment and cooperation throughout the entire supply chain. To facilitate engagement, we have an established internal framework that allows us to leverage multiple direct touch points with our suppliers as we work together to achieve these goals by 2025.

Our Sustainability department, which reports directly to the company's President, plays the key role in supporting the day-to-day implementation of our animal welfare and sustainability policies. The department conducts a wide range of activities and oversees multiple responsibilities. Members of the department forge and manage partnerships with sustainability NGOs, provide updates and strategic plans to our senior

management and Board of Directors, integrate compliance with animal welfare and sustainability standards into supplier contracts in collaboration with our Purchasing department, and work with our Quality Assurance department to identify suppliers at risk of non-compliance for animal welfare, environmental, or social auditing and monitoring.

We are continuing to source products from suppliers who adhere to industry programs such as the National Dairy Program – Farmers Assuring Responsible Management® (FARM), Pork Quality Assurance Plus® (PQA+), Beef Quality Assurance® (BQA), National Chicken Council® (NCC), United Egg Producers® (UEP), Transport Quality Assurance® (TQA), North American Meat Institute® (NAMI), and others.

#### PARTNERING FOR PROGRESS

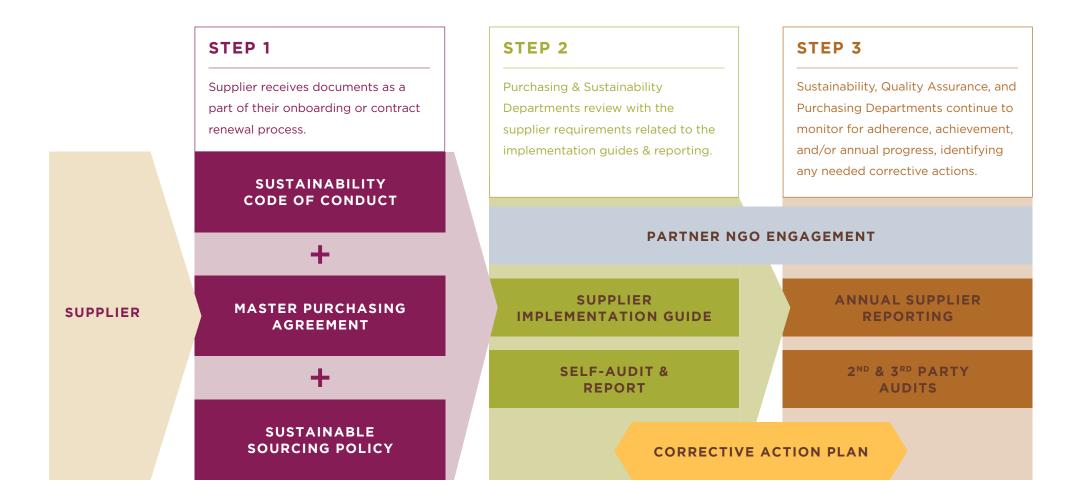
We have a number of key partnerships that continue to help us advance our sustainable sourcing and ensure we are staying up to date with the latest science and best practices, so that in turn, we can apply these learnings to our supply chain.



Pork Quality Assurance", National Chicken Council", Transport Quality Assurance" and North American Meat Institute" are registered trademarks owned by the National Pork Producers Council, National Chicken Council, Incorporated, National Pork Board and North American Meat Institute non-profit corporation, respectively.



#### **EVALUATION & ADHERENCE PROCESS**







## Environment

Beyond how we are working to build a more sustainable supply chain, we continue to focus on ways to reduce our environmental impact across our operations. We focus our efforts on energy, water, waste, packaging, and climate.

#### **KEY HIGHLIGHTS**

- Since 2015, we have reduced our restaurant portfolio GHG intensity per square foot by over 20% while creating an absolute GHG reduction of approximately 3%.
- Compared to prior year (2020) we were able to further improve our diversion rate by 8%, keeping nearly an additional 10,000 metric tons (mt) out of the landfill.

#### **ENERGY**

Our energy usage and procurement continue to be key areas of focus for us. We have maintained our sourcing of renewable energy at 39% of our overall usage, while also reducing our energy usage per square foot by 8% since 2015. From the installation of solar thermal systems on our restaurant roofs and Leadership in Energy and Environmental Design ("LEED") certifications, to changes in staff and equipment procedures, we are working to reduce and improve our energy usage.

#### **WASTE**

We continue to find ways to better manage and reduce waste across our operations, from efficient inventory management and food preparation techniques, to reducing food waste and packaging in our kitchens. At the end of 2021, more than 176 of our restaurants had a recycling program and an additional 61 were composting. In 2021, these efforts have allowed us to make strides with our diversion rate, improving to 25% and keeping almost 23,000 mt out of the landfill.

 $8^{0}\!\!/_{\!0}$  increase in our diversion rate since 2020

#### **WATER**

As an invaluable resource and integral ingredient to our business, we continue to look for opportunities to conserve and reduce water consumption. The biggest positive impact we can have on water conservation is in our supply chain with the producers and growers of our ingredients. Since we set our water reduction goals in 2016 and began collecting information from our suppliers on their water conservation practices, we have reduced our water consumption by 3%.



For additional details, please see chapter 5, on Sourcing. In our restaurants we look to make continual improvements in water efficiency through design, equipment, procedures, and tracking. As of the date of this report, about 16% of our restaurants, corporate offices, and bakeries are located in areas of high-water stress.

#### **PACKAGING**

Our efforts to redesign our to-go packaging before the pandemic, which helped us reduce the amount of material used, and use only polypropylene and 100% post-consumer recycled polyethylene, allowed us to mitigate our environmental impact when our to-go sales increased. These packaging improvements have also led to an improved guest experience by helping to better maintain the temperature and structural integrity of the dish.

CAESAR SALAD WITH LOUISIANA CHICKEN AND GRILLED ONIONS TO GO





DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



#### **CLIMATE**

Addressing climate change is an important priority for us. In early 2022, we joined the Science Based Targets initiative (SBTi) and established our intent to pursue a net zero by 2050 GHG reduction strategy, in alignment with the 1.5° pathway called for by the Paris Agreement. This marks an important step in our efforts to combat climate change and will be a key feature of our efforts and communications over the coming years.

We continue to track and quantify our GHG footprint and are continuing to assess ways to improve our climate performance from enhanced GHG tracking and lower impact building practices to more climate friendly sourcing opportunities.

# Working Towards Climate Adaptation

Climate change is and will continue to present our industry and the broader world with a multitude of challenges. Along with our peers and other companies, we are working to determine how best to anticipate business risks resulting from climate change, so that we can proactively address potential challenges. Several steps we have taken to enhance our climate strategy and adaptation work include:

- Establishing Board oversight of ESG issues including climate change.
- For 2022, all corporate leadership and bonus eligible staff, including executives, will have a portion of their bonus compensation tied to our sustainable sourcing policy and climate commitments.
- A commitment to developing a SBTi near-term and net zero target.
- Achieving over a 20% reduction in restaurant portfolio GHG emission intensity per square foot since 2015.
- 57% of our key commodity suppliers have established their own climate strategy.

**LEFT**VEGGIE BURGER



#### Our GHG inventory

#### **SCOPE 1**

Our scope 1 emissions include stationary combustion for our restaurants, corporate offices, and bakeries; as well as mobile combustion from our fleet of vehicles provided to our restaurant General Managers, Field Staff, and Corporate Vice-President and above.

#### SCOPE 2

Our scope 2 emissions include indirect emissions from purchased electricity, steam and heat used at our North American restaurants, two bakery facilities, and Corporate Support Center office buildings.

#### SCOPE 3

Our scope 3 emissions include business travel (both air and vehicle), as well as emissions from landfilled, recycled, and composted waste. Consistent with our commitment to setting a SBTi target, we are further working to quantify scope 3 emissions from our value chain, including purchases of our key food ingredients, packaging, and supplies.





# Environmental, Social & Governance Methodology

The Cheesecake Factory's Corporate Social Responsibility Report covers the reporting period of fiscal year 2021, unless otherwise specified. Data and information included in the report represents all wholly-owned and managed operations unless explicitly noted otherwise.

In 2019, we acquired North Italia and Fox Restaurant Concepts ("FRC"), including the Flower Child brand, and also opened our new chef-driven fast-casual Asian concept, Social Monk Asian Kitchen (Social Monk). In 2020 we began to include North Italia and Social Monk in our annual reporting, which we continued in this report. The sustainability performance of FRC is not included in our 2021 report, but will be considered in future reporting years.

#### **STANDARDS**

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option. The GRI reporting principles for defining report content and quality, including our materiality assessment, have been applied throughout the information collection and report development process (see GRI index, page 66).

In addition to GRI standards, we have also reported in alignment with the Sustainable Accounting Standards Board, and the United Nations Sustainable Development Goals. We believe this combination of reporting frameworks provides us with a balanced representation of our business.

This approach allows us to provide additional context on certain ESG issues, and helps us avoid selecting only those indicators which reflect positively on our business.

Please direct all questions regarding this report to Megan Bloomer, PhD

Vice President of Sustainability

Sustainability@thecheesecakefactory.com



# **Environmental Data Summary**

INDICATOR	2015	2016	2017	2018	2019	2020	2021
# of Restaurants	192	203	208	214	218	243	245
Energy							
Electrical Consumption (kWh)	277,429,808	290,945,039	298,213,251	301,309,768	301,765,832	281,038,096	304,407,708
Electricity from Renewable or non-Emitting Sources (%)	34%	36%	30%	38%	39%	39%	39%
Natural Gas Consumption (kWh)	484,273,286	497,246,023	507,403,358	534,434,925	539,639,506	461,848,993	537,616,470
Other Energy Consumption (kWh)	4,109,575	3,717,490	3,243,251	3,414,883	2,898,718	5,957,225	4,561,922
Total Energy Consumption (kWh)	765,812,669	791,908,552	808,859,860	839,159,576	844,304,056	748,844,314	846,586,100
Restaurant Portfolio Energy Intensity (kWh/sq ft)	331	326	325	329	326	271	290*
Water							
Water Consumption (kGal)	985,378	1,033,945	1,043,973	1,067,027	1,092,443	858,440	1,069,462
Water Consumption in Areas of High or Extremely High Baseline Water Stress (kGal)	163,098	175,173	186,139	179,572	191,804	150,211	178,191
% of Locations with High or Extremely High Baseline Water Stress	15%	15%	15%	15%	16%	17%	16%
Restaurant Portfolio Water Intensity (kGal/sq ft)	0.425	0.425	0.420	0.418	0.422	0.310	0.375*
Waste							
Landfill (metric tons)	65,812	68,451	72,153	73,952	72,394	62,529	67,521
Recycling (metric tons)	8,523	8,943	10,114	10,372	11,508	10,832	20,011
Organic Diversion (metric tons)	113	1,251	1,741	2,237	2,471	2,502	2,684
Food Donation (metric tons)	223	198	213	201	223	302	300
Total Volume Diverted from Landfill (metric tons)	8,859	10,392	12,067	12,810	14,202	13,636	22,996
Landfill Diversion Rate (metric tons)	12%	13%	14%	15%	16%	18%	25%
Greenhouse Gas Emissions							
Scope 1 (metric tons CO <sub>2</sub> e)	90,808	92,879	95,309	99,237	100,239	88,939	100,257
Scope 2 (metric tons CO <sub>2</sub> e)	122,682	119,366	120,706	115,547	107,864	102,425	104,919
Scope 3 (metric tons CO <sub>2</sub> e)	48,723	50,440	52,486	54,090	53,486	45,618	49,261
Total Absolute Emissions (metric tons CO <sub>2</sub> e)	262,213	262,685	268,502	268,874	261,590	236,982	254,437
Restaurant Portfolio GHG Intensity (metric tons CO <sub>2</sub> e/sq ft)	0.1132	0.1081	0.1080	0.1053	0.1010	0.0857	0.087*

This chart includes data for The Cheesecake Factory, Grand Lux Cafe, Social Monk and North Italia (starting in 2020) restaurants, as well as our bakery facilities and corporate offices. \*We changed the methodology for calculating restaurant intensity beginning with 2021 to exclude the Corporate Support Center. As we continue to monitor our environmental footprint in the future, we plan to update these numbers accordingly.



# **Sustainable Sourcing Update**







For updates on our progress by ingredient and/or species please see the chart below.

#### **SEAFOOD**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Working towards sourcing environmentally and socially responsible seafood as defined by industry programs (such as Monterey Bay Aquarium - Seafood Watch).	<ul> <li>At present 43% of our purchasing volume is rated as green or yellow per Monterey Bay Aquarium-Seafood Watch.</li> <li>A key component of this work has been several pre-competitive projects we have helped launch with the Seafood Watch team and our peers, particularly related to our shrimp and salmon sourcing.</li> </ul>	While seafood remains a challenging area for us, we are continuing to make progress across a number of species, but several species - most notably squid and crab - do not have viable improvement pathways at present. Therefore, we are continuing to pursue the development of new efforts and solutions for those species.

#### **PALM OIL & DEFORESTATION**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing sustainably certified palm oil (RSPO) by 2020 and establishing a buying preference for fully traceable palm oil that does not come from deforestation or clearing of high carbon stocks.	<ul> <li>Our direct purchases of palm oil are RSPO certified, and from suppliers who have committed to no deforestation and no development on peat/ high carbon stock forests.</li> </ul>	We continue to improve our sourcing of palm oil and are evaluating opportunities to be able to better engage with NGOs and the palm oil industry to drive sustainable change.
	Working towards zero deforestation particularly from the sourcing of our produce, cocoa, coffee, and tea.	<ul> <li>Based on our expanded review of our key produce ingredients, we estimate that approximately 62% is free from deforestation, with the remaining percentage currently unknown due to insufficient local level data.</li> <li>Additionally, we have made strong progress to combat deforestation related to our RSPO palm oil and are working to improve our ability to screen for deforestation related to cocoa, tea, and coffee.</li> </ul>	Globally, deforestation remains a challenge, often due to poor transparency of supply chains and ingredients. We are working to combat this by engaging directly with our suppliers of high-priority ingredients to identify deforestation within a 10-mile radius of our supply chain.

#### **PRODUCE**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Achieve a 15% reduction (from 2015 baseline) in the amount of water, synthetic pesticides, and synthetic fertilizers our suppliers use to grow our produce.	<ul> <li>This year, for the first time, we asked our produce partners to estimate the change in water, pesticide, and fertilizer consumption they've achieved since 2015, whether it is an increase or decrease. On average and weighted by the partner's relative contribution to our supply of priority produce ingredients, our suppliers have achieved a 3% reduction in water consumption, a 1.5% reduction in pesticide use, and a 1.5% reduction in fertilizer consumption. This brings us 13% of the way to our goal of a 15% reduction for these three input categories.</li> <li>We tracked our produce partners employment of best management practices to address the efficiency of their water, pesticide and fertilizer use. These practices include:         <ul> <li>45% implemented water-saving practices, such as drip irrigation or soil moisture sensing.</li> <li>50% implemented pesticide-reduction practices, such as Integrated Pest Management ("IPM") plans.</li> <li>29% implemented precision fertilizer practices, such as soil and foliar analysis, cover cropping, or fertigation.</li> </ul> </li> </ul>	Input requirements can vary site to site, season to season. While we value continual improvement on a broad scale, we recognize that our produce partners may have differing abilities to achieve a 15% reduction in inputs based on their local climate, current ecological pressures, previous performance, and other forms of complexity. Therefore, we continue to innovate in search of best practices for evaluating resource stewardship performance in the supply chain.
	Eliminate pesticides classified as type 1a or 1b by the World Health Organization or pesticides that are banned according to national, regional, or local laws.	<ul> <li>21% of our produce partners do not use pesticides that are listed as World Health Organization (WHO) Classes 1a or 1b.</li> <li>Many of our produce partners have implemented actions, such as IPM plans, that reduce both the volume and toxicity of pesticides (mainly WHO Classes 1, 2, and 3).</li> </ul>	<ul> <li>We respect that plant protection is a complex science, and we continue to look to experts in the field for emerging information about pesticide toxicity and appropriate use. We are also working to learn more from our suppliers who have been able to successfully transition to no use of WHO Class 1a and 1b pesticides.</li> </ul>



### PRODUCE (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Encouraging produce suppliers to submit and implement annual integrated pest management plans.	50% of produce partners have IPM plans and practices in place.	IPM is a well-established method for reducing the volume, toxicity, and ecological impact of pesticide use; it also has holistic ecological benefits such as biodiversity and pollinator conservation. As we expand the number of ingredients receiving our data request, we are encouraged that we continue to see strong adoption and implementation of integrated pest management plans.
	Creating biodiversity action plans which detail suppliers' planned efforts to conserve natural habitat, protect wildlife, and promote biodiversity adjacent to production areas.	<ul> <li>37% of produce partners have a biodiversity plan in place and/or have conducted biodiversity projects, such as creating riparian buffers, crop rotations, and invasive species management.</li> </ul>	We continue to work with our suppliers to create plans for high-quality production in harmony with ecological systems. We are prioritizing high-risk biodiversity hotspots located near our sourcing locations and working to identify the appropriate conservation measures.
	Create and implement a pollinator and beneficial insect conservation plan as a part of the larger biodiversity action plan.	<ul> <li>20% of produce partners have a pollinator plan in place and/or have conducted projects that benefit pollinators, including habitat building and staff training.</li> </ul>	
	Working to source certain unique produce ingredients which have traditionally gone to waste as unusable and/or unsellable.	<ul> <li>A number of unique produce items have been collectively evaluated by our Purchasing, Sustainability, and Culinary teams to determine applicability to our operations and restaurant concepts.</li> </ul>	We continue to evaluate potential opportunities and partnerships to allow us to address logistical and transportation challenges to sourcing unique produce.



#### **DAIRY COWS**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing antibiotic-free dairy, defined as no-antibiotics ever (NAE). We will not support a supplier withholding appropriate veterinary care from a sick or injured animal, but once treated with antibiotics, these animals may not enter our supply chain.	<ul> <li>When antibiotics are to be provided due to ill health, then strict withdrawal periods must be met to ensure no traces of the medicine remain in the milk.</li> <li>While over 94% of our dairy suppliers have committed to responsible use of antibiotics with veterinary oversight, we are continuing to work with our suppliers to further reduce antibiotic usage in alignment with our animal welfare goals.</li> </ul>	While we continue to see reductions in the use of antibiotics, and more responsible management overall, progress towards a NAE supply remains challenging. Since our collective purchasing power is not yet large enough to sway larger producers and suppliers to pursue NAE if they are not already doing so, our market options remain limited. To address this, we are actively partnering with our producers and suppliers to build a phased approach around their commitments to phase out medically important antibiotics and actively establish a pathway to NAE production in alignment with our goals.
	Phasing out physical alterations as a preventive measure, including for dairy cows: tail docking, dehorning, disbudding, and ear notching. When physical alterations are undertaken, pain management must be administered and/or best practices implemented.	<ul> <li>Tail Docking         <ul> <li>&gt;92% of our supply is free from tail docking.</li> </ul> </li> <li>Dehorning &amp; Disbudding         <ul> <li>While the majority of our supply is subject to dehorning or disbudding, 68% of our supply is provided pain relief and/or veterinary care during the procedure.</li> </ul> </li> <li>Ear Notching         <ul> <li>91% of our supply is free from ear notching.</li> </ul> </li> </ul>	We are continuing to work with our suppliers to evaluate potential alternatives to dehorning and disbudding, such as polled genetics, as well as encouraging broader use of pain mitigation techniques and best practices.
	Ensuring our dairy comes from suppliers who utilize a wholesome, quality, and holistic feed with no animal by-products.	92% of our supply is raised with a high quality and holistic feed.	We are continuing to encourage further adoption of our feed standards.



### DAIRY COWS (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing dairy and dairy products free from rBST/rBGH.	<ul> <li>92% of our supply is produced without the use of rBST/rBGH.</li> </ul>	<ul> <li>We continue to see improvement across our suppliers to move away from rBST/rBGH and are encouraged to see a broader phase out industry wide.</li> </ul>
	Ensuring dairy cows have adequate space to move freely and eliminating the practice of tethering of cattle (except during milking or veterinary care).	<ul> <li>92% of our sourced dairy products come from suppliers who adhere to the National Dairy Program - Farmers Assuring Responsible Management (FARM) program, helping to ensure that throughout their life, dairy cows are able to stand up, lie down, adopt normal resting postures and have visual contact with other animals, without risk of injury.</li> <li>27% of our supply comes from cows not tethered (except during milking or veterinary care).</li> </ul>	We are continuing to partner with our suppliers to better understand challenges related to weather and seasonality and to develop strategies for improved space requirements and tethering.



### PIGS

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing antibiotic-free pork, defined as no-antibiotics ever (NAE). We will not support a supplier withholding appropriate veterinary care from a sick or injured animal, but once treated with antibiotics, these animals may not enter our supply chain.	<ul> <li>94% of our pork suppliers are practicing responsible use of antibiotics with veterinary oversight.</li> <li>About 1% of our pork suppliers are currently no antibiotics ever (NAE).</li> </ul>	See the challenges discussed on Page 50 as a part of our NAE sourcing for Dairy Cows.
	Phasing out physical alterations as a preventive measure, including for pigs; tail docking, castration, teeth clipping, and ear notching. When physical alterations are undertaken, pain management must be administered and/or best practices implemented.	<ul> <li>Tail Docking         <ul> <li>93% of our supply is subjected to tail docking at &lt;7 days of age.</li> <li>43% of our supply that is subjected to tail docking is provided pain relief during the procedure.</li> </ul> </li> <li>Castration         <ul> <li>93% of our supply is castrated at &lt;5 days of age.</li> <li>9% of our total supply is provided pain relief during the procedure.</li> </ul> </li> <li>Ear Notching &amp; Teeth Clipping         <ul> <li>94% of our supply is free from ear notching or teeth clipping.</li> </ul> </li> </ul>	Overall, we continue to see strong adoption of improved practices related to tail docking and castration, but the use of pain relief during the procedures continues to remain limited across the industry. We are working in tandem with our suppliers and pre-competitively with peers to better understand current and emerging best practices, particularly around approved types of pain relief and proactive management strategies to help reduce or eliminate the need for physical alterations.
	Sourcing pigs free from added growth hormones and growth promoters.	At present, 86% of our supply is raised without growth hormones and promoters.	We continue to see improvement across our suppliers to move away from growth promoters and are encouraged to see a broader phase out industry wide.



#### PIGS (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Eliminating pig gestation crates from our supply chain by 2020.	<ul> <li>29% of our supply is raised in gestation crates for &lt;28 days.</li> <li>8% of our supply is raised in gestation crates for &lt;45 days.</li> </ul>	We are working with our key suppliers to source group housed pork, defined as <28 days, and expect to make significant progress in 2022.
	Ensuring all pigs are housed in a group pen setting from birth as appropriate and are provided environmental enrichments.	<ul> <li>At present, most of our suppliers house pigs in group housing.</li> <li>Farrowing         <ul> <li>92% of our supply is housed in farrowing crates.</li> </ul> </li> <li>Environmental Enrichments         <ul> <li>2% of our supply is provided enrichments including hanging toys, ropes, chains, bar-mounts, movable objects, and straw.</li> </ul> </li> </ul>	We continue to see only a small portion of the industry actively pursuing new infrastructure improvements (retrofits or new construction) for items like farrowing pens or environmental enrichments. These areas will remain a challenge unless the larger market begins to ask for and pursue these improvements.
	Ensuring our pigs come from suppliers who utilize a wholesome, quality, and holistic feed with no animal by-products.	88% of our supply is raised with a high quality and holistic feed.	We are continuing to work with our suppliers to ensure high quality and holistic feed.



#### PIGS (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Ensuring that during transport, pigs are handled by trained staff using low stress handling techniques and that there is adequate space and thermal comfort for animals. Any sick, or injured animals, or animals that may have difficulty withstanding transport may not be transported without veterinary treatment.	<ul> <li>We understand live animal transport creates stress for the animals, and so we ask our suppliers to implement training and programs (Pork Quality Assurance® (PQA +), Transport Quality Assurance® (TQA), Pork Avenue, etc.). 83% of our supply is transported under these programs.</li> <li>86% of our supply is transported to slaughter in under 8 hours.</li> </ul>	We are continuing to partner with our suppliers to gain visibility into the transportation process and continue to see positive progress towards our goals.
	Ensuring humane practices, such as controlled atmosphere stunning (CAS) or controlled atmosphere killing (CAK), are utilized prior to harvest, and support tools such as live video monitoring to ensure humane processing.	<ul> <li>Animals harvested by our suppliers and vendors are required to be rendered unconscious prior to slaughter in order for them to be insensible to pain and distress until death, with 94% of our supply confirmed to be compliant with this standard.</li> <li>10% of our supply comes from CAS (CO2 stunning) facilities.</li> </ul>	We are continuing to encourage our suppliers to utilize and invest in controlled atmosphere stunning (CAS) and are encouraging the continued adoption and use of third-party remote video monitoring for both sow farms and processing facilities.



#### **BEEF CATTLE**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing antibiotic-free cattle, defined as no-antibiotics ever (NAE). We will not support a supplier withholding appropriate veterinary care from a sick or injured animal, but once treated with antibiotics, these animals may not enter our supply chain.	<ul> <li>&gt;96% of our suppliers for cattle are practicing responsible use of antibiotics with veterinary oversight.</li> <li>About 10% of our volume is raised with no antibiotics ever (NAE).</li> </ul>	We have begun to see several suppliers start to pursue NAE strategies as part of a larger animal welfare program, and we are looking forward to learning more from them about their experiences, so that we can encourage broader industry adoption.
	Phasing out physical alterations as a preventive measure, including for beef cattle: dehorning, disbudding, ear notching, and castration. When physical alterations are undertaken, pain management must be administered and/or best practices implemented.	<ul> <li>Dehorning/Disbudding &amp; Castration</li> <li>21% of our supply is free dehorning or disbudding.</li> <li>Of the remaining 79% that is dehorned/disbudded, 54% follow best practices and/or provides pain relief.</li> <li>The majority of our beef supply is subject to castration.</li> <li>Tail Docking and Ear Notching</li> <li>82% of our supply is free from tail docking or ear notching.</li> </ul>	Similar to dairy cows, we continue to see improvements related to dehorning and disbudding, but the use of pain relief remains limited particularly for practices such as castration.
	Sourcing beef cattle free from added growth hormones and growth promoters.	10% of our supply is raised without use of any growth hormones or promoters.	Last year we began to see a handful of operations begin to pursue alternatives to growth hormones, providing us with a limited supply of hormone free beef products, but broader industry adoption still remains limited.



### BEEF CATTLE (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Ensuring our cattle come from suppliers who utilize a wholesome, quality, and holistic feed with no animal by-products.	88% of our supply is raised with a high quality and holistic feed.	We are continuing to work with our suppliers to ensure high quality and holistic feed.
	Ensuring that during transport, animals are handled by trained staff using low stress handling techniques and there is adequate space and thermal comfort for animals. Any sick, or injured animals, or animals that may have difficulty withstanding transport may not be transported without veterinary treatment.	<ul> <li>Over 82% of our beef suppliers adhere to North American Meat Institute® (NAMI) as well as the Beef Quality Assurance® (BQA) standards, National Cattlemen's Beef Association® (NCBA) certification program and others that train staff in handling, care, and transport.</li> <li>79% of our supply is transported to slaughter in under 8 hours.</li> </ul>	We were glad to see improved transport times this past year compared to the height of the pandemic where widespread plant closures due to COVID-19 increased the journey times for cattle.
	Ensuring humane practices, such as controlled atmosphere stunning (CAS) or controlled atmosphere killing (CAK), are utilized prior to harvest, and support tools such as live video monitoring to ensure humane processing.	<ul> <li>Animals including both beef cattle and dairy cows harvested for us by our suppliers and vendors are required to be rendered unconscious prior to slaughter so that they are insensible to pain and distress before death, with 95% of our supply confirmed to be compliant with this standard.</li> </ul>	We are working to better understand new research and best practices related to humane processing and are encouraging the continued adoption and use of third-party remote video auditing across the industry.



#### **LAYING HENS**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing antibiotic-free eggs, defined as no-antibiotics ever (NAE). We will not support a supplier withholding appropriate veterinary care from a sick or injured animal, but once treated with antibiotics, these animals may not enter our supply chain.	<ul> <li>&gt;99% of our egg suppliers are practicing responsible use of antibiotics with veterinary oversight.</li> <li>Approximately 28% of our supply is confirmed to have never been administered antibiotics.</li> </ul>	We saw several of our suppliers begin to phase in NAE programs during the year that helped to improve our overall sourcing and antibiotic reduction efforts.
	Phasing out physical alterations as a preventive measure, including for laying hens: beak trimming, dubbing, de-spurring, and de-toeing. When physical alterations are undertaken, pain management must be administered and/or best practices implemented.	At present 97% of our egg supply comes from hens that are beak trimmed, with 36% performing infrared at <2 days of age.	We were encouraged by further adoption of infrared beak trimming at <2 days of age, but we are continuing to investigate strategies for reducing the need for beak trimming in the first place such as genetic selection, housing systems, and environmental enrichments.
	Sourcing 100% cage-free eggs for restaurant operations by 2020, and for bakery operations by 2025.	<ul> <li>We source approximately 61% cage-free eggs, including nearly 100% across our restaurants and ~40% for our two bakeries.</li> <li>Additionally, we recently announced that we plan to switch our remaining bakery to cage-free eggs by the end of 2022, nearly three years ahead of schedule, which will bring us to 100% cage-free.</li> </ul>	We are working to transition our remaining bakery location in 2022 and are investigating with our international partners potential opportunities to transition their supply by 2030.



### LAYING HENS (CONTINUED)

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Offering environmental enrichments (such as perches, litter, and pecking objects) for egg laying hens.	<ul> <li>59% of our supply is provided with enrichments, such as perches, litter, hanging alfalfa, and nest pads, all of which are provided at 1 day of age (except nest pads).</li> <li>17% of our supply is provided with natural light.</li> </ul>	We continue to see broader adoption and deployment of environmental enrichments and are interested to see further research and innovation into best practices.
	Ensuring our eggs from laying hens come from suppliers who utilize a wholesome, quality, and holistic feed with no animal by-products.	<ul> <li>&gt;99% of our supply is raised with a high quality and holistic feed.</li> </ul>	Our suppliers currently provide a nutritious diet specifically designed to meet each hen's age-related needs.



#### **BROILER CHICKENS**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Sourcing antibiotic-free broiler chickens, defined as no-antibiotics ever (NAE). We will not support a supplier withholding appropriate veterinary care from a sick or injured animal, but once treated with antibiotics, these animals may not enter our supply chain.	<ul> <li>&gt;99% of our suppliers for broiler chickens are practicing responsible use of antibiotics with veterinary oversight.</li> <li>35% of our suppliers source no antibiotics ever (NAE).</li> </ul>	Similar to some of our other species, we saw several of our suppliers begin to phase in NAE programs during the year that helped to improve our overall sourcing and antibiotic reduction efforts.
	Phasing out physical alterations as a preventive measure including beak trimming, dubbing, caponization, de-spurring, and de-toeing. When physical alterations are undertaken, pain management must be administered and/or best practices implemented.	Beak Modifications     89% of our supply has no beak modifications or physical alterations.	While physical alterations are not often performed by our suppliers, we are continuing to assess the potential implications for increased physical alterations as a result of slower growing breeds.
	Ensuring that during transport, animals are handled by trained staff using low stress handling techniques and there is adequate space and thermal comfort for animals. Any sick or injured animals or animals that may have difficulty withstanding transport may not be transported without veterinary treatment.	<ul> <li>We ask suppliers to ensure staff responsible for transportation and transport equipment be trained in the proper handling of birds when catching, loading, unloading, and while in transit.</li> <li>89% of our supply is transported to slaughter in under 8 hours.</li> </ul>	We are continuing to partner with our suppliers to gain visibility into the transportation process and continue to see positive progress towards our goals.



### **BROILER CHICKENS (CONTINUED)**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Ensuring our broiler chickens come from suppliers who utilize a wholesome, quality, and holistic feed with no animal by-products.	89% of our supply is raised with a high quality and holistic feed.	Our suppliers currently provide a nutritious diet specifically designed to meet each bird's age-related needs.
	In alignment with Global Anima	l Partnership (GAP) 5-Step™ Animal Welfare Rating Stand	dards for Chickens Raised for Meat v2.0, we are committed to:
	Purchasing broiler chickens raised without the use of fast-growing practices or breeds.	<ul> <li>33% of our supply comes from slower growing practices.</li> <li>18% of our supply is stocked at a density of &lt;6 lbs.</li> </ul>	We continue to work pre-competitively with our peers and other industry leaders, to better define and understand the impacts related to slower growing breeds and practices.
	Lowering the maximum stocking density for broiler chickens to be equal to or less than 6 pounds per square foot within supplier's operations.	per sq. ft.	
	Offering environmental enrichments (such as lighting, perches, litter, and pecking objects) for broiler chickens.	<ul> <li>16% of our supply is provided with environmental enrichments, with these enrichments generally provided within the first week.</li> <li>8% of our supply is raised in production facilities with natural light.</li> </ul>	Due to several supply disruptions throughout the year we were not able to make as much progress with the deployment of environmental enrichments as we would have liked, but remain focused on the issue during 2022.
	Expanding humane slaughter practices of CAS/CAK to include the elimination of live shackling or live dumping.	<ul> <li>Animals harvested by our suppliers and vendors are required to be rendered unconscious prior to slaughter in order for them to be insensible to pain and distress before death with &gt;99% of our supply confirmed to be compliant with this standard.</li> <li>13% of our supply comes from CAS (CO2 stunning) facilities.</li> </ul>	The broader industry adoption of CAS is still slow, but we are beginning to see improvements in our percent of supply coming from CAS facilities.



#### **VEAL CALVES**

STATUS	2025 GOAL	CURRENT PERFORMANCE TO GOAL	INSIGHTS & CHALLENGES
	Eliminating the use of confinement crates for veal calves by 2017.		owever, we understand that as an innovative company, we are ve source veal or veal product in the future, we plan to source from



# Sustainable Accounting Standards Board ("SASB") Index

SASB is an independent, private sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. The table below cross-references the applicable SASB accounting metrics for The Cheesecake Factory Incorporated and where that information can be found in our 2021 Corporate Social Responsibility Report or as otherwise noted.

	FOOD & BEVERAGE - RESTAURANTS					
ТОРІС	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA RESPONSE AND REFERENCE	
Energy Management	<ul><li>(1) Total energy consumed</li><li>(2) percentage grid electricity</li><li>(3) percentage renewable</li></ul>	Quantitative	Kilowatt Hours (kWh), Percentage (%)	FB-RN-130a.1	Environmental Data Summary (page 46)	
Water Management	<ul><li>(1) Total water withdrawn</li><li>(2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress</li></ul>	Quantitative	Kilogallons (kGal), Percentage (%)	FB-RN-140a.1	Environmental Data Summary (page 46)	
Food & Packaging Waste Management	<ul><li>(1) Total amount of waste</li><li>(2) percentage food waste</li><li>(3) percentage diverted</li></ul>	Quantitative	Metric tons (mt), Percentage (%)	FB-RN-150a.1	Environmental Data Summary (page 46)	
	<ul><li>(1) Total weight of packaging</li><li>(2) percentage made from recycled and/or renewable materials</li><li>(3) percentage that is recyclable, reusable, and/or compostable</li></ul>	Quantitative	Metric tons (mt), Percentage (%)	FB-RN-150a.2	Packaging (page 41)	



ТОРІС	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA RESPONSE AND REFERENCE
Food Safety	<ul><li>(1) Percentage of restaurants inspected by a food safety oversight body</li><li>(2) percentage receiving critical violations</li></ul>	Quantitative	Percentage (%)	FB-RN- 130a.1	100% of our restaurants are inspected by a regulatory body and 100% are inspected by a 3rd party auditing company on a monthly basis. For additional information see 2019 CSR Report.
	(1) Number of recalls issued (2) total amount of food product recalled	Quantitative	Number, Metric tons (mt)	FB-RN- 140a.1	When we learn about illnesses that may be linked to the sourcing or preparation of an ingredient, we take swift action. In 2021, we had five recalls, resulting in 11,400 lbs of recalled product. We use an automated system to initiate and document all product recalls and require our restaurants to take action and complete a Certificate of Destruction within 2 hours.
	Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation	Quantitative	Number, Percentage (%)	FB-RN- 150a.1	In 2021, the company had no confirmed foodborne illness outbreaks.
Nutritional Content	(1) Percentage of meal options consistent with national dietary guidelines (2) revenue from these options	Quantitative	Percentage (%), Reporting currency	FB-RN- 260a.1	The Cheesecake Factory follows federal and local regulations as they pertain to nutritional requirements for restaurant chains with 20 or more locations and sodium warnings. We partner with an accredited laboratory company to manage our nutritional information and have a team to ensure we have the most accurate and up to date specification and nutritional information for our more than 700+ food products that go into making 250+ menu items. We post calories on our menus next to our food and drink options, and we also provide a supplemental nutritional guide for our guests to view complete nutritional information.



ТОРІС	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA RESPONSE AND REFERENCE
Nutritional Content	<ul><li>(1) Percentage of children's meal options consistent with national dietary guidelines</li><li>(2) revenue from these options</li></ul>	Quantitative	Percentage (%), Reporting currency	FB-RN-260a.2	Our kids' menu is in compliance with dietary guidelines per region. Several cities and local jurisdictions have requirements to ensure kids have healthy choices when eating out. We have several healthy options for kids, which include vegetables and non-sugary drinks.
	Number of advertising impressions made on children, percentage promoting products that meet national dietary guidelines for children	Quantitative	Number, Percentage (%)	FB-RN-260a.3	Promotional and marketing efforts are not targeted towards children.
Labor Practices	<ul><li>(1) Voluntary</li><li>(2) involuntary turnover rate for restaurant employees</li></ul>	Quantitative	Rate	FB-RN-310a.1	Staff Retention & Tenure (page 13)
	<ul><li>(1) Average hourly wage, by region</li><li>(2) percentage of restaurant employees earning minimum wage, by region</li></ul>	Quantitative	Number, Percentage (%)	FB-RN-310a.2	Equity (page 21)
	Total amount of monetary losses as a result of legal proceedings associated with	Quantitative	Reporting currency	FB-RN-310a.3	Fiscal Year 2021 Form 10-K
	<ul><li>(1) labor law violations</li><li>(2) employment discrimination</li></ul>				

Our Categories link to our EEO-1 reporting as follows and do not include Fox Restaurant Concepts: Executive Mgt (VP+) includes EEO-1 Category: Executive/Senior-Level Officials and Managers Non-Executive Mgt (incl rest) includes EEO-1 Category: First/Mid-Level Officials and Managers Professionals includes EEO-1 Categories: Professionals and Sales Workers All other includes EEO-1 Categories: Administrative Support, Craft Workers, Laborers and Helpers, Operatives, Service Workers, and Technicians. A full breakdown by EEO-Categories is available in the appendix of this report.



ТОРІС	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA RESPONSE AND REFERENCE
Supply Chain Management & Food Sourcing	Percentage of food purchased that (1) meets environmental and social sourcing standards (2) is certified to third party environmental and/or social standards	Quantitative	Percentage (%) by cost	FB-RN-430a.1	See Sourcing (page 28) and Sustainable Sourcing Update (page 47); the percentage provided is by volume, as we have found this to be a more accurate and consistent metric than by cost.
	Percentage of  (1) eggs that originated from a cage- free environment  (2) pork that was produced without the use of gestation crates	Quantitative	Percentage (%) by number, Percentage (%) by weight	FB-RN-430a.2	See Sourcing (page 28) and Sustainable Sourcing Update (page 47)
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Discussion and Analysis	n/a	FB-RN-430a.3	See Sourcing (page 28) and Sustainable Sourcing Update (page 47)
	Number of (1) company-owned (2) franchise restaurants	Quantitative	Number	FB-RN-000.A	Fiscal Year 2021 Form 10-K
	Number of employees at (1) company-owned (2) franchise locations	Quantitative	Number	FB-RN-000.B	Fiscal Year 2021 Form 10-K



# **Global Reporting Initiative (GRI) Index**

Our 2021 Corporate Social Responsibility Report aligns with the GRI Standards framework, Food Processing Supplement, and has been prepared in accordance with the GRI Standards: Core Option.

GRI 101: FOUNDATION 2016						
GRI 102: GENERAL DISCLOSURES 2016						
GRI STANDARD	DISCLOSURE	LOCATION / COMMENTS				
Organizational Profi	le					
102-1	Name of the organization	The Cheesecake Factory Incorporated				
102-2	Activities, brands, products, and services	Fiscal Year 2021 Form 10-K				
102-3	Locations of headquarters	Calabasas Hills, California				
102-4	Location of operations	Fiscal Year 2021 Form 10-K				
102-5	Ownership and legal form	Fiscal Year 2021 Form 10-K				
102-6	Markets served	Fiscal Year 2021 Form 10-K				
102-7	Scale of the organization	Fiscal Year 2021 Form 10-K				
102-8	Information on employees and other workers	Caring for Our Staff (page 9), Diversity, Equity, Inclusion & Belonging (page 18)				
102-9	Supply chain	Sourcing (page 28), Sustainable Sourcing Update (page 47)				
102-10	Significant changes to the organization and its supply chain	Fiscal Year 2021 Annual Report				
102-11	Precautionary Principle or approach	See Sourcing (page 28) and Sustainable Sourcing Update (page 47)				
102-12	External initiatives	Caring for Our Staff (page 9), Caring for Our Communities (page 15), Diversity, Equity, Inclusion & Belonging (page 18), Sourcing (page 28)				
102-13	Membership of associations	Caring for Our Staff (page 9), Caring for Our Communities (page 15), Diversity, Equity, Inclusion & Belonging (page 18), Sourcing (page 28)				
Strategy						
102-14	Statement from senior decision maker	Introduction (page 1)				
102-15	Key impacts, risks, and opportunities	Fiscal Year 2021 Form 10-K				
<b>Ethics and Diversity</b>						
102-16	Values, principles, standards, and norms of behavior	Introduction (page 1), Caring for Our Staff (page 9)				
102-17	Mechanisms for advice and concerns about ethics	Caring for Our Staff (page 9), Diversity, Equity, Inclusion & Belonging (page 18)				

Governance structure	ESG Methodology (page 45)
Executive-level responsibility for economic, environmental, and social topics	ESG Methodology (page 45)
Consulting stakeholders on economic, environmental, and social topics	ESG Methodology (page 45), Materiality Assessment-2019 CSR Report
nent	
List of stakeholder groups	Sourcing (page 28), ESG Methodology (page 45)
Collective bargaining agreements	Caring for Our Staff (page 9)
Identifying and selecting stakeholders	ESG Methodology (page 45), Materiality Assessment-2019 CSR Report
Approach to stakeholder engagement	ESG Methodology (page 45), Materiality Assessment-2019 CSR Report
Key topics and concerns raised	Materiality Assessment-2019 CSR Report
Entities included in the consolidated financial statements	Fiscal Year 2021 Form 10-K
Defining report content and topic boundaries	ESG Methodology (page 45)
List of material topics	Materiality Assessment-2019 CSR Report
Restatements of information	No restatements as of publication date
Changes in reporting	No changes in reporting as of publication date
Reporting period	ESG Methodology (page 45)
Date of most recent report	2020 CSR Progress Report
Reporting cycle	2021 Year, Annual Reporting
Contact point for questions regarding the report	ESG Methodology (page 45)
Claims of reporting in accordance with the GRI Standards	ESG Methodology (page 45)
GRI content index	GRI Index (page 66)
External assurance	We did not seek external assurance of the report. This report is not incorporated into any of our SEC filings.
ch	
Explanation of the material topic and its boundary	ESG Methodology (page 45), Materiality Assessment-2019 CSR Report
The management approach and its components	ESG Methodology (page 45)
Evaluation of the management approach	ESG Methodology (page 45)
	Executive-level responsibility for economic, environmental, and social topics Consulting stakeholders on economic, environmental, and social topics  ent List of stakeholder groups Collective bargaining agreements Identifying and selecting stakeholders Approach to stakeholder engagement Key topics and concerns raised  Entities included in the consolidated financial statements Defining report content and topic boundaries List of material topics Restatements of information Changes in reporting Reporting period Date of most recent report Reporting cycle Contact point for questions regarding the report Claims of reporting in accordance with the GRI Standards GRI content index External assurance  th  Explanation of the material topic and its boundary The management approach and its components



GRI 200: EC	ONOMIC STANDARDS	
Economic Perf	iormance	
201-1	Direct economic value generated and distributed	Fiscal Year 2021 Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	Climate (page 42)
201-3	Defined benefit plan obligations and other retirement plans	Fiscal Year 2021 Form 10-K
201-4	Financial assistance received from government	As of publication no financial assistance was received.
<b>Market Presen</b>	ce	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Equity (page 21)
202-2	Proportion of senior management hired from the local community	Equity (page 21)
Indirect Econo	mic Impacts	
102-16	Values, principles, standards, and norms of behavior	Caring for Our Staff (page 9), Caring for Our Communities (page 15), Diversity, Equity, Inclusion & Belonging (page 18), Sourcing (page 28)
102-17	Mechanisms for advice and concerns about ethics	Caring for Our Staff (page 9), Caring for Our Communities (page 15), Diversity, Equity, Inclusion & Belonging (page 18), Sourcing (page 28)
Anti-Corruptio	on Control of the Con	
205-2	Communication and training about anti-corruption policies and procedures	Caring for Our Staff (page 9), Diversity, Equity, Inclusion & Belonging (page 18)
GRI 300: EN	IVIRONMENTAL STANDARDS	
Materials		
301-1	Materials used by weight or volume	Environment (page 40)
301-2	Recycled input materials used	Environment (page 40)
301-3	Reclaimed products and their packaging materials	Environment (page 40)
Energy		
302-1	Energy consumption within the organization	Environment (page 40), Environmental Data Summary (page 46)
302-2	Energy consumption outside of the organization	Environment (page 40), Environmental Data Summary (page 46)



302-3	Energy intensity	Environment (page 40), Environmental Data Summary (page 46)		
302-4	Reduction of energy consumption	Environment (page 40), Environmental Data Summary (page 46)		
302-5	Reductions in energy requirements of products and services	Environment (page 40), Environmental Data Summary (page 46)		
Water				
303-1	Interactions with water as a shared resource	Sourcing (page 28), Environment (page 40), Environmental Data Summary (page 46)		
303-2	Management of water discharge-related impacts	Environment (page 40), Environmental Data Summary (page 46)		
303-3	Water withdrawal	Environment (page 40), Environmental Data Summary (page 46)		
303-4	Water discharge	Environment (page 40), Environmental Data Summary (page 46)		
303-5	Water consumption	Sourcing (page 28), Environment (page 40), Environmental Data Summary (page 46)		
Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None of our restaurants or corporate facilities are located within protected areas. Biodiversity is a material concern for us due to agricultural impacts within our supply chain. While we do not own or operate any agricultural operations, we are working to improve biodiversity considerations in our supply chain through our Sustainable Sourcing Policy. For more information, please see Sourcing (page 28).		
304-2	Significant impacts of activities, products, and services on biodiversity	Sourcing (page 28)		
304-3	Habitats protected or restored	Sourcing (page 28)		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sourcing (page 28), Environment (page 40)		
Emissions				
305-1	Direct (Scope 1) GHG emissions	Environment (page 40), Environmental Data Summary (page 46)		
305-2	Energy indirect (Scope 2) GHG emissions	Environment (page 40), Environmental Data Summary (page 46)		
305-3	Other indirect (Scope 3) GHG emissions	Environment (page 40), Environmental Data Summary (page 46)		
305-4	GHG emissions intensity	Environment (page 40), Environmental Data Summary (page 46)		
305-5	Reduction of GHG emissions	Environment (page 40), Environmental Data Summary (page 46)		



305-6	Emissions of ozone-depleting substances (ODS)	In 2017, we permanently phased out the use of HCFCs in our two bakery facilities Fugitive GHG emissions from our use of HCFCs during 2015-2017 are not materia				
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions					
<b>Effluents and Waste</b>						
306-1	Water discharge by quality and destination	Environment (page 40), Environmental Data Summary (page 46)				
306-2	Waste by type and disposal method	Environment (page 40), Environmental Data Summary (page 46)				
Supplier Environment	Supplier Environmental Assessment					
308-1	New suppliers that were screened using environmental criteria	Sourcing (page 28)				
308-2	Negative environmental impacts in the supply chain and actions taken	Sourcing (page 28), Environment (page 40)				
GRI 400: SOCIAL S	STANDARDS					
Employment						
401-1	New employee hires and employee turnover	Caring for Our Staff (page 9), Diversity, Equity, Inclusion & Belonging (page 18)				
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Caring for Our Staff (page 9)				
401-3	Parental leave	Caring for Our Staff (page 9)				
Occupational Health 8	Occupational Health & Safety					
403-1	Occupational health and safety management system	Caring for Our Staff (page 9)				
403-2	Hazard identification, risk assessment, and incident investigation	Caring for Our Staff (page 9), Sourcing (page 28)				
403-5	Worker training on occupational health and safety	Caring for Our Staff (page 9)				
<b>Training &amp; Education</b>						
404-2	Programs for upgrading employee skills and transition assistance programs	Caring for Our Staff (page 9), Diversity, Equity, Inclusion & Belonging (page 18)				
404-3	Percentage of employees receiving regular performance and career development reviews	Caring for Our Staff (page 9)  All of our staff set performance and development goals which they review with their managers on at least an annual basis. The intent of these conversations is connection and development.				



Diversity & Equal Opportunity				
405-1	Diversity of governance bodies and employees	Diversity, Equity, Inclusion & Belonging (page 18)		
405-2	Ratio of basic salary and remuneration of women to men	Diversity, Equity, Inclusion & Belonging (page 18)		
Non-Discrimination				
406-1	Incidents of discrimination and corrective actions taken  Diversity, Equity, Inclusion & Belonging (page 18)			
Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	Sourcing (page 28)		
Forced & Compulsory	Labor			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sourcing (page 28)		
<b>Human Rights Assess</b>	ment			
412-1	Operations that have been subject to human rights reviews or impact assessments	Sourcing (page 28)		
<b>Local Communities</b>				
413-1	Operations with local community engagement, impact assessments, and development programs	Caring for Our Communities (page 15)		
Supplier Social Assess	sment			
414-1	New suppliers that were screened using social criteria	Sourcing (page 28)		
Public Policy				
415-1	Political contributions	No political contributions were made in 2021.		
Customer Health & Safety				
416-1	Assessment of the health and safety impacts of product and service categories	Sourcing (page 28), SASB Index (page 62)		
Marketing & Labeling				
417-1	Requirements for product and service information and labeling	Sourcing (page 28), SASB Index (page 62)		



	ESSING SECTOR SUPPLEMENT	
Aspects of So	urcing	
FP1	Percentage of purchased volume from suppliers compliant with Company's sourcing policy	Sourcing (page 28)
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Sourcing (page 28)
Healthy & Affo	ordable Food	
FP4	Nature, scope and effectiveness of any programs and practices that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need	Caring for Our Staff (page 9), Caring for Our Communities (page 15)
<b>Customer Hea</b>	Ith & Safety	
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	Sourcing (page 28), SASB Index (page 62)
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars	Sourcing (page 28), SASB Index (page 62)
FP7	Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives	Sourcing (page 28), SASB Index (page 62)
Animal Welfar	e	
FP9	Percentage and total of animals raised and/or processed, by species and breed type	We do not raise or process animals in our operations. Animal products that are used in our operations are processed and/or raised by our suppliers. Sourcing (page 28) provides details on our animal welfare goals and performance.
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anesthetic	Sourcing (page 28)
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type	We do not raise or process animals. Sourcing (page 28) provides details on our animal welfare goals and performance.
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	Sourcing (page 28)
FP13	Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals	We do not transport, handle or slaughter live terrestrial or aquatic animals.  Sourcing (page 28) provides details on our animal welfare goals and performance.



# **United Nations Sustainable Development Goals Index**

Developed in 2015, the United Nations Sustainable Development Goals (SDGs) are centered around promoting sustainable, equitable, and universal growth. The following SDGs were supported by our activities and programs during 2021, and highlight our commitment to pursuing policies, strategies and actions to help achieve the targets set out by the SDGs.

	UN SDGs	ACTIONS		UN SDGs	ACTIONS
1 NO POVERTY	End poverty in all its forms everywhere.	Caring for Our Communities (page 15)	5 GENDER EQUALITY	Achieve gender equality and empower all women and girls.	Diversity, Equity, Inclusion & Belonging (page 18)
2 ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Caring for Our Communities (page 15)	6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.	Environment (page 40)
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages.	Caring for Our Staff (page 9)	8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Caring for Our Staff (page 9)
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Caring for Our Staff (page 9)	10 REDUCED INEQUALITIES	Reduce inequality within and among countries.	Diversity, Equity, Inclusion & Belonging (page 18)



	UN SDGs	ACTIONS		UN SDGs	ACTIONS
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns.	Sourcing (page 28)	15 LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.	Sourcing (page 28), Environment (page 40)
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	Environment (page 40)	PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Sourcing (page 28), Caring for Our Communities (page 15), Diversity, Equity, Inclusion & Belonging (page 18)
14 LIFE BELOW WATER	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Environment (page 40)	17 PARTINERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Environment (page 40)





# Forward Looking Statements

Certain information included in this report may contain forward-looking statements about our current and presently expected performance trends, growth plans, business goals, environmental and social performance, and other matters. These statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as codified in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (together with the Securities Act, the "Acts"). Such forward looking statements include all other statements that are not historical facts, as well as statements that are preceded by, followed by or that include words or phrases such as "believe," "plan," "will likely result," "expect," "intend," "will continue," "is anticipated," "estimate," "project," "may," "could," "would," "should" and similar

expressions. These statements are based on our current expectations and involve risks and uncertainties which may cause results to differ materially from those set forth in such statements. In connection with the "safe harbor" provisions of the Acts, we have identified and are disclosing important factors, risks and uncertainties that could cause our actual results to differ materially from those projected in forward looking statements made by us, or on our behalf.

These cautionary statements are to be used as a reference in connection with any forward-looking statements. Factors that could cause results to differ from those in the forward-looking statements include unexpected impacts of climate change, new environmental, social or other governmental regulations, carbon or other greenhouse gas taxes or charges, changing consumer demands, protests or boycotts, supplier misconduct or deviation from company standards, and other factors.



The factors, risks and uncertainties identified in these cautionary statements are in addition to those contained in any other cautionary statements, written or oral, which may be made or otherwise addressed in connection with a forwardlooking statement or contained in any of our filings with the SEC. Because of these factors, risks and uncertainties, we caution against placing undue reliance on forwardlooking statements. Although we believe that the assumptions underlying forwardlooking statements are currently reasonable, any of the assumptions could be incorrect or incomplete, and there can be no assurance that forward-looking statements will prove to be accurate. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to publicly update or revise any forward-looking statements or to make any other forwardlooking statements, whether as a result of new information, future events or otherwise, unless required to do so by law.

Throughout the report a number of staff responses are included. These represent the views of the staff member interviewed and they are neither a statement nor endorsement on behalf of The Cheesecake Factory.



