



ESG Update September 2022



A letter from the CEO



At Olo, we enable hospitality at every touchpoint and empower restaurant brands to make every guest feel like a regular. As a company, we strive to evolve with purpose, to become a force multiplier for good across our ecosystem, and to ensure our customers and communities are the beneficiaries of the digital shift.

In March 2021, Olo joined the Pledge 1% movement and created Olo for Good, committing to donate 1% of our time, product, and equity to doing good. We remain dedicated to fostering sustainable contributions to the communities in which we live, work, and serve by integrating social responsibility and impact into our business. We look forward to announcing our third round of Donor Advised Fund (DAF) recipients in Spring 2023.

We embarked on our first materiality assessment earlier this year to determine our most significant environmental, social, and governance impacts based on our business touchpoints and current initiatives. We are also proud to have published our first carbon footprint report. Moving forward, we will focus our efforts on the areas where we believe we can have the most positive community and environmental impact.

Our stakeholders—employees, customers, and communities—expect transparency from Olo about our ESG impact and aspirations. We hold ourselves accountable to making progress in this space and look forward to sharing our ESG journey with you.

A handwritten signature in black ink, appearing to read 'Noah Glass'. The signature is stylized and fluid.

Noah Glass
Founder & Chief Executive Officer
Olo

01

Materiality Assessment Process



This year, we underwent our first materiality assessment to better understand the ESG topics most central to our company and stakeholders. We engaged a third-party ESG consultancy, [qb. consulting](#), to conduct this assessment. Together, we identified corresponding opportunities and risks that stem from our business touchpoints and impacts.

The materiality assessment builds upon our efforts to provide greater transparency on Olo's ESG progress, and our findings will serve as the foundation for our ESG strategy development and first ESG report, which will be published in summer 2023.

In executing this assessment, we followed a four-step process:

Step 1

Research

To build our initial list of material topics, we consulted global reporting guidelines, including the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), and the Task Force on Climate-Related Financial Disclosures (TCFD). We also evaluated current trends and ESG initiatives within our peer group and the greater SaaS industry. Our research produced a list of over 70 potentially material topics.

We define a topic as material in line with GRI: if it has a direct or indirect impact on Olo's ability to create, preserve or erode economic, environmental, and social value for itself, its stakeholders, and society at large.

Step 2

Engage

We considered a range of stakeholder perspectives to further inform our initial list of material topics. This included a review of internal documents, employee engagement and diversity, equity, and inclusion (DEI) survey results, brand and restaurant case studies, and investor communications.

From there, we carried out our stakeholder engagement process – a series of interviews with 24 internal and external stakeholders across our employee base, Board of Directors, restaurants, and business and community partners.

Step 3

Refine

To narrow our list of potentially material topics, we analyzed the severity and frequency of each topic's impacts on our business success against its relative importance to our stakeholders. Leveraging insights gathered throughout the assessment, our initial list of material topics was reduced to 27 before plotting onto our matrix.

Step 4

Validate

The ESG working team at Olo – made up of representatives from People & Culture, Legal, Investor Relations, and Marketing – worked alongside qb. to finalize our materiality matrix, which resulted in 14 material topics. The matrix and results of our materiality assessment were validated by Olo's leadership team.

What's Next?

Using our materiality matrix, as well as other tools, we will develop our ESG strategy and enhance communications about our current initiatives. Additionally, we anticipate expanding our ESG working team as we establish oversight for each of our material topics. We are eager to share more information on ESG at Olo with our stakeholders in our first ESG report, coming in 2023.

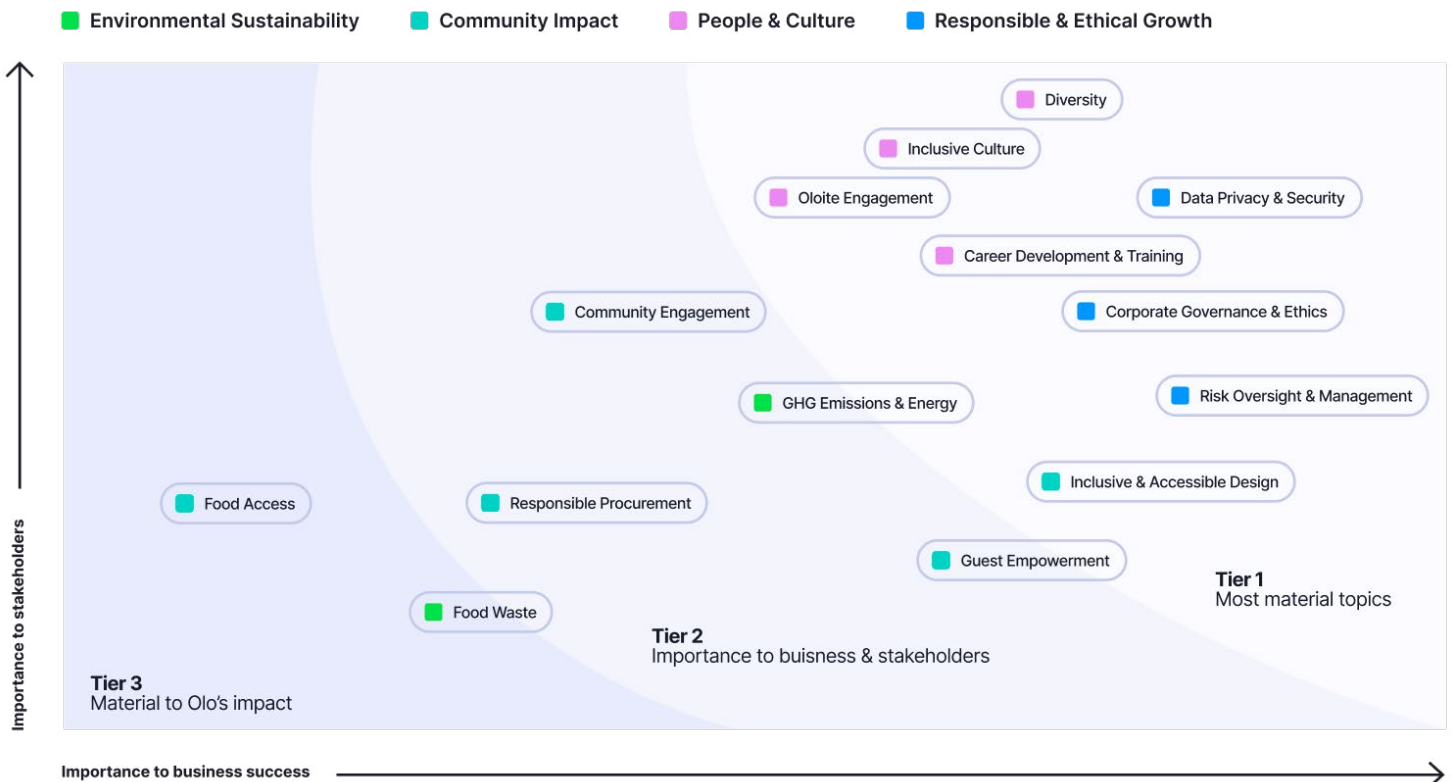


The future of digital hospitality is sustainable.

We are committed to shaping the evolution of digital hospitality by aligning our products, resources, and employees to drive positive change and create a more sustainable future.

Our materiality matrix below illustrates the environmental, social capital, people, and governance topics of highest influence on our business success and importance to our stakeholders. The material topics of highest priority are depicted in the top third section.

We hold ourselves accountable to managing the impacts that our material topics impose on our company, stakeholders, and planet. Our ongoing ESG strategy development will harness opportunities to enrich our social impacts and lessen our environmental impacts, while centering on strong corporate governance and ethics.





We are working to evaluate the impact of our business on the planet, as well as the risks that climate change may pose for our company.

At Olo, our environmental responsibility primarily concerns **GHG Emissions & Energy**. This year, we engaged with [Watershed](#), an enterprise climate platform, to conduct a carbon footprint analysis.

As a SaaS company, the majority of our operations fall within Scope 3: purchased goods & services, cloud usage, and employees are our biggest emissions drivers. With AWS as our main cloud service provider, we glean energy efficiency benefits from their work. Other partners, providers, and on-premise data centers comprise the bulk of our remaining energy consumption. And while our total emissions have increased over the past three years, it is relatively flat when measured on a per unit of revenue and per headcount basis, which means that as Olo has grown, we have kept our carbon emissions under control.

Using the data gathered as a baseline, we are actively working to understand our carbon footprint and set targets for emissions reductions. Our environmental programming will develop as part of our ESG strategy.

Scope 1: Direct release of greenhouse gasses from sources Olo owns or controls (i.e. Natural gas from HQ).

Scope 2: Emissions from the generation of electricity, steam, heat, or cooling that Olo purchases from companies (i.e. Electricity from HQ).

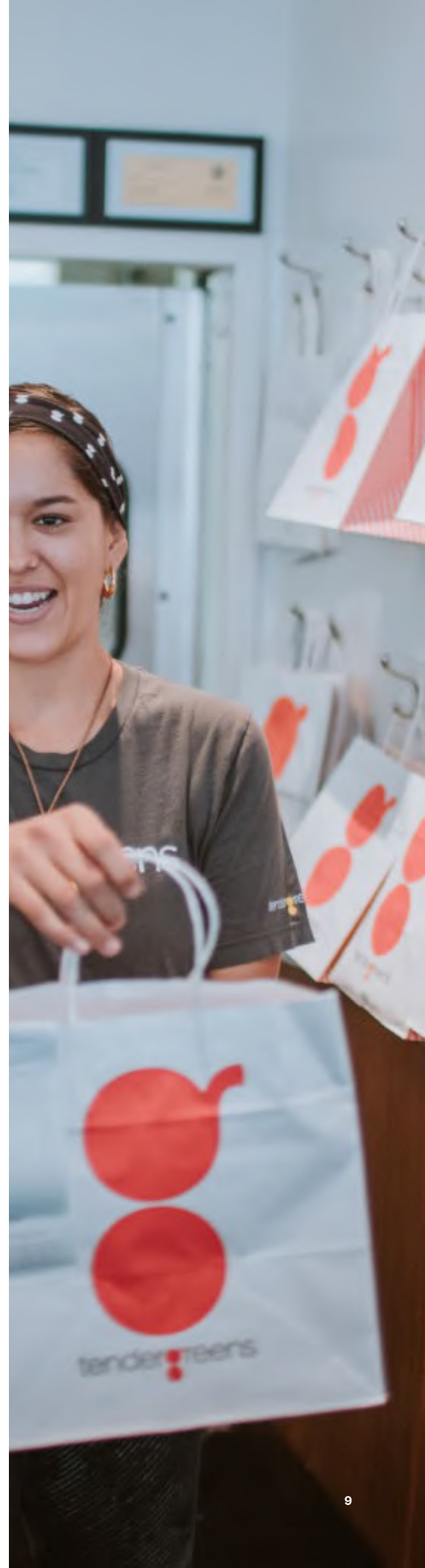
Scope 3: Upstream emissions of products and services Olo purchases, and downstream emissions when customers use/dispose of our products (i.e. Emissions from our partners, consultants, suppliers).

Emissions	2019 Metric Tons CO2e	2020 Metric Tons CO2e	2021 Metric Tons CO2e
Scope 1	17	21	21
Scope 2	101	104	101
Scope 3	2,257	2,214	3,402
3.1 Goods & Services	1,428	1,725	3,030
3.2 Capital Goods	251	36	48
3.3 Fuel & Energy	9.5	11	11
3.4 Transportation & Distribution	3.5	6.3	4.8
3.5 Operations Waste	13	3.1	0.4
3.6 Business Travel	367	164	66
3.7 Employee Home Office & Commute	185	179	242

We are exploring opportunities to lessen the environmental impact in our value chain by way of our platform. Managing both **Food Waste** and consumer packaging waste are critical in the restaurant industry. The touchpoints of our platform can lend themselves to enabling these types of waste reductions. For example, we responded to California regulatory developments on single-use plasticware in 2021 by rolling out an 'opt-out' feature that our brands can choose to offer their guests.



Environmental engagement is a topic that Olo employees know well. Olo Green is our employee resource group that convenes employees with a passion for sustainability and works to increase awareness and engagement at Olo. The group hosted a climate governance roundtable discussion with leaders in our industry and continues to invite guest speakers and host events focused on topics like environmental justice. Olo Green has also developed a water bottle tag to track reusable bottle usage at the company, which has been circulated across our employee base. We will continue to support Olo Green in its endeavors and collaborate to grow Olo's environmental programming.



03.2 COMMUNITY IMPACT

As a technology partner for the restaurant industry, we see ourselves as an advocate for the communities on which it depends: partners, brands, their employees, and guests. Our social responsibility efforts stem from these touchpoints, and we are committed to enhancing our relationships.

We understand the power Olo has to impact restaurants and their guests. Our holistic approach to **Community Engagement** and **Guest Empowerment** reflects the ways in which our influence and product can be leveraged to enable a thriving restaurant industry. As we emerge from the COVID-19 pandemic, this has never been more critical.

[Olo for Good](#) is our company's primary initiative to contribute to the communities in which we live, work, and serve. As a member of [Pledge 1%](#), our company has committed to dedicating 1% of our time, product, and equity to Olo for Good initiatives.

Our annual grant cycle supports values-aligned non-profit organizations who focus on:

- Advancing all aspects of racial, ethnic and gender diversity, equity, and inclusion;
- Providing relief and support for the restaurant industry and its front-line workers;
- Ending childhood hunger and increasing **Food Access**;
- Protecting natural resources and reducing waste and emissions.

In 2022, Olo recommended to its independent donor advised fund (DAF) sponsor, Tides Foundation, nine non-profit organizations to receive a combined total of \$2.1 million.

This latest class of grant recipients not only reflect the pillars of Olo for Good, but their work embodies the intersectionality between social and environmental issues, inside and outside of the restaurant industry:

- [American Forests](#)
- [Appalachian Trail Conservancy](#)
- [Emma's Torch](#)
- [Giving Kitchen](#)
- [Heart of Dinner](#)
- [The LEE Initiative](#)
- [The Okra Project](#)
- [Partnership with Native Americans](#)
- [World Central Kitchen](#)

Since its founding in 2021, Olo for Good's annual grant cycle has awarded \$7 million to fifteen different non-profit organizations.

“ This gift will help protect one of the most biodiverse areas of our country that is enjoyed by millions of people from across the globe each year. We are proud to add Olo to our network of nationally renowned corporate partners.

SANDRA MARRA

President and CEO of the Appalachian Trail Conservancy

Through our DAF, we also provide strategic grants that respond to social justice issues and natural disasters. Recent recipients of these strategic grants include [Equality Texas](#), [Equality Florida](#), and [Razom Ukraine](#). Our philanthropic contributions reflect Olo's broader engagement on social justice topics that are important to our employees, customers, and partners, such as our decision to sign onto the [Human Rights Watch Statement Against Anti-LGBTQ+ Legislation](#).

Volunteerism and social responsibility are instilled in our employee base. Olo's Volunteer Time Off (VTO) Policy encourages Olo employees to contribute up to eight hours of their time per calendar year with eligible organizations of their choosing in their local communities. In 2021, Olo employees spent 101.5 hours volunteering, and so far in 2022, employee volunteer hours have already doubled. We also match employee donations up to \$250 per employee per calendar year. Since 2021, employees have donated to 76 different nonprofit organizations, amounting to more than \$41,000 with our company matching.

With our goal to become the industry's most restaurant-aligned technology partner, we continue to develop product features and strategies to support our social impact aims. We believe our product offerings support brand longevity and customer loyalty goals, enabling restaurants to not only maintain their businesses, but thrive and be resilient in an increasingly digital landscape. For example, our custom fees and open dollar donation enhancement allows brands to give their guests the ability to make philanthropic contributions to organizations of a brand's choosing.

As we continue to scale, our product development increasingly considers **Inclusive & Accessible Design**. The successful adoption of Olo's technology across the restaurant industry depends upon our ability to support the different geographies, languages, and abilities of guests when they interact with our brands. These improvements are essential steps in our mission to provide seamless, efficient digital hospitality.

An additional area of exploration for our growing ESG program is **Responsible Procurement**. We intend to develop guidelines that align our procurement practices and decisions with our ESG priorities.



We adapt our policies, practices, and benefits to foster a motivated and satisfied workforce. This approach is rooted in our company values, which include “Our families come first.”

We are committed to championing diversity, equity, and inclusion for all Olo employees in our workplace environment. Our [DEI program](#) has three main objectives:

1
Diversity

Attracting and hiring underrepresented talent at various levels across our company

2
Equity

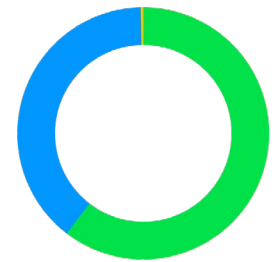
Focusing on the career advancement and upward mobility of underrepresented talent

3
Inclusion

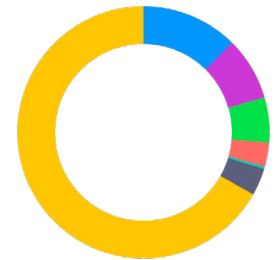
Maintaining a culture where employees feel they belong

We have publicly disclosed our demographic diversity data since 2021 and update this information every six months. Our efforts are directed towards our DEI goals, which include having 42% women and 18% underrepresented ethnicities make up our team by the end of 2024.

Growing the **Diversity** at Olo begins with the talent we attract, and **Equity** encompasses our ability to retain and advance Olo employees of all backgrounds. We participated in the Grace Hopper Celebration and National Society of Black Engineers (NSBE) conferences in 2021 to bolster our efforts to expand and diversify our talent pool. In line with our remote-first work environment, we also utilize targeted job boards such as RemoteWomen and RemotePOC. As we continue to diversify our talent pool, our 2023 DEI strategy will increasingly focus on members of the LGBTQ+ community, people living with disabilities, and veterans.



Men	60.4%
Women	39.4%
Non-Binary / Other	0.2%



White	66.8%
Asian	12.4%
Hispanic or Latinx	8.1%
Black / African American	5.8%
Two or More Races	3.1%
Indigenous*	0.3%
Did not disclose	3.5%

* Indigenous includes employees who voluntarily self identified as Native American, Alaskan Native, Native Hawaiian or Pacific Islander.
 Data is as of December 31st, 2021. These percentages are based on voluntary employee self identification. Percentages may not equal 100% due to rounding and our share of employees who elect not to disclose.

Internal oversight of DEI starts with our People & Culture team. Earlier this year, we welcomed a DEI Director to Team Olo. An additional outlet we have established is our DEI Committee, where nine Olo employees of different identities, ranging in seniority and tenure, serve as a voice for Olo employees and act in an advisory capacity to the People & Culture team.

Our efforts to celebrate diversity at Olo are multi-faceted, and they are central to our **Inclusive Culture**. The complementary nature of these topics is inherent in our employee resource groups (ERGs), whose programming spotlights intersectionality and different employee demographics. We currently support six ERGs: Olo Pride, Olo Women's Network, Oloites of Color, Olo Parents, OloGreen, and Vets@Olo. Over the past year, our ERGs have hosted virtual competitions, volunteer weeks, guest speakers, and more.

¹ Underrepresented ethnicities includes employees who voluntarily self-identified as Black / African American, Hispanic / Latinx, Two or More Races, Native American, Alaskan Native, Native Hawaiian or Pacific Islander.

Ensuring equal and equitable access to opportunities is another important part of our responsibility to Olo employees and our DEI program. We conduct annual calibrations to examine the standardization of team performance assessments and better monitor the advancement and mobility of underrepresented groups.

We continue to build DEI into the **Career Development & Training** opportunities we offer at Olo. During onboarding, all new full-time employees complete live training that introduces them to DEI topics and Olo's initiatives. Additionally, our latest Leading Inclusively series for managers creates a foundational understanding of DEI in two-stage virtual and live formats.

Our efforts are shaped by the feedback we capture from our employees, whose wellbeing and needs are of utmost priority. Among the channels that promote **Employee Engagement**, open, two-way communication at Olo, we conduct an annual engagement survey. In 2021, our annual engagement survey had a 96% participation rate, with results alluding to more investment in leadership development, mentorship, skills development and on-job training, and DEI programs.

Earlier In 2022, in response to our 2021 DEI employee survey, we launched a pilot for our company-wide mentorship program, Olo Ties. Employees who were selected and paired as mentor and mentee will participate in surveys and focus groups to capture feedback and progress. We plan to expand Olo Connect in 2023. We also launched a mid-year review process as a result of the findings from the 2021 DEI survey.

“ ERGs foster a sense of belonging and acceptance and inspire conversation. I started the Olo Women's Network ERG because I wanted to develop a sense of community for anyone who identifies as a female. I also wanted to equip allies to be able to provide support to female employees.

Olo has provided tremendous support through leadership sponsors and financial resources which has elevated the growth of ERGs in the last few years.

PRIYANKA MEHRA

Founder of Olo Women's Network and
Director of Product

Our approach to **Corporate Governance & Ethics** is best summed up through a simple Olo refrain: “Use Good Judgment. Act with Integrity. Be Responsible.” Our employees are expected to adhere to these principles as outlined in our [Code of Conduct and Ethics](#).

Data Privacy & Information Security are foundational to our stakeholder relationships, business model, and reliability as a SaaS provider in the market. Our in-house Information Security team is responsible for review and oversight of Olo’s cybersecurity program. We maintain and comply with a [Security Policy](#) that outlines how Olo protects our systems from unauthorized access and safeguards end user data. Our policy also provides a framework for Olo to address and remedy security breaches.

Further, Olo’s [Privacy Policy](#) discloses the end user personal information we collect and the limited ways we may use this data. We never sell any personal information collected through our services. Finally, Olo is fully compliant with the [Payment Card Industry Data Security Standards \(PCI-DSS\)](#), is certified against the [ISO 27001](#) standards, and complies with all privacy laws applicable to us, including the [Privacy Shield Principles](#), to which we annually certify our compliance.

Olo’s growing ESG program warrants an increase in the scope of our **Risk Oversight & Management** activities. We resourced a dedicated ESG headcount, who is accountable to a cross-functional group of internal senior leaders, reporting in on a monthly basis and to the wider leadership team as necessary.

At the Board level, our Nominating and Corporate Governance Committee formally oversees Olo’s ESG activities, programs, and public disclosures. Topical oversight is also designated, whereby our Audit Committee oversees information technology risk and cybersecurity, and our Compensation Committee oversees Olo’s human capital management activities. The Nominating and Corporate Governance Committee is updated on ESG and DEI activities at their quarterly meetings.



04

**Material
Topics
Definitions**



ENVIRONMENTAL SUSTAINABILITY

Topic	Definition	Topic Boundary
Food Waste	Decreasing food waste in the restaurant industry across touchpoints, from brands to guests.	Product & Services Society & Environment
GHG Emissions & Energy	Reducing energy consumption and overall greenhouse gas emissions across Olo's operations and value chain, encompassing workplaces, data centers, cloud usage, food delivery, and other business activities.	Supply Chain Olo's Operations Product & Services Society & Environment

COMMUNITY IMPACT

Topic	Definition	Topic Boundary
Community Engagement	Understanding and addressing the needs of diverse brands, frontline workers, and nonprofit partners.	Olo's Operations Product & Services Society & Environment
Food Access	Contributing to food access through Olo's platform and partnerships.	Olo's Operations Product & Services Society & Environment
Guest Empowerment	Enabling guests to make informed choices and understand their personal impact on society.	Olo's Operations Product & Services Society & Environment
Inclusive & Accessible Design	Designing an inclusive and accessible platform that eliminates biases.	Olo's Operations Product & Services

PEOPLE & CULTURE

Topic	Definition	Topic Boundary
Career Development & Training	Providing learning opportunities and defined growth pathways for Olo employees, at all levels of the organization.	Olo's Operations
Diversity	Attracting and retaining diverse talent, from potential candidates to internal promotions, across all levels and departments, as well as ensuring consistent and inclusive recruiting practices.	Olo's Operations
Employee Engagement	Promoting open communication and two-way feedback channels between Olo's leadership and employees, to ensure the wellbeing of Olo employees.	Olo's Operations
Inclusive Culture	Ensuring equitable, inclusive experiences, opportunities, and outcomes for Olo employees, regardless of identity or background.	Olo's Operations

RESPONSIBLE & ETHICAL GROWTH

Topic	Definition	Topic Boundary
Corporate Governance & Ethics	Valuing independence and diversity on Olo's Board of Directors and running our business in a way that is consistent with high standards of corporate governance.	Supply Chain Olo's Operations Product & Services Society & Environment
Data Privacy & Information Security	Upholding the right to privacy of Olo's brands and their guests as it relates to the data and personally identifiable information created and transferred through the use of Olo's platform. Ensuring that data is handled in a manner that limits vulnerability to security threats and unauthorized parties.	Supply Chain Olo's Operations Product & Services Society & Environment
Risk Oversight & Management	Building a robust risk assessment and oversight that considers ESG-related factors to unlock innovation, drive long-term value creation, and ensure reliable uptime for Olo's services.	Supply Chain Olo's Operations Society & Environment
Responsible Procurement	Purchasing goods and services from ethical, environmentally sustainable, and diverse vendors.	Supply Chain Olo's Operations

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About This Update



We partnered with [qb. consulting](#), a small women-owned and BIPOC-led consultancy, to develop this update. Information contained in this document is for informational purposes only. It is not intended to be relied on to make any investment decisions, and is neither an offer to sell nor a solicitation of an offer to buy any securities or financial instruments from Olo Inc. (NYSE: OLO). We have prepared the information contained herein solely to provide a general overview of our ESG activities. In addition, the information in this update is summarized and is not a complete description of all of our activities; therefore, we have made qualitative judgments as to certain information to include that could be determined to be inaccurate or incomplete.

This update contains forward-looking statements relating to the manner in which we intend to conduct our activities based on our current plans and expectations. These statements are not promises of our future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control. Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy, or initiative discussed in this update, may differ materially in the future. Information contained in this document reflects the state of ESG at Olo in September 2022 and we undertake no obligation to publicly update any statements in this update.

We actively seek input from our stakeholders to meet their ESG expectations. The material topics described in this document will be revised as we further develop our ESG strategy and annual reporting.

For more information on ESG at Olo, please visit our website at www.olo.com/esg. To provide feedback or ask questions related to our ESG program and initiatives, please contact esg-team@olo.com.



Thank You.

