



2023

Sustainability Report

Message to Stakeholders

Since our first customer walked inside our business 61 years ago, millions of families have gathered at our funeral homes and cemeteries to remember their loved ones with dignity and compassion. Taking care of people is at the heart of our business and we live by our core values of Respect, Integrity, Service Excellence, and Enduring Relationships, which are the foundation in which R.L. Waltrip grew our company. We are a company deeply committed to making a positive social impact through service to our client families and support for our associates and communities.

We aim to provide high standards of service to the 600,000 families we are privileged to serve each year, by providing best in industry support for our associates. We offer competitive wages and industry leading benefit options to our diverse workforce, including robust insurance benefits, a generous 401(k) match, and recently added adoption assistance, fertility coverage, and transgender benefits. To promote a healthy work-life balance, in 2023 we implemented a new policy allowing full-time associates to carry over up to three days of unused vacation time to the following year, which provides our associates with added flexibility.

Our associates remain one of our top priorities and as such, we strive to nurture a culture of growth by providing our associates with opportunities to advance their careers internally. We foster talent from within through tuition reimbursement programs, mentorships, and a robust online training platform offering more than 55,000 courses. In 2023, our associates completed more than 430,000 hours of training in this platform. We also aim to nurture talent among the next generation of funeral professionals through our mortuary science scholarship and apprenticeship programs. Our commitment to innovation, inclusivity, and Service Excellence is reflected in our effort to attract exceptional individuals, provide them with growth opportunities, and enable a fulfilling career path for emerging leaders.

We foster a culture of charitable giving and volunteerism in the communities where we do business. This year, we were honored with the prestigious Houston Business Journal Corporate Philanthropy Award for a Large Corporation from the Association of Fundraising Professionals' Greater Houston Chapter. This recognition underscores our dedication to making a positive impact in the communities we serve through associate volunteerism and over \$5 million in charitable giving in 2023.

We are also proud of the work we accomplished to build upon our current understanding of our environmental impact and to begin to align with the Task Force on Climate-Related Financial Disclosure (TCFD) framework. In 2023, we continued our efforts to measure and understand our utility usage and greenhouse gas emissions, as well as our water usage. We continue to improve our data collection processes to refine our reporting each year.

As a people-oriented business, in 2023 we prioritized our associates, client families, and communities, while maintaining strong corporate governance, and gaining a better understanding of our environmental impact. This report highlights the tangible outcomes of our endeavors, emphasizing our ongoing journey to create lasting value for both our business and the communities we serve.




Thomas L. Ryan
Chairman and CEO

Table of Contents

About this Report

This 2023 Sustainability Report represents our stewardship and environmental, social, and governance (ESG) efforts and demonstrates our commitment as a contributing corporate citizen to have a positive impact on the people, communities, and environment in which we live and work. Included in the report are a range of topics covering environmental and social programs and the governance structure in place to support and oversee our activities. Our stakeholders include our associates, families we serve, communities in which we operate, and investors.

Data used in this report is for the year ending December 31, 2023.

In preparing this report, we utilized the disclosure guidance from the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD) for reporting ESG matters relevant to the Company. We also acknowledge the formation of the Taskforce on Nature-related Financial Disclosures (TNFD) and may follow their guidance for potential future disclosures.

As used herein, all references to “SCI,” “Service Corporation International,” or the “Company” refer to Service Corporation International and all its affiliated companies.

4	SCI Overview
5	Environmental, Social, and Governance (ESG) Program Overview
6	Oversight of ESG
7	Social
8	Associate Engagement Efforts
9	Diversity, Equity, and Inclusion (DEI)
15	Commitment to Our Workplace, Community, and the Families We Serve
16	Community Involvement
20	Client Family Satisfaction
21	Our Social Policies and Practices
23	Governance
24	Policies and Practices
27	Cybersecurity
28	Corporate Governance Highlights
30	Environment
31	Our Sustainability Efforts
34	Supply Chain Management and Responsible Sourcing
35	Cautionary Statement on Forward-Looking Statement
37	Appendix



SCI Overview

SCI is guided by our purpose, core values, and vision to treat each other, our client families, and their loved ones with dignity and respect. Many of us see our work as a calling. We are a team of caregivers with a passion for compassion. Every time a family chooses us, we have the enormous privilege of making a challenging time a little easier, giving them the support they need and celebrating their loved one in the way they choose.

Our Purpose

We are a Company committed to supporting families during tough times and dedicated to celebrating the life and legacy of every loved one with professionalism, compassion, and attention to detail.

Our Core Values

- **Respect**
- **Integrity**
- **Service Excellence**
- **Enduring Relationships**

Our Vision

Celebrating life with dedication, excellence, and innovation.

Our Size

(as of December 31, 2023)

24,922
Associates

1,483
Funeral Service Locations

489
Cemeteries
(of which, 305 are combination locations)

690,893
Funeral, Cremation, and Cemetery Services Performed
(in 2023)

44 STATES
Plus the District of Columbia and Puerto Rico in the U.S.

8 PROVINCES
In Canada



Environmental, Social, and Governance (ESG) Program Overview

This Sustainability Report demonstrates the importance we place on embedding a sustainability mindset into our business and culture, as well as the need for enhanced transparency about our current ESG focus areas and strategy. Both the associates we employ and families we serve guide our purpose and core values, making our Company's social impact our primary ESG focus.

Recent Key Accomplishments



Social

- **New vacation rollover benefits** (page 12)
- **New inclusive leader training** (page 13)
- **Houston Business Journal Philanthropy Award for Large Corporation** (page 16)



Governance

- **Enhanced cybersecurity disclosures** (page 27)
- **Board of Directors field visit** (page 29)



Environment

- **Water consumption** (page 33)
- **Recycling program details** (page 34)



Rose Hills Memorial Park & Mortuaries, Whittier, CA



Oversight of ESG

The oversight and governance of environmental and social matters is the responsibility of the Board of Directors' Nominating and Corporate Governance Committee. Since 2020, the Nominating and Corporate Governance Committee has reviewed matters presented by the ESG Steering Committee and addressed other related risks through committee meetings throughout the year.



Arlington Memorial Park, Sandy Springs, GA

BOARD OF DIRECTORS

The **Nominating and Corporate Governance Committee** has broad oversight of ESG matters, including climate. Other Board committees are delegated oversight of certain ESG issues. For example, the Audit Committee oversees cybersecurity risks.

CEO AND SENIOR EXECUTIVE OFFICERS

ESG STEERING COMMITTEE

Formed in 2020, this committee of SCI associates includes management representatives from investor relations; corporate communications; legal; health, safety, and environmental compliance services; human resources; financial reporting; supply chain management; and the executive leadership team.

Its purpose is to support the Company's ongoing commitment to managing human capital, the health and safety of our associates and client families, corporate social responsibility to our communities, corporate governance, sustainability, environmental impacts including climate related matters, and other public policy matters relevant to SCI. The committee's focus is to measure what matters for the Company and to drive value for all our stakeholders.

DIVERSITY, EQUITY, AND INCLUSION (DEI) COMMITTEE

Formed in 2017, this committee of SCI associates includes management representatives from corporate communications, legal, human resources, sales, and operations.

This committee oversees the development of diversity, equity, and inclusion (DEI) programs at SCI, including the creation of a mentoring program and Associate Resource Communities or ARCs. Since the committee was established, seven ARCs have been formed. See [page 10](#) for more details.

See [page 9](#) to learn more about our DEI efforts.





Social

Our associates are the key to our Company's success - both today and into the future. It is their compassion, positive outlook, and enthusiasm that drive our high level of care for families and propel our Company's continued success. We aim to be the best, brightest, and most experienced in our profession. We strive for a workplace where ideas are welcomed, efforts are recognized, suggestions are put into practice, and innovative programs are deployed.

At SCI, we also believe in supporting causes that enhance and promote the well-being of the communities where we operate. Through strategic partnerships with various organizations, we make a difference in the communities where our associates and client families live and work.



Associate Engagement Efforts

Great Place to Work

Since 2017, we have been certified by Great Place to Work®, the global authority on high-trust, high-performance workplace cultures. We constantly focus on improving associate satisfaction and developing innovative programs.

Each year, a survey of all our associates provides insight on our culture, the way we care for each other, and our sense of camaraderie. We outscore many of the top surveyed companies in the area of pride in the work we do. Between 2019 and 2021, we were also named one of Fortune's Best Places to Work in our industry classification.

91%

of associates say they are treated fairly regardless of their race.

90%

of associates feel a sense of pride at what we accomplish.

89%

of associates say they are made to feel welcome when they join the Company.

89%

of associates feel their work has special meaning and this is not "just a job."



Company Average Turnover

With approximately 25,000 associates, about 18,000 are full time and 7,000 are part time. Due to the seasonality of our business, we appreciate the flexibility of our part-time associates.

Within our workforce, our sales team of approximately 3,800 professionals has higher attrition than other roles due to the highly competitive nature of sales positions.

2022



2023



■ Voluntary
■ Involuntary
■ Total Company turnover



Employee Assistance Program (EAP)

We are dedicated to supporting our associates' mental health and offer an employee assistance program (EAP) to all associates. Our EAP offers free and confidential masters-level counseling services for associates and their families.

With resilience tools, educational resources, and referral services, the EAP offers support and guidance for a variety of personal concerns.

Diversity, Equity, and Inclusion (DEI)

We believe in the power of inclusion and respect all our fellow associates' work, ideas, beliefs, and lifestyles.

Our leadership team is committed to advancing diversity, equity, and inclusion (DEI) within the workplace (in compliance with the Company's policies and federal, state, and local law), and embracing the many backgrounds and perspectives that make each of us unique. In 2017, we established the Diversity, Equity and Inclusion Committee to develop and execute a vision for incorporating DEI into our business strategy. In 2021, we took our commitment a step further and added a senior management position to oversee the Company's DEI strategy. This role is critical in supporting an inclusive culture at SCI, which helps foster better business outcomes and opportunities for our associates.

At SCI, diversity is about each of us and the variety of unique experiences, qualities, and characteristics we all possess. Equity acknowledges the unique needs of each associate, and ensures everyone is fully supported, offered opportunities to succeed, and grow within SCI. Inclusion is about all of us. It is about raising our awareness of others' perspectives, and being open to different ideas and points of view to help us all feel more connected and valued.

Throughout our DEI journey, we have implemented a variety of policies, and programs designed to foster a culture of inclusion, and belonging, including:

ASSOCIATE RESOURCE COMMUNITIES (ARCS) (page 10)

DAY OFF FOR A DONATION PROGRAM (page 11)

CEO ACTION FOR DIVERSITY & INCLUSION™ (page 11)

MILITARY PAID LEAVE PROGRAM (page 12)

TRANSGENDER BENEFITS (page 12)

FERTILITY BENEFITS (page 12)

ADOPTION ASSISTANCE PROGRAM (page 12)

VACATION ROLLOVER BENEFIT (page 12)

INCLUSIVE LEADER TRAINING (page_13)



SALUTE accepted Career Gear Houston's 2023 Corporate Hero Award in recognition of the Company's commitment to veterans.



Members of the UNITE ARC celebrated Pride Month at the Houston Pride Parade.



SOAR members celebrated the New Year with a vision board party.

Associate Resource Communities (ARCs)

Our Associate Resource Communities (ARCs) are voluntary, collaborative groups that provide a space for associates with similar interests to connect, learn, and engage in the business. ARCs support our diversity, equity, and inclusion (DEI) focus, inspire meaningful change within our Company and the communities we serve, and support our business outcomes. Each ARC is open to all associates and we encourage all associates to join an ARC that is of interest to them.



SALUTE aims to inspire, empower, support, and educate veterans, their families, and veteran advocates through a team dedicated to veteran wellness and support in the workplace.



UNITE advocates for our LGBTQ+ associates and believes that associates who are comfortable bringing their whole selves to work can inspire meaningful change within the Company and help leverage diverse perspectives and backgrounds.



EMBRACE focuses on nurturing a culture that promotes the participation of Black/African Americans as a part of our Company, community, and customer footprint.



ADELANTE champions the needs and interests of Hispanic associates, customers, and communities through broadened awareness and appreciation of the rich histories, cultures, and traditions that comprise a collective Hispanic heritage.



SOAR cultivates an inclusive environment that supports, empowers, and encourages women.



HOPE educates and advocates for the emotional well-being of our associates and their families and provides helpful information to associates who serve grieving families.



FaithRISE serves our associates and communities by embodying our Company's core values through interfaith encouragement, spiritual support, assistance, and resources with empathy, compassion, and inclusive fellowship.



Members of ADELANTE celebrated National Hispanic Heritage Month.



EMBRACE members attended the Houston Livestock Show and Rodeo Black Heritage Scholarship Gala.



FaithRISE members collect donations for a back to school supply drive.



Members of HOPE participated in the American Foundation for Suicide Prevention Out of the Darkness Walk.

Associate Resource Community (ARC) Charitable Giving

In support of our associates and the causes they care about most, each Associate Resource Community (ARC) is allocated \$50,000 annually through the SCI Foundation, the Company's nonprofit charitable giving arm, to support nonprofit organizations that align with the ARCs' missions and passion points.

In 2023, the ARCs contributed a cumulative \$315,000 to 40 nonprofit organizations, including the National Infantry Museum; Girls on the Run of Northwest Indiana; The Trevor Project; Casa de Esperanza; the Houston Independent School District Foundation; the Boys and Girls Club of Greater Houston Foundation; Speroway Canada; and select local chapters of the National Alliance on Mental Illness (NAMI) in Oregon, South Carolina, and Louisiana. Our ARC Charitable Giving program gives associates a voice in how our Company supports programs focused on health and human services; education and youth; veterans; community development; human and civil rights; and grief support.

“

We believe in both giving back to our communities and supporting causes that align with our associates' passions and our business strategy.

Eric Tanzberger

Senior Vice President,
Chief Financial Officer

CEO ACTION FOR DIVERSITY & INCLUSION

Recognizing that change starts at the executive level Chairman and CEO Tom Ryan has been a member since 2017 of the CEO Action for Diversity & Inclusion™, the largest CEO-driven business commitment to advancing diversity, equity, and inclusion (DEI) in the workplace.

DAY OFF FOR A DONATION PROGRAM

To further support the causes our associates care most about, we launched a Day Off for a Donation program in 2022. Through this program, U.S. and Canada full-time associates can earn 8 hours of paid time off with a contribution to a nonprofit organization selected by the ARCs or the SCI Foundation, the Company's nonprofit charitable giving arm. In 2023, over 1,500 associates contributed over \$189,000 to nonprofits through this program.



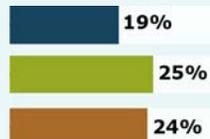
Our Diverse Workforce

ETHNIC DIVERSITY*

White



Hispanic/Latino



Black/African American



Asian



Other Ethnicities



Management Non-Management Total

GENDER DIVERSITY*

Male



Female



Management Non-Management Total

MILITARY PAID LEAVE PROGRAM

To support members of the U.S. Armed Forces, we offer a military leave policy. Eligible associates receive up to 15 days of paid time off annually to attend required military training.

VACATION ROLLOVER BENEFIT

We value our associates well-being and strive to help them achieve greater work-life balance. Given the unpredictable nature of our profession, we are proud to offer our associates more flexibility when it comes to their vacation time. Beginning in 2023, full-time associates may carry over up to three days of unused paid vacation time to the following calendar year.

EXPANDED HEALTHCARE COVERAGE PROVIDES INCLUSION

Our healthcare coverage options meet the needs of our diverse workforce.

Adoption Assistance Program

Our Adoption Assistance Program helps associates who want to add a child to their family through adoption. Eligible associates may receive up to \$10,000 per child to defray expenses associated with adoption.

Fertility Benefits

We provide coverage for certain benefits for treatments such as in vitro fertilization (IVF), drug therapy, and artificial insemination, which can help put fertility procedures within reach and help our associates build the family they always wanted.

Transgender Benefits

Our benefits include an option to cover medical treatments for associates who identify as transgender. This coverage symbolizes recognition and acceptance for individuals in transition. It is an affirmation that we see and support associates for who they are, and that they can feel secure in bringing their authentic selves to work.

*May not equal 100% due to rounding



Talent Development

Supporting the professional goals of our associates is a priority at SCI.

Helping our associates achieve their career aspirations is important to us. Many of our associates, including several of our corporate officers, started in entry-level positions and now hold leadership roles. We strive to ensure that all our associates are given an equal opportunity to grow and develop in their careers.

Due to our size and scale, associates have access to countless training courses, including online, virtual, and live classroom sessions. In addition to our robust online training portal, Dignity University®, associates may participate in mentoring programs and take advantage of tuition reimbursement and discounts through our university partnerships. SCI also proudly offers scholarship and paid apprenticeship programs to those interested in joining our profession.

We take special interest to help associates grow in their roles and provide clear career paths to help them achieve their career goals.



DIGNITY UNIVERSITY

To provide the best service, our associates need the best tools. Dignity University, our robust training platform offers over 55,000 courses to enhance associates' knowledge and skills. These include online instruction, in-person classroom training, and virtual instructor-led courses to provide diverse learning opportunities. The user-friendly application offers personalized coursework, trending topic recommendations, and mandatory job-related training on topics such as workplace safety, ethics, and discrimination and harassment prevention.

To continue to help associates achieve their full potential, we also offer two schools through Dignity University: The School of Business and The School of Operations.

The School of Business provides tools and resources in three areas: leadership and management; business and financial acumen; and ethics and regulatory compliance.

The School of Operations includes a variety of training programs that enhance the technical and operations-related skills associates need to continue to deliver Service Excellence. This school focuses on three key learning tracks including Funeral, Cemetery, and Administration.

LEADERSHIP TRAINING

Our required management skills training course, Leading With Dignity, teaches leaders how to work with different communication styles; establish a positive and inclusive work environment; deliver effective and actionable feedback; and execute best practices for recruiting and retaining talent.

In 2023, 66% of management positions and 20% of non-management positions were filled by internal candidates. Overall, 24% of all job openings were filled with an internal candidate.

INCLUSIVE LEADER TRAINING

Having an inclusive environment is important to our Company's success because it will enable us to foster a more collaborative culture and enhance the service we provide to the families we serve. That is why, in 2023 we introduced Inclusive Leader Training in Dignity University and added Inclusive Leadership as a competency in our annual performance appraisals for all leaders with direct reports. Over 3,000 leaders completed Inclusive Leader Training in 2023.



SCI SCHOLARSHIP PROGRAM AND APPRENTICESHIP PROGRAM

We established the SCI Scholarship Program to promote excellence in funeral service by recognizing and supporting mortuary students with exceptional leadership potential, and investing in the future of our profession. In 2023, we awarded \$96,500 to 25 scholarship recipients. Read more about our scholarship program and how to apply [here](#).

Associates also have the opportunity to take advantage of our paid Apprenticeship Program that provides the practical experience necessary to obtain a professional funeral director/embalmer license.

DAY IN THE LIFE PROGRAM

New associates in our corporate offices have the opportunity to participate in our Day in the Life program, by spending time with our colleagues at our funeral homes, personal care centers, and cemeteries. Participants have the chance to experience what a typical workday entails for our teams that interact with families we serve. This program illustrates the delicate balance of exhibiting care and compassion while also meeting the business objectives of our Company.

MENTORSHIP PROGRAM

We offer year-long mentorship programs that provide participants an opportunity to grow their skills through well-matched, one-on-one partnerships. Mentors offer a broad vision and perspective to mentees around specific business and developmental activities. The program has positively impacted many associates over the years, and continues to expand.

TUITION REIMBURSEMENT

To help our associates reach their career goals, we offer a tuition reimbursement program, which allows associates to improve their job skills and technical knowledge. Associates who wish to further their education may receive up to \$5,250 annually. In 2023, 112 associates received over \$407,000 in tuition reimbursement, a 60 percent increase from 2022.

In addition, we have established several university partnerships that enable associates to earn a bachelor's or master's degree at discounted tuition rates.

TRAINING BY THE NUMBERS



SCI leaders completed more than **26,000 HOURS** of leadership development training in 2023.



SCI associates spent more than **230,000 HOURS** completing training dedicated to health and safety; privacy and cybersecurity; and ethics.



In total, SCI associates spent more than **430,000 HOURS** completing Dignity University® online courses in 2023.

Commitment to Our Workplace, Community, and the Families We Serve

Ensuring a Safe & Ethical Workplace

We are committed to ensuring a safe workplace for all our associates, and conducting every aspect of our business with the highest ethical standards. We strive to maintain a culture where that commitment is an integral part of our business practices, and continually reinforced through our communications and training.

Code of Conduct & Ethics Training

Our **Code of Conduct** provides the foundation of who we are as an organization, and helps define what families, vendors, and colleagues can expect every time they interact with us. It considers our spirit of inclusion and enables us to leverage our diverse perspectives to make ethical business decisions that align with our core values. All associates are required to complete “This Is Who We Are: Code of Conduct” training in Dignity University® annually. This video-based training module addresses the importance of ethics in all interactions and business conduct related to our profession.

Health & Safety

Our Health, Safety, and Environmental (HSE) Compliance Services Department’s mission is to provide efficient and effective compliance, and review services in support of our safety mission, policies, and procedures. This department works with our funeral homes, personal care centers, crematories, and cemeteries to comply with health, fire, and environmental safety standards, providing a safe workplace for our associates. They also ensure we remain an ethical steward of regulatory compliance by promoting a culture of shared accountability.

Our Compliance Services team assists with OSHA inspections, reviews matters related to the Americans with Disabilities Act, and provides assistance and guidance on corrective matters. We provide many training resources and mandatory online courses for associates on topics including office safety, fire safety and prevention, and forklift safety awareness.



Associate Disaster Relief Program

Since 2012, we have provided approximately \$1.8 million in tax-free grants to associates impacted by federally-declared natural disasters, such as hurricanes, earthquakes, wildfires, and tornadoes. We also provide displaced associates with a per diem to cover unexpected costs, including hotel stays, food, clothing, and other personal items. Further exemplifying our culture, SCI associates often come together to clean up and support each other and their communities after natural disasters, as seen in the picture above.



Community Involvement

At SCI, our wide range of community programs is deeply rooted in our commitment to provide comfort during difficult times. We believe in giving back and are committed to supporting causes that enhance and promote the well-being of the communities where we do business.

Fostering a culture of giving and volunteerism

Everything we do is in support of people – our associates, the families we serve, and the people who live in the communities where we operate. One of the many ways we are uniquely positioned to fulfill that commitment is through the SCI Foundation, our Company’s nonprofit charitable giving arm.

In 2020, we established a charitable giving strategy that aligns with our core values and business strategy, and with the causes our associates care about the most. As part of the new strategy, giving through the SCI Foundation is guided by three mission statements that support our signature causes:

Honoring Those Who Serve

We are dedicated to supporting and honoring U.S. veterans.

Comforting Those Who Grieve

We are determined to ensure no one grieves alone.

Celebrating the Significance of Life

We are committed to raising awareness of the lifesaving gifts of organ, eye, and tissue donation.



Corporate Philanthropy Award

In 2023, we were honored to be recognized for our service to the community by the Association of Fundraising Professionals Greater Houston Chapter, who awarded SCI with a Corporate Philanthropy Award for the Large Corporation category.

CHARITABLE GIVING AT A GLANCE



OVER \$5.0 MILLION

SERVICE CORPORATION INTERNATIONAL'S 2023 CHARITABLE GIVING TO 501(c)(3) NONPROFIT ORGANIZATIONS

\$1,264,507

SIGNATURE CAUSES

Grief Support \$600,318

Veterans \$344,589

Organ & Tissue Donation \$319,600

\$1,108,870

CONTRIBUTIONS TO

LOCAL 501(c)(3)

NONPROFITS IN

COMMUNITIES WHERE

WE OPERATE

\$935,945

ASSOCIATE CONTRIBUTIONS

\$174,000

BOARD SERVICE GRANTS

\$746,449

COMPANY MATCH PROGRAMS

\$475,000

FUNERAL AND

CEMETERY PROFESSION

DEVELOPMENT

\$315,044

ASSOCIATE RESOURCE

COMMUNITY (ARC)

CHARITABLE GIVING

We have developed multi-year partnerships with nonprofit organizations whose programming aligns with our missions, including the Tragedy Assistance Program for Survivors (TAPS), the National Alliance for Children’s Grief, and Donate Life America. We also support the United Ways of Greater Houston and Southeast Louisiana.



Honoring those who serve is one of our Company’s steadfast missions. TAPS provides comfort, care, and resources to all those grieving a military or veteran loss. Their programming includes educational seminars, grief camps for children and teens, grief support groups, peer mentorships, and more. Through our partnership with TAPS, we can support individuals who have experienced a military or veteran loss, and the veteran community.



Comforting those who grieve is a shared purpose of SCI and the National Alliance for Children’s Grief, which provides resources and education for professional and family caregivers that support grieving children and teens. Their extensive network of member organizations provides opportunities for our funeral homes to better support the families we serve.



Through our partnership with Donate Life America, we provide Service Excellence to families of organ, eye, and tissue donors, as well as resources to support them through the grieving process. We are also able to build Enduring Relationships with the community and make a direct impact by advocating for individuals to **register** as an organ, eye, and tissue donor.



At our home offices in Houston and New Orleans, we are long-time supporters and champions of the United Ways of Greater Houston and Southeast Louisiana. We believe supporting United Way is the best way to reach numerous organizations dedicated to strengthening the local community. Through associate donations and the Company’s dollar-for-dollar match, we were proud to contribute over \$1 million for the ninth year in a row in 2023.



In addition to the organizations listed on the previous page, SCI supports and encourages associates to help the communities we serve through volunteerism and our national and local programs, including:

Dignity Memorial® Homeless Veterans Burial Program

Through the Dignity Memorial Homeless Veterans Burial Program, we offer dignified funeral services with military honors to homeless or indigent veterans. We are proud to partner with the U.S. Department of Veterans Affairs and other veterans' organizations to ensure the service members who served our country are not forgotten.

Dignity Memorial Public Servants Program

The Dignity Memorial Public Servants Program recognizes the courage and selflessness of first responders who serve our communities. This program offers dignified and honorable tributes at no cost, including funeral services and cemetery property, for career and volunteer law enforcement officers, firefighters, and emergency services personnel who fall in the line of duty.



Assistance with Veterans Benefits

Every veteran is entitled to receive certain Veteran's Affairs benefits, but these do not come automatically. Whether veterans and their families are planning in advance or have an immediate need, our knowledgeable advisers can help them understand and maximize the benefits they are entitled to receive. Our Dignity Memorial brand is also the preferred provider of funeral and cremation services for members of the Veterans of Foreign Wars and certain American Legion State Departments.

Dignity Memorial Guidance Series®

To help people understand the grief that accompanies a loss, we offer the Dignity Memorial Guidance Series featuring the insights of renowned grief experts. This extensive collection of booklets and brochures offers professional advice and compassionate guidance to help those dealing with the complex emotions of grief.



Continuing Education for Professional Caregivers

We are committed to educating professional caregivers about the funeral profession, so together we can effectively support families of all cultures and religions and provide a continuum of care for the individuals we serve. In partnership with the Hospice Foundation of America, participating locations offer free funeral education courses to professional caregivers for continuing education credit.

In Times of Tragedy

When our communities hurt the most, we are there to help. In the aftermath of national tragedies, including natural disasters and mass shootings, our teams work closely with local and state authorities to provide resources, equipment, and volunteers.

We may provide free or deeply discounted services to families affected by these tragedies in an effort to alleviate the financial burden of an unexpected funeral. We also know that grief is ongoing, and we help our communities commemorate, honor, and remember the lives lost on the anniversaries of tragedies.



Dignity Memorial LIFT®

The Dignity Memorial LIFT program, offered in select areas, helps surviving spouses adjust to the loss of a spouse or partner. Activities such as luncheons, sporting events, holiday activities, day trips, and educational seminars provide opportunities for attendees to socialize with others who share similar feelings and experiences. There are no fees or dues to participate. Members are only responsible for their personal expenses, and participation is not restricted to those served by Dignity Memorial providers.

Compassion Helpline®

We are committed to supporting the families we serve before, during, and after the service. As such, we offer the 24-hour Compassion Helpline, which provides free confidential phone access to professionals trained in grief counseling.



Client Family Satisfaction

As caregivers in the funeral and cemetery profession, we know that even the smallest act of kindness can make an enormous difference. We show compassion to our client families every day, and their satisfaction is of utmost importance to us.

To emphasize the importance of customer satisfaction, in 2020 the Compensation Committee of the Board of Directors introduced an ESG metric into the annual performance-based incentive compensation plan (ICP) for the Executive Leadership Team. This non-financial performance measure is tied to online customer satisfaction ratings, specifically Google stars, and aligns the compensation of our leadership team with how we serve families. In 2021, the Compensation Committee increased the threshold of the modifier further, up to 4.25 from 4.0 on a five-star scale, signifying the importance of satisfied client families.

In addition, compensation for our location leaders, funeral directors, and family service counselors is also tied to customer quality and care. We believe this modifier encourages industry-leading Service Excellence and connects our compensation program to our social values.



“

Service Excellence to our families is at the core of what we do. It's about listening to our families' needs, getting every detail right, and integrating customer experience in the fabric of our Company values. Serving families is our passion, our commitment, and our expertise.

Jamie Pierce

Vice President,
Chief Marketing Officer



Our Social Policies and Practices

Equal Employment

Discrimination based on race, color, national or social origin, religion, language, ethnicity, age, gender, sex, sexual orientation, gender identification, veteran's status, political or other opinions, disability, or any other legally protected status is strictly prohibited against any associate, applicant, customer, or any other person. This includes all employment decisions, such as recruitment, hiring, promotions, layoffs or terminations, rates of pay, and associate benefits.

By providing fair employment for all associates, we believe we are making hiring, promotion, and compensation decisions that support diversity, equity, and inclusion, and fostering an inclusive culture that helps us leverage the diversity of backgrounds, experiences, thoughts, and perspectives among our team of associates. It also enables us to make better business decisions and remain relevant with our customers.

Equal Pay for Equal Work

We use benchmark data, where available, to establish competitive pay ranges, and through our annual performance and merit planning process, we review our associates' compensation to aim to provide equal pay for equal work and performance, regardless of gender, race, or any other legally protected status. We believe in reviewing our practices to promote fairness.



Our policies and practices are guided by our purpose, core values, and vision. We aim to treat our colleagues, business partners, client families, and their loved ones with Respect and Service Excellence.

Discrimination and Harassment

Any type of discrimination, harassment, or other unwelcome conduct is not tolerated. Examples include: (i) epithets, slurs, derogatory jokes, unwanted sexual advances, negative stereotyping, or intimidating acts; and (ii) written or graphic material circulated or posted within the workplace that shows hostility or degradation.

Sexual harassment directed at another on the basis of sex/gender is also not tolerated. Examples include: (i) quid pro quo, which requires an associate to submit to sexual conduct in exchange for continued employment, promotions, or other job benefits, and (ii) hostile workplace harassment, in which the conduct interferes with an associate's work performance or creates an intimidating, hostile, or offensive work environment.

To maintain a culture that values Respect and Integrity, we require all associates to complete a harassment prevention training course annually. Read more about our anti-discrimination policy in our **Code of Conduct**.

Job Posting Policy

We take special interest in providing associates with clear career paths to help them achieve their professional goals. We encourage associates to learn about and pursue opportunities within SCI that may be of interest to them. To facilitate internal movement and professional job growth, associates may view internal opportunities, set up job alerts, and engage in a simplified application process. In 2023, 24% of job openings were filled with an internal candidate. More specifically, 66% of management positions and 20% of non-management positions were filled by internal candidates.



Ethics Link

We created Ethics Link to help associates navigate the gray areas, giving associates guidance regarding what is appropriate and consistent with our ethics policy and our commitment to ethical business practices. Associates can email their inquiries to **EthicsLink@sci-us.com**, and they will receive a prompt written response from the Assistant Vice President of Ethics & Business Conduct.



CareLine

Open two-way communication is of utmost importance. We encourage associates to come forward and discuss any concerns they have related to the workplace, including discrimination or harassment, with their manager. Associates also have the option to contact our CareLine anonymously to voice concerns. This resource is operated by an independent third-party firm that does not trace or record calls, and issues are investigated promptly.



Memorial Park Cemetery, Oklahoma City, OK

Governance

Our commitment to sustainable corporate governance policies and practices enables us to deliver long-term value to our diverse stakeholders and deliver on our core values of Respect, Integrity, Service Excellence, and Enduring Relationships. Strong governance practices support our knowledge of, and ability to respond to, the various needs of our stakeholders.



Policies and Practices

Human Rights

Respect for all individuals is a core value at SCI, which is why we incorporate human rights issues into our business standards. Ensuring that human rights are recognized and upheld is important to our associates, shareholders, customers, and the communities we serve.

Our Commitment

We are committed to ensuring human rights are respected at SCI and will not tolerate human rights violations across our Company. We will not intentionally do work that supports or enables human rights violations. We strive to comply with all human rights laws and do not tolerate physical violence, threats, bullying, or verbal abuse of any kind.

We are also dedicated to addressing any adverse human rights issues we are aware of that impact our supply chain. We require our suppliers, business partners, and other relevant stakeholders across our value chain to comply with our **Supplier Code of Conduct**.



“

SCI's core values include Respect and Integrity, which is why upholding human rights throughout our organization is an important part of our governance program.

Lori Spilde

Senior Vice President,
General Counsel

Human Rights Guiding Principles

We require our associates to adhere to the principles outlined below and expect the same from our suppliers and business partners.

We communicate these principles and expectations to associates, suppliers, business partners, and other stakeholders through disclosures and engagement on our internal and external websites.

We also provide several ways for associates, suppliers, and other stakeholders to raise concerns or complaints. This includes the reporting of potential misconduct to managers, Human Resources professionals, the Legal Department, the Ethics & Compliance team, and our confidential CareLine.

Minimum Age for Employment

We prohibit the employment of anyone under the legal working age as defined by local law. We do not tolerate the use of child labor.

Forced Labor

We do not tolerate the use of forced or involuntary labor, including trafficking, prison labor, indentured labor, bonded labor, and any other forms of modern slavery.

Abuse and Harassment

We prohibit the use of corporal punishment or other forms of physical or sexual harassment or abuse.

Discrimination

We prohibit discrimination on the basis of race, color, national or social origin, religion, language, ethnicity, age, gender, sex, sexual orientation, gender identification, veteran's status, political or other opinions, disability, or any other legally protected status.

Work Hours, Work Week, and Payment of Wages

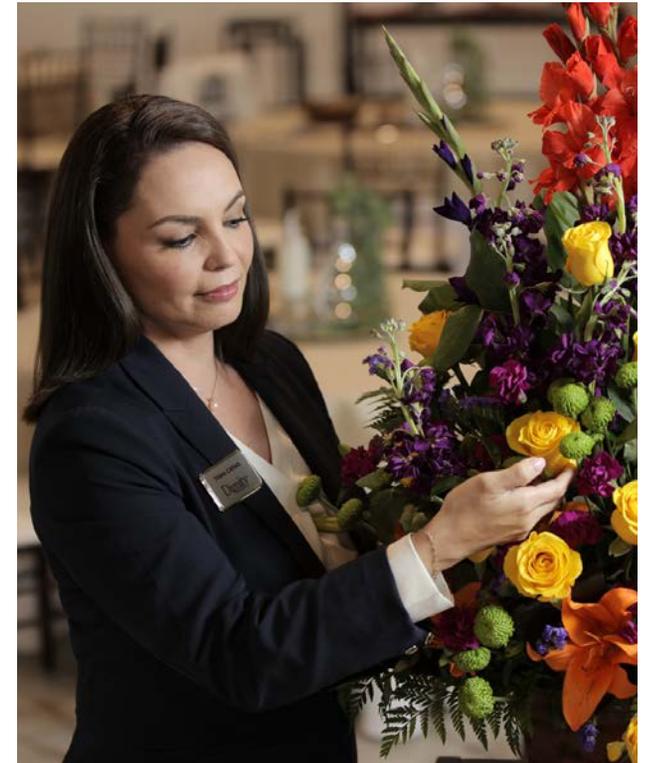
We provide fair and equitable wages and other employment conditions in accordance with applicable local laws.

Health and Safety

We require working conditions to comply with all applicable laws regarding worker health and safety.

Bribery

We prohibit improper payments in the conduct of our business and expect full compliance with all applicable anti-corruption laws.



Code of Conduct and Ethics

Integrity is one of our core values and we maintain policies to conduct our business with the highest ethical standards. Our Code of Conduct applies to all of our associates and is the foundation of who we are as an organization.

Our Code of Conduct reflects our spirit of inclusion and commitment to Integrity and Respect. We strive to maintain a culture where that commitment is an integral part of our business practices and is continually reinforced through our communications and training.

We are guided by our purpose, core values, and vision every day to treat our colleagues, vendors, client families, and their loved ones with Respect and Service Excellence. We embody this spirit by complying with the Code, as well as all related policies, laws, and regulations.

Learn more by reading our **Code of Conduct**



We encourage you to read more in our Code of Conduct and learn about our practices and policies covering:

- General rules of conduct
- Discrimination and harassment
- Safe workplace
- Drugs and alcohol
- Company and customer property, information, and records
- Fraudulent financial activity
- Antitrust/anti-competition policy
- Conflicts of interest and business gifts
- Accurate reporting of time, training, and other information
- Accounting and disclosure practices
- Reports and filings with government agencies
- Government investigations and information requests
- Copyright policy
- Compliance with international trade laws and regulations
- Compliance with anti-bribery laws
- Securities trading and investment policy (U.S. only)
- Political contributions in the U.S.
- Records retention and litigation holds
- Intellectual property
- Respect for the deceased
- Guidelines for camera, audio, video, and recording devices
- Romantic or intimate relationships
- Personal and family relationships
- Social media policy



WHISTLEBLOWER POLICY & INFORMATION

In line with our core value of Integrity, our whistleblower policy protects reporting individuals from discharge, demotion, suspension, threats, harassment, or any other discrimination. Any complaint or concern, either written or verbally communicated, is shared with management and escalated to the Audit Committee or the Board of Directors as warranted. See **page 22** for more information about certain available options for communication, such as the CareLine and Ethics Link.

Cybersecurity

A dynamic cybersecurity risk management strategy enables us to respond to new threats in a fast-changing digital world.



GOVERNANCE

The Board of Directors recognizes the threats presented by cybersecurity incidents and is committed to the prevention, timely detection, and mitigation of the effects of any such incidents. The Audit Committee is the primary committee responsible for overseeing the company's cybersecurity risks with the Board receiving updates on at least an annual basis.

Management assumes executive responsibility for identifying and managing cybersecurity risks. The Assistant Vice President, Information Technology Security (AVP, IT Security) is responsible for briefing the Audit Committee on information security risks and topics such as new cybersecurity threats, incidents, and risk management solutions. The AVP, IT Security also presents quarterly briefings to the Cybersecurity and Data Governance Executive Steering Committee, which is made up of members from the senior leadership team that oversee our cybersecurity and data privacy policies, programs, and projects.

In the event of a cybersecurity incident, the AVP, IT Security is supported by the cybersecurity incident response team and the crisis response team, and further guided by the Cybersecurity Incident Response Plan. **In 2023, we did not experience a cybersecurity incident or data breach that had a material impact on our operations or financial standing.**



RISK MANAGEMENT AND STRATEGY

We have invested in building a cybersecurity infrastructure to protect our information systems and secure our data from cyberattacks. Our information security program features risk management strategies; security awareness training; security operations; incident response; security governance; third-party risk management; IT security risk management; security architecture; and vulnerability management.

As part of our broader enterprise risk management system, cybersecurity risk is strategically reviewed, monitored, and managed alongside other enterprise risks on a regular basis.

Our information security program is regularly assessed using the NIST Cybersecurity Framework. Our Company maintains cyber liability insurance coverage, and information security training is provided to our employees.



THIRD-PARTY RISK

Risk assessments are conducted when we onboard new services and new vendors, including third-party vendors, applications, and other technology services, when there are significant changes to IT or security architecture, and when systems handle sensitive data.

Third-party risks are documented as part of a risk management process that follows an industry standard framework with a goal of remediation or mitigation.

Corporate Governance Highlights



3
new directors

have been added since 2018, which has decreased our board's tenure by 7 years.



30%
are women

in the current board membership.



80%
are independent directors.



30%

of the current board membership self-identify as a member of an **underrepresented** group.



75%

of our **committee leaders** are **ethnically diverse.**



90%
of directors are non-management.



40% of our **Corporate Officers** are women.



Forest Lawn Funeral Home & Memorial Park, Burnaby, BC

Board of Directors Field Visit

In 2023, SCI's Board of Directors visited a premiere facility in Texas to experience the Company's culture and operations firsthand.

In 2023, our Board of Directors visited our funeral home and cemetery combination location, Funeraria del Angel Palm Valley, in South Texas. During the visit, Board members toured the location and learned about the families we serve in our Hispana market. Our associates, representing a variety of roles, also shared impactful stories with our Board members, showcasing their passion and commitment to Service Excellence.





Environment

SCI believes in the responsible use of natural resources to reduce adverse impacts on the communities in which we live and operate. We continue to look for opportunities to improve our end-to-end supply chain processes and reduce our environmental impact.



Our Sustainability Efforts

We recognize the importance of environmental matters and are working to align with the Sustainability Accounting Standards Board (SASB) and the Task Force On Climate-Related Financial Disclosure (TCFD) framework for guidance on building our disclosures over time.

As North America’s leading provider of funeral, cremation, and cemetery services, we are making efforts to understand our impact and approach to environmental matters. To support our sustainability journey, we have piloted initiatives that begin to measure factors that impact the environment including carbon emission outputs and energy consumption metrics. Our commitment to environmental stewardship continues to include assessing our water usage, exploring environmentally innovative technology, recycling of waste materials, providing eco-friendly alternatives for families and protecting our 35,500 acres of green space. We support these efforts by collaborating with suppliers to align with our code of conduct and enhance our supply chain practices and policies.

We are currently exploring several opportunities regarding natural resources conservation, carbon emissions, and energy efficiency technologies through the following initiatives:



Continuous protective maintenance of 35,500 acres of green space.



Continued conversion of electricity contracts to renewable sources since 2019.



Exploring solar panel opportunities at additional locations.



Piloting enhanced irrigation methods at select cemeteries.



Recycling waste byproduct to aid in conserving natural resources and prevent unnecessary emissions.



Replacing older cremation units with newer, efficient models and installation of a water cremation unit that utilizes a water-based process to reduce our carbon emissions.

Understanding Our Carbon Footprint

As we build our understanding of our greenhouse gas emissions output, we look to foundational guidance from the Task Force on Climate-Related Financial Disclosures (TCFD) to ensure proper management oversight and implementation of metrics on our Scope 1 and Scope 2 emissions. We continue to evaluate and measure our carbon footprint through the examination of processes within our operations that include, but are not limited to key drivers such as cremation, utilities, and fleet.

While we expect GHG emissions to vary year to year based on the amount of services and cremations we perform, we are looking at reducing our carbon impact by exploring multiple initiatives to aid in operational efficiencies. With cremation services as a key part of our business, we began replacing older cremation units with newer models that have better automated controls and create a more efficient combustion environment. In addition, we have added a water cremation unit that will significantly reduce emissions for those who elect this option and are exploring human composting, an eco-friendly alternative to traditional burials in a select market. Our fleet consists of funeral procession vehicles and cars for sales and operations associates. In 2019, we began testing the conversion of large vehicles to subcompact and hybrid vehicles in an effort to reduce fuel consumption. We plan to continue increasing the number of fuel-efficient vehicles in our fleet where appropriate.

Additionally, we understand the importance of maintaining established environmental habitats. It is important for us to aid in the protection of biological open spaces, resource protection areas, and forest conservation areas. We believe in continuing to preserve these local environments and to offer natural habitat areas at many of our cemeteries. We own approximately 35,500 acres of land, most of which is green space within our cemeteries that provide families a natural and peaceful environment to grieve the loss of their loved ones. As our cemeteries often serve as community parks in certain urban areas, we believe these open green spaces make a valuable environmental contribution to help reduce concentrations of greenhouse gas emissions in the atmosphere.

MEASURING OUR GHG EMISSIONS

Our Scope 1 and Scope 2 emissions, calculated in line with the GHG Protocol, totaled approximately 149,626 metric tons for 2023 and 172,438 metric tons for 2022. We expect GHG emissions to vary year to year based on the amount of services and cremations we perform. The 2022 greenhouse gas (GHG) emission estimate was refined based on a comprehensive reassessment of our properties' emissions and billed utility usage availability. The recalculation and decrease of 2022 emissions is a result of improvements in electricity and natural gas meter tracking (discussed on the following page). The previously reported total emissions for 2022 was 270,267 metric tons.

This model includes estimated amounts of:

Scope 1 Emissions (direct)	110,537 metric tons CO ₂ e for 2023	Scope 2 Emissions (indirect)	39,089 metric tons CO ₂ e for 2023	Total Emissions (Scope 1 & Scope 2)	149,626 metric tons CO ₂ e for 2023
	126,165 metric tons CO ₂ e for 2022		46,273 metric tons CO ₂ e for 2022		172,438 metric tons CO ₂ e for 2022



Understanding Our Natural Resources

Energy

To understand our use of natural resources and the related potential impact on the environment, we have enabled methods to monitor and report on these resources. In order to accurately track and measure our energy usage, we successfully implemented a utility usage reporting system in 2023 to capture consumption across our almost 2,000 funeral homes, cemeteries, and crematory locations. This new system and process help us to better understand our energy consumption and focus on our natural gas and electricity use.

These new reporting methods support our efforts in capturing the data needed for our carbon emissions footprint as well as our purchased grid electricity for the applicable data coverage areas. With these new reporting metrics, we are also able to capture the percentage of renewable energy being consumed by our locations. SCI has been converting electricity contracts to renewable sources since 2019 where possible. We continue to gain insights that will help identify additional opportunities for improvement.

UTILITY CONSUMPTION

2023

Purchased Electricity (MWh)

115,898

These figures come from total reportable electricity purchased for consumption in 2023. *Through ongoing data validation processes and availability, we have updated our reporting methodology to reflect removal of location usage estimates that decreased our original 2022 year figure. The previous estimation methodology used approximate building square footage, usage calculations of like properties, and missing billings. The progression to focus solely on invoiced meter data contributes to our commitment to accuracy and transparency in reporting.

**Previous estimated figure for 2022 was 227,050; new reported figure is 132,675 for 2022*

Renewable Energy Percentage

20%



Water

Water is an important natural resource that we are dedicated to tracking at our funeral homes and cemeteries. We have developed methods to understand and report on our water usage from metered utilities and freshwater sources, as well as how much is recycled for irrigation purposes. As we get a better understanding of our climate impact, we have initiated water reduction pilots through implementation of new irrigation systems at select cemeteries with advanced water monitors and controls that create more efficient water usage.

WATER USAGE (These figures come from metered property usage including municipal and freshwater sources)

2023

Total water withdrawn (in billion cubic meters)

12.02

Reclaimed or recycled water (in billion cubic meters)

3.12



Supply Chain Management and Responsible Sourcing

We cultivate an inclusive, responsible, and sustainable supply chain of local, diverse, and qualified suppliers.

Supply Chain Policies

Evaluating our supply chain processes and partnering with strategic suppliers who acknowledge our standards for ethical codes of conduct are central to our sustainability efforts. The Supplier Code of Conduct aligns with our Code of Conduct as it outlines our minimum expectations regarding the workplace and business standards of strategic suppliers, their parent entities, subsidiaries, affiliates, subcontractors, and any contributor to their supply chain. These expectations are considered the minimum requirements for doing business with SCI.

All suppliers are required to comply with all applicable state, federal, and local laws.

Learn more by reading our **Supplier Code of Conduct**



Recycled Waste

Certain third-party programs allow us to dispose of waste products that promote environmental sustainability and conserve resources. At locations where accessible, we diverted 2,612 tons of waste for recycling purposes, which conserves electricity, frees up landfill space, and saves on water processing.



Recycled Waste
2,612 tons
of recyclable commodities
and materials

Environmentally-Friendly Products and Services

We recognize the importance of integrating innovative products and services that are protective of the environment.

We offer families the opportunity to honor their loved ones with biodegradable products¹ at many of our locations. We provide green burial services, certified by the Green Burial Council¹, at our **Florida Neptune Memorial Reef®** that provides an eco-friendly resting place under the ocean and at Cedar Lawns Funeral Home and Memorial Part in Redmond, WA. We also offer all wood caskets and urn products made with natural, biodegradable materials. **Eight percent of our product sales of caskets and urns comes from eco-friendly or biodegradable products that families have selected.** Furthermore, with the purchase of select caskets, families may request a tree to be planted in a national forest. Planting a tree is a personal way to allow the memory of a loved one to live on while also contributing to one of the largest reforestation programs in North America. This exclusive program is provided by Batesville, our primary casket supplier, and in cooperation with the U.S. Forest Service, the Canadian Institute of Forestry, and other international forestry and conservation groups. The species and location of plantings are based on areas of need — typically locations damaged by fire, floods, or other natural disasters.

This memorial not only pays tribute to the loved one, but the planting of trees helps the environment by providing shelter for wildlife and contributing to the purity of the air we breathe. In 2023, SCI submitted to have 2,300 trees planted in honor of the families we serve.



Eight percent of our product sales of caskets and urns comes from eco-friendly or biodegradable products that families have selected.

¹ See Green Burial Council website for information on **Why Certification Matters** and their **Glossary of Green Burial Terms**.

Cautionary Statement on Forward-Looking Statement

The statements in this Sustainability Report that are not historical facts are forward-looking statements made in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

These statements may be accompanied by words such as “believe,” “estimate,” “project,” “expect,” “anticipate,” “predict,” or other similar words that convey the uncertainty of future events or outcomes. The absence of these words, however, does not mean that the statements are not forward-looking. These statements are based on assumptions that we believe are reasonable; however, many important factors could cause our actual consolidated results in the future to differ materially from the forward-looking statements made herein and in any other documents or oral presentations made by us, or on our behalf. These factors are discussed below. We assume no obligation and make no undertaking to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the Company, whether as a result of new information, future events, or otherwise.

Our affiliated trust funds own investments in securities, which are affected by market conditions that are beyond our control.

We may be required to replenish our affiliated funeral and cemetery trust funds to meet minimum funding requirements, which would have a negative effect on our earnings and cash flow.

Our ability to execute our strategic plan depends on many factors, some of which are beyond our control.

We may be adversely affected by the effects of inflation.

Our results may be adversely affected by significant weather events, natural disasters, catastrophic events or public health crises.

Our credit agreements contain covenants that may prevent us from engaging in certain transactions.

If we lost the ability to use surety bonding to support our preneed activities, we may be required to make material cash payments to fund certain trust funds.

Increasing death benefits related to preneed contracts funded through life insurance or annuity contracts may not cover future increases in the cost of providing a price-guaranteed service.

The financial condition of third-party life insurance companies that fund our preneed contracts may impact our future revenue.

Unfavorable publicity could affect our reputation and business.

Our failure to attract and retain qualified sales personnel could have an adverse effect on our business and financial condition.

We use a combination of insurance, self-insurance, and large deductibles in managing our exposure to certain inherent risks; therefore, we could be exposed to unexpected costs that could negatively affect our financial performance.

Declines in overall economic conditions beyond our control could reduce future potential earnings and cash flows and could result in future impairments to goodwill and/or other intangible assets.

Any failure to maintain the security of the information relating to our customers, their loved ones, our associates, and our vendors could damage our reputation, could cause us to incur substantial additional costs and to become subject to litigation, and could adversely affect our operating results, financial condition, or cash flow.

Our Canadian business exposes us to operational, economic, and currency risks.

Our level of indebtedness could adversely affect our cash flows, our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, and may prevent us from fulfilling our obligations under our indebtedness.

A failure of a key information technology system or process could disrupt and adversely affect our business.

The funeral and cemetery industry is competitive.

If the number of deaths in our markets declines, our cash flows and revenue may decrease. Changes in the number of deaths are not predictable from market to market or over the short term.



If we are not able to respond effectively to changing consumer preferences, our market share, revenue, and/or profitability could decrease.

The continuing upward trend in life expectancy and the number of cremations performed in North America could result in lower revenue, operating profit, and cash flows.

Our funeral and cemetery businesses are high fixed-cost businesses.

Risks associated with our supply chain could materially adversely affect our financial performance.

Regulation and compliance could have a material adverse impact on our financial results.

Unfavorable results of litigation could have a material adverse impact on our financial statements.

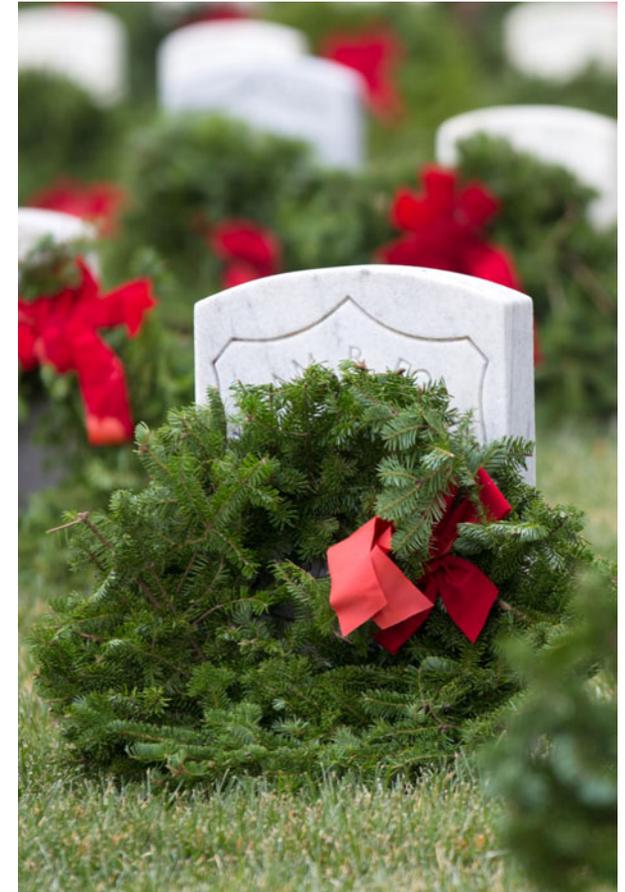
Cemetery burial practice claims could have a material adverse impact on our financial results.

The application of unclaimed property laws by certain states to our preneed funeral and cemetery backlog could have a material adverse impact on our liquidity, cash flows, and financial results.

Changes in taxation, or the interpretation of tax laws or regulations, as well as the inherent difficulty in quantifying potential tax effects of business decisions could have a material adverse effect on the results of our operations, financial condition, or cash flows.

For further information on these and other risks and uncertainties, see our Securities and Exchange Commission filings, including our 2023 Annual Report on Form 10-K. Copies of this document as well as other SEC filings can be obtained from our website at www.sci-corp.com. We assume no obligation and make no undertaking to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by us whether as a result of new information, future events, or otherwise.

Any statistics and metrics provided herein relating to environmental, social and governance matters are estimates and may be based on estimates or assumptions, which may be inaccurate, or developing standards and methodologies. The accuracy of such statistics and metrics is therefore subject to variance. Certain information contained in this report has been obtained from third parties, and in certain cases has not been updated through the date hereof. While these third-party sources are believed to be reliable, we make no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor.



Sustainability Disclosure Matrix

Table 1. Sustainability Accounting Standards Board (SASB) Disclosure Topics and Accounting Metrics

The SASB set industry specific standards to guide the disclosure of sustainability information. SCI is classified as a Leisure Facility within the Sustainable Industry Classification System; however, certain accounting metrics within the SASB Standard for Leisure Facilities were deemed to be not material or not relevant based on SCI's business model. Further, the SASB Standard for various other industries are used to report against material topics not addressed by the SASB Standard for Leisure Facilities.

Accounting Metric	Category	Unit of Measure	Code	Source
Energy Management in Retail and Distribution				
(1) Total energy that is purchased grid electricity, (2) percentage renewable	Quantitative	Megawatt hours (MWh) and percentage (%)	SV-LF-130a.1	▶ See page 33
Data Security				
Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	CG-MR-230a.1	▶ See page 27
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative	Percentage (%)	CG-MR-230a.2	▶ See page 27
Labor Practices				
(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative	Percentage (%)	CG-MR-310a.2	▶ See page 8
Workforce Diversity and Inclusion				
Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage (%)	CG-MR-330a.1	▶ See page 12
Water Management				
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	SV-HL-140a.1	▶ See page 33

Table 2. SASB Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Source
Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	CG-MR-000.A	▶ See page 4

Table 3. Task Force on Climate-related Financial Disclosures ('TCFD')

Area	Recommended Disclosures	Source
Governance	(1) Describe the board's oversight of climate-related risks and opportunities (2) Describe management's role in assessing and managing climate-related risks and opportunities	▶ See page 6
Metrics and Targets	(1) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process (2) Disclose Scope 1, Scope 2 and, if appropriate Scope 3 greenhouse gas (GHG) emission and the related risks	▶ See page 32



Dignity®
MEMORIAL

DEL ANGEL®
FUNERARIA



National Cremation®


advantage®
FUNERAL & CREMATION SERVICES

Neptune Society®
AMERICA'S MOST TRUSTED
CREMATION SERVICES®

SERVICE CORPORATION INTERNATIONAL

1929 ALLEN PARKWAY
HOUSTON, TX 77019
SCI-CORP.COM