

US FOODS HOLDING CORP.
RESPONSIBLE SOURCING POLICY AND SUPPLIER CODE OF CONDUCT
Effective Date: December 31, 2022

I. Purpose and General Principles

US Foods expects high standards of ethics and integrity and commitment to the law throughout our supply chain. This Responsible Sourcing Policy and Supplier Code of Conduct outlines our standards and priorities for suppliers¹. US Foods expects that suppliers understand our expectations and requirements and that company associates understand their responsibility for upholding them, as outlined in this Responsible Sourcing Policy and Supplier Code of Conduct.

The standards in this Policy and Supplier Code of Conduct are informed by the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization Conventions and Recommendations, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, and US Foods' Human Rights Principles ([accessible here](#)) (collectively, the "Guiding Principles"). This Policy and Supplier Code of Conduct incorporates some definitions from the Accountability Framework² ("AFI") to clarify related commitments.

II. Supplier Code of Conduct

This Supplier Code of Conduct sets forth the principles and ethical standards that we expect all our suppliers to meet. We expect that our suppliers have adequate supplier management processes and employee training in place to ensure compliance with this Supplier Code of Conduct. Suppliers who fail to conform to this Supplier Code of Conduct or knowingly violate laws will not receive our business.

A. Legal Compliance

Each supplier must conduct business in full compliance with all applicable national, regional, state, and local laws and regulations, and all laws of the countries in which the supplier operates, including without limitation all trade, export and import controls and all applicable antitrust and fair competition laws.

B. Human Rights

We are committed to treating our associates, our customers, our business partners, and all workers³ with dignity and respect for human rights and without discrimination, as set out in the Guiding Principles and in alignment with US Foods' Prohibition Against Discrimination, Harassment, and Retaliation Policy ([accessible here](#)). Similarly, we expect our suppliers to adopt and enforce consistent human rights principles and to comply with all human rights laws and regulations applicable to them. Each of our suppliers must have written policies and controls in place that:

- Prohibit child labor, forced labor or compulsory labor, and human trafficking
- Ensure compliance with applicable wage, hours, and benefits laws, including those relating to minimum wage, working hours, rest periods, and overtime work and pay

¹ "Supplier" is defined as any person or entity that sells or supplies services, raw materials, processed materials, or finished products to US Foods and/or its affiliates or subsidiaries.

² <https://accountability-framework.org/> (last accessed December 7, 2022)

³ "Worker" is defined as employees, contractors, temporary, seasonal, part-time, and other workers.

- Verify the employment eligibility of workers
- Respect the right of workers to freely associate, organize, and bargain collectively in full compliance with applicable laws
- Ensure a workplace free from discrimination and harassment, especially based on race, color, gender, gender identity, age, sexual orientation, religion, caste, national origin, ethnicity, marital status, disability, pregnancy, dependents, or political beliefs
- Ensure protection from abusive practices or undue disciplinary measures.

C. Rights of Indigenous Peoples and Local Communities

We are committed to respecting the rights of indigenous peoples and local communities (“IP/LC”) and expect that our suppliers obtain free, prior, and informed consent (“FPIC”) for any activities that may impact these groups.

D. Safe and Healthy Workplace

We are committed to providing our associates with a safe and secure work environment with health and safety policies that meet or exceed what the applicable law requires. We expect all suppliers to understand and follow our health and safety requirements when on our premises. Additionally, all workplaces that produce or provide goods or services for US Foods must be safe and healthy work environments for workers. All working conditions must meet or exceed applicable health and safety laws and industry standards, including clean and safe housing.

E. Product Safety, Quality, and Regulatory Compliance

We are committed to ensuring our products meet the highest standards of safety and quality. Suppliers must provide products and services that meet or exceed all applicable legal, regulatory, and contractual standards of safety and quality. Suppliers must immediately report to US Foods any deficiencies in product safety or quality so that appropriate actions may be taken to recall or withdraw products.

F. Sustainability and Social Responsibility

We seek to conduct business with suppliers who share our commitment to environmental sustainability and social responsibility and, where applicable, the following areas of focus:

- Promoting responsible sourcing practices to support an ethical, sustainable, and resilient supply chain
- Promoting products with environmental and social benefits
- Fostering an inclusive and dynamic workplace to enhance associate well-being
- Engaging with local communities through philanthropy and volunteerism
- Engaging in best practices to reduce greenhouse gas emissions and environmental footprint across the value chain.

G. No Deforestation

We recognize agricultural production as a major driver of global deforestation and the importance of forests in sequestering carbon, maintaining biodiversity, and sustaining livelihoods. As such, we are committed to working to achieve no deforestation⁴ in our supply chain.

⁴ “Deforestation” is defined as a loss of natural forest as a result of either legal or illegal: 1) conversion to agriculture or other non-forest land use; 2) conversion to a tree plantation; 3) severe or sustained degradation; with a cut-off date of 2020 (the cut-off date is the date after which deforestation renders a given area non-compliant with US Foods’ commitment to achieving no deforestation in our supply chain).

Each supplier producing or sourcing any high forest risk commodity⁵, or a derivative of a high forest risk commodity, is expected to have purchase controls and supplier management processes in place to ensure it does not conduct, participate in, or otherwise contribute to deforestation in its production or sourcing, and to have measures in place to help support the long-term protection of natural forests⁶.

This commitment is supplemented by our Responsibly Sourced Palm Oil Policy ([accessible here](#)), which includes our requirement that all US Foods Exclusive Brand products use at minimum Roundtable on Sustainable Palm Oil (“RSPO”) Mass Balance certified palm oil. We continue to assess deforestation risk and to consider additional policies and targets for other commodities.

H. Ethical Business Practices

We conduct our business ethically and honestly, and we expect the same of all with whom we do business. Our suppliers must have written policies and controls in place to prohibit and detect misuse of company assets, corruption, bribery, conflicts of interest, improper gifts, fraud, and embezzlement. Suppliers must respect and abide by US Foods’ policies prohibiting improper gifts, including our Gifts and Entertainment Policy ([accessible here](#)).

I. Confidentiality and Privacy

Suppliers with access to confidential and/or proprietary information about or provided by US Foods must not disclose that information to any other person or entity without our prior written consent. Confidential and/or proprietary information includes, without limitation, product specifications, cost, pricing, and customer information. Additionally, suppliers must protect from unauthorized disclosure any private information regarding US Foods’ customers or associates that the supplier may receive, including, without limitation, home addresses, Social Security numbers, birth dates, credit card, banking, or other financial information, and medical information. Any unauthorized disclosure of confidential or private information related to US Foods, its associates or customers must be reported immediately to US Foods’ Legal Department or to the US Foods Check-In Line, 1-888-310-7716.

J. Speaking Up, No Retaliation

We encourage our associates and the employees of our suppliers to speak up if something does not seem right. Supplier employees can report any concerns or suspected violations of this Supplier Code of Conduct to any US Foods manager or to the US Foods Check-In Line, 1-888-310-7716, available 24 hours a day, 7 days a week. All reports are confidential and can be provided anonymously where permitted by law. Suppliers must have a “no retaliation” policy that prohibits a supplier’s management from retaliating against its employees who raise a concern to US Foods’ attention in good faith.

K. Upholding Supplier Standards

US Foods seeks to conduct business with suppliers who do business in accordance with the principles articulated in the Supplier Code of Conduct. We expect suppliers to keep informed about updates, additions, or changes to the Supplier Code of Conduct, as well as to associated policies and standards, and we will communicate updates, additions or changes to suppliers and make them available on our website at <https://usfoods.com/csr>.

We will monitor and enforce the Supplier Code of Conduct through screening tools and audits, as needed, and our suppliers must allow access to their facilities as well as all relevant records. While US Foods would prefer to work with suppliers to correct violations of the Supplier Code of Conduct, in some cases, a violation may be serious

⁵ High forest risk commodities include cattle, mining, palm oil, rubber, soy (includes embedded soy), and timber (CDP Forest: <https://www.cdp.net/en/forests>) (last accessed December 7, 2022).

⁶ “Natural Forest” is defined as forest that is a natural ecosystem, which might include primary forests, regenerated (second-growth) forests, managed natural forests or forests that have been partially degraded.

enough to require immediate action and may result in the termination of the business relationship. Additionally, if a supplier fails to make satisfactory progress toward resolving violations or refuses to do so, US Foods may terminate its business relationship with the supplier. Suppliers must inform US Foods immediately of any noncompliance with the Supplier Code of Conduct, including any regulatory compliance failures or other events that may put our associates or customers at risk or cause damage to our reputation.

US Foods trains its associates who interact with suppliers to ensure familiarity with this Supplier Code of Conduct and required actions to ensure supplier compliance.

III. Category Standards

As US Foods continues to develop our responsible sourcing strategy and capabilities, we focus on categories that further our objectives, starting with our Exclusive Brand products. To date, we have set sourcing standards in the following categories:

A. Seafood

US Foods is working to continually improve the sustainability and traceability of our seafood supply chain. Our Responsibly Sourced Seafood Policy ([accessible here](#)) is incorporated into this Responsible Sourcing Policy and focuses on data collection, transparency, education, and best practices for fisheries and aquaculture.

B. Palm Oil

Palm oil is a significant contributor to deforestation, with associated negative impacts to greenhouse gas emissions, biodiversity, and livelihoods. Our Responsibly Sourced Palm Oil Policy is incorporated into this Responsible Sourcing Policy and addresses potential environmental and social risks associated with the production of palm oil used in US Foods' Exclusive Brand products, with a focus on key principles and commitments.

C. Serve Good Product and Packaging Standards

Our Serve Good Program was created in response to growing demand for products with environmental and social benefits and consists of a curated portfolio of US Foods Exclusive Brand products developed with suppliers that are committed to our defined standards for responsible sourcing practices. Our Serve Good Program Policy ([accessible here](#)) is incorporated into this Responsible Sourcing Policy and establishes the requirements for classification and marketing of Serve Good products.

The Serve Good Program Policy also outlines our inner and outer packaging standards for all Serve Good products, designed to use less material, use more sustainable material, and empower end-users to recycle or compost material.