

US FOODS®
AT A GLANCE













# CORPORATE SOCIAL RESPONSIBILITY REVIEW

US Foods® (NYSE: USFD) is one of America's leading food distributors, servicing restaurants and healthcare, hospitality, government and educational institutions. We focus on innovative products that help keep foodservice operators ahead of diner demand and services that help them run their operations. Our goal is to help foodservice operators make it, which includes doing our part in serving the communities where we live and work.

Our commitment to providing sustainably sourced products, caring for people and protecting the environment exemplifies our approach to corporate social responsibility (CSR). We invite you to review our efforts and progress in the areas of **People**, **Planet** and **Products**.

### **PEOPLE**

At US Foods, we strive to make a positive difference in the lives of our employees and in the communities we serve.

### In Our Workplace

Our success relies upon a diverse and dynamic workplace where employees can grow and thrive.

### **Developing Our Employees**

Through training, mentoring and on-the-job development, we help our employees learn and grow. Our signature development programs include *Gateway to Leadership* for new people managers and *Aspire to Lead* for high-potential leaders.

100%
of employees provided
with annual Code of
Conduct training

managers enrolled in

managers enrolled in Gateway to Leadership in 2018

### **Embracing Inclusion**

Our Code of Conduct guides our decisions and behaviors in the workplace. In 2018, we rolled out our *Respectful Workplace* training with 1,200 of our senior leaders to promote respectful communication and foster an inclusive environment. We're also launching company-sponsored Employee Resource Groups to promote diversity and inclusion, further personal and professional development and strengthen networking among colleagues. Lastly, we're proud to be a long-standing supporter of the Women's Foodservice Forum, which aims to accelerate the advancement of women leaders.

### Women's Foodservice Forum (WFF)

600+

US Foods women have participated since 2010

US Foods recognized with the

## WFF PIONEER AWARD

for participation in McKinsey's 2017 Women in the Workplace in the Food Industry study

### **Driving Safely**

US Foods employs rigorous safety practices for our nearly 7,000 drivers, including a partnership with SambaSafety® that monitors our driving records more frequently than is required by the U.S. Department of Transportation. We also employ the Lytx DriveCam® video safety program to capture correctable behaviors by drivers and inform coaching and counseling responses.

100%

of our active drivers have completed defensive driving training based on the principles of "See-Think-Do"

Published in October 2018.

### In Our Communities

We are privileged to be able to give back to the communities in which we live and work – empowering people with both nourishment and opportunity. Our philanthropy and employee volunteerism efforts focus on hunger relief and culinary education for underserved people.

### **Donating and Volunteering**

More than 40 million Americans struggle with hunger, according to Feeding America<sup>®</sup>. That's why, as a Feeding America Leadership Partner, US Foods<sup>®</sup> supports food banks and other related nonprofits through product and financial contributions. Since 2013, US Foods has donated 85M+ pounds of food, and our employees also generously volunteer their time at food banks and other organizations. In May 2018, hundreds of US Foods employees participated in our first annual Spring into Service campaign, packing more than 80,000 meals and donating nearly 330 hours to fight hunger in Chicagoland.

14M+

total pounds of food donated in 2017

~12M

total meals donated in 2017

70+

food banks supported in 2017 \$2M

in food to support relief efforts following Hurricanes Harvey and Irma in 2017

### Training the Next Generation of Culinarians: US Foods Scholars

Launched in 2017, our US Foods Scholars program addresses two pressing needs: providing economic opportunity to disadvantaged youth and helping tackle the talent shortage facing the foodservice industry. The program provides individual awards of up to \$20,000 in financial support and professional development to outstanding underserved students seeking to achieve their dreams in the culinary arts.

14

US Foods Scholars to be named by December 2018

\$280K

in scholarship funding offered to date

### **Supplier Diversity**

We strive to source our products from a diverse supplier base to reflect the customers and communities we serve.

\$450M

spent in 2017 with woman- or minority-owned businesses

260+

woman- or minority-owned supplier partnerships

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### PLANET

We're continually improving the efficiency of our facilities and fleet, reducing our environmental footprint.

### In Our Facilities

Our distribution centers require significant amounts of energy to store, refrigerate and manage our vast portfolio of products. We work diligently to reduce the energy intensity of our business (measured in kilowatt hours per case shipped) and have achieved more than a 10% improvement in our broadline business since 2015.

US Foods currently operates three Leadership in Energy and Environmental Design (LEED) Silver-certified facilities, with additional locations in progress. LEED-certified buildings have been shown to lower environmental impact and operating costs, while providing a healthier working environment for employees.

Solar arrays have been installed on six of our distribution centers, including an 8.4-megawatt solar installation in Perth Amboy, New Jersey – one of the largest in the state.

13M+

kilowatt hours (kWh) of electricity generated annually from our solar installations



### **About Our Fleet**

Delivering products by truck is core to our business. We're optimizing our routing to reduce miles driven and rightsizing our vehicles by route type to improve transportation efficiency.

8%

reduction in gallons of fuel used per case delivered in 2017\*

~8%

reduction in Scope 1 and Scope 2 emissions in 2017\*\*

US Foods® is recognized as a partner by the U.S. Environmental Protection Agency's SmartWay program, which aims to improve freight transportation efficiency.

As we update and add to our fleet, we're choosing new vehicle models with features designed to reduce fuel consumption. These new vehicles have state-of-the-art, real-time diagnostics that report fuel economy and idle time, providing data to drive continuous improvement.

We're also piloting new alternative-fuel vehicles - like the 55 compressed natural gas vehicles we recently added to our fleet.

### **PRODUCTS**

Diners today are more interested than ever before in where their food comes from and how it's made. US Foods has multiple programs and policies in place to support our commitment to providing an extensive portfolio of innovative products.

Through a third-party sustainable product materiality assessment that included feedback from internal and external stakeholders, US Foods has prioritized key initiatives we believe will have the most impact.

### **Our Policies**

- Responsible Sourcing
- Serve Good® Program
- Responsibly Sourced Seafood
- Responsibly Sourced Palm Oil

### **Our Initiatives**

300+

Serve Good and Progress Check® products 230+

products classified as responsible disposables

### **Serve Good**

Our Serve Good program features a growing portfolio of products that are developed in collaboration with our suppliers. The products adhere to responsible practices, and many come with a third-party certification. Every Serve Good product must come with a claim of responsible sourcing or contribution to waste reduction.

Product claims for all Serve Good items fall into one of several categories that include: organic, non-GMO, sustainable seafood, animal care, responsible disposables and reduces waste. In addition, every Serve Good product must meet strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials and help minimize our ecological footprint.







<sup>\*</sup>Base year 2015. Broadline business only.

<sup>\*\*</sup>Base year 2015. Emissions intensity measured as lb. CO,e per case delivered.

### **Progress Check®**

Our Progress Check® program recognizes seafood products and vendors that have made significant progress toward meeting our Serve Good® program standards and serves as a gateway for inclusion in Serve Good. In 2018, we published a *Responsibly Sourced Seafood Policy* which outlines our forward-looking commitments and goals for sustainable seafood products.

### **Cage Free Eggs**

In June 2016, we became one of the first broadline distributors to introduce a nationally available Cage Free Pasteurized Liquid Whole Egg Product under a private label brand. This product, which is American Humane Certified by the American Humane Association, combines the safety of pasteurization with the humane treatment of hens raised in a cage free environment. In July 2016, we began informing all of our key egg suppliers of our goal to source only cage free eggs by 2026.

### Palm Oil

We began working with our suppliers in 2017 to transition the palm and palm kernel oil used in US Foods® Exclusive Brand products to responsibly sourced palm oil. Our *Responsibly Sourced Palm Oil Policy* lays out our commitment to source 100% of the palm or palm kernel oil used in our Exclusive Brand products through certified sustainable sources by the end of 2019.

### **Unpronounceables List™**

We recently introduced our Unpronounceables List<sup>™</sup> initiative in response to growing diner demand for products with simpler, more recognizable ingredients. Our entire line of Metro Dell<sup>®</sup>, Rykoff Sexton<sup>®</sup>, Chef's Line<sup>®</sup> and Stock Yards<sup>®\*</sup> Exclusive Brand products will be produced with clean label profiles by avoiding, removing or replacing certain ingredients and food additives found on our Unpronounceables List.

### **Serve Local**

In 2018, we launched Serve Local in select markets to better connect our customers with their local farmers, producers and/or manufacturers. Products offered through Serve Local are sourced within 400 miles from where we ship or within the state from where we ship.

### **Food Safety and Quality**

As the second-largest foodservice distributor in the United States, we take our commitment to food safety and employee food safety training very seriously. US Foods is certified to the IFS Logistics Standard, which is recognized by the Global Food Safety Initiative (GFSI). In 2014, we became the first national broadline foodservice distributor to earn this distinction, and we're currently the only distributor using an independent assessment from the Agriculture Marketing Service branch of the United States Department of Agriculture to conduct quality checks of our canned and frozen fruits and vegetables.

Even with all the safety precautions taken by our vendors and our company, occasional product recalls are necessary. When that happens, we are prepared with a product recall and recovery program that quickly contacts customers with accurate information about a recall and initiates product recovery. Our affected customers are contacted within 24 hours upon notification from our suppliers.

### Learn more about corporate social responsibility at US Foods by visiting usfoods.com.



