



# CORPORATE SOCIAL RESPONSIBILITY REVIEW

US Foods® (NYSE: USFD) is one of America's leading food distributors, serving restaurants and healthcare, hospitality, government and educational institutions with a selection of diverse products. We focus on innovative products that help keep foodservice operators ahead of diner demand and services that make it easier for them to manage their operations.

Our commitment to caring for people, protecting the environment and providing sustainably sourced products is exemplified in 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 associates and in the communities we serve.

### IN OUR WORKPLACE

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

#### Developing Our Associates

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

**100 %**  
of associates provided  
with annual Code of  
Conduct training

**620 +**  
managers to complete  
*Gateway to Leadership*  
training by end of 2019

#### Embracing Inclusion

Our Code of Conduct guides our decisions and behaviors in the workplace. In 2019, our annual Code of Conduct training included a module on building a respectful workplace. In addition, we conducted live, interactive Respectful Workplace Training with more than 2,800 sales associates in order to promote respectful communication and foster an inclusive environment. We also began the rollout of company-sponsored Employee Resource Groups (ERGs) to strengthen networking among colleagues, to further personal and professional development, and to promote diversity and inclusion.

Today, we have eight ERGs in select markets, with plans for future expansion. They include:

- Administrative Professionals Organization
- Black Resource Utilization Hub
- Collective Asian Network
- Hispanic and Latino ERG
- Pride Alliance
- Those Who Serve – Military ERG
- Women In Network
- Young Professionals ERG

Lastly, US Foods is proud to be a long-standing supporter of the Women's Foodservice Forum (WFF), which aims to accelerate the advancement of women leaders. We are a regular sponsor of WFF, contributing annually to the success of this initiative.



**700 +**  
US Foods women have  
participated since 2010

Angie Coderre, US Foods Manager of Business Analytics, was honored with the *2019 30 Under 30 Change Makers Award* by the Women in Foodservice Forum. The award honors women under the age of 30 who are rising stars and driving strong business results through inclusive leadership strategies.

# PEOPLE

## Driving Safely

US Foods® employs rigorous safety practices for our nearly 6,500 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® safety program to identify coachable behaviors that enhance our safety culture.

In 2019, we launched the *Get Home Safe* campaign to reinforce our commitment to an enhanced safety culture and deeper associate engagement.

## International Foodservice Distributors Association (IFDA) Truck Driver Hall of Fame

In 2019, eight US Foods drivers were named to the IFDA Truck Driver Hall of Fame. Hall of Fame inductees are honored for their exceptional safety records (including 25 years or more without an accident) and longevity of service.

## IN OUR COMMUNITIES

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

## Donating and Volunteering

More than 40 million Americans struggle with hunger, according to Feeding America®. That's why, as a Feeding America Leadership Partner, US Foods supports food banks and other related nonprofits through product and financial contributions. Since 2007, US Foods has donated more than 100 million pounds of food, and our associates also generously volunteer their time at food banks and other charitable organizations.



In September 2019, hundreds of US Foods associates participated in our third annual Feeding America Hunger Action Month campaign, packing and sorting more than 115,000 meals at local food banks and donating thousands of food items to fight hunger in their communities.

**~17M**  
meals donated  
since January 2018

**20M+**  
total pounds of food  
donated since January 2018

## 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 underserved students, 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 students seeking to achieve their dreams in the culinary arts.

**30**  
US Foods Scholars  
named to date

**\$600K**  
in scholarship funding  
offered to date

## Supplier Diversity

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

**\$389M**  
spent in 2018 with woman- or  
minority-owned businesses\*

**~460**  
woman- or minority-owned  
supplier partnerships\*

\*Diversity figures include trade and indirect spend with Tier I suppliers.



# PLANET

## IN OUR FACILITIES

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

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 12% improvement in our headline business since 2015.

**LEED**  
CERTIFIED PROJECT



US Foods® currently operates three LEED Silver-certified facilities, with two additional locations in progress in Marrero,

Louisiana, and Sacramento, California. LEED-certified buildings have been shown to lower environmental impact and operating costs, while providing a healthier working environment for associates.

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

More than 13 million kilowatt hours (kWh) of electricity are generated annually from our solar installations.

## ABOUT OUR FLEET

Delivering products by truck is core to our business. We have integrated a variety of optimizations to improve transportation efficiency and reduce the environmental footprint of our fleet.

### Optimized Routing

We're optimizing our routing to reduce miles driven and rightsizing our vehicles by route type to improve transportation efficiency. This work, in addition to our other efficiency measures, has helped us reduce gallons of fuel used annually and reduced Scope 1 and Scope 2 emissions.

**8.4%**

reduction since 2015 in gallons of fuel per case delivered\*

**10%**

reduction in Scope 1 and Scope 2 emissions intensity since 2015\*\*

\*Broadline business only.

\*\*Emissions intensity measured as pounds of CO<sub>2</sub>e per case delivered.

## Vehicle Enhancements

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.



US Foods is recognized as a SmartWay partner by the U.S. Environmental Protection Agency's

SmartWay Transport program. The installation of SmartWay-verified tires and tire inflation systems, the adoption of extended oil drain schedules to reduce oil use and waste, and the utilization of lighter-weight oil to improve fuel economy all contribute to improved freight transportation efficiency.

Additionally, we have integrated new alternative-fuel, compressed natural gas (CNG) vehicles into our fleet. US Foods currently has 55 CNG vehicles across Texas and Oklahoma. These vehicles help reduce truck emissions and overall fuel costs.



# PRODUCTS

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

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

## OUR INITIATIVES

### 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 contribute to waste reduction.

Product claims for all Serve Good items fall into one of five categories, including agricultural practices, sustainable seafood, animal care, responsible disposables or reduces waste. In addition, every Serve Good product must meet strict **packaging standards** designed to help minimize packaging waste, prioritize the use of recycled materials and help reduce our ecological footprint.

### 2019 Institute of Packaging Professionals AmeriStar Award Winner

US Foods is honored to have been recognized for our Serve Good responsible packaging program and its use of better design. Optimizing sizing and material usage to ensure that the minimum amount of packaging is used to produce our Serve Good assortment, the program advances trends in minimalist packaging, recycling, recyclability and clean packaging.



### Progress Check®

Our Progress Check program recognizes seafood products and vendors that have made significant progress toward meeting our Serve Good program standards,

serving as a gateway for inclusion in Serve Good. In 2018, we published a **Responsibly Sourced Seafood Policy** that outlines our forward-looking commitments and goals for sustainable seafood products.

**800+**

Serve Good and Progress Check products

**260+**

products classified as responsible disposables



In 2019, The Marine Stewardship Council (MSC) awarded US Foods the US Ocean Champion Award. This award is reserved for MSC partners in the United States that are helping to ensure an ocean full of life – now and in the future. Award recipients are recognized for going above and beyond MSC commitments by demonstrating a dedication to healthy oceans and transparent supply chain operations.



80% of our Harbor Banks seafood portfolio now meets either Progress Check or Serve Good standards.

### Unpronounceables List™ Initiative

In 2017, US Foods introduced the **Unpronounceables List initiative** in response to growing diner demand for products with simpler, more recognizable ingredients. All Metro Deli®, Rykoff Sexton®, Chef's Line® and Stock Yards®\* Exclusive Brand products are produced with clean label profiles by avoiding, removing or replacing certain ingredients and food additives found on our Unpronounceables List. To date, we offer more than 1,000 products that meet our Unpronounceables List initiative guidelines.



### 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 of where we ship, or within the state from where we ship.

\*Does not include product marketed and sold by third-party licensees.



# PRODUCTS

## Palm Oil Commitment

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. To date, we are on track to meet our sourcing commitment.

## Cage Free Eggs

In June 2016, US Foods 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.

Learn more about the US Foods policies shaping these programs and commitments:

- Responsible Sourcing Policy and Supplier Code
- Serve Good
- Responsibly Sourced Seafood Policy
- Responsibly Sourced Palm Oil Policy

## Food Safety and Quality

As one of the largest foodservice distributors in the United States, we take our commitment to food safety and associate food safety training seriously. We employ food safety and quality experts to train and support our facility staff in important food safety practices, to oversee food safety and quality across our supply chain, and to help ensure ongoing compliance with applicable food safety and quality laws and regulations. These experts hold certifications in key food safety areas such as Preventive Controls Qualified Individuals (PCQI), Hazard Analysis Critical Control Point (HACCP) and Seafood HACCP. In addition, our facilities receive annual, independent third-party audits to ensure we are meeting strict food safety and quality requirements. These include requirements under the Food Safety Modernization Act (FSMA) which aims to strengthen the U.S. food safety system and other third-party standards such as Global Food Safety Initiative (GFSI) standards.

Despite the many 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 promptly contacts customers with accurate information about the recalled product and initiates the product recovery in our facilities. 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](https://usfoods.com).

Please note the information contained herein does not include data from the SGA's Food Group of Companies, which US Foods acquired in September 2019.



**US.**  
**FOODS**