

## C0. Introduction

---

### C0.1

---

**(C0.1) Give a general description and introduction to your organization.**

US Foods® is among America's great food companies and leading foodservice distributors. Built through organic growth and acquisitions, we trace our roots back over 150 years to a number of heritage companies with rich legacies in food innovation and customer service. These include Monarch Foods (established in 1853), Sexton (1883), PYA (1903), Rykoff (1911) and Kraft Foodservice (1976). US Foodservice was organized as a corporation in Delaware in 1989. In November 2011, we rebranded from "US Foodservice" to "US Foods."

We strive to inspire and empower chefs and foodservice operators to bring great food experiences to consumers. This mission is supported by our strategy of *Great Food. Made Easy.*, which centers on providing our customers a broad and innovative offering of high-quality products, as well as a comprehensive suite of industry-leading e-commerce, technology, and business solutions. We operate with standardized business processes, shared systems infrastructure, and an organizational model that optimizes national scale with local execution, allowing us to manage the business as a single operating segment. We have centralized activities where scale matters and our local field structure focuses on customer facing activities.

We supply approximately 250,000 customer locations nationwide. These customer locations include independently owned single and multi-unit restaurants, regional restaurant concepts, national restaurant chains, hospitals, nursing homes, hotels and motels, country clubs, government and military organizations, colleges and universities, and retail locations. We provide approximately 400,000 fresh, frozen, and dry food stock-keeping units, or SKUs, as well as non-food items, sourced from approximately 5,000 suppliers. Approximately 4,000 sales associates manage customer relationships at local, regional, and national levels. They are supported by sophisticated marketing and category management capabilities, as well as a sales support team that includes world-class chefs and restaurant operations consultants, new business development managers and others that help us provide more comprehensive service to our customers. Our extensive network of 63 distribution facilities and fleet of approximately 6,000 trucks allow us to operate efficiently and provide high levels of customer service. This operating model allows us to leverage our nationwide scale and footprint while executing locally.

This questionnaire provides an overview of US Foods CSR commitments, activities and progress in 2019. The data in it covers our broadline locations, which represent the vast majority of our operations. Unless otherwise noted, the information provided does not include the SGA's Food Group of Companies, which US Foods acquired in September 2019 or Smart Foodservice Warehouse which was acquired in April 2020.

*Please note that responses contained in this report may contain "forward-looking statements" concerning the company's business strategies and future or assumed results of operations, which are subject to a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from those expressed in, or implied by, the forward-looking statements. Any forward-looking statements speak only as of the date of this report. More information about the risks, uncertainties and other factors that may impact our business and results of operations may be found in the company's periodic filings with the U.S. Securities and Exchange Commission (SEC) which may be accessed via the SEC's website or the company's investor relations website.*

## C0.2

---

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	Please select	<Not Applicable>

## C0.3

---

**(C0.3) Select the countries/areas for which you will be supplying data.**

United States of America

## C0.4

---

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

## C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	No

## C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

**Primary reason**

Evaluated but judged to be unimportant

**Please explain**

Due to the nature of its business, US Foods does not own land for agricultural purposes.

## C-AC0.6g/C-FB0.6g/C-PF0.6g

(C-AC0.6g/C-FB0.6g/C-PF0.6g) Why are emissions from the consumption of your products not relevant to your current CDP climate change disclosure?

Row 1

**Primary reason**

Evaluated but judged to be unimportant

**Please explain**

US Foods is primarily a foodservice distribution company. We place our focus on direct operations; specifically fleet, facilities and the variety of its product offerings.

## C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

**Agricultural commodity**

Other, please specify (Cattle Products and Fish and Seafood From Aquaculture)

**% of revenue dependent on this agricultural commodity**

20-40%

**Produced or sourced**

Sourced

**Please explain**

This figure is for a combined value in sales for Cattle Products and Fish and Seafood from Aquaculture. In fiscal 2019, the sales mix for our principal products categories for 2019 details "Meats and Seafood" as \$9.3B in sales as part of our total \$25.9B in revenue.

## C1. Governance

### C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

**C1.1a**

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	The Nominating and Corporate Governance Committee, made up of members from the Board of Directors, oversees the Company's corporate social responsibility strategy, including as it relates to environmental and social matters, and receives reports periodically (at each of its quarterly meetings) from management regarding the Company's initiatives and accomplishments in the area. The Committee, pursuant to its Charter, has primary oversight for all environmental, social and governance matters at the Company, which would include oversight of climate-related issues and risks. The Board has delegated this oversight to the Nominating and Corporate Governance Committee as part of its overall risk oversight responsibilities.

**C1.1b**

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies	<Not Applicable>	The Nominating and Corporate Governance Committee, made up of members from the Board of Directors, oversees the Company's corporate social responsibility strategy, including as it relates to environmental and social matters, and receives reports periodically (at each of its quarterly meetings) from management regarding the Company's initiatives and accomplishments in the area. The Committee, pursuant to its Charter, has primary oversight for all environmental, social and governance matters at the Company, which would include oversight of climate-related issues and risks. The Board has delegated this oversight to the Nominating and Corporate Governance Committee as part of its overall risk oversight responsibilities.

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other committee, please specify (Function Leadership (Vice President, Director Level Oversight))	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

1. Climate-related risks and opportunities are primarily addressed by US Foods' Supply Chain and Real Estate functional leaders through initiatives implemented to improve the efficiency of our facilities and fleet and reduce our environmental footprint, and by our Merchandising functional leaders, through the development of innovative sustainable and responsibly sourced products. These direct responsibilities of our Supply Chain and Merchandising functions as they relate to climate-related issues are captured and integrated within the company's overall Corporate Social Responsibility (CSR) approach, which includes initiatives and policies developed around our commitment to caring for people, protecting the environment and providing sustainably sourced products under the focus areas of People, Planet and Products:

**People** - US Foods strives to make a positive difference in the lives of our employees and the communities we serve. Initiatives include developing our employees, embracing inclusion in our workforce, serving our communities through hunger relief initiatives and volunteer efforts, and providing economic opportunities to the next generation of culinary professionals through our US Foods Scholars program.

**Planet** – We are continually working to improve the efficiency of our facilities and fleet to reduce our environmental footprint. Initiatives supporting these efforts include investments in energy reduction tactics, such as LEED certifications and solar installations in some facilities; new technology, such as the use of compressed natural gas (CNG) vehicles as part of our fleet; and process improvements, such as optimizing our routing to help reduce miles driven.

**Products** – 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, such as responsible sourcing and sustainable product development, where we believe we will have the most impact.

**a. Identification, Management of initiatives:**

US Foods' Supply Chain, Real Estate and Merchandising functional leaders are directly responsible for identifying and managing strategies and initiatives within our CSR focus areas of Planet and Products where we can make the most impact. These initiatives are primarily related to improving our fleet, facilities, local and sustainable products and operations management. Where applicable, additional third-party support and insights are leveraged. For example, in the case of sustainable product initiatives, US Foods leverages a third-party sustainable product materiality assessment that includes feedback from internal and external stakeholders to assist with the existing and emerging sustainable product strategies.

**b. Monitoring, Reporting of initiatives:**

As part of their regular responsibilities, US Foods' Supply Chain, Real Estate and Merchandising functional leaders monitor climate-related initiatives and manage any associated mitigation strategies. Meetings between these functional leaders and the Vice President of Corporate Communications, Director of External Communications and Senior Manager of CSR are established to review progress against key milestones and initiatives as part of a core CSR working group.

The CSR working group reports updates on a quarterly basis to the Executive Vice President, General Counsel and Chief Compliance Officer, who oversees communicating those updates to the Nominating and Corporate Governance Committee. The Committee, pursuant to its Charter, has primary oversight for all environmental, social and governance matters at the Company, which would include oversight of climate-related issues and risks. The Board has delegated this oversight to the Nominating and Corporate Governance Committee as part of its overall risk oversight responsibilities.

Progress against these initiatives is reported annually within the company's public facing Corporate Social Responsibility Review and CSR Report and on the company's website within the Corporate Social Responsibility section of the website.

**c. Board Oversight, Monitoring:**

The Nominating and Corporate Governance Committee, made up of members from the Board of Directors, oversees the Company's corporate social responsibility strategy, including as it relates to environmental and social matters, and receives reports periodically (at each of its quarterly meetings) from management regarding the Company's initiatives and accomplishments in the area. The Committee, pursuant to its Charter, has primary oversight for all environmental, social and governance matters at the Company, which would include oversight of climate-related issues and risks. The Board has delegated this oversight to the Nominating and Corporate Governance Committee as part of its overall risk oversight responsibilities.

### C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	US Foods' Supply Chain, Real Estate and Merchandising functional leaders directly responsible for identifying and managing strategies and initiatives within our CSR focus areas of Planet and Products are eligible for an annual incentive payment based on company performance, as well as individual performance factors tied to the oversight of these initiatives.

### C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify (Supply Chain, Real Estate and Merchandising functional leaders)	Monetary reward	Other (please specify) (Fleet and facilities energy management, sustainable products portfolio management and expansion)	

## C2. Risks and opportunities

### C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

### C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	5	
Long-term	5	10	

### C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

In accordance with our Enterprise Risk Management (ERM) process for identifying and defining enterprise risks, a risk is considered strategically substantive if it is likely to have a national or extended (months-long) impact on operations, customers and/or vendors, and financially substantive if it's likely to have a material impact on EBITDA.

### C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term

**Description of process**

1. Climate-related risks and opportunities are primarily addressed by US Foods' Supply Chain and Real Estate functional leaders through initiatives implemented to improve the efficiency of our facilities and fleet and reduce our environmental footprint, and by our Merchandising functional leaders, through the development of innovative sustainable and responsibly sourced products. These direct responsibilities of our Supply Chain and Merchandising functions as they relate to climate-related issues are captured and integrated within the company's overall Corporate Social Responsibility (CSR) approach, which includes initiatives and policies developed around our commitment to caring for people, protecting the environment and providing sustainably sourced products under the focus areas of People, Planet and Products: People - US Foods strives to make a positive difference in the lives of our employees and the communities we serve. Initiatives include developing our employees, embracing inclusion in our workforce, serving our communities through hunger relief initiatives and volunteer efforts, and providing economic opportunities to the next generation of culinary professionals through our US Foods Scholars program. Planet – We are continually working to improve the efficiency of our facilities and fleet to reduce our environmental footprint. Initiatives supporting these efforts include investments in energy reduction tactics, such as LEED certifications and solar installations in some facilities; new technology, such as the use of compressed natural gas (CNG) vehicles as part of our fleet; and process improvements, such as optimizing our routing to help reduce miles driven. Products – 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, such as responsible sourcing and sustainable product development, where we believe we will have the most impact. a. Identification, Management of initiatives: US Foods' Supply Chain, Real Estate and Merchandising functional leaders are directly responsible for identifying and managing strategies and initiatives within our CSR focus areas of Planet and Products where we can make the most impact. These initiatives are primarily related to improving our fleet, facilities, local and sustainable products and operations management. Where applicable, additional third-party support and insights are leveraged. For example, in the case of sustainable product initiatives, US Foods leverages a third-party sustainable product materiality assessment that includes feedback from internal and external stakeholders to assist with the existing and emerging sustainable product strategies. 2. As US Foods takes the identification and management of company's risks seriously, US Foods leverages an Enterprise Risk Management (ERM) process to identify, assess, prioritize, mitigate and monitor the company's top enterprise-wide risks. a. Risks are identified and assessed as part of the ERM process through ongoing interviews and data gathering with key internal stakeholders. This process is leveraged to understand the organization's goals, assess possible risks, determine the significance of the risks on operations, financial results and business reputation, and to understand management's action plans and monitoring for those risks. b. To date, top risks identified within the ERM process do not include climate-related risks. However, should a climate-related issue emerge as a key risk within the ERM identification process, this risk would be monitored and managed within the ERM process. The Executive Leadership Team, which reports to the Chairman and Chief Executive Officer, is responsible for managing the Enterprise Risk Management (ERM) Process, and the Audit Committee of the Board of Directors is responsible for oversight. The Audit Committee is comprised of four Board Directors.

---

**C2.2a**

---

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Compliance with current regulations is considered within US Foods' primary processes for identifying and managing risks and opportunities, including regulations that impact environmental issues. For example, US Foods maintains an extensive network of more than 60 distribution facilities, enabling us to serve national and local customers across the United States. These distribution facilities require energy to store, refrigerate and manage our vast portfolio of products and are subject to a broad range of U.S. federal, state and local laws and regulations relating to the protection of the environment. New regulations, such as those requiring the phase-out of certain ozone-depleting substances or otherwise regulating greenhouse gas emissions, may require the upgrading or replacement of equipment or may increase operating costs. This is the case in some facilities, where US Foods has invested in the phasing out of r22 freon-based refrigeration systems. In these facilities, r22 is being replaced with a new non-ozone depleting refrigerant. US Foods has also begun replacing or retrofitting existing equipment utilizing alternative refrigeration, such as ammonia or other non-ozone depleting refrigerants.
Emerging regulation	Relevant, always included	US Foods monitors emerging regulations to assist with identifying, evaluating and managing risks and opportunities, which are, in some cases, climate related. US Foods maintains an extensive network of more than 60 distribution facilities that are subject to a broad range of U.S. federal, state and local laws and regulations relating to the protection of the environment.
Technology	Relevant, always included	Investments in technology are considered within US Foods' primary processes for identifying and managing risks and opportunities. US Foods' fleet of approximately 6,000 trucks is critical to our business, allowing us to operate efficiently and provide high levels of customer service. As such, unfavorable changes in fuel prices may not only increase the price US Foods pays for products, but also increase the costs incurred to deliver products to customers. US Foods manages this risk by implementing practices and technologies aimed at reducing fuel usage, such as our 55 compressed natural gas (CNG) vehicles, which anchor the American Natural Gas CNG fueling station located adjacent to the US Foods distribution center in Buda, TX. According to a study done for the California Energy Commission, CNG trucks emit 22-29% fewer greenhouse gas emissions than comparable gas or diesel fuel vehicles.
Legal	Relevant, always included	Legal compliance is considered within US Foods' primary processes for identifying and managing risks and opportunities. US Foods is subject to a broad range of U.S. federal, state and local laws and regulations relating to the protection of the environment.
Market	Relevant, always included	Market risks such as changing consumer behavior are considered within US Foods' primary processes for identifying and managing risks and opportunities. Increased demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend influencing customer and diner purchasing decisions. US Foods continues to invest in multiple programs and policies to support the company's commitment to offering innovative products that include sustainable and responsibly sourced attributes. Examples of such programs include: US Foods Responsible Sourcing Policy, US Foods Serve Good® program, US Foods Progress Check™ program, US Foods Serve Local program, US Foods Unpronounceables List™ initiative and US Foods Responsibly Sourced Palm Oil Policy.
Reputation	Relevant, always included	Reputation risks are considered within US Foods' primary processes for identifying and managing risks and opportunities. A failure to understand these evolving issues could result in reputational hardships that could negatively impact our business. Ensuring a strong understanding of the CSR issues that are important to our key stakeholders is a component of our prioritization efforts. As an example, the demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend influencing customer and diner purchasing decisions. To meet this demand, US Foods continues to invest in multiple programs and policies to support the company's commitment to, and reputation for, offering innovative products that include sustainable and responsibly sourced attributes and reduce environmental footprint. Examples of such programs include: US Foods Responsible Sourcing Policy, US Foods Serve Good® program, US Foods Progress Check™ program, US Foods Serve Local program, US Foods Unpronounceables List™ initiative and US Foods Responsibly Sourced Palm Oil Policy. Ongoing management activities and key milestones against these activities are reported externally on the Corporate Social Responsibility pages of the company's website and captured in the company's Corporate Social Responsibility report.
Acute physical	Relevant, always included	Acute physical risks are captured in operational risks. Because our network spans so much of the country, many of our facilities, along with the facilities of our customers and suppliers, are located in areas that are increasingly subject to extreme, and occasionally prolonged, weather conditions. Extreme weather conditions may interrupt our operations in such areas. Furthermore, extreme weather conditions may interrupt or impede access to our customers' facilities, prevent or delay deliveries from our suppliers, or otherwise reduce the number of consumers who visit our customers' facilities. We evaluate potential risks and have preparation strategies in place to mitigate these risks. US Foods' Operations team manages a Weather Command Center out of Tempe, Arizona to oversee advanced preparation strategies for mitigating the impact of extreme weather events on our business. The Weather Command Center monitors imminent weather events on a daily basis and works directly with the regional operations teams in affected areas to carry out protocols included in the Operations Playbook to leverage technologies and processes put in place to minimize weather-related critical service interruptions.
Chronic physical	Relevant, sometimes included	Because our network spans so much of the country, many of our facilities, along with the facilities of our customers and suppliers, are located in areas that are increasingly subject to extreme, and occasionally prolonged, weather conditions. Extreme weather conditions may interrupt our operations in such areas. Furthermore, extreme weather conditions may interrupt or impede access to our customers' facilities, prevent or delay deliveries from our suppliers, or otherwise reduce the number of consumers who visit our customers' facilities. We evaluate potential risks and have preparation strategies in place to mitigate these risks. For instance, the risk of flooding is a key area of focus for the company's extreme weather Business Continuity procedures. Escalation procedures and the recovery and Operations Playbooks detail the procedures in place to ensure the company can overcome serious incidents or disasters and resume normal operations within a reasonable period of time.

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Increased cost of raw materials
--------	---------------------------------

**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

US Foods' fleet of approximately 6,000 trucks is critical to our business, allowing us to operate efficiently and provide high levels of customer service. As such, unfavorable changes in fuel prices may not only increase the price we pay for products, but also increase the costs we incur to deliver products to our customers. Using published market price projections for diesel and estimated fuel consumption needs, a hypothetical 10% unfavorable change in fuel prices from the projected market prices would result in approximately \$9M of additional fuel cost for the company. These factors may, in turn, negatively affect our sales, margins, operating expenses, and operating results. Although, from time to time, we enter into forward purchase commitments for some of our fuel requirements at prices equal to the then-current market price, these forward purchases may prove ineffective and result in us paying higher than market costs for part of our fuel.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

9000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Using published market price projections for diesel and estimated fuel consumption needs, a hypothetical 10% unfavorable change in fuel prices from the projected market prices would result in approximately \$9M of additional fuel cost on such uncommitted volumes through April 2021.

**Cost of response to risk**

96600000

**Description of response and explanation of cost calculation**

US Foods enters forward purchase commitments for a portion of its projected diesel fuel requirements. The company had diesel fuel forward purchase commitments totaling \$96 million through April 2021, as of December 28, 2019. US Foods implements practices and technologies to increase fuel efficiency. Through programs designed to optimize routing, reduce miles driven and right size our vehicles by route type, we have achieved a 11.2% reduction in gallons of fuel used per case delivered in 2019 (base year 2015, broadline only) and 15.1% reduction in Scope 1 and 2 emissions intensity in 2019, (base year 2015. Emissions intensity measured as lb. CO2e per case delivered). Fleet technology continues to evolve, and we are testing new efficiency strategies like the introduction of 55 compressed natural gas (CNG) vehicles into our fleet in Texas and Oklahoma City. On top of state subsidies, the CNG trucks cost a combined total of approximately \$600,000 more than standard diesel tractors. According to a study done for the California Energy Commission, CNG trucks emit 22-29% fewer greenhouse gas emissions than comparable gas or diesel fuel vehicles. These trucks are just one among several investments US Foods has made to lower the environmental footprint of our fleet. Additional fleet enhancements include the installation of SmartWay verified tires and tire inflation systems, extended oil drain schedules to reduce oil use and waste, and the utilization of lighter weight oil in our vehicles to improve fuel economy. As we update and add to our fleet, we have selected new vehicle models that feature an aerodynamic design for better fuel efficiency, engines that run at a lower RPM to reduce emissions, and onboard computer monitoring systems that are used to report fuel economy and idle time.

**Comment****Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Technology	Transitioning to lower emissions technology
------------	---

**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

US Foods maintains an extensive network of more than 60 distribution facilities, enabling us to serve national and local customers across the United States. These distribution facilities require energy to store, refrigerate and manage our vast portfolio of products and are subject to a broad range of U.S. federal, state and local laws and regulations relating to the protection of the environment. New regulations, such as those requiring the phase-out of certain ozone-depleting substances or otherwise regulating greenhouse gas emissions, may require the upgrading or replacement of equipment or may increase operating costs. This is the case in some facilities, where US Foods has invested in the phasing out of r22 freon-based refrigeration systems. In these facilities, r22 is being replaced with a new non-ozone depleting refrigerant. US Foods has also begun replacing or retrofitting existing equipment utilizing alternative refrigeration, such as ammonia or other non-ozone depleting refrigerants.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

50000

**Potential financial impact figure – maximum (currency)**

5700000

#### **Explanation of financial impact figure**

The cost for refrigeration replacement ranges between approximately \$50,000 for a single rooftop refrigeration unit in a warehouse (where there may be 15-30 rooftop units), up to approximately \$5,700,000 million to replace an entire refrigeration system.

#### **Cost of response to risk**

5700000

#### **Description of response and explanation of cost calculation**

The cost of replacing existing equipment and technologies in our facilities in compliance with regulations related to the protection of the environment is included in US Foods' annual financial planning process. In 2018, the r22 freon-based refrigeration system at US Foods' distribution facility based in Seattle, Washington was replaced by an ammonia/CO2 based system, while partial system retrofits were completed at our facilities in Lubbock, Texas; Corona, California; and Salem, Missouri. The cost to replace a single rooftop refrigeration unit in a warehouse (where there maybe be up to 15 -30 rooftop units) is approximately \$50,000 per unit. At the US Foods facility in Manassas, Virginia, it cost a total of approximately \$5,700,000 to replace the central r22 refrigeration system.

#### **Comment**

#### **Identifier**

Risk 3

#### **Where in the value chain does the risk driver occur?**

Direct operations

#### **Risk type & Primary climate-related risk driver**

Reputation	Shifts in consumer preferences
------------	--------------------------------

#### **Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

#### **Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

#### **Company-specific description**

The demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend influencing customer and diner purchasing decisions. To meet this demand, US Foods continues to invest in multiple programs and policies to support the company's commitment to offer innovative products that include sustainable and responsibly sourced attributes and to reduce the environmental footprint of the products we source. Examples of such programs include: -US Foods Responsible Sourcing Policy, which sets forth the principles suppliers to US Foods must meet. The policy covers critical topics such as legal compliance, food safety, human rights, physical safety, and the environment. -US Foods Serve Good® program, which features products that are responsibly sourced or contribute to waste reduction and adhere to strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials. In 2019, 4M lbs. of recycled fiber content and 7.5M lbs. of SFI-, FSC- or similarly certified fiber content was used for Serve Good product packaging (based on approximate average weight of paper per case). In addition, US Foods Progress Check™ program is dedicated to recognizing seafood products that are on their way to meeting Serve Good sustainability standards and stewards the process toward certification and addition to the Serve Good portfolio. Since launching the program in 2016, the Serve Good and Progress Check portfolio has grown to more than 800 food and non-food products. -US Foods Serve Local program better connects customers with local farmers, producers and/or manufacturers. Products offered through Serve Local are sourced within 400 miles from where US Foods ships or within the state from where US Foods ships. -US Foods Unpronounceables List™ initiative developed in response to growing diner demand for products with simpler, more recognizable ingredients. -US Foods Responsibly Sourced Palm Oil Policy that lays out the company's commitment to source 100% of the palm or palm kernel oil used in US Foods Exclusive Brand products, through certified sustainable sources such as RSPO Mass Balance, Identity Preserved or Segregated Supply Chain or equivalent standard by December 31, 2019. If a physical supply is unavailable, RSPO Credits will be required to cover that material to support the production of CSPO. In 2019, we achieved this commitment.

#### **Time horizon**

Short-term

#### **Likelihood**

More likely than not

#### **Magnitude of impact**

Medium-low

#### **Are you able to provide a potential financial impact figure?**

No, we do not have this figure

#### **Potential financial impact figure (currency)**

<Not Applicable>

#### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

#### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

#### **Explanation of financial impact figure**

#### **Cost of response to risk**

30000

#### **Description of response and explanation of cost calculation**

US Foods has conducted insights and analytics work against food and lifestyle trends influencing diner preferences. This work included a third-party sustainable product materiality assessment supported by feedback from internal and external stakeholders. Through this process, US Foods prioritized key initiatives with the greatest business impact. One key area prioritized for new product development is sustainability. US Foods provides customers a wide range of sustainable food and non-food products. The cornerstone of this commitment is the Serve Good® program. Serve Good features products that are responsibly sourced or contribute to waste reduction. All Serve Good products meet strict Serve Good packaging standards to reduce waste and prioritize the use of recycled materials. 4M lbs. of recycled fiber content and 7.5M lbs. of SFI-, FSC- or similarly certified fiber content was used for Serve Good product packaging in 2019 (based on approximate average weight of paper per case). Products are developed with manufacturers who share our commitment and, where applicable, come with verification by third-party certifiers. Product claims fall into one of several categories: Agricultural Practices, Sustainable Seafood, Animal Care, Responsible Disposables and Reduce Waste. In addition, US Foods Progress Check™ program is dedicated to recognizing seafood products that are on their way to meeting Serve Good sustainability standards and stewards the process toward certification and addition

to the Serve Good portfolio. A portion of the ongoing costs to realize this opportunity include annual costs of approximately \$25,000 – \$30,000 to maintain licensing agreements with third parties, in addition to any associated audit costs to maintain product certifications. Since launching the program in 2016, the Serve Good and Progress Check portfolio has grown to more than 800 food and non-food products.

#### Comment

---

##### Identifier

Risk 4

##### Where in the value chain does the risk driver occur?

Upstream

##### Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
----------------	--

##### Primary potential financial impact

Decreased revenues due to reduced production capacity

##### Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

##### Company-specific description

US Foods' more than 60 distribution facilities are located in nearly 40 states across the country. Because our network spans so much of the country, many of these facilities, along with the facilities of our customers, are located in areas that are increasingly subject to extreme, and occasionally prolonged, weather conditions, including, but not limited to, hurricanes, tornadoes, blizzards, and extreme cold. Extreme weather conditions may cause critical service interruptions to our operations in such areas, stemming from impeded access and transportation to our customers' facilities or reduction in productivity at our distribution centers due to unsafe conditions.

##### Time horizon

Short-term

##### Likelihood

More likely than not

##### Magnitude of impact

Low

##### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

##### Potential financial impact figure (currency)

1000000

##### Potential financial impact figure – minimum (currency)

<Not Applicable>

##### Potential financial impact figure – maximum (currency)

<Not Applicable>

##### Explanation of financial impact figure

Impact from hurricanes consists of costs recognized in cost of sales for inventory losses and product donations made for hurricane relief. US Foods' deductible for product liability is approximately \$1M—our maximum exposure from product loss for a single weather-related claim.

##### Cost of response to risk

0

##### Description of response and explanation of cost calculation

US Foods' Operations team manages a Weather Command Center (WCC) out of Tempe, Arizona to oversee preparation strategies for mitigating extreme weather events. The WCC monitors imminent weather events daily and works with regional operations teams in affected areas to carry out protocols included in the Operations Preparedness Playbook (the "Playbook") to leverage technologies and processes in place to minimize weather-related critical service interruptions. Operations teams across the U.S. are provided the Playbook as a resource to apply in extreme weather conditions. The WCC has employed the Playbook to mitigate the impact of major weather events on our facilities, employees, and customers. In recent years, these events included Hurricane Florence, for which preparation was extensive. The Playbook was executed to prioritize customer deliveries, determine where cancellations were required and to engage Inbound Logistics, which managed failed vendor deliveries and helped source trucks to support emergency relief. Our Raleigh facility experienced an outage but was kept operational on a limited plan reliant upon generator power throughout the hurricane and its aftermath.

#### Comment

---

## C2.4

---

### (C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

---

### (C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

##### Identifier

Opp1

##### Where in the value chain does the opportunity occur?

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient modes of transport

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

With a fleet of approximately 6,000 trucks, delivering products by truck is core to US Foods' business as a distributor to roughly 250,000 restaurants and foodservice operators across the United States. Decreasing our fuel usage by improving transportation efficiency and piloting alternative fuel vehicles not only helps us to reduce the impact of our operations on the environment and reduce our GHG emissions, but also presents an opportunity for cost savings in our operating expenses

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost to realize opportunity**

600000

**Strategy to realize opportunity and explanation of cost calculation**

US Foods implements practices and technologies to increase fuel efficiency. Through programs designed to optimize routing, reduce miles driven and right size our vehicles by route type, we have achieved a 11.2% reduction in gallons of fuel used per case delivered in 2019 (base year 2015, broadline only) and 15.1% reduction in Scope 1 and 2 emissions intensity in 2019, (base year 2015. Emissions intensity measured as lb. CO<sub>2</sub>e per case delivered). Fleet technology continues to evolve, and we are testing new efficiency strategies like the introduction of 55 compressed natural gas (CNG) vehicles into our fleet in Texas and Oklahoma City. On top of state subsidies, the CNG trucks cost a combined total of approximately \$600,000 more than standard diesel tractors. According to a study done for the California Energy Commission, CNG trucks emit 22-29% fewer greenhouse gas emissions than comparable gas or diesel fuel vehicles. These trucks allow us to reduce truck emissions and are just one among several investments US Foods has made to lower the environmental footprint of our fleet. Additional fleet enhancements include the installation of SmartWay verified tires and tire inflation systems, extended oil drain schedules to reduce oil use and waste, and the utilization of lighter weight oil in our vehicles to improve fuel economy. As we update and add to our fleet, we have selected new vehicle models that feature an aerodynamic design for better fuel efficiency, engines that run at a lower RPM to reduce emissions, and onboard computer monitoring systems that are used to report fuel economy and idle time.

**Comment**

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

US Foods® continuously works to make our facilities more energy efficient. We have taken steps to reduce the energy intensity of our business (measured in kilowatt hours per case shipped) through the installation of rooftop solar arrays at a number of our distribution centers and the operation of three Leadership in Energy and Environmental Design (LEED) Silver-certified facilities, and our partnership with Cascade Energy (CE) in 2015 to track electricity usage in our facilities through real-time monitoring. The positive business impacts produced through these initiatives include lower operating costs and more efficient operations.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

---

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost to realize opportunity**

1000000

**Strategy to realize opportunity and explanation of cost calculation**

US Foods is working towards greater energy efficiency in our facilities and turning toward alternative energy sources. We currently operate three LEED Silver-certified facilities, with additional locations in progress. In 2018, US Foods announced that the company has committed to building a 355,000-square-foot state-of-the-art facility in Sacramento, California. The new facility will be LEED Silver-certified and will be completed in 2020. In addition, solar arrays have also 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. More than thirteen million kilowatt hours (kWh) of electricity are generated annually from our solar installations, with plans to install more in the future. For the new LEED Silver-certified US Foods facility in Buda, Texas, there was a cost of approximately \$1,000,000 to meet or exceed the baselines necessary to obtain LEED Silver certification, over and above the cost of a new standard non-LEED Silver-certified US Foods facility. Finally, US Foods began partnering with Cascade Energy (CE) in 2015 to track electricity usage in our facilities through real-time monitoring. This information is used to create predictive facility-level energy models and assess energy performance and savings. As a result, our teams can better understand our cold storage energy usage based on anticipated conditions. Through this initiative, field teams receive CE energy efficiency training and participate in facility tune-ups, which provide opportunities to optimize refrigeration systems and operations, and identify energy efficiency projects for the future. These efforts have driven a cumulative energy savings of 133,197,604 kWh in our broadline business since 2015.

**Comment**

---

**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development of new products or services through R&D and innovation

**Primary potential financial impact**

Increased revenues through access to new and emerging markets

**Company-specific description**

As the growth in demand for sustainable product alternatives continues to increase, US Foods remains committed to investing in the product portfolios that will meet this demand. More specifically, continued investments in the US Foods' Serve Good program portfolio. The Serve Good program is dedicated to products that are responsibly sourced or contribute to waste reduction and adhere to strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials and help minimize our ecological footprint. Product claims fall into one of several categories. These categories include: - Agricultural Practices: Includes products that are organic, non-GMO, Fair Trade Certified™ and Rainforest Alliance Certified™ items. - Sustainable Seafood: US Foods works with suppliers to guide them on a path toward meeting the certifier verified Serve Good sustainability standards, promoting social responsibility, food safety, animal welfare and traceability in sourcing. - Animal Care: US Foods works with American Humane Certified and other third-party certifiers to help ensure the products featured in our Serve Good™ program meet certain terms and specifications. - Responsible Disposables: Products come with the reassurance of verification and are made from materials that are certified as recyclable, compostable, post-consumer or bio based. - Reduce Waste: Products specifically contribute to waste reduction based on how they are sourced and/or manufactured. These include items produced by facilities that have reduced manufacturing waste associated with that specific item, products that create a new form of value and products that minimize the amount of garbage that enters the waste stream.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

US Foods is committed to bringing the most innovative products to our customers, particularly in the sustainable product space. US Foods continues to invest and innovate in the sustainable products space, bringing our operators products that are responsibly sourced or contribute to waste reduction while minimizing our ecological footprint. Examples of this include such programs as US Foods Serve Good™, Progress Check™ and Serve Local. - US Foods Serve Good program features products that are responsibly sourced or contribute to waste reduction and adhere to strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials. 4M lbs. of recycled fiber content and 7.5M lbs. of SFI, FSC- or similarly certified fiber content was used for Serve Good product packaging in 2019 (based on approximate average weight of paper per case). - In addition, US Foods Progress Check™ program is dedicated to recognizing seafood products that are on their way to meeting Serve

Good sustainability standards and stewards the process toward certification and addition to the Serve Good portfolio. Since launching the program in 2016, the Serve Good and Progress Check portfolio has grown to more than 800 food and non-food products. - US Foods Serve Local program connects customers with local farmers, producers and/or manufacturers. Products offered through Serve Local are sourced within 400 miles from where US Foods ships or within the state from where US Foods ships.

#### Comment

---

##### Identifier

Opp4

##### Where in the value chain does the opportunity occur?

Direct operations

##### Opportunity type

Products and services

##### Primary climate-related opportunity driver

Shift in consumer preferences

##### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

##### Company-specific description

US Foods must continue to invest in the development of innovative and on-trend products as it is a key differentiator for the company as part of the company's "Great Food. Made Easy." strategy. US Foods continues to invest in multiple programs and policies to support the company's commitment to offering innovative products that include sustainable and responsibly sourced attributes and reduces the environmental footprint of the products we produce. Examples of such programs include: - US Foods Responsible Sourcing Policy, which sets forth the principles suppliers to US Foods must meet. The policy covers critical topics such as legal compliance, food safety, human rights, physical safety, and the environment. - US Foods Serve Good program, which features products that are responsibly sourced or contribute to waste reduction and adhere to strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials. 4M lbs. of recycled fiber content and 7.5M lbs. of SFI-, FSC- or similarly certified fiber content was used for Serve Good product packaging in 2019 (based on approximate average weight of paper per case). In addition, US Foods Progress Check™ program is dedicated to recognizing seafood products that are on their way to meeting Serve Good sustainability standards and stewards the process toward certification and addition to the Serve Good portfolio. Since launching the program in 2016, the Serve Good and Progress Check portfolio has grown to more than 800 food and non-food products. - US Foods Serve Local program better connects customers with local farmers, producers and/or manufacturers. Products offered through Serve Local are sourced within 400 miles from where US Foods ships or within the state from where US Foods ships. - US Foods Unpronounceables List™ initiative developed in response to growing diner demand for products with simpler, more recognizable ingredients. - US Foods Responsibly Sourced Palm Oil Policy that lays out the company's commitment to source 100% of the palm or palm kernel oil used in US Foods Exclusive Brand products, through certified sustainable sources such as RSPO Mass Balance, Identity Preserved or Segregated Supply Chain or equivalent standard by December 31, 2019. If a physical supply is unavailable, RSPO Credits will be required to cover that material to support the production of CSPO. In 2019, we achieved this commitment.

##### Time horizon

Short-term

##### Likelihood

More likely than not

##### Magnitude of impact

Medium-low

##### Are you able to provide a potential financial impact figure?

No, we do not have this figure

##### Potential financial impact figure (currency)

<Not Applicable>

##### Potential financial impact figure – minimum (currency)

<Not Applicable>

##### Potential financial impact figure – maximum (currency)

<Not Applicable>

##### Explanation of financial impact figure

##### Cost to realize opportunity

30000

##### Strategy to realize opportunity and explanation of cost calculation

US Foods has conducted insights and analytics work against food and lifestyle trends influencing diner preferences. This work included a third-party sustainable product materiality assessment supported by feedback from internal and external stakeholders. Through this process, US Foods prioritized key initiatives with the greatest business impact. One key area prioritized for new product development is sustainability. US Foods provides customers a wide range of sustainable food and non-food products. The cornerstone of this commitment is the Serve Good® program. Serve Good features products that are responsibly sourced or contribute to waste reduction. All Serve Good products meet strict Serve Good packaging standards to reduce waste and prioritize the use of recycled materials. Products are developed with manufacturers who share our commitment and, where applicable, come with verification by third-party certifiers. Product claims fall into one of several categories: Agricultural Practices, Sustainable Seafood, Animal Care, Responsible Disposables and Reduce Waste. In addition, US Foods Progress Check™ program is dedicated to recognizing seafood products that are on their way to meeting Serve Good sustainability standards and stewards the process toward certification and addition to the Serve Good portfolio. A portion of the ongoing costs to realize this opportunity include annual costs of approximately \$25,000 – 30,000 to maintain licensing agreements with third parties, in addition to any associated audit costs to maintain product certifications. Since launching the program in 2016, the Serve Good and Progress Check portfolio has grown to more than 800 food and non-food products.

#### Comment

---

## C3. Business Strategy

---

## C3.1

---

### (C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

## C3.1a

---

### (C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, and we do not anticipate doing so in the next two years

## C3.1c

---

### (C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

We believe proper analysis related to issues in which climate-related risk could be a factor is captured and mitigated within our CSR approach. Our commitment to providing sustainably sourced products, caring for people and protecting the environment exemplifies US Foods' approach to Corporate Social Responsibility (CSR). We organize these efforts across three key pillars: People, Planet and Products. Initiatives under these three key pillars are identified and assessed by key US Foods functional leadership team members. Risks and opportunities as well as the key management process in place to mitigate these risks are identified through functional strategy reviews, third-party trend insights and third-party sustainable product materiality assessments that include feedback from internal and external stakeholders. US Foods prioritizes key initiatives based on where we believe will have the most impact. Ongoing management activities and key milestones against these activities are reported externally on the CSR pages of the company's website and are captured in the company's Corporate Social Responsibility Report.

## C3.1d

---

### (C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Transition risks and opportunities have direct impacts on our products and services as shifts in consumer demand influence the ways in which we consider investments in new product growth opportunities. The demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend influencing customer and diner purchasing decisions. Because of this, US Foods continues to invest into multiple programs and policies to support the company's commitment to offering innovative products that are sustainable and responsibly sourced. For instance, we will continue to invest in expanding the company's Serve Good and Progress Check programs, which features a portfolio of more than 800 food and non-food that adhere to strict sustainability standards.
Supply chain and/or value chain	Yes	Physical risks have impacted US Foods' supply chain in several ways. Increased severity of extreme weather events, including hurricanes and other natural disasters have in many instances impacted our ability to service our customers without disruptions. While minimal, these disruptions are caused by several factors including the inability to safely receive product from vendors or safely deliver product to customers. In addition, extreme weather impacts our ability to staff distribution centers, as the safety and security of our employees our top priority. Preparedness strategies for mitigating the impact of extreme weather events help to limit these disruptions and ensures services can resume in a timely manner. Impact from hurricanes consists of costs recognized in cost of sales for inventory losses and product donations made for hurricane relief. US Foods' deductible for product liability is approximately \$1M—our maximum exposure from product loss for a single weather-related claim.
Investment in R&D	Yes	Transition risks and opportunities have direct impacts on US Foods' investment in R&D as shifts in consumer demand influence the ways in which we consider investment in new product growth opportunities. The demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend area influencing customer and diner purchasing decisions. For this reason, US Foods continues to invest in the R&D required to ensure a steady stream of innovative products for the Serve Good portfolio. The US Foods Serve Good program includes sustainable products that are responsibly sourced or contribute to waste reduction.
Operations	Yes	Transition risks and opportunities impact the ways in which we integrate technology and updated infrastructure into the operations of our facilities and fleet. Changes in regulations, such as those requiring the phase-out of certain ozone-depleting substances or otherwise regulating greenhouse gas emissions, have required us to upgrade or replace equipment in our facilities. For example, in a number of facilities, US Foods has invested in the phasing out of r22 freon-based refrigeration systems. In these facilities, r22 is being replaced with a new non-ozone depleting refrigerant. US Foods has also begun replacing or retrofitting existing equipment utilizing alternative refrigeration, such as ammonia or other non-ozone depleting refrigerants. The cost to replace a single rooftop refrigeration unit in a warehouse (where there maybe be up to 15 -30 rooftop units) is approximately \$50,000 per unit. At the US Foods facility in Manassas, Virginia, it cost a total of approximately \$5,700,000 to replace the central r22 refrigeration system.

## C3.1e

---

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

Financial planning elements that have been influenced	Description of influence
Row 1 Revenues Indirect costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities	Revenues: Transition risks and opportunities impact US Foods' revenue related to changing consumer preference. Consumer eating habits could be affected by a number of factors, including changes in attitudes regarding diet and health or new information regarding the health effects of consuming certain foods. There is a growing consumer preference for sustainable, organic and locally grown products. If consumer eating habits change significantly, we may be required to modify or discontinue sales of certain items in our product portfolio. This could lead to higher costs associated with the implementation of those changes, but we also have an opportunity to increase revenue through the development of new and innovative products to meet customer demands. Consequently, US Foods continues to invest in the development of multiple programs and policies to support the company's commitment to offering innovative products that include sustainable and responsibly sourced attributes and reduces the environmental footprint of the products we produce. The financial strategies of these activities are dependent on the demand for these products and the sales generated. The magnitude of this impact on earnings is medium-low. Indirect Costs: Transition risks impact US Foods' operating costs related to fuel prices. US Foods' fleet of approximately 6,000 trucks is critical to our business, allowing us to operate efficiently and provide high levels of customer service. As such, unfavorable changes in fuel prices may not only increase the price we pay for products, but also increase the costs we incur to deliver products to our customers. Using published market price projections for diesel and estimated fuel consumption needs, a hypothetical 10% unfavorable change in fuel prices from the projected market prices would result in approximately \$9M of additional fuel cost for the company. These factors may, in turn, negatively affect our sales, margins, operating expenses, and operating results. Although, from time to time, we enter into forward purchase commitments for some of our fuel requirements at prices equal to the then-current market price, these forward purchases may prove ineffective and result in us paying higher than market costs for part of our fuel. Decreasing our fuel usage by improving transportation efficiency and piloting alternative fuel vehicles not only helps us to reduce the negative impact of our operations on the environment and reduce our GHG emissions, but also presents an opportunity for cost savings in our operating expenses. The magnitude of this impact on earnings is medium-high. Capital Expenditures: Transition risks impact US Foods' capital expenditures as it relates to increased fuel cost mitigation. Unfavorable changes in fuel prices may not only increase the price we pay for products, but also increase the costs we incur to deliver products to our customers. US Foods primarily manages this risk by implementing practices and technologies aimed at increasing fuel efficiency. For example, capital expenditures on new technologies such as the 55 compressed natural gas (CNG) vehicles we have in our fleet today in Texas and Oklahoma City, allows us to reduce truck emissions. The overall magnitude of this impact on earnings is medium-low. Acquisitions and divestments: The risks and opportunities outlined in C2.3a and C2.4a have not impacted our acquisitions and divestments financial planning process. Primary considerations include growth with our target customer types, and an attractive return on investment, including synergies we capture from integrations. However, recognized benefits such as reduced miles driven from greater warehouse density or expanded sourcing of sustainable products would be factored into the financial planning processes. Access to capital: While there is no direct impact to debt financing, we have seen an increasing number of stakeholder inquiries related to our CSR strategies. Shareholders may make investment decisions based on our responses to their inquiries. While the magnitude of this impact is currently low, investments in CSR initiatives as part of our CSR approach could positively impact future valuation as investors focus more on CSR. Assets: Transition risks, such as cost to transition to lower emissions technology, has impacted assets. Investments in upgraded and adding new technology increases the value of our fleet through lower fuel use and cost and increased return on investment. For example, US Foods manages technology transition risk by implementing practices and technologies aimed at increasing fuel efficiency. These investments include fleet enhancements such as the installation of SmartWay verified tires and tire inflation systems that help with fuel efficiency, as well as trailer skirts that help with wind resistance. As we continue to update and add to our fleet, we have selected new vehicle models that feature an aerodynamic design for better fuel efficiency, and engines that run at a lower RPM to reduce emissions. In addition, the new vehicles include state-of-the-art diagnostics that connect to the engine and monitor performance in real time, as well as onboard computer monitoring systems that are used to report fuel economy and idle time. As fleet technology continues to evolve, we're also testing new, innovative approaches, such as the 55 compressed natural gas (CNG) vehicles we have in our fleet today in Texas and Oklahoma City, which allow us to reduce truck emissions. The impact of these initiatives on earnings is medium-low. Liabilities: Acute physical risks impact our liabilities. Impact from hurricanes consist of costs recognized in cost of sales for inventory losses and product donations made for hurricane relief. US Foods' deductible for product liability is approximately \$1M—our maximum exposure from product loss for a single weather-related claim. The magnitude of this risk is low in terms of impact on earnings or other financial planning processes.

### C3.1f

**(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

### C4. Targets and performance

#### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

No target

#### C4.1c

**(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	Important but not an immediate business priority		US Foods continues to evaluate how best to determine the appropriate emissions target and forecasts in accordance with the company's future business plans.

#### C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Other climate-related target(s)

#### C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

**Target reference number**

Oth 1

**Year target was set**

2017

**Target coverage**

Product level

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Please select

**Target denominator (intensity targets only)**

<Not Applicable>

**Base year**

2018

**Figure or percentage in base year**

0

**Target year**

2019

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

0

**% of target achieved [auto-calculated]**

0

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

**Is this target part of an overarching initiative?**

Other, please specify (The Palm Oil Policy is one of many initiatives within the company's Corporate Social Responsibility (CSR) approach to "Products.")

**Please explain (including target coverage)**

US Foods' Palm Oil Policy lays out our commitment to source 100% of the palm or palm kernel oil used in US Foods Exclusive Brand products through certified sustainable sources such as RSPO Mass Balance, Identity Preserved or Segregated Supply Chain or equivalent standard by December 31, 2019. If a physical supply is unavailable, RSPO Credits will be required to cover that material to support the production of CSPO. In 2019, we achieved this commitment. Climate-related risks and opportunities are primarily addressed as part of the company's Corporate Social Responsibility (CSR) approach. US Foods does not isolate climate-related risk as a strategic pillar. However, climate-related risk and opportunities may be integrated within the CSR initiatives and policies developed as part of the company's CSR approach. The company's commitment to caring for people, protecting the environment and providing sustainably sourced products under the areas of People, Planet and Products, exemplifies the US Foods approach to CSR. 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 such as responsible sourcing and sustainable product development where we believe we will have the most impact. Given the potential environmental and social risks associated with palm oil production, 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 palm oil policy lays out our commitment to source 100% of the palm or palm kernel oil used in US Foods Exclusive Brand products, through certified sustainable sources such as RSPO Mass Balance, Identity Preserved or Segregated Supply Chain or equivalent standard by December 31, 2019. If a physical supply is unavailable, RSPO Credits will be required to cover that material to support the production of CSPO. In 2019, we achieved this commitment.

---

### C4.3

---

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

---

#### C4.3a

---

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.**

	Number of initiatives	Total estimated annual CO <sub>2</sub> e savings in metric tonnes CO <sub>2</sub> e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	7	713.07
Not to be implemented		

#### C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
--------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

713.07

**Scope(s)**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

150000

**Investment required (unit currency – as specified in C0.4)**

280000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Replacement of old lighting systems including T12, T5, and metal halide

**Initiative category & Initiative type**

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s)**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

755000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Replacing HVAC systems utilizing R22 refrigerants to eliminate continued usage of R22

**Initiative category & Initiative type**

Fugitive emissions reductions	Refrigerant leakage reduction
-------------------------------	-------------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

850000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Replace HVAC systems utilizing R22 to eliminate continued usage of R22 an add controls for refrigeration system

**Initiative category & Initiative type**

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

**Estimated annual CO2e savings (metric tonnes CO2e)****Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)****Investment required (unit currency – as specified in C0.4)**

364000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Ventilation system added to production room to turn over humid air after wash down to reduce load on refrigeration system

---

**C4.3c****(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	We are continually working to improve the efficiency of our facilities and fleet to help reduce our environmental footprint. As part of our capital budgeting strategy, we take into account the adoption of technology and activities that may reduce operating costs and achieve lower emissions. Initiatives supporting these efforts include investments in energy reduction such as LEED certifications and solar installations, new technology such as the use of compressed natural gas (CNG) vehicles in our fleet and process improvements such as optimizing our routing to reduce miles driven.

---

**C4.5****(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

No

---

**C5. Emissions methodology**

---

**C5.1**

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

January 1 2015

**Base year end**

December 31 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

617380.838

**Comment**

**Scope 2 (location-based)**

**Base year start**

January 1 2015

**Base year end**

December 31 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

218120.653

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

567177.817

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

### C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

**Comment**

All US Foods facilities are located in the United States. No residual mix factors were available, nor were supplier emission factors able to be obtained.

## C6.3

---

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

**Reporting year**

**Scope 2, location-based**

166344.49

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

## C6.4

---

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

## C6.5

---

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

**Purchased goods and services**

**Evaluation status**

Relevant, not yet calculated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Due to the nature of US Foods' business, it is assumed that Scope 3 emissions associated with purchased goods and services comprise a portion of US Foods' Scope 3 emissions footprint. However, emissions associated with this category are not calculated at this time.

**Capital goods**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Emissions associated with this category are not calculated at this time.

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

US Foods does not engage in fuel and energy related activities not captured in Scope 1 or 2, therefore the Scope 3 category is not relevant.

## **Upstream transportation and distribution**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO<sub>2</sub>e**

397.67

### **Emissions calculation methodology**

US Foods has calculated 397.67 MT CO<sub>2</sub>e from Upstream Transportation and Distribution. US Foods utilized the fuel-based method for calculating emissions associated with upstream transportation and distribution to the Save on Seafood facility in St. Petersburg, FL. Marine diesel fuel usage quantity consumed by the third-party ship operator in service of US Foods Save on Seafoods facility in St. Petersburg, FL is reported to US Foods by the vendor. The volume of fuel is multiplied by the EPA fuel-specific emission factor for diesel ships and boats to calculate emissions associated with upstream transportation and distribution.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

### **Please explain**

Due to data availability, GHG emissions associated with upstream transportation and distribution is currently calculated only for third-party operated ship transport to the Save on Seafood facility in St. Petersburg, FL. No other emissions associated with transport fuel consumed for upstream transportation and distribution is calculated at this time.

## **Waste generated in operations**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **Business travel**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO<sub>2</sub>e**

6965.32

### **Emissions calculation methodology**

Scope 3 emissions associated with business travel for US Foods employees is calculated for business air travel (all haul lengths) and rental cars. US Foods has calculated 6965.32 MT CO<sub>2</sub>e from Business travel. Business air travel usage data are collected from US Foods' corporate travel agent and represent global flights booked through the travel agency. Employee business travel flight data are provided by flight leg and then categorized by short (0-300 miles), medium (300-2,300 miles) and long (>2,300 miles) haul flight legs. The short, medium and long-haul emissions factors are applied respectively to each flight leg to calculate emissions from US Foods employee business travel. US Foods applies quantification methodologies and emissions factors from the US EPA. GHG emissions resulting from business rental car travel are estimated and included in US Food's GHG inventory. US Foods' rental car vendors provide the miles driven by fuel type as well as the miles per gallon and the gallons consumed per trip. This fuel usage quantity is multiplied by the fuel-specific emissions factor to calculate the emissions associated with motor gasoline.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

### **Please explain**

US Foods reports the GHG emissions associated with business air travel and rental car usage for US Foods employees. In 2019, US Foods emissions associated with business air travel by US Foods employees was calculated to be 5,599.28 MT CO<sub>2</sub>e for all hauls. In 2019, US Foods emissions associated with rental car usage by US Foods employees was calculated to be 1,366.03 MT CO<sub>2</sub>e.

## **Employee commuting**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **Upstream leased assets**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

US Foods reports the GHG emissions associated with its leased assets as Scope 1 and 2 emissions. US Foods does not operate any leased assets not already included in Scope 1 and Scope 2.

## **Downstream transportation and distribution**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **Processing of sold products**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **Use of sold products**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **End of life treatment of sold products**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Emissions associated with this category area not calculated at this time.

## **Downstream leased assets**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

US Foods does not generally lease or sublease its facilities. Downstream leased assets is, thus, not a relevant Scope 3 emissions category for US Foods given the nature of our business.

## **Franchises**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

US Foods does not have franchises. Thus Franchises is not a relevant Scope 3 emissions category for US Foods given the nature of our business.

## **Investments**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

GHG emissions associated with investments is not a relevant Scope 3 emission category for US Foods given the nature of our business.

## **Other (upstream)**

### **Evaluation status**

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

## **Other (downstream)**

### **Evaluation status**

### **Metric tonnes CO<sub>2</sub>e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

## **C-AC6.6/C-FB6.6/C-PF6.6**

---

### **(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?**

No

## C-AC6.6b/C-FB6.6b/C-PF6.6b

---

**(C-AC6.6b/C-FB6.6b/C-PF6.6b) Why can you not report your Scope 3 emissions by business activity area?**

**Row 1**

**Primary reason**

Other, please specify

**Please explain**

US Foods' Scope 3 emissions are primarily comprised of downstream activities related to our suppliers. At this stage, due to the nature of our business, US Foods focuses its efforts on tracking and capturing Scope 1 and 2 emissions, on which we can make the greatest direct impact.

## C-AC6.8/C-FB6.8/C-PF6.8

---

**(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?**

No

## C-AC6.9/C-FB6.9/C-PF6.9

---

**(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?**

**Agricultural commodities**

Other (Cattle Products)

**Do you collect or calculate GHG emissions for this commodity?**

No, not currently but intend to collect or calculate this data within the next two years

**Please explain**

In fiscal 2019, the sales mix for our principal products categories for 2019 detail "Meats and Seafood" 35.90% of revenue (\$9.3B of our total \$25.9B in revenue). Due to the significance of Meats and Seafood as a portion of revenue, we understand that emissions associated with cattle products likely comprise a portion of our Scope 3, purchased goods and services portfolio. At this stage, due to the nature of our business, US Foods focuses its efforts on tracking and capturing Scope 1 and 2 emissions, on which we can make the greatest direct impact.

**Agricultural commodities**

Other (Fish and seafood from aquaculture )

**Do you collect or calculate GHG emissions for this commodity?**

No

**Please explain**

In fiscal 2019, the sales mix for our principal products categories for 2019 detail "Meats and Seafood" 35.90% of revenue (\$9.3B of our total \$25.9B in revenue). Due to the significance of Meats and Seafood as a portion of revenue, we understand that emissions associated with fish and seafood from aquaculture likely comprise a portion of our Scope 3, purchased goods and services portfolio. At this stage, due to the nature of our business, US Foods focuses its efforts on tracking and capturing Scope 1 and 2 emissions, on which we can make the greatest direct impact.

## C6.10

---

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.0000282787

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

733522.31

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

25939000000

**Scope 2 figure used**

Location-based

**% change from previous year**

9.57

**Direction of change**

Decreased

**Reason for change**

Revenues increased 7.3% year-over-year, while scope 1 & 2 emissions decreased 3.0% year-over-year. Continued focus on improving the energy efficiency of our facilities – for example, replacing motor diesel with lower-emission CNG in a portion of our tractor trailer fleet and transitioning to lower-GWP refrigerants – has supported the realized decrease in Scope 1 & 2 emissions.

---

## C7. Emissions breakdowns

---

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

#### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	495351.401	IPCC Fifth Assessment Report (AR5 – 100 year)
CH <sub>4</sub>	65.681	IPCC Fifth Assessment Report (AR5 – 100 year)
N <sub>2</sub> O	533.257	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	71227.479	IPCC Fifth Assessment Report (AR5 – 100 year)

### C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO <sub>2</sub> e)
United States of America	567177.817

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

#### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO <sub>2</sub> e)
Office	278.505
Store	2200.113
Warehouse	552047.12
Stock Yard	12652.079

**C-AC7.4/C-FB7.4/C-PF7.4**

**(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?**

No

**C-AC7.4c/C-FB7.4c/C-PF7.4c**

**(C-AC7.4c/C-FB7.4c/C-PF7.4c) Why do you not include greenhouse gas emissions pertaining your business activity(ies) in your direct operations as part of your global gross Scope 1 figure? Describe any plans to do so in the future.**

	Primary reason	Please explain
Row 1	Other, please specify	Due to the nature of our business, US Foods' Scope 1 emissions are primarily comprised of emissions associated with refrigeration in our manufacturing and distribution facilities and fuel used for food processing and distribution. US Foods focuses its efforts on tracking and capturing these Scope 1 emissions over which we have the greatest control may have the largest impact. Scope 1 emissions resulting from land use change, biological processes, and the use of on-farm equipment or machinery are limited and considered immaterial to our overall Scope 1 emissions.

**C7.5**

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	166344.49		388036.05	0

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

**C7.6c**

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO <sub>2</sub> e)	Scope 2, market-based (metric tons CO <sub>2</sub> e)
Office	6144.219	
Store	4852.457	
Warehouse	142891.703	
Stock Yard	12456.111	

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

**C7.9a**

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO <sub>2</sub> e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Not applicable
Other emissions reduction activities	713.07	Decreased	0.09	As reported in C4.3b, non-renewable energy consumption emission reduction projects led to an approximate savings of 713.07 mTons CO <sub>2</sub> e. Operational and energy efficiency initiatives in US Foods facilities have had an estimated impact of 0.09% reduction in total Scope 1 and 2 emissions. This was calculated in the following manner: (Change in Scope 1+2 emissions attributed to reason/Previous year Scope 1+2 emissions)*100 or (713.07/755,979.99)*100.
Divestment	0	No change	0	US Foods had no divestments, acquisitions, or mergers in 2019 that would affect our GHG Inventory
Acquisitions	0	No change	0	US Foods had no divestments, acquisitions, or mergers in 2019 that would affect our GHG Inventory
Mergers	0	No change	0	US Foods had no divestments, acquisitions, or mergers in 2019 that would affect our GHG Inventory
Change in output	0	No change	0	US Foods had no divestments, acquisitions, or mergers in 2019 that would affect our GHG Inventory
Change in methodology	0	No change	0	US Foods had no divestments, acquisitions, or mergers in 2019 that would affect our GHG Inventory
Change in boundary	0	No change	0	Not applicable
Change in physical operating conditions	0	No change	0	Not applicable
Unidentified	22457.69	Decreased	2.88	Scope 1 and market-based Scope 2 emissions decreased by 22,457.69 mTons CO <sub>2</sub> e in 2019 when compared with 2018, from 755,979.99 to 733,522.31 mTons CO <sub>2</sub> e. Of this, 713.07 mTons CO <sub>2</sub> e can be attributed to energy consumption and emissions reductions projects implemented in 2019. The remaining reduction of 21,744.62 mTons CO <sub>2</sub> e is not attributable to any one source and is assumed to be a result of natural changes in general consumption patterns, operational activities, and location opening and closures occurring over the reporting period. Emissions reductions due to unidentified causes had an estimated impact of 2.88% reduction in total Scope 1 and market-based scope 2 emissions. This was calculated in the following manner: (Change in Scope 1+2 emissions attributed to the reason/Previous year Scope 1+2 emissions)*100 or (21,744.62/755,979.99)*100.
Other	<Not Applicable>			

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	1983268.01	1983268.01
Consumption of purchased or acquired electricity	<Not Applicable>	0	388036.05	388036.05
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>			

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

62643.75

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Emission factor**

181.21631

**Unit**

kg CO<sub>2</sub>e per MWh

**Emissions factor source**

U.S. EPA, Emission Factors for Greenhouse Gas Inventories (Mar 2018)

**Comment**

**Fuels (excluding feedstocks)**

Propane Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2067.13

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Emission factor**

215.40273

**Unit**

kg CO2e per MWh

**Emissions factor source**

U.S. EPA, Emission Factors for Greenhouse Gas Inventories (Mar 2018)

**Comment****Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

1900142.54

**MWh fuel consumed for self-generation of electricity**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of heat**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Emission factor**

10.22371

**Unit**

kg CO2 per gallon

**Emissions factor source**

U.S. EPA, Emission Factors for Greenhouse Gas Inventories (Mar 2018)

**Comment****Fuels (excluding feedstocks)**

Compressed Natural Gas (CNG)

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

18414.58

**MWh fuel consumed for self-generation of electricity**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of heat**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of steam**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-cogeneration or self-trigeneration**

&lt;Not Applicable&gt;

**Emission factor**

1.92448

**Unit**

kg CO2e per m3

**Emissions factor source**

U.S. EPA, Emission Factors for Greenhouse Gas Inventories (Mar 2018)

**Comment**

## C9. Additional metrics

---

### C9.1

---

(C9.1) Provide any additional climate-related metrics relevant to your business.

## C10. Verification

---

### C10.1

---

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

### C10.2

---

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

---

### C11.1

---

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

### C11.1a

---

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Other carbon tax, please specify (California CaT)

### C11.1c

---

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Other carbon tax, please specify

**Period start date**

January 1 2019

**Period end date**

December 31 2019

**% of total Scope 1 emissions covered by tax**

3.24

**Total cost of tax paid**

312603.5

**Comment**

The figures presented here for the State of California included contract gallons to which cap and trade fees were applied. Although not captured in the figures disclosed, US Foods has paid additional cap and trade fees, which are incorporated directly into spot pricing.

### C11.1d

---

---

**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

US Foods Corporate Taxation Group leads tax monitoring, assessments and compliance including indirect carbon tax requirements that may impact US Foods. The Corporate Taxation group partners with a third-party monitoring agency and leading accounting firms to stay up-to-date on changes in tax regulations and the potential impact of those changes on US Foods.

In addition, we are continually working to improve the efficiency of our facilities and fleet to reduce our environmental footprint.

- Within our fleet, we have programs in place to optimize our routing to reduce miles driven and right size our vehicles by route type. We have achieved a 11.2% reduction in gallons of fuel used per case delivered in 2019 (base year 2015, broadline only) and 15.1% reduction in Scope 1 and 2 emissions intensity in 2019, (base year 2015. Emissions intensity measured as lb. CO2e per case delivered). Additional fleet enhancements include the installation of SmartWay verified tires and tire inflation systems that help with fuel efficiency, as well as trailer skirts that help with wind resistance. Extended oil drain schedules reduce oil use and create less oil waste, and the utilization of lighter weight oil in our vehicles helps improve fuel economy. As we continue to update and add to our fleet, we have selected new vehicle models that feature an aerodynamic design for better fuel efficiency, and engines that run at a lower RPM to reduce emissions. In addition, the new vehicles include state-of-the-art diagnostics that connect to the engine and monitor performance in real time, as well as onboard computer monitoring systems that are used to report fuel economy and idle time. This data is used to drive continuous improvement and higher efficiency.

Our distribution centers require 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 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 yield positive business impacts, including lower operating costs and more efficient operations. In 2018, US Foods announced that the company has committed to building a 355,000-square-foot state-of-the-art facility in Sacramento, California. The new facility will be LEED Silver-certified and will be completed in 2020.

---

## C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

---

## C11.3

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

---

## C12. Engagement

---

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers  
Yes, our customers

---

#### C12.1a

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Compliance & onboarding

**Details of engagement**

Included climate change in supplier selection / management mechanism

**% of suppliers by number**

1

**% total procurement spend (direct and indirect)**

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

US Foods continues to invest in multiple programs and policies to support the company's commitment to offering innovative products that include sustainable and responsibly sourced attributes. 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. The cornerstone of our commitment to offering sustainable products is our Serve Good™ program, featuring US Foods Exclusive Brand products that are responsibly sourced or contribute to waste reduction. These products are developed in partnership with suppliers who share our commitment to Serve Good program standards and, where applicable, come with verification by third-party certifiers. All US Foods suppliers are expected to comply with the US Foods Responsible Sourcing Policy, which sets forth the principles suppliers must meet, and covers critical topics such as legal compliance, food safety, human rights, physical safety, and the environment. Given the potential environmental and social risks associated with palm oil production, we are working with our suppliers to ensure the palm oil and palm oil derivatives used in all US Foods Exclusive Brand products are responsibly sourced. We are working with our suppliers to ensure the production of palm oil and palm oil derivatives follow the RSPO Principles and Criteria (P&C), Rainforest Alliance Sustainable Agriculture Standard, or other equivalent standards. Specifically, we will support practices to help minimize or eliminate deforestation and support smallholders in producer nations. For example, US Foods offers several Exclusive Brands products made with Fair Trade Certified ingredients. These ingredients meet rigorous social, environmental and economic standards. In addition, they generate contributions to the Fairtrade Premium fund, which is paid to producers, on top of the Fairtrade Minimum price, to be invested in social, environmental and/or economic development projects to empower and uplift their communities. For example, in 2019, suppliers' purchases of Fair Trade Certified ingredients for use in our Exclusive Brand Fair Trade coffee products contributed nearly \$10,000 to the Fair Trade premium fund. Funds are allocated to and invested in projects democratically elected by producer groups.

**Impact of engagement, including measures of success**

The US Foods supplier engagement strategy for Serve Good program suppliers requires compliance with third-party certifications that may impact climate-related risk. US Foods created the Serve Good portfolio of products in 2016 with only 24 products in the line-up. Today, the Serve Good Program includes more than 350+ products due in part to the strong partnership we have with our Serve Good product suppliers. US Foods requires Serve Good product suppliers to retain third-party certification where applicable. US Foods engaged with suppliers to ensure third-party certifications such as USDA Organic, Fairtrade Certified, Rainforest Alliance Certified, Marine Stewardship Council and Best Aquaculture Practices for example. The noted examples include climate-related issues in their standards or guidelines. During the RFP and Product Innovation process, US Foods does ask for third-party certifications where applicable. Given the potential environmental and social risks associated with palm oil production, we are working with our suppliers to ensure the palm oil and palm oil derivatives used in all US Foods Exclusive Brand products are responsibly sourced. We are working with our suppliers to ensure the production of palm oil and palm oil derivatives follow the RSPO Principles and Criteria (P&C), Rainforest Alliance Sustainable Agriculture Standard, or other equivalent standards. Specifically, we will support practices to help minimize or eliminate deforestation and support smallholders in producer nations. US Foods has developed a timebound palm oil sourcing policy. Working alongside our suppliers, we have set out a commitment to source 100% of the palm or palm kernel oil used in US Foods Exclusive Brand products through certified sustainable sources such as RSPO Mass Balance, Identity Preserved or Segregated Supply Chain or equivalent standard by December 31, 2019. If a physical supply is unavailable, RSPO Credits will be required to cover that material to support the production of CSPO. In 2019, we achieved this commitment.

**Comment**

---

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Other, please specify (Innovation & collaboration (changing markets))

**% of suppliers by number**

1

**% total procurement spend (direct and indirect)**

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

The demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend area influencing customer and diner purchasing decisions. US Foods continues to invest in multiple programs and policies to support the company's commitment to offering innovative products that include sustainable and responsibly sourced attributes. 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. The cornerstone of our commitment to offering sustainable products is our Serve Good™ program, which features US Foods Exclusive Brand products that are responsibly sourced or contribute to waste reduction. These products are developed in partnership with suppliers who share our commitment to Serve Good program standards and, where applicable, come with verification by third-party certifiers. In order to offer our portfolio of Serve Good products, it is imperative to keep our vendors informed of our sustainability strategy and priorities.

**Impact of engagement, including measures of success**

US Foods conducts ongoing educational sessions with our vendors. For example, US Foods holds an annual vendor/supplier forum where vendors attend a 2-day session to be informed of US Foods strategy. During that forum CSR & sustainability has been a breakout session, as well as a key theme throughout the session. Our Local & Sustainable Lead also presents to vendors/vendors regularly to update on Serve Good guidelines.

**Comment**

---

**C12.1b**

---

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Education/information sharing

**Details of engagement**

Share information about your products and relevant certification schemes (i.e. Energy STAR)

**% of customers by number**

**% of customer - related Scope 3 emissions as reported in C6.5**

**Portfolio coverage (total or outstanding)**

<Not Applicable>

**Please explain the rationale for selecting this group of customers and scope of engagement**

The demand for products that offer enhanced transparency around where and how the product is sourced continues to be a key trend area influencing customer and diner purchasing decisions. US Foods' Serve Good program is designed to feature products that are responsibly sourced or contribute to waste reduction and adhere to strict packaging standards that are designed to reduce waste, prioritize the use of recycled materials. Since launching the program in 2016, the portfolio of Serve Good and Progress Check products has grown to more than 800 food and non-food products. US Foods invests in ongoing direct to customer awareness communications to drive interest and understanding of the Serve Food portfolio among our customers. Examples of such initiatives include: - Website presence on usfoods.com. Our Serve Good Program website landing pages include detailed information on the program policy, third-party certifications, product benefits and product information. - Serve Good Promotional videos featuring customer testimonials and usage ideas. Serve Good Program product highlights at event marketing events such as presence at The National Restaurant Show with 40K+ industry professionals, 11 US Foods branded Food Fanatic Live! events across the country that touch approximately 29K existing and potential US Foods customers.

**Impact of engagement, including measures of success**

---

**C-AC12.2/C-FB12.2/C-PF12.2**

---

**(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?**

Yes

**C-AC12.2a/C-FB12.2a/C-PF12.2a**

---

**(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.**

**Management practice reference number**

MP1

**Management practice**

Other, please specify (US Foods requires that All virgin paper content must have Sustainable Forestry Initiative (SFI), Forest Stewardship Council (FSC), or similar certification for both inner and outer packaging.)

**Description of management practice**

US Foods' Serve Good program is designed to feature products that are responsibly sourced or contribute to waste reduction, and that adhere to strict packaging standards that are designed to reduce waste and prioritize the use of recycled materials. In keeping with Serve Good program packaging standards, US Foods requires that All virgin paper content must have Sustainable Forestry Initiative (SFI), Forest Stewardship Council (FSC), or similar certification for both inner and outer packaging. Forest Stewardship Council (FSC) is a nonprofit organization that promotes the responsible management of the world's forests. This certification states that the fiber sourced from forest down through the manufacturing of a corrugate case has been properly managed socially, economically and environmentally, per FSC guidelines, through a chain of custody. Sustainable Forestry Initiative (SFI) is a nonprofit organization that focuses on sustainable fiber sourcing. This fiber is tracked through a chain of custody from certified forests in North American down through the printing of corrugate cases by SFI-certified printers. In 2019, US Foods used 4M LB. of recycled fiber content and 7.5M LB. of SFI-, FSC- or similarly certified fiber content used for Serve Good products packaging. This is based on approximate average weight of paper per case.

**Your role in the implementation**

Procurement

**Explanation of how you encourage implementation**

US Foods encourages implementation of this practice by requiring the use of these certifications for packaging materials for all Serve Good™ labeled products. US Foods has built working relationships with both SFI and FSC, and encourages collaboration with vendors and printers internationally. US Foods has also created educational materials that can be found on the company website. These materials provide definitions of what these certifications mean.

**Climate change related benefit**

Reduced demand for pesticides (adaptation)

**Comment**

Serve Good suppliers that are FSC certified must meet the following requirement included in the FSC Standards: C6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides.

---

**C-AC12.2b/C-FB12.2b/C-PF12.2b**

---

**(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?**

No

## C12.3

---

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

No

## C12.3g

---

(C12.3g) Why do you not engage with policy makers on climate-related issues?

US Foods focuses its resources where we believe we can make the greatest impact. Climate-related initiatives over which we have direct oversight are captured and integrated within the company's overall Corporate Social Responsibility (CSR) approach, which includes programs and policies developed around our commitment to caring for people, protecting the environment and providing sustainably sourced products under the focus areas of People, Planet and Products.

## C12.4

---

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**

In voluntary communications

**Status**

Underway – previous year attached

**Attach the document**

CSR\_Review\_2019.pdf

**Page/Section reference**

**Content elements**

Strategy

Emissions figures

**Comment**

The US Foods Corporate Social Responsibility Review and the company's CSR Report to be posted in Q4 2020 highlights the company's CSR initiatives in place to support US Foods commitment to Products: providing sustainably sourced products People: caring for people Planet: protecting the environment. This document is published within the CSR section of the US Foods website.

---

## C13. Other land management impacts

---

### C-AC13.2/C-FB13.2/C-PF13.2

---

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

### C-AC13.2a/C-FB13.2a/C-PF13.2a

---

**(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.**

**Management practice reference number**

MP1

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

**Description of impacts**

US Foods' Serve Good™ program is designed to feature products that are responsibly sourced or contribute to waste reduction, and that adhere to strict packaging standards that are designed to reduce waste and prioritize the use of recycled materials. In keeping with Serve Good™ program packaging standards, US Foods requires that all virgin paper content must have Sustainable Forestry Initiative (SFI), Forest Stewardship Council (FSC), or similar certification for both inner and outer packaging. Serve Good™ suppliers that are SFI certified must meet the following standards: • Biodiversity - Performance Measure 2.2. Program Participants shall minimize chemical use required to achieve management objectives while protecting employees, neighbors, the public and the environment, including wildlife and aquatic habitats. (SFI) • Soil - Performance Measure 2.3. Program Participants shall implement forest management practices to protect and maintain forest and soil productivity (SFI) • Water - Performance Measure 3.2. Program Participants shall implement water, wetland and riparian protection measures based on soil type, terrain, vegetation, ecological function, harvesting system, state best management practices (BMPs), provincial guidelines and other applicable factors. (SFI) Serve Good™ suppliers that are FSC certified must meet the following standards: • Biodiversity - C6.3 Ecological functions and values shall be maintained intact, enhanced, or restored, including a) Forest regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem. (FSC) • Water - C5.5 Forest management operations shall recognize, maintain, and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries. (FSC) In 2019, US Foods used 4M LB. of recycled fiber content and 7.5M LB. of SFI-, FSC- or similarly certified fiber content used for Serve Good products packaging. This is based on approximate average weight of paper per case.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

---

## C15. Signoff

---

### C-FI

---

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## C15.1

---

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	The Director of Public Relations has signed off on this document.	Public affairs manager

## Submit your response

---

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

**Please confirm below**

I have read and accept the applicable Terms