



PERFORMANCE FOOD GROUP'S CLIMATE CHANGE POLICY

Climate change has become the defining issue of our time and the impacts associated with climate change are threatening our global food system and the livelihoods of both the people and the communities that rely on the food and agriculture for their livelihoods. Performance Food Group is determined to understand how our business can operate effectively while reducing our greenhouse gas emissions, both directly and within our supply chain.

At Performance Food Group, our business is based on our ability to deliver products and services that support our customer, on time and on budget. Our mission is to provide access to nutritious, sustainable, and high-quality products to every state, city, and neighborhood in America, and to do that we are directly and deeply linked to the stability of the agricultural and food systems in the US. We have an obligation to work to positively impact that food system every day, and it is this commitment that informs our climate change policy.

Scope and Objective

Performance Food Group's (PFG) direct responsibility is reducing our operational impacts (Scope I) and the emissions associated with our electricity purchases (Scope II). Additionally, we intend to co-create solutions with our business partners to reduce our collective impacts across the supply chain (Scope III). This policy outlines our approach for each of those efforts.

- This policy applies to all PFG divisions, departments, and employees in all jurisdictions.
- This policy describes our approach for developing climate change governance, strategy, risk management, and long-term metrics and targets.
- This policy is subject to change as more information becomes available and if external conditions change that require a shift in long-term strategy and planning.

Reduce PFG's Direct Carbon Emissions (Scope I and II)

- Establish a baseline of our carbon footprint across the entire company, including all divisions, warehouses, fleets, and offices.
- Use the baseline to set carbon reduction targets aligned with Science-Based Targets Initiative (SBTI).
- Share the best practices to achieve the most effective sustainability program currently deployed across divisions and across warehouses to create an enterprise methodology for standardized best practices.
- Conduct a gap analysis to see what additional capabilities, content knowledge, or resources are needed to drive desired outcomes in reducing our carbon emissions.

Cocreate Solutions with Business Partners and Stakeholders

- Segment business partners based on the maturity of existing Environmental, Social, and Governance (ESG) programs. Determine what PFG issues are most relevant to which partners and create a Tier system that reflects our partners' strategic and tactical alignment with our own climate change goals and ESG strategy.
- Co-create solutions and systems to drive shared goals in reducing carbon emissions with Tier I partners, and use this knowledge base to further develop knowledge and capabilities to create efficiencies among PFG's Tier II partners in the future.
- Actively work with stakeholders to address climate change challenges at the community level. Existing efforts with national organizations will be further developed as we aim to cultivate strategic partnerships and actions on shared challenges specific to geography, product categories, and stakeholder concerns.

Supporting Regenerative Agriculture and Sustainable Product Adoption

- Conduct a climate risk analysis of the PFG supply chain to determine where to prioritize actions that will reduce or eliminate climate-related risk.
- For business partners producing PFG proprietary brands, work with partners to introduce, refine, and scale regenerative agriculture practices that enhance climate change resilience and in turn protect PFG's supply of branded products.
- Anticipate climate-related regulatory changes at the local market level and be proactive in educating customers and encouraging adoption of sustainable products.
- Commit to using more sustainable products in our own operations, warehouses, fleets, and offices.

Risk Management Integration and Strategy

- Integrate climate-related risk management issues into our enterprise risk management system, using the 2-degree Celsius scenario to guide our scenario planning for managing risk and capturing opportunities.
- Develop an enterprise climate change strategy as a core component of our overall ESG strategy.
- Ensure our long-term strategy incorporates all aspects of the business and all potential risks, including how the distribution, food and beverage, and restaurant industries will be impacted and how PFG will address the risks to our core business and those of our customers.

Measurement, Transparency, and Governance

- Set 2030 goals and utilize the recommended industry-specific metrics from the Sustainability Accounting Standards Boards (SASB) to guide our measurement and reporting. Incorporate the Task Force on Climate-related Financial Disclosures (TCFD) recommendations on industry-agnostic carbon disclosure.
 - The SASB material areas of exposure include:
 - Greenhouse Gas Emissions
 - Energy Management
 - Waste & Hazardous Material Management
 - Data Security
 - Product Quality & Safety
 - Customer Welfare
 - Selling Practices & Product Labeling
 - Labor Practices
 - Supply Chain Management
- Enhance communication, coordination, and transparency, both internally and externally, regarding progress, barriers, and action on climate change. This will also be disclosed in our annual ESG Impact report.
- Have PFG's senior leaders guide and monitor the long-term implementation of the climate change strategy and ensure all divisions, departments, and employees have the knowledge, resources, and support to actively contribute to our collective goals.

Going into the Future

Although the principles of sustainability and socially responsible business have been inherent to Performance Food Group since our inception, our goal is to fully embed an Environmental, Social, and Governance (ESG) strategy into our company operations and business procedures. This process, known as ESG integration, will be a key driver in our ability to consistently maximize shareholder returns and stakeholder value.

As we set the course for 2021 and beyond, we invite all stakeholders to join us for the long road ahead in delivering a sustainable future with access to nutritious food for all.