



WE HELP YOU MAKE IT™

US FOODS

Environmental, Social and Governance Update

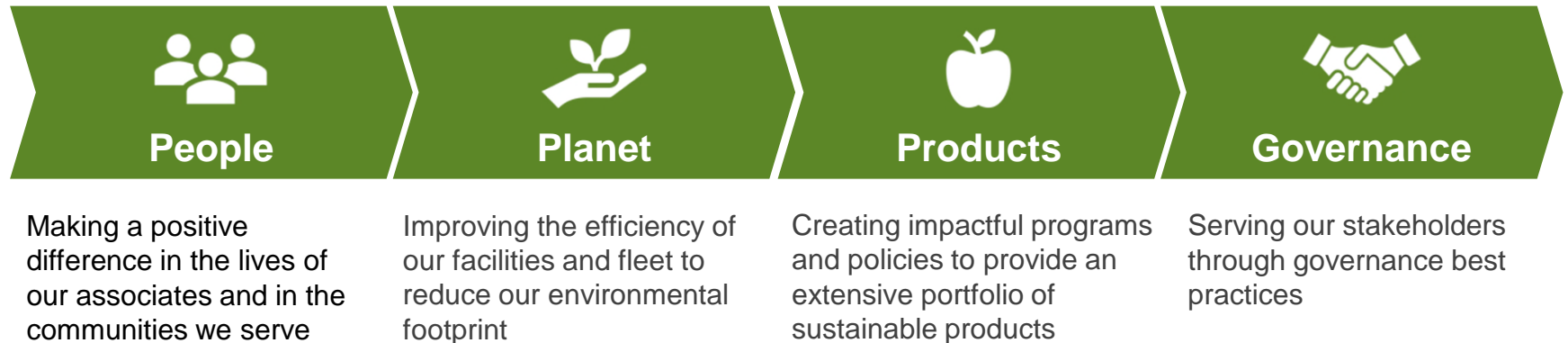
JULY 2020



US Foods is committed to serving communities where we live and work

OUR APPROACH

Our corporate social responsibility efforts are focused on the areas of **People**, **Planet** and **Products**, and we are continuously enhancing our **Governance** practices:



OUR REPORTING

- Our corporate social responsibility disclosures are informed by reporting frameworks and recommendations of organizations such as the Sustainability Accounting Standards Board, the Global Reporting Initiative, and the Task Force on Climate-related Financial Disclosures
- **2018 and 2019:** Published annual Corporate Social Responsibility Reviews
- **2020:** Publishing comprehensive Corporate Social Responsibility Report



People

Supporting associates and the communities we serve



D&I AND TRAINING

Signature development programs include **Gateway to Leadership** for new people managers and **Aspire to Lead** and **Aspire to Grow** for high-potential leaders

Conducted interactive **Respectful Workplace Training** with **2,800+ sales associates** in 2019. **Unconscious Bias Training** scheduled for all senior leaders in 2020

800+ associates participating in Employee Resource Groups promoting diversity and inclusion. Program expanding to field locations in 2020



SAFETY

Established **long-term strategic safety framework**

“Get Home Safe” campaign launched to drive safety culture

Safety Performance teams leverage continuous improvement to engage frontline associates



COMMUNITY

US Foods Scholars established in 7 markets; total of 33 US Foods Scholars named to date

25M+ total pounds of food (the equivalent of 20M+ hunger relief meals) donated since January 2018

1,500+ volunteer hours completed by corporate associates in 2019

GREAT FOOD. MADE EASY.™





Planet

Reducing our environmental footprint

US Foods participated in the Carbon Disclosure Project (CDP) during 2019



FACILITIES

12%+ reduction in energy intensity of broadline business since 2015

Solar arrays on 6 distribution centers generate 13M+ kilowatt hours (kWh) of electricity annually

3 LEED Silver-certified facilities; construction underway for 2 additional LEED-certified facilities in Sacramento, CA and New Orleans, LA



FLEET

11% reduction since 2015 in gallons of fuel used per case delivered*

15% reduction in Scope 1 and Scope 2 emissions intensity since 2015**

55 compressed natural gas vehicles established in Texas and Oklahoma



FLEET TECHNOLOGY

SmartWay-verified tires and tire inflation systems installed to improve fuel efficiency

Lighter-weight oil used to improve fuel economy

New vehicle models feature aerodynamic design, engines running at lower RPM, state-of-the-art diagnostics, and onboard computer monitoring systems reporting fuel economy and idle time

GREAT FOOD. MADE EASY.™

4 *Broadline business only.
**Measured as pounds of CO2e per case delivered





Products

Delivering sustainable products from a diverse supplier base



SUPPLIER DIVERSITY

Supplier Diversity: Maximizing procurement opportunities with certified small businesses and diverse suppliers

\$360M+ spent with
~440 certified woman and minority-owned businesses in 2019



POLICIES

On track to achieve Responsibly-Sourced Seafood Policy commitment; 100% of Harbor Banks seafood portfolio will meet Progress Check or Serve Good standards by end of 2020

Achieved 2019 Responsibly-Sourced Palm Oil Policy commitment to source 100% of palm oil used in Exclusive Brand products through certified sustainable sources



PRODUCTS

800+ [Serve Good](#) and [Progress Check](#) products

260+ products classified as responsible disposables

[Serve Local](#) program launched in 9 markets

1,000+ products now part of the US Foods **[Unpronounceables List](#)** initiative

- *Serve Good Program: Products come with a claim of responsible sourcing or contribution to waste reduction. Progress Check recognizes seafood products on the way to meeting Serve Good standards.*
- *Serve Local Program: Connects customers with local farmers, producers and/or manufacturers.*
- *Unpronounceables List initiative: US Foods Exclusive Brand products that do not contain certain ingredients and food additives.*





Governance

Serving stakeholders through best practices

HIGHLIGHTS

- ✓ 9 of 10 directors are independent
- ✓ Fully independent Audit, Compensation and Nominating and Corporate Governance Committees
- ✓ Lead Independent Director
- ✓ Strong commitment to Board diversity
- ✓ Comprehensive and strategic approach to enterprise risk management
- ✓ No shareholder rights plan or poison pill
- ✓ Annual say on pay vote
- ✓ Stock ownership guidelines for directors and executives
- ✓ No stock hedging or pledging permitted by directors and executives
- ✓ Annual Board and committee self-evaluations
- ✓ Proactive stockholder engagement

RECENT ENHANCEMENTS

BOARD STRUCTURE

- Declassified Board and eliminated requirement that directors may be removed only for cause
- Diverse representation on the Board (two female directors and one ethnically diverse director)

STOCKHOLDER RIGHTS

- Majority voting in uncontested director elections
- No supermajority voting standards

EXECUTIVE LEADERSHIP

- Long-Term Incentive Plan reflects key stockholder-friendly features
- Pay aligned with performance
- No tax gross-ups
- Board and Executive commitment to ESG



Governance

Serving stakeholders through best practices (cont'd)

HIGHLY QUALIFIED BOARD OF DIRECTORS

Pietro Satriano
(Chairman)
CEO of US Foods

Robert M. Dutkowsky
(Lead Independent Director)
Former CEO of Tech Data

Cheryl A. Bachelder
Former CEO of Popeyes Louisiana Kitchen

Court D. Carruthers
President and CEO of TricorBraun

Sunil Gupta
Edward W. Carter Prof. of Business
Administration at Harvard Business School

John A. Lederer
Senior Advisor of Sycamore Partners and
Former CEO of US Foods

Carl Andrew Pforzheimer
Founder and Former CEO of
Barteca Holdings

Nathaniel H. Taylor
Partner, Co-Head of Americas Private Equity
of KKR

David M. Tehle
Former CFO of Dollar General

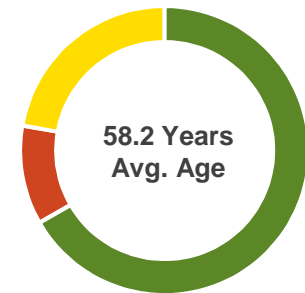
Ann E. Ziegler
Former CFO of CDW

DIRECTOR EXPERIENCE



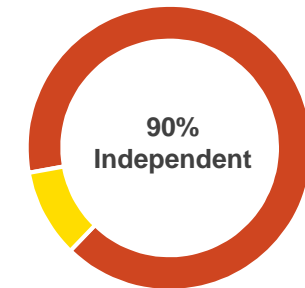
AGE

- <50 Years
- 50-60 Years
- >60 Years



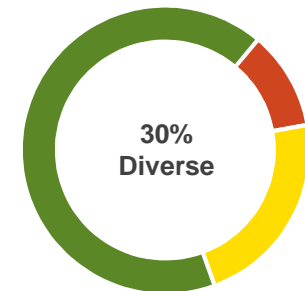
INDEPENDENCE

- Independent
- Non-Independent



DIVERSITY

- Ethnic Diversity
- Gender Diversity



Investor Contacts

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