

2022 ESG REPORT



ABOUT THIS REPORT

Performance Food Group's (PFG) 2022 ESG Report details our progress on company-wide environmental, social, and governance (ESG) management and performance. It represents the primary source of annual ESG disclosure and is based on our ESG goals. All information in the report covers PFG's Fiscal Year 2022 period between July 4, 2021 and July 2, 2022, unless otherwise stated.

The ESG Report is an opportunity to communicate our ongoing commitment to integrate ESG across the organization and progress in achieving our ESG goals. This year's report includes disclosures aligned with standards and recommendations from the Sustainable Accounting Standards Board (SASB) and the Task Force for Climate-related Financial Disclosures (TCFD).

PFG management, business units, and credible third parties assisted in the process of collecting, analyzing, and calculating data and information for this report. PFG did not seek or receive any external assurance for information and data contained in the report.

The ESG Report contains some forward-looking statements. These statements are based on what the company reasonably believes to be achievable, as well as assumptions made by, and information currently available to, management. Actual results and outcomes could differ materially due to several factors, including but not limited to, risks associated with the business, uncertainties, or assumptions that may not prove to be accurate. The company does not undertake any obligation to update or review the forward-looking statements contained in this report.

Throughout our report, we use terms that ESG reporting guidelines and frameworks refer to as "material" issues or "materiality" to reflect the topics that are considered of relevance to the company and/or its stakeholders. In this context, issues considered material for the purpose of this report or the determination of the company's ESG strategies may not be considered material for SEC reporting purposes and should not be confused with the terms "material" and "materiality" as defined by securities laws.



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Since our company's beginnings more than 130 years ago, Performance Food Group (PFG) has excelled in the food distribution industry because we have successfully evolved and adapted to the changing times. We also understand that our continued success as an industry leader depends on being good stewards of our environment and supporting the communities where we live and work.

In addition to reaching important business milestones in Fiscal Year 2022, we implemented strategies in support of our first set of comprehensive ESG goals announced in 2021. Our ESG strategies are a significant step toward creating meaningful change and will help drive our momentum by making a tangible difference.

I am proud to share the progress PFG has made toward our ESG goals, and I am equally proud of the impact we have made on the environment and our communities. We piloted electric-powered refrigeration trailers and will continue to seek additional ways to incorporate alternative-fuel opportunities. We established Women of PFG, our first enterprise-wide Associate Resource Group (ARG) and have plans to launch more ARGs over the coming months.

Eight of our outstanding truck drivers, each with more than 25 years of driving experience, were inducted into the 2022 International Foodservice Distributors Association Truck Driver Hall of Fame. Additionally, our West Creek headquarters earned the Direction Award from the Richmond Times-Dispatch's 2022 Top Workplaces program, awarded to the company whose employees feel the most strongly about their company's strategic direction.

It's my pleasure to thank our dedicated associates and highlight the valuable engagement and feedback from our shareholders, partners, and customers in helping guide our ESG efforts within PFG and our communities. The short- and long-term plans in place that will help us achieve our ESG commitments are truly exciting. In the meantime, I look forward to celebrating the significant strides we made in 2022 and continuing to grow our efforts in the future.



George Holm
Chairman & CEO

LETTER FROM THE CEO



PFG AT A GLANCE

A diverse mix of customers, from independent and chain restaurants to schools, business and industry locations, hospitals, vending distributors, office coffee service distributors, retailers, convenience stores, and theaters.

 **\$50B+**
in sales


 **5,500+**
suppliers

 **35,000+**
associates

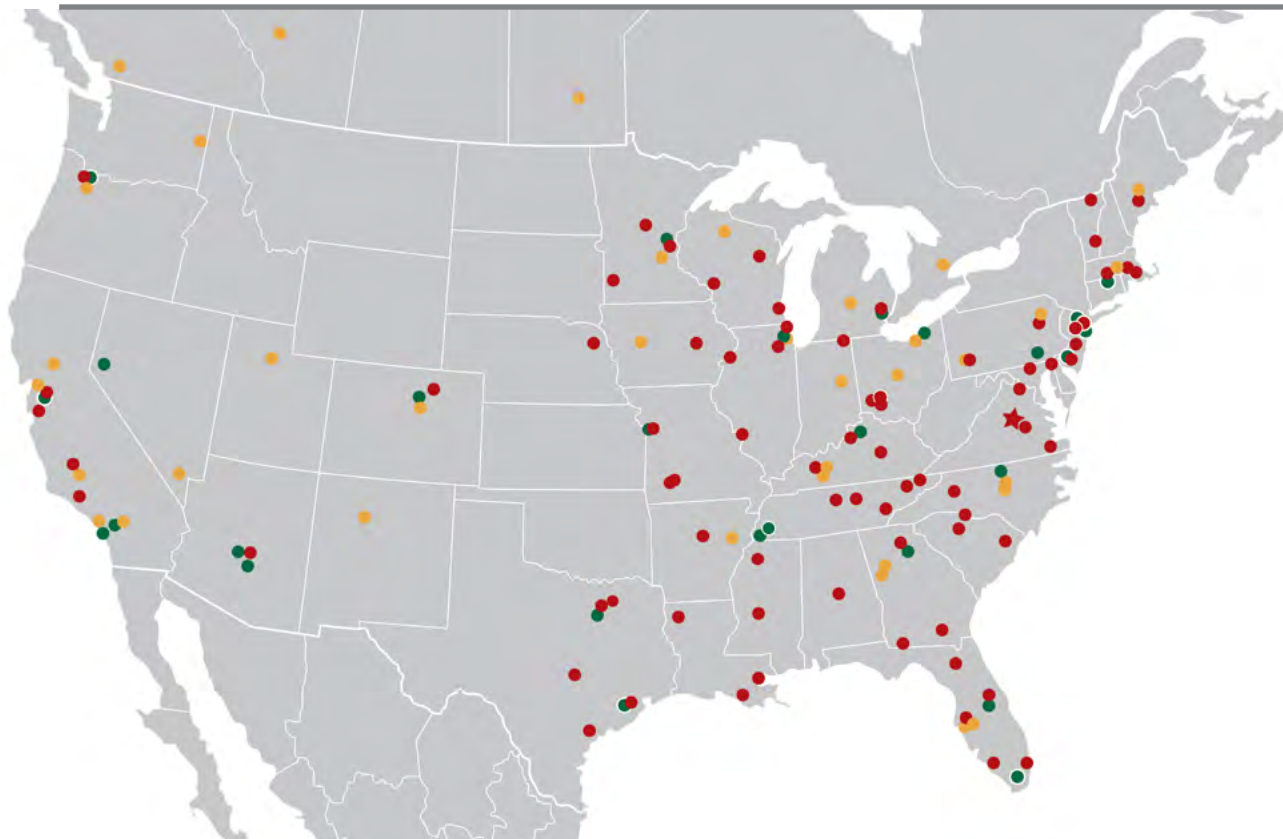
 **142**
distribution centers

 **250,000+**
food and food-related products

 **300,000+**
customer locations

 **7,000+**
vehicles driving more than
339 million miles each year

Business Segments: ● Foodservice ● Vistar ● Convenience ★ Headquarters



For more than a century, Performance Food Group has been growing and transforming into an industry force. Our leaders bring together a vast network of distributors, and we foster lasting, collaborative relationships with our customers. Over the years, it's been critical to listen to our customers. And as a result, we've evolved to better support their needs, doing everything we can to ensure success.

PFG has three main operating segments: Foodservice, Vistar, and Convenience. Foodservice offers quality brands of food and related products to independent and chain restaurants, as well as other institutional "food-away-from-home" locations.

Vistar is a leading national distributor of candy, snacks, beverages, coffee, and other non-food items to vending and office coffee service distributors, big box retailers, theaters, and hospitality providers.

Convenience is one of the largest foodservice and wholesale consumer product distributors in the convenience retail industry.

Each segment has its own success story, but all have a common quality of adaptability. We are visionary pioneers who not only adapt to current circumstances, but also strategize for the future.

As a group, we provide for nearly any foodservice need, from independent restaurants to national chains, vending, concessions, and more. We are innovators in procurement, warehousing, supply chain management, customer service, and delivery because our leaders consistently assess opportunities to enhance our business and the industry.

We source our products from diverse suppliers and serve as a key partner as we provide access to our customer base. In addition to products, we deliver valuable services to our customers by using our industry knowledge and expertise in the areas of product selection, procurement, menu development, and operational strategy. At PFG, we strive to offer access to nutritious, sustainable, and high-quality products to all of our communities.





COMMITMENT TO ESG











PFG is committed to advancing performance on key ESG issues. We not only strive to meet all environmental regulations and requirements at each of our locations and distribution centers, we are also dedicated to improving our ESG performance across our business and supply chain. PFG endeavors to preserve the environment, strengthen our social impact, and establish effective governance. In 2022, our goals framed our approach to ESG, and our dedicated ESG Executive Steering Committee and subcommittee working groups guided our strategy and actions.

The ESG Executive Steering Committee reports directly to the Nominating and Corporate Governance Committee of the PFG Board of Directors, which oversees our environmental strategies and programs, health and safety, corporate social responsibility, diversity and inclusion, corporate governance, sustainability, and other ESG matters. Management reviews PFG's strategies, practices, policies, initiatives, and public ESG disclosures with the Nominating and Corporate Governance Committee on a quarterly basis.

To support ESG initiatives, our cross-functional working groups also develop and manage our strategy. These groups include Supply Chain, Operations, Reporting and Culture, Engagement and Communications. Our ESG governance structure enables us to build on existing processes across the enterprise, gather information, engage stakeholders, and identify immediate and long-term fundamental risks and opportunities.

We are committed to integrating our ESG initiatives across our business and embedding ESG performance into our culture to deliver exceptional service and value to our customers. We pledge to be a responsible and actively engaged corporate citizen to help change the world for the better.








PFG ESG COMMITMENTS & PROGRESS

FOCUS AREAS	GOAL	FY22 PROGRESS HIGHLIGHTS
Energy Efficiency	Reduce power consumption intensity by 20% by 2030 against our Fiscal 2020 baseline.	 Energy Efficiency Engagements were completed at Performance Foodservice locations in Chicago, Boston, and the Twin Cities. By the end of FY22, PFG reduced our energy intensity by over 8% compared to FY20. ¹
Renewable Energy	Secure 10% of purchased electricity from renewable sources by 2030.	 PFG is exploring opportunities to implement solar infrastructure at our facilities, and all our new buildings will be equipped to accommodate solar technology.
 Greenhouse Gas Emissions	Establish an enterprise-wide carbon reduction target by 2022, covering Scope 1 and 2 greenhouse gas emissions.	 In FY22, PFG completed a baseline analysis of Scope 1 and 2 emissions and is committed to reducing Scope 1 and 2 GHG emission intensity by 15% by 2030.
Waste Management	Achieve an 80% diversion rate for operational waste by 2030.	 In FY22, PFG diverted 77% of operational waste from landfills.
Responsible Sourcing	Ensure 90% of PFG branded beef, pork, poultry, seafood, coffee, and tea are produced with verified environmentally sustainable and socially responsible practices by 2025.	 PFG developed a Preferred Purchasing Policy that will reward suppliers with ESG-related action plans and commitments. In addition, PFG's ESG Supplier Survey will become part of our RFP process. Both of these initiatives will strengthen PFG's supply chain by improving our sourcing from responsible vendor partners.
	In alignment with the Supplier Code of Conduct, conduct an ESG Supplier Survey with 95% of suppliers of PFG branded products by 2022.	 PFG completed the ESG Supplier Survey's first phase that covered more than 95% of branded suppliers. In FY23, PFG is expanding the survey to include additional vendors.
	Develop an environmentally preferable purchasing program for PFG branded non-food products by 2023, expanding sustainable offerings for our customers.	 PFG identified branded non-food products to target and established an RFP schedule for FY23 to include an assortment of sustainable/recyclable containers, paper bags, paper hot cups, cutlery, and straws in FY23.

¹ The FY20 baseline did not include Merchants or Core-Mark but included half a year of data from Reinhart. FY22 data included 10 months of Core-Mark and six months of Merchants.

PFG ESG

COMMITMENTS & PROGRESS CONT.

FOCUS AREAS	GOAL		FY22 PROGRESS HIGHLIGHTS
Ingredient Transparency	Provide transparency on 85% of PFG branded food items by 2030.		The Master Data Management team hosted webinars with branded and non-branded vendors to communicate the enhanced data-sharing requirement. As of the end of FY22, item transparency was available for 54% of PFG branded products.
Associate Engagement & Development	Enhance PFG's culture and promote engagement by using feedback and results from an enterprise Associate Engagement Survey conducted every two years.		PFG's Vice President of Diversity Inclusion and Belonging developed a framework to engage and achieve diversity, inclusion, and belonging. The next Associate Engagement Survey is ready to launch for FY23.
	Build PFG's Center for Learning model to help align associate goals while driving business results through delivery of training and development curriculums and opportunities.		More than 30,000 PFG associates completed more than 366,000 training courses. PFG is committed to expanding our learning modules to support development opportunities for our associates.
Diversity & Inclusion	Implement women and other Associate Resource Groups to create awareness, amplify experiences, and develop cultural fluency by 2022.		PFG launched the first out of eight enterprise-wide Associate Resource Groups, Women of PFG. Our second ARG has been identified and will start in FY23.
	Integrate comprehensive diversity and inclusion strategies into PFG's talent acquisition and learning and development processes by 2023.		Our Heritage and Cultural Month programming enhanced our inclusive culture, created awareness, and helped educate associates through relevant discussions and shared experiences.
	Increase purchases with Minority, Women, and Veteran-owned business enterprises (MWWBE) by 25% by 2030.		PFG increased our spend with MWWBE vendors by 7% and became a corporate member of the National Minority Supplier Development Council (NMSDC), Women's Business Enterprise National Council (WBENC), National LGBT Chamber of Commerce (NGLCC), and National Veteran-Owned Business Association (NaVOBA).
Community Engagement	Expand advocacy, volunteerism, and charitable contributions with organizations committed to fighting food insecurity, supporting healthier communities, and providing disaster relief.		In Fiscal 2022, PFG contributed more than \$3.7 million in charitable contributions and partnered with over 175 local organizations. Ongoing efforts underway to continue progress in these areas.



ENVIRONMENTAL STEWARDSHIP



PFG strives to be a responsible steward by protecting the environment for future generations. We are committed to mitigating our environmental footprint through the efficient use of natural resources, the implementation of innovative technologies and solutions across our enterprise, and the advancement of sustainable practices throughout our supply chain.

ENERGY EFFICIENCY

- Energy Efficiency Studies

RENEWABLE ENERGY

- Solar Installation

GREENHOUSE GAS EMISSIONS

FLEET FUEL MANAGEMENT

- Renewable & Alternative Energy
- Fleet Lifecycle Management
- Route Optimization
- Alternative Fuel Exploration

WASTE MANAGEMENT

SUSTAINABLE PACKAGING & NON-FOODS

ENERGY EFFICIENCY

GOAL: REDUCE POWER CONSUMPTION INTENSITY BY 20% BY 2030 AGAINST OUR FISCAL 2020 BASELINE.

ENERGY EFFICIENCY STUDIES

PFG conducted Energy Efficiency Engagements, resulting in a process and capital plan for further power reduction opportunities at our Performance Foodservice locations in Chicago, Boston, and the Twin Cities. The Energy Efficiency Engagements explore how to reduce energy use, electricity costs, and emissions within our refrigeration, lighting, and charging systems. As a result, we implemented several new protocols, including a demand response program to reduce energy use during peak demand hours through management practices and training for associates. We will conduct similar studies at additional locations in FY23.

PERFORMANCE FOODSERVICE-VIRGINIA SUSTAINABILITY REVIEW



PFG is committed to incorporating energy-efficient solutions as we build new facilities. For instance, the Performance Foodservice facility being constructed in Richmond, Va., underwent an energy analysis and sustainability review. The facility received accolades for excellent energy-efficient designs and systems included in the plans. The refrigeration system in Richmond will include an energy-efficient, state-of-the-art central ammonia system. The HVAC systems are highly efficient and expected to outperform comparable electric heating systems by about 45% in worst-case loading. And the lighting systems, using modern LED technologies, are exceptionally efficient and expected to consume 59% less energy than a typical lighting system.

RENEWABLE ENERGY

GOAL: SECURE 10% OF PURCHASED ELECTRICITY FROM RENEWABLE SOURCES BY 2030.

Warehousing and distribution of food products is an energy-intensive business. Electric power is used for refrigeration, heating, ventilation, HVAC systems, and lighting. During Fiscal 2022, PFG consumed 458,000,000 kilowatt hours (kWh) of non-renewable electric power and 89,744 kWh of renewable electric power across our enterprise.

PFG has been focusing on implementing strategic energy efficiency projects throughout our facilities by investing in energy-saving technologies and optimizing operations and maintenance practices. We continuously explore renewable power purchasing agreements and leverage national and state tax incentives.

SOLAR INSTALLATION

At PFG, we have already taken the next steps in delivering on our commitment to expand renewable energy procurement throughout the organization. All new PFG buildings will be equipped to accommodate solar power in the future. We are confident that a combination of growing tax incentives and more expansive renewable infrastructure will enable PFG to power its facilities while significantly reducing the carbon emissions associated with its daily operations.



GREENHOUSE GAS EMISSIONS

GOAL: REDUCE SCOPE 1 & 2 GHG EMISSION INTENSITY BY 15% BY 2030 FROM A 2021 BASE YEAR.

Last year, PFG conducted an analysis of our greenhouse gas emissions and established an emissions baseline as the foundation for developing a carbon reduction roadmap and determining the best pathways for reducing our emissions across our operations. In Fiscal 2022, PFG continued expanding the greenhouse gas inventory of our Scope 1 and 2 emissions. As a result, PFG commits to reducing 15% of our Scope 1 and 2 GHG emission intensity by 2030 from a 2021 base year.

GREENHOUSE GAS EMISSIONS INVENTORY*		
	BASELINE: FY21	FY22 ²
SCOPE 1 (METRIC TONS)	663,670	793,343
SCOPE 2: LOCATION BASED (METRIC TONS)	149,896	168,188
SCOPE 2: MARKET BASED (METRIC TONS)	150,403	174,584
SCOPE 1 & 2 INTENSITY³	1.23	1.12



*Data Provided by a third party
² FY22 GHG data includes Core-Mark and Merchants, which were not part of FY21 data.
³ Intensity is measured by MTCO2e/1,000 cases.

FLEET FUEL MANAGEMENT

RENEWABLE & ALTERNATIVE ENERGY

We continue to explore and evaluate technology for powering tractors and trailer refrigeration with electric and alternative fuel solutions. PFG actively monitors the evolution of low-carbon technologies for powering freight transportation and has implemented our first electric trailer refrigeration technology for reducing fuel usage and carbon emissions associated with fleet refrigeration in Fiscal 2022. We anticipate implementing our first battery electric vehicles in Fiscal 2023.

FLEET LIFECYCLE MANAGEMENT

PFG diligently manages the lifecycle of the vehicles within its fleet and implements a comprehensive strategy for vehicle replacement — incorporating fuel-efficient vehicles that improve the overall fuel economy and operational efficiency of our fleet.

ROUTE OPTIMIZATION

We also implement route optimization best practices and training initiatives using leading industry technology. This enables PFG to select the most efficient routes for product distribution. Route optimization, in conjunction with strategically located redistribution centers, allows us to minimize our miles traveled, time spent on the road, fuel usage, and our carbon emissions on a per-case basis.

Due to current extended lead times on new and replacement vehicles, we have had to extend the life of current vehicles in order to serve our customers. This has delayed some of the fuel economy gains from newer equipment, but we expect this to eventually catch up. Our fuel economy performance will likely see a boost in future years.

ALTERNATIVE FUEL EXPLORATION

PFG follows the advancement of low-carbon technologies for powering freight transportation to decrease fuel usage and emissions related to fleet refrigeration. We are in the process of analyzing technology to power tractors and trailers with electric and other alternative fuel solutions.

In Fiscal 2022, PFG introduced 10 net-zero emission refrigeration trailers to our fleet at the distribution center in Gilroy, Calif. These Transport Refrigeration Units (TRUs) are solar-powered electric refrigeration solutions that reduce our dependence on diesel fuel, overall reducing PFG's carbon footprint.

Since the introduction of the net-zero emission TRUs, PFG estimates the elimination of more than 6,500 gallons of diesel fuel, reducing the Gilroy distribution center's carbon footprint by 73 tons. The all-electric TRUs have accumulated more than 13,000 hours of run time, 100,000 driven miles, and 1,000 completed routes with more than 12,000 deliveries. Over the next two years, PFG plans to continue these carbon footprint reduction efforts by introducing additional all-electric TRUs to our fleet.



WASTE MANAGEMENT

GOAL: ACHIEVE AN 80% DIVERSION RATE FOR OPERATIONAL WASTE BY 2030.

PFG monitors operational waste to ensure we divert as much waste as possible from landfills. We utilize a third-party Utility Bill Management Program to support our efforts in capturing operational waste and recycling. We actively track the recycling of our pallets, stretch wrap, and corrugate, and we plan to consolidate waste spend to a couple of suppliers that will pick up corrugated, stretch, and organic waste generated from the distribution centers. PFG will continue to explore recycling and reuse programs, including for the disposal of used oil and other chemicals.

	FY21 ⁴	FY22 ⁵
TOTAL POUNDS RECYCLED (STRETCH, CORRUGATED, AND PALLETS)	297,183,146	403,050,478
TOTAL WASTE POUNDS (INCLUDING RECYCLED)	407,658,946	520,527,028
TOTAL DIVERTED FROM LANDFILL	73%	77%

SUSTAINABLE PACKAGING & NON-FOODS

We have a strategy for reducing our contribution to packaging pollution and environmental degradation throughout the value chain by expanding our branded non-foods sustainable product offerings. We partner with select suppliers that provide recyclable, biodegradable, and compostable foodservice items and have packaging design processes based on product lifecycle analysis and management.

This includes carry-out containers free of perfluoroalkyl and polyfluoroalkyl substances (PFAS), sustainable cutlery, paper hot and cold cups, and paper bags. Our supplier partners may also have systematic approaches to reducing water use, energy use, landfill waste, and greenhouse gas emissions. Our strategy will mitigate both our risks and our customers' risks and support our competitive advantage by providing a solution to a fundamental sustainability challenge in the restaurant, hospitality, and foodservice industries.



⁴ FY21 waste data includes Eby-Brown and Customized.
⁵ FY22 waste data includes Convenience (Eby-Brown and Core-Mark) and Customized which were not in the FY21 data and excludes FY22 acquisitions and National Foodservice.

The heart of PFG is our commitment to serving communities across the nation. Our mission is to make a positive difference in the lives of our associates, customers, and communities. We have established initiatives to prioritize responsible sourcing, food quality, diversity and inclusion, health and safety, and community engagement.

SOCIAL STEWARDSHIP



RESPONSIBLE SOURCING

ESG SUPPLIER SURVEY

PREFERRED PURCHASING POLICY

FOOD TRANSPARENCY

FOOD SAFETY

OCCUPATIONAL HEALTH & SAFETY

- PFG Behavior-Based Safety (BBS) Program
- Onboard Telematics Solution
- Driver Safety Training
- Truck Driver Hall of Fame

HUMAN CAPITAL MANAGEMENT

- Associate Benefits, Wellness, & Compensation
- Training & Development

BUILDING A CULTURE OF INCLUSION

- Associate Resource Groups
- Women's Foodservice Forum (WFF)
- Heritage & Cultural Month Programming
- Supplier Diversity

COMMUNITY ENGAGEMENT

RESPONSIBLE SOURCING

GOAL: ENSURE 90% OF PFG-BRANDED BEEF, PORK, POULTRY, SEAFOOD, COFFEE, & TEA ARE PRODUCED WITH VERIFIED ENVIRONMENTALLY SUSTAINABLE & SOCIALLY RESPONSIBLE PRACTICES BY 2025.

PFG partners with Beef Marketing Group (BMG) to supply Braveheart Black Angus Beef and Surety Beef as exclusive beef products for Performance Foodservice. BMG ensures that the beef is produced with controls over the animals and operations, particularly monitoring animal welfare, food safety, the administration of technologies, and animal feed and water, as well as energy for operations. All these efforts are part of the Progressive Beef™ third-party verified program and are designed to provide assurances and increase confidence in the high-quality, sustainable beef BMG produces for PFG and our customers.

In the past fiscal year, BMG implemented a new, innovative process to collect and measure additional production data such as cattle performance, feed ration formulations, manure management practices, and water, energy, and fuel use. This process allows BMG to calculate its operations' key environmental metrics like greenhouse gas emissions and identify efficiency and reduction opportunities. BMG is among the first to benchmark this information. PFG is proud to partner with them and source our Braveheart and Surety Beef with BMG's pioneering, sustainable solutions.



ESG SUPPLIER SURVEY

GOAL: IN ALIGNMENT WITH THE SUPPLIER CODE OF CONDUCT, ADMINISTER AN ESG SUPPLIER SURVEY WITH 95% OF SUPPLIERS OF PFG BRANDED PRODUCTS BY 2022. **ACHIEVED**

PFG established an ESG Supplier Survey program to facilitate deeper insights into areas of alignment with suppliers across a variety of ESG matters. The survey asks suppliers about their policies, strategies, and efforts in the following topics:

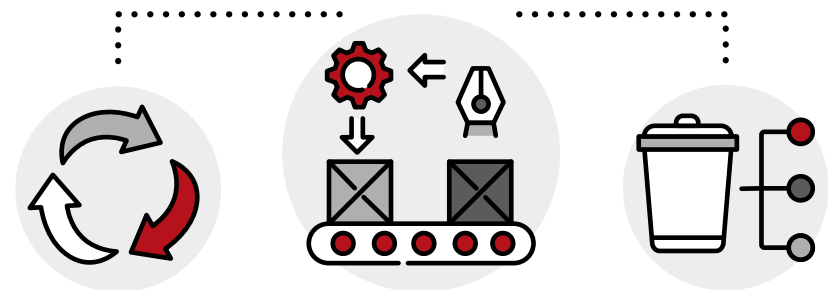
- Environmental Management
- Human Rights and Labor Management
- Animal Welfare
- Health and Wellness
- Ingredient Transparency and Traceability
- Supply Chain Management
- Farming and Production Methods

In Fiscal 2022, we completed the first phase of our survey, which included 100% of the vendors that produce branded products for our broadline foodservice business and satisfied our goal to cover 95% of suppliers of PFG-branded products. We are using the responses to assess our suppliers' ESG performance, determine opportunities for collaboration, and identify potential supply chain risks. The survey will be incorporated as a requirement in our RFP process in the future. In addition, we will conduct the second phase of our ESG Survey in Fiscal 2023 focusing on our largest suppliers, based on vendor spend.

PREFERRED PURCHASING POLICY

GOAL: DEVELOP AN ENVIRONMENTALLY PREFERABLE PURCHASING PROGRAM FOR PFG BRANDED NON-FOOD PRODUCTS BY 2023, EXPANDING SUSTAINABLE OFFERINGS FOR OUR CUSTOMERS.

We also developed a Preferred Purchasing Policy that rewards suppliers with mature ESG performance to ensure that we remain committed to sourcing from responsible vendor partners. We recognize that procuring from vendors with mutual ESG commitments and efforts will improve environmental, ethical, and economic performance while creating a culture of sustainability. Under our Preferred Purchasing Policy, we will purchase products and services that have a reduced effect on people and the environment when compared to competing products or services that serve the same purpose – all while remaining fiscally responsible. Our Preferred Purchasing Policy will strengthen our supply chain in a way that integrates fiscal responsibility, social equity, and community and environmental stewardship whenever possible.



FOOD TRANSPARENCY

GOAL: PROVIDE TRANSPARENCY ON 85% OF PFG BRANDED FOOD ITEMS BY 2030.

In alignment with growing consumer demand for greater transparency across the food industry, PFG is committed to increasing the transparency of its branded portfolio items. We have implemented a Supplier Compliance Campaign that requires our suppliers to provide predefined information about their products' ingredients, claims, and attributes. We are identifying items with 80% nutritional attributes or those with content sourced through the Global Data Synchronization Network (GDSN), an internet-based network of synchronized product-identification data. By doing so, we aim to provide transparency on 85% of our branded food items by 2025.

In an effort to increase publication through GDSN and improve our nutritional claim information, the Master Data Management (MDM) team has been hosting webinars with branded and non-branded vendors to communicate the enhanced data-sharing requirement. We work closely with vendors to ensure PFG's ingredient transparency expectations are met and have developed implementation guides to assist suppliers in meeting our requirements.

FOOD SAFETY

Food safety is a top priority at PFG. All PFG locations undergo an independent third-party food safety audit each year and must maintain a minimum acceptable score. PFG's Quality Assurance (QA) conducts annual internal food safety audits, which are used either as preparation for the third-party audit or as a follow-up. PFG QA also reviews Standard Operating Procedures twice per year and annually updates our Hazardous Analysis of Critical Control Points Plan.

All PFG production facilities operate under a unique program, including product-specific hazard analyses, which address the potential for chemical hazards in food. Based on the hazard analyses, we implement control points within our production process flow to reduce chemical risks. Our produce suppliers follow USDA and FDA standards for agriculture. We continue to expand our offering of organic and greenhouse-grown produce. Both will contribute to the reduction of pesticides and herbicides.



OCCUPATIONAL HEALTH & SAFETY

The safety and well-being of our associates is important to PFG and is a vital component of our success. We are committed to providing a safe and healthy work environment for every associate – from the moment they join PFG and throughout their careers with the company.

We have established comprehensive health and safety programs and an organizational structure to ensure all operations are aligned with the expectations set within PFG’s Health & Safety Policy. This policy is provided to all associates during their onboarding process at PFG and establishes the norms and requirements for managing all activities in accordance with safe and healthy practices for preventing injury and loss of life.

Fiscal 2022 was a year of integration. As we introduced the Convenience operating companies into the safety metrics, we saw a 3.5% increase in our Total Recordable Incident Rate (TRIR) and an increase of approximately 23% in both Lost-Time Case Rates (LTC) and Auto Liability Accident Rates (AMM). Some of the increase may be attributed to the addition of the new entities, while much of the increase is due to heavy onboarding and continued training opportunities as we increase staff post-COVID. We continue to focus on strategic health and safety programs, initiatives, and associate training as we apply best practices from the integrated companies into the PFG safety platform.

PFG employs a variety of approaches to continually enhance our safety performance, including behavior-based safety, hazard identification and control, and the implementation of cutting-edge technological safety solutions.

SAFETY KPIs	FY21	FY22
INCIDENT RATE (IR)	6.78	7.02
IR Formula = (No. of OSHA Recordable Cases X 200,000) / No. of Employee Labor Hours Worked		
LOST-TIME CASE RATE (LTC)	2.29	2.81
LTC Formula = (No. of Lost Time Cases X 200,000) / No. of Employee Labor Hours Worked		
ACCIDENTS/MILLION MILES (AMM)	4.77	5.85
AMM Formula = (No. of Transportation Accidents / (Transportation Miles/1,000,000)		

FY21 results do not include Convenience or Performance Merchants locations.

PFG BEHAVIOR-BASED SAFETY (BBS) PROGRAM

This program creates a safety partnership between team leaders and associates that focuses on the reduction and elimination of risky behavior through targeted observation and coaching. Safety improvement is achieved primarily by changing the behavior of associates and encouraging a strong safety culture. In Fiscal 2022, approximately 26,500 BBS observations were conducted, allowing for real-time coaching and ongoing safety feedback for associates.

ONBOARD TELEMATICS SOLUTION

We continue to enhance and utilize Artificial Intelligence Enabled Camera Systems to help proactively reduce incidents. The system provides immediate alerts to our drivers to allow them to self-correct, but also provides a dashboard for management to identify and document coachable opportunities. Various risky behaviors such as speeding, inattentive driving, and harsh breaking have seen meaningful reductions. The Camera Telematics platform will be installed in all business segments by the end of Fiscal Year 2023. This includes an additional 2,030 cameras in the Core-Mark and Merchant’s operating companies.

Coaching safe driving behaviors aids in the reduction of accident rates. These dashcams provide real-time audio alerts when detecting risky behavior (i.e. in-cab distractions, critical distance, lane departure, etc.). In addition, recorded events and metrics captured by this technology are used to identify coaching and feedback opportunities to improve safe driving skills and behavior. This program has led to improved safety behavior behind the wheel, a core component for our journey toward zero collisions and zero injuries.



OCCUPATIONAL HEALTH & SAFETY CONT.

DRIVER SAFETY TRAINING

All PFG drivers are required to complete a defensive driver training program to enhance safe driving habits and hazard perception. The training focuses on areas such as reduced involvement in potential collisions and decreased self-induced driving stress.

TRUCK DRIVER HALL OF FAME

Eight of PFG's truck drivers were recently named to the 2022 International Foodservice Distributors Association (IFDA) Truck Driver Hall of Fame. This program honors the foodservice industry's top drivers for their outstanding records of service and safety. To be eligible for IFDA's Truck Driver Hall of Fame, drivers must have at least 25 years of employment with an IFDA member company and have no moving violations or chargeable accidents within the last five years. Together, the PFG inductees have more than 226 combined years of safe and reliable driving.

“AT PFG, WE UNDERSTAND AND RECOGNIZE THE ESSENTIAL ROLE OUR DELIVERY PROFESSIONALS PLAY IN TRANSPORTING PRODUCTS TO THE MANY CUSTOMERS WHO RELY ON US EVERY DAY. OUR TRANSPORTATION TEAM VALUES A COMMITMENT TO SAFETY AND TEAMWORK, AND THESE EIGHT INDIVIDUALS (INDUCTED INTO THE TRUCK DRIVER HALL OF FAME) LIVE THOSE VALUES EVERY DAY. WE ARE PROUD TO CELEBRATE THEIR SUCCESSFUL CAREERS AND ACKNOWLEDGE THIS INCREDIBLE ACHIEVEMENT.”

– Jeff Williamson
Senior Vice President, Operations
Performance Food Group



HUMAN CAPITAL MANAGEMENT

GOAL: ENHANCE PFG'S CULTURE & PROMOTE ENGAGEMENT BY USING FEEDBACK & RESULTS FROM ENTERPRISE ASSOCIATE ENGAGEMENT SURVEYS.

ASSOCIATE BENEFITS, WELLNESS, & COMPENSATION

At PFG, our associates are our number one resource. Based on responses collected through our Associate Engagement Survey, we expanded programs in the past year with the theme “**Designed with YOU in Mind.**”

Our benefits programs are designed to provide a wide range of services and financial protections across our diverse workforce. Associates are eligible for benefits from day one. We offer multiple medical insurance plans, funded health savings accounts, pharmacy savings programs, wellness reward opportunities, dental, vision, disability, and life insurance. In addition, we provide programs that offer free health coaching, diabetes support, and weight loss programs.

New this past year, we implemented a program for all medical plan participants that provides no-cost education, coaching, and exercise therapy for joint and back pain. The program includes an online therapist, wearable sensors that provide feedback to an app, and support throughout the recovery process. We also have a special program for drivers to support healthy sleep and overall safety.

With all the challenges of today's environment, we provide a multitude of programs to support our associates and their needs. PFG continues to offer our Employee Assistance Program to all associates and eligible dependents for prevalent concerns such as mental health, depression, financial needs, substance abuse, and stress management. Our program provides five free face-to-face counseling sessions or virtual phone app appointments, with relaxation and stress reduction techniques available via a separate application.

We enhanced our education assistance policy, providing associates with faster eligibility, increased annual maximums, and reimbursement for GED testing. We also launched a scholarship for the children of associates and a backup child and elder care support program, which includes center-based and home care at a low cost.

Financially, PFG provides associates with competitive salaries and incentive-based pay across the organization. We offer substantial time off programs with the opportunity to recharge and sick time when our employees need it most. Our 401(k) program offers dollar-for-dollar matching up to a limit, and our Employee Stock Purchase program provides a 15% discount on company stock, which allows associates to share in the company's successes.

TOP WORKPLACE DIRECTION AWARD

Our Richmond headquarters earned the Direction Award from the Richmond Times-Dispatch's 2022 Top Workplaces program. The Direction Award is a special honor awarded to the company whose employees feel the most strongly about their company's strategic direction. We were the highest-ranked company in this category out of 87 corporate participants in the 2022 Top Workplaces survey.



HUMAN CAPITAL MANAGEMENT CONT.

GOAL: BUILD PFG'S CENTER FOR LEARNING MODEL TO HELP ALIGN ASSOCIATE GOALS WHILE DRIVING BUSINESS RESULTS THROUGH DELIVERY OF TRAINING & DEVELOPMENT CURRICULUMS & OPPORTUNITIES.

TRAINING & DEVELOPMENT

OVER 30,000 PFG ASSOCIATES COMPLETED MORE THAN 366,000 TRAINING COURSES

Our goal is to build a lifelong learning culture by focusing on attracting, developing, retaining, and preparing our current workforce for success while developing future leaders. We empower associates with the right training at the right time throughout their career journey. Using a blended approach of instructor-led and self-paced training, we provide our associates with role-specific training that is just-in-time, accessible, and personalized.

Our E3 Leadership Development program is in place to provide leadership training opportunities for all levels of leadership, from entry level to executive, advancing leadership skills at every point of their career. In the past year, PFG launched the third component of our E3 Leadership Development program and created the framework for our Center for Learning.

Through our Learning Management System (LMS), we deliver a variety of required and optional on-demand learning modules that are linked to an associate's role with the company, including those modules tied to safety and compliance, such as our Code of Business Conduct.



BUILDING A CULTURE OF INCLUSION

PFG is committed to providing a culture of inclusion where every associate and customer feels a sense of belonging. Our Vice President of Diversity, Inclusion and Belonging developed a framework focused on critical components that help us enable and achieve this experience. Our framework clearly defines and outlines the following relevant components to engage and activate diversity, inclusion, and belonging:

- Diversity and Inclusion Strategy
- Leadership Commitment
- Talent Acquisition
- Inclusive Performance Management
- Equitable and Inclusive Culture
- Marketplace and Community Impact

OUR COMMITMENT TO DIVERSITY, INCLUSION, & BELONGING IS GUIDED BY THREE KEY STRATEGIES:

- 1 Promote an inclusive culture and sense of belonging to engage our workforce.**
- 2 Increase the diversity of our workforce to reflect the communities we serve.**
- 3 Support underrepresented groups and suppliers to drive economic development in our communities.**



ASSOCIATE RESOURCE GROUPS

Associate Resource Groups (ARGs) are company-sponsored, associate-led networks that foster inclusion and build community, enhance career and personal development, and promote cultural awareness. ARGs are a key component of our framework and strategy because they help us cultivate an inclusive workplace, recruit and retain top talent, develop associates' skills and capabilities, and recognize and reward high performers.

Earlier this year, we launched our first enterprise-wide ARG, Women of PFG. The group's focus is on building an inclusive community and advocating for the development and advancement of all women at PFG. Women of PFG is the first of eight ARGs that will help lead PFG into the future. Additional PFG ARGs will support our associate population across dimensions of diversity, including:

- Black/African American
- Hispanic
- LGBTQ+
- Asian American and Pacific Islander
- Veterans
- Associates with Disabilities
- Young Professionals

“ASSOCIATE RESOURCE GROUPS ARE A KEY COMPONENT OF OUR ASSOCIATE ENGAGEMENT FRAMEWORK AND STRATEGY. THESE COMMUNITIES ARE A POWERFUL WAY TO FOSTER INCLUSION AND EMPOWER ASSOCIATES. POSITIONED AS CRITICAL BUSINESS PARTNERS, THEIR COLLECTIVE VOICE OFFERS US A DIVERSE AND MORE COMPLETE PERSPECTIVE IN KEY ASPECTS OF OUR BUSINESS THAT HELP INFORM AND GUIDE OUR DIRECTION.”

– Claudia Mills
Vice President, Diversity & Inclusion
Performance Food Group

BUILDING A CULTURE OF INCLUSION CONT.

WOMEN'S FOODSERVICE FORUM

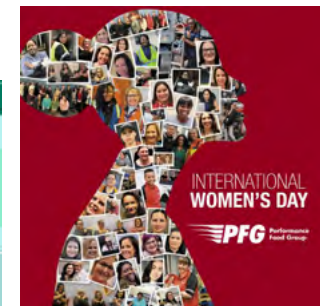
Performance Food Group is a proud advocate and sponsor of the Women's Foodservice Forum (WFF). WFF's mission to accelerate the advancement of women leaders in the food industry aligns with our commitment to building an inclusive, diverse, and engaged workforce. This year, to support their development, we sponsored a record 152 associates to attend the WFF Limitless Leadership Conference. Our associates came back inspired and ready to do more.



HERITAGE & CULTURAL MONTH PROGRAMMING

One of the ways we broadly engage associates is our Heritage and Cultural Month programming to build an inclusive culture, create awareness, and help our associates learn through relevant discussions and shared experiences. Building an equitable and inclusive culture also means ensuring everyone can access and participate in such programming – including our offline or frontline associates. In addition to encouraging all associates to participate, we try to ensure these events are available to all associates through event recordings or other online options. Our 2022 Heritage and Cultural Month programming included:

- Black History Month
- Women's History Month
- Asian American and Pacific Islander Heritage Month
- Juneteenth
- Pride Month



BUILDING A CULTURE OF INCLUSION CONT.

GOAL: INCREASE SPEND WITH MINORITY-, WOMEN-, & VETERAN-OWNED BUSINESS ENTERPRISE (MWVBE) SUPPLIERS BY 25% BY 2030.

PFG became a corporate member of the National Minority Supplier Development Council (NMSDC) to support global supply chain diversity and foster strategic partnerships, and we will continue to pursue additional partnership opportunities. This past year, PFG also joined three organizations that provide minority certifications, funding, and guidance to business enterprises. The corporate membership will allow us to broaden our supplier base and support our commitment to diversity and inclusion.

- **WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL (WBENC):** WBENC was founded in 1997 to develop a national standard for women-owned business certification. Since then, the organization has become the largest third-party certifier of businesses owned, controlled, and operated by women in the United States and a leading advocate for women-owned businesses in corporate and government supply chains.
- **NATIONAL LGBT CHAMBER OF COMMERCE (NGLCC):** The NGLCC is the exclusive, third-party certification body that verifies eligible businesses are majority owned by LGBT individuals and subsequently grants Certified LGBT Business Enterprise® (Certified LGBTE®) designation to such companies as part of its LGBT Supplier Diversity Initiative.
- **NATIONAL VETERAN-OWNED BUSINESS ASSOCIATION (NAVOBA):** NaVOBA's mission is to create contracting opportunities for America's Veteran Business Enterprises (VBEs) and Service-Disabled Veteran Business Enterprises (SDVBEs) through certification, advocacy, outreach, recognition, and education.

SUPPLIER DIVERSITY PROMOTION PROGRESS



In April 2022, we initiated our Diversity Supplier Spotlight and National Announcements to promote new and existing suppliers that are MWVBE, LGBTQ, veteran owned and other diverse groups. We spotlight suppliers on our Yammer diversity website. We also have an MWVBE Champions Program that consists of 17 Performance Foodservice, Core-Mark, and Vistar associates who meet monthly to discuss the best business practices for supplier diversity.

COMMUNITY ENGAGEMENT

GOAL: EXPAND ADVOCACY, VOLUNTEERISM, & CHARITABLE CONTRIBUTIONS WITH ORGANIZATIONS COMMITTED TO FIGHTING FOOD INSECURITY, SUPPORTING HEALTHIER COMMUNITIES, ADDRESSING HUMAN TRAFFICKING, & PROVIDING DISASTER RELIEF.

IN FISCAL 2022, PFG CONTRIBUTED MORE THAN \$3.7 MILLION IN CHARITABLE CONTRIBUTIONS.

Our community engagement strategy aligns with the approach we take in our business – providing support at the enterprise level, as well as fostering meaningful local partnerships in the communities where we operate and where our associates and their families live. PFG has national philanthropic partnerships with Feeding America®, the American Red Cross®, and Truckers Against Trafficking®. Locally, PFG engages with more than 175 organizations. PFG partnered with the American Heart Association® as the Nutrition Security Sponsor for the 2022 Richmond Heart Walk and launched an American Red Cross disaster relief fundraising campaign. Our business segments and operating companies continue to support local non-profit partners in a way that builds and grows strong relationships.



GOVERNANCE

PFG stands on a foundation of integrity for how we carry out our business. The success and resilience of our business depends on our trusted, quality relationships with our customers, suppliers, and communities. We not only strive to ensure legal and regulatory compliance, but we also carry out high standards of ethics throughout our business and integrate ESG into our overall risk management and governance practices.

GOVERNANCE STRUCTURE

DATA PRIVACY & SECURITY

CODES OF CONDUCT

- Code of Business Conduct
- Business Partner Code of Conduct
- Environmental Policies
- Human Rights Policy



GOVERNANCE STRUCTURE

FIVE OUT OF 11 MEMBERS OF THE BOARD REPRESENT GENDER & ETHNIC DIVERSITY.

- Our Nominating and Corporate Governance Committee is responsible for overseeing our ESG efforts. In addition to our Board Committee, we have developed a C-suite ESG Executive Committee that consists of our Chief Financial Officer and Chief Legal Officer, who meet with our ESG leader and who provide direction on our ESG efforts. This includes ensuring that the ESG program has the resourcing and support needed to deliver on our ESG goals and strategies.
- Our internal governance structure also oversees a series of cross-functional ESG committees that include Supply Chain, Operations, Reporting and Culture, Engagement and Communications. The committees meet regularly to establish goals, review action plans, and advance efforts intended to achieve the goals specific to each area.



DATA PRIVACY & SECURITY

PFG adopts a layered defense with an in-depth, risk-based approach to identifying and addressing data security. PFG's Information Security Training Program proactively assesses security trends, current gaps, and our business strategy to manage a three-year rolling cybersecurity strategy. This strategy considers existing risks or potential encounters based on our industry, company profile, and business objectives. The strategy also considers shifting technology trends that could have a material impact on our security infrastructure (e.g. third-party hosted/dependent and a mobile workforce).

PFG maintains several administrative and technical controls and capabilities to both prevent and detect associated security risks. Our security capabilities and controls include a combination of internally defined policies and standards, technical solutions, operational processes, and staff training to address potential operational, reputational, financial, and regulatory risks. PFG's control environment and strategy are aligned with the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Security.

Preventative and detective controls are augmented by both technical and administrative capabilities to identify gaps in existing controls or vulnerabilities in information systems. PFG uses independent service providers at least annually to test PFG's network and select applications for vulnerabilities. PFG also maintains an internally managed vulnerability program, which regularly assesses PFG systems and reports to our IT team and business leadership for awareness, action, and/or acknowledgment/acceptance of associated risks. PFG also maintains a Risk Management program to identify and track information risks from many different sources and adjudicates them based on severity, including third parties, technology projects, acquisitions, ad hoc risk assessments, and external audits.

PFG is subject to external audits related to Internal Controls Over Financial Reporting (ICOFR), which includes yearly Information Technology General Control Testing and periodic reviews of risks/controls related to cybersecurity that may impact financial reporting control objectives.

PFG maintains an Information Security Training Program that combines several forms of training across user types. Training methods include general ad hoc advisories, computer-based training/e-learning, and mock phishing exercises. Computer-based training is tailored for general end users, as well as targeted training for users in inherently higher-risk positions, which include those subject to specific regulatory requirements or enrolled based on performance of mock phishing exercises.



CODES OF CONDUCT

CODE OF BUSINESS CONDUCT

Integrity is a part of our heritage and informs our perspective toward business. We express our commitment to the highest ethical standards in our [Code of Business Conduct](#). The Code addresses expected behavior with our fellow associates, shareholders, suppliers, customers, and communities. Our code commits PFG to operate honestly, ethically, and in good faith, ensuring that PFG and its stakeholders are compliant with all laws, rules, and regulations. It sets forth our policies and expectations on several topics, including conflicts of interest, confidentiality, anti-bribery, business conduct, insider trading, safety, nondiscrimination, and unlawful harassment. The code also provides an anonymous hotline and multiple channels for reporting violations to the code and employs an anti-retaliation policy to protect all who in good faith come forward with a report or complaint. All associates and board members receive training on our code.

BUSINESS PARTNER CODE OF CONDUCT

PFG prioritizes working with business partners that share our commitment to conduct business responsibly, sustainably, and in alignment with our ESG goals. Our [Business Partner Code of Conduct](#) defines the conduct expectations we have for our supply chain partners. The Business Partner Code addresses material issues such as conflict of interest, anti-bribery, corruption, and money laundering, as well as international legal compliance, human rights, workforce standards, health, safety, the environment, and food safety. Our Business Partner Code of Conduct also highlights PFG's right to audit compliance and verify ESG business performance by vendors we work with and articulates our right to terminate our relationship with vendors that violate the provisions of this code. Through our code, we aim to cultivate transparent, fair, and ethical relationships with suppliers.

ENVIRONMENTAL POLICIES

PFG recognizes the vital balance of minimizing our impact on the environment while maximizing value to all stakeholders. Our [Environmental Policy](#) and [Climate Change Policy](#) establish our commitments and guide our efforts to reduce operational impacts on the environment and build our resilience against climate change.

HUMAN RIGHTS POLICY

At PFG, we are committed to upholding and promoting the human rights of our stakeholders throughout our operations and within our supply chains. In addition to our codes of conduct, we have an [Enterprise Human Rights Policy](#) that is aligned with internationally recognized conventions and frameworks, including the United Nations Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

The PFG Enterprise Human Rights Policy establishes the expectations we extend to our associates and business partners (suppliers, distributors, and other third parties) with respect to:

- Society and Stakeholder Engagement
- Diversity and Inclusion
- Safety and Healthy and Secure Workplaces
- Forced Labor, Child Labor, and Human Trafficking
- Freedom of Association and Collective Bargaining
- Access to Nutritious Food and Water

We believe that associate engagement and education are key to the full implementation of our Enterprise Human Rights Policy across the organization and our supply chain. We provide role-specific training on human rights and how to recognize, mitigate, and act on violations that reinforce our collective commitment to this policy.





SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX



FOOD RETAILER & DISTRIBUTOR STANDARDS

- Table 1. Sustainability Disclosure Topics & Accounting Metrics
 - Table 2. Activity Metrics
-

FOOD RETAILER & DISTRIBUTOR STANDARDS

TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

TOPIC	CODE	ACCOUNTING METRIC	FY22 PERFORMANCE
Fleet Fuel Management	FB-FR-110a.1	Fleet fuel consumed, percentage renewable	8,579,891 Gigajoules, 0%
Air Emissions from Refrigeration	FB-FR-110b.1	Gross global Scope 1 emissions from refrigerants	54,920 tons CO2-e
	FB-FR-110b.2	Percentage of refrigerants consumed with zero ozone-depleting potential	99.89%
Energy Management	FB-FR-130a.1	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) 1,648,052 Gigajoules, (2) > 99% grid electricity, (3) <1% renewable
Food Waste Management	FB-FR-150a.1	Amount of food waste generated, percentage diverted from the waste stream	17,458 metric tons, 34%
Data Security	FB-FR-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	(1) 0, (2) 0%, (3) 0
	FB-FR-230a.2	Description of approach to identifying and addressing data security risks	See page 29, Data Privacy & Security section.
Food Safety	FB-FR-250a.1	High-risk food safety violation rate	4%, all major violations have been addressed, including follow-up audits.
	FB-FR-250a.2	(1) Number of recalls, (2) number of units recalled, (3) percentage of units recalled that are private-label products	(1) 0 recalls initiated by PFG, (2) 0, (3) 0%
Product Health & Nutrition	FB-FR-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	\$2,574,231,563 Note: Items are considered products labeled and/or marked to promote health and nutrition attributes: reduced fat, low sodium, lactose free, vegan, trans fat free, rBST free, plant-based
	FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	See page 18, Food Transparency and Food Safety sections.



FOOD RETAILER & DISTRIBUTOR STANDARDS CONT.

TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS CONT.

Product Labeling & Marketing	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	PFG only labels products within our food production operations in which there have been zero nonconformances, which keeps us at a level of full compliance with regulatory, industry, and marketing codes.
	FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	PFG has had zero monetary losses due to nonconforming labeling practices at our production facilities.
	FB-FR-270a.3	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	(1) \$360,787,782 and (2) \$9,763,736
Labor Practices	FB-FR-310a.1	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	(1) \$22.97, (2) 100% of employees receive above state minimum wage
	FB-FR-310a.2	Percentage of active workforce covered under collective bargaining agreements	PFG: 6.2%, Core-Mark: 5.88%
	FB-FR-310a.3	(1) Number of work stoppages and (2) total days idle	(1) 0 and (2) 0
Management of Environmental & Social Impacts in the Supply Chain	FB-FR-430a.1	Revenue from products third-party certified to the environmental or social sustainability sourcing standard	PFG has implemented processes to verify and monitor third-party certifications for our PFG branded beef, pork, poultry, seafood, coffee, and tea. See page 16, Responsible Sourcing section.
	FB-FR-430a.2	Percentage of revenue from (1) eggs that originated from a cage-free environment and (2) pork produced without the use of gestation crates	(1) 5.1% and (2) <1%
	FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	See page 16, Responsible Sourcing section.
	FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	See page 14, Sustainable Packaging & Non-Foods section.

TABLE 2. ACTIVITY METRICS

ACTIVITY METRIC	CODE	FY22 DATA
Number of (1) retail locations and (2) distribution centers	FB-FR-000.A	(1) 4 retail locations and (2) 142 distribution centers
Total area of (1) retail space and (2) distribution centers	FB-FR-000.B	(1) 7,790 square meters and (2) 2,460,224 square meters
Number of vehicles in commercial fleet	FB-FR-000.C	7,162
Ton miles traveled	FB-FR-000.D	2,060,931,515 average shipped ton miles

TASK FORCE ON CLIMATE- RELATED FINANCIAL DISCLOSURES (TCFD)



EXECUTIVE SUMMARY

GOVERNANCE

- BOARD'S OVERSIGHT
- MANAGEMENT'S ROLE
- STRATEGY

PHYSICAL RISKS

TRANSITION RISKS

OPPORTUNITIES

- SCENARIO PLANNING

RISK MANAGEMENT

METRICS & TARGETS

CONCLUSION

EXECUTIVE SUMMARY

Performance Food Group (PFG) has been a trusted leader in the foodservice industry for more than 100 years. We market and distribute approximately 250,000 food and food-related products. Headquartered in Richmond, Va., we operate from 142 distribution centers to more than 300,000 customer locations across the United States. Our more than 35,000 associates serve a diverse mix of customers, from independent and chain restaurants to schools, business and industry locations, hospitals, vending distributors, office coffee service distributors, retailers, convenience stores, and theaters. We work to build lasting relationships with our customers for the success of all.

PFG understands that the nature of our business exposes us to climate-related risks, both physically and as we transition to a low-carbon economy. We are committed to strategizing climate risk mitigation and adaptation while providing transparency to our stakeholders regarding our climate-related risks and opportunities. This includes having scenario plans in place to address severe weather events, diversifying our supply chain, and reducing emissions throughout our business. This report demonstrates our governance, strategy, risk management, and metrics and targets related to climate change impacts across our entire value chain.

GOVERNANCE

BOARD'S OVERSIGHT

PFG's Board Nominating and Corporate Governance Committee is responsible for overseeing our ESG efforts. The committee provides direct guidance to the company's senior executives on our ESG strategy and helps to ensure that there are active measures in place to mitigate risks and safeguard business continuity. The Board's Audit and Finance Committee is responsible for providing oversight on enterprise risk management, including guidance on ranking and evaluation of specific enterprise risks.

MANAGEMENT'S ROLE

In addition to our Board, we have developed an Executive ESG Steering Committee that consists of our Chief Financial Officer and our Chief Legal Officer. The committee meets regularly with our ESG leader and provides regular direction on our ESG efforts while supporting our ESG program to ensure we deliver on our ESG goals and strategy, particularly to mitigate climate risks.

Our internal governance structure also oversees a series of cross-functional ESG committees that include Supply Chain, Operations, Reporting and Culture, Engagement and Communications. These committees meet regularly to review action plans and advance efforts intended to achieve the ESG goals specific to each area. Our Supply Chain and Operations committees directly engage in supporting efforts to identify and address climate risk. They determine our baseline emissions, set our carbon reduction and renewable energy goals, assess our supply chain's ESG performance, and identify and address any other specific risks or concerns.



GOVERNANCE CONT.

STRATEGY

We recognize that climate change will impact every community, industry, and company on the planet, including PFG. That is why we are evaluating the different types of risks posed by climate change and how they could impact our business, operations, and supply chain. The key risks of climate change fall into two main categories: physical and transition risks.

Physical risks are the risks generated by the effects of a changing climate, including both acute and chronic indicators (see below). Physical risks may impact our operations directly based on the geographical location and type of facility. Impacts on infrastructure could affect our workforce's ability to work safely and the reliability of our supply chain. Increased water scarcity in high-risk areas due to rising temperatures may increase water input costs and availability. Physical risks ultimately have the potential to disrupt operations across our value chain.

ACUTE	CHRONIC	TIME HORIZON
HURRICANES	Increasing Average Temperatures	Short Term: 1-3 years
WILDFIRES	Rising Sea Levels	Medium Term: 3-5 years
FLOODING	Extended Droughts	Long Term: > 5 years
STORMS	Precipitation Variability	
EXTREME HEAT DAYS	Water Stress	

Transition risks are risks related to the global transition to a low-carbon economy. These risks can be grouped into three categories: 1) policy and legal, 2) market and technology, and 3) reputational risk. Policy constraints on GHG emissions in our operations and supply chain have the potential to impact the cost of doing business. Failure to adapt to changing customer preferences around food products may impact overall sales. Supply chain continuity can disrupt operations and our bottom line. We must mitigate our impacts on and from climate change to protect our reputation as a trusted leader in the foodservice industry.

As part of PFG's strategy to address climate-related physical and transition risks, we have set out to develop a comprehensive Climate Risk Analysis, which will help us identify the most material climate risks, assess their current and future impact on our operations, and develop adaptation and mitigation strategies. In this report, we provide selected insights from our preliminary analysis and key strategic activities to address these issues. We will continue to evaluate potential risks to our business and update their expected time horizon so that we can take appropriate mitigation measures.



PHYSICAL RISKS

ACUTE	
INCREASING FREQUENCY OF EXTREME WEATHER EVENTS, NATURAL HAZARDS, & DISASTERS	
RISK	STRATEGY
<p>Global temperature rise due to greenhouse gases has led to the increasing frequency of extreme weather events such as cyclones, hurricanes, heat waves and storms, as well as natural hazards like floods, wildfires, and earthquakes. The United Nations warned in September 2021 that the world was on track to reach 2.7°C warming by the end of the century unless countries act to significantly reduce GHG emissions and transition to low-carbon and renewable energy.</p> <p>The increasing frequency of extreme weather events and natural hazards could cause significant damage or business interruptions to our distribution centers, routes, supply chain, and customers' facilities. For example, according to the EPA Climate Resilience Evaluation and Awareness Tool (CREAT), 102 of PFG's distribution centers and offices are predicted to have more than a 10% increase in storm intensity by 2035 (under the "moderately stormy" scenario).</p> <p>Such events also pose risks to the safety and well-being of our associates and local communities, which are critical to our continued business success. Negative impacts on our infrastructure, supply chain, and workforce could result in additional operational costs.</p>	<p>A third party has been supporting PFG to analyze the company's carbon footprint. Based on the results of the analysis, PFG set an enterprise-wide carbon reduction target, covering Scope 1 and 2 GHG emissions. PFG also has a strategic plan for expanding the purchase of renewable power. The company is implementing programs to reduce its carbon intensity by improving the energy efficiency at its facilities and fleet fuel management. These programs include low-carbon technologies and strategically located distribution centers. Any new PFG buildings will also be equipped for solar power if installed in the future.</p> <p>PFG must not only do our part to reduce emissions, but also plan for extreme weather events and hazards. Our comprehensive business continuity and disaster recovery readiness strategy prepares our business to react to a wide range of man-made and natural events that threaten our business and those of our suppliers and customers. Our strategy includes:</p> <ul style="list-style-type: none"> • Developing, implementing, and constantly reevaluating the effectiveness of our business continuity and emergency preparedness plans for both seasonal and unexpected extreme weather events across the country (i.e. hurricane season) • Monitoring the National Oceanic and Atmospheric Administration (NOAA) alert systems and reports for geographies with high climate change risk exposure to inform our own logistical response and community support efforts when disaster strikes • Standardizing enterprise protocols for facility preparation, associate welfare check-ins, customer and supplier contingency plans for distribution, and the evacuation of people and products • Implementing systems for controlled shutdown of facility operations and power sources, damage assessment for facilities, product and surrounding infrastructure, and facility startup and repair personnel notification • Continuing to advance our backup power strategy to include fixed generators with automatic transfer switches in geographies prone to outages, as well as mobile generators strategically located across the US to allow us to reach all locations within 16 hours when needed • Rerouting training for our distribution operators to ensure those on the front lines of delivering products, especially in times of extreme need, can leverage their skill set in rerouting distribution when infrastructure damage poses an immediate and unanticipated threat • Enhancing neighboring operating company collaboration on business continuity responses will strengthen our ability to manage threats across geographies, product categories, and stakeholder groups
SHORT TO LONG TERM	

PHYSICAL RISKS CONT.

CHRONIC	
SHIFTING CLIMATE PATTERNS	
RISK	STRATEGY
<p>Long-term shifts in sea levels, precipitation patterns, and average temperatures will impact all parts of the globe, including our living and operating areas. For example, two PFG distribution facilities are already facing a baseline extremely high-risk exposure to riverine flooding, according to the World Resources Institute's Global Aqueduct mapping. Such shifting climate patterns will make it difficult to predict supply stability and reinforce the need to diversify our supply chain. Failure to accurately predict and plan production, sourcing, and the purchasing of raw materials could result in distressed inventories or delays in meeting customer requirements.</p> <p>These climate issues could also have a negative impact on distribution, the stability of the electric grid, and overall business continuity. These risks could result in operational strain, losses due to unfulfilled deliveries, and employee overtime pay to rectify unforeseen issues. Our operational costs may also rise due to increasing energy and refrigeration, as needed, to maintain food safety due to rising temperatures.</p>	<p>PFG is actively working to set minimum and maximum thresholds for single-source products and seeks to diversify products across food/commodity categories to multi-source wherever possible.</p> <p>PFG has been focusing on implementing strategic energy efficiency projects throughout our facilities by investing in energy-saving technologies and optimizing operations and maintenance practices.</p> <p>We continuously evaluate technology for powering tractors and trailer refrigeration with electric and alternative fuel solutions. We implemented our first electric trailer refrigeration technology to reduce diesel fuel usage and overall carbon emissions. PFG anticipates implementing our first battery electric vehicles in Fiscal 2023.</p> <p>Route optimization is a key to maximizing efficiency and minimizing operational costs. We conduct training programs on leading industry technology used to select the most efficient routes for product distribution. Moreover, strategically located redistribution centers allow us to minimize our miles traveled, time spent on the road, fuel usage, and carbon emissions on a per-case basis.</p> <p>As we build new facilities, PFG strategizes to incorporate energy-efficient solutions. We have been performing Energy Efficiency Engagements at Performance Foodservice locations to consider operational improvements. As a result, we established new protocols, including a demand response program, to reduce energy use during peak demand hours.</p>
MEDIUM TO LONG TERM	

CHRONIC	
INTENSIFYING WATER STRESS & SCARCITY	
DESCRIPTION	STRATEGY
<p>Water stress and scarcity caused by climate change are intensifying, including extended droughts and heat waves. Increased water scarcity due to extended drought and increased water demand can impact our distribution capabilities, suppliers, revenues, and the livelihoods of our people.</p> <p>Currently, 28 of PFG distribution centers, offices, and warehouses are in areas already facing an extremely high risk of baseline water stress according to the World Resources Institute's Global Aqueduct. These facilities are mainly located in Arizona, California, Colorado, New Mexico, and Texas.</p>	<p>Due to the nature of our business, water usage is not material to our operations. However, PFG has started tracking water and sewer bills in collaboration with a third party to analyze and develop our water management program.</p> <p>We plan to explore water-saving efforts across our enterprise as we recognize the importance of transforming our operations to be more water efficient and less exposed to risk of water commodity changes. Lastly, we engage with our suppliers and look for ways to support water-related programs.</p>
MEDIUM TO LONG TERM	

TRANSITION RISKS

POLICY & REGULATIONS	
GROWING REQUIREMENTS AND TARGETS ON GREENHOUSE GAS (GHG) EMISSIONS AND CLIMATE DISCLOSURES	
RISK	STRATEGY
To reduce global GHG emissions and slow global warming, governments at the federal and state levels are proposing and implementing climate-related disclosure requirements and emissions targets, which can increase operational costs and litigation exposure.	<p>PFG has taken a proactive position on ESG and climate risk reporting, using both the Sustainable Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosure (TCFD) frameworks annually.</p> <p>The company is also working to proactively reduce emissions and its reliance on traditional fossil fuels. This includes:</p> <ul style="list-style-type: none"> • Monitoring regulatory developments at the federal, state, and local level • Assessing emission levels to set climate goals and implement the ESG strategy • Deploying renewable energy through on-site installations • Reducing carbon intensity through active Energy Efficiency Engagements and operational improvements • Expanding access to more sustainably sourced products
SHORT TERM	

MARKET & TECHNOLOGY	
IMPROVING ENERGY EFFICIENCY	
DESCRIPTION	STRATEGY
Technological improvements are needed to transition to a lower-carbon economy. Solutions that improve energy efficiency, expand renewable energy, and reduce waste have all been identified as necessary pathways to reducing global warming and mitigating climate change. The substitution of existing products and services to transition to lower emissions technology can result in increased costs.	<p>PFG continuously considers renewable energy purchasing options, both on-site opportunities and power purchasing agreements. The company has set a goal of procuring 10% of its energy from renewable sources by 2030.</p> <p>We conduct Energy Efficiency Engagements by partnering with third-party energy management consulting firms to explore efficiency opportunities for reducing energy use, electricity costs, and emissions within our lighting and charging systems. We are exploring opportunities to implement solar infrastructure at our facilities, and all our new buildings will be equipped to accommodate solar technology.</p> <p>PFG also closely monitors the evolution of low-carbon technologies for powering fleet transportation and refrigeration. We actively manage the lifecycle of the fleet vehicles and implement a comprehensive strategy for vehicle replacement. We continue to use routing technology to optimize efficiency and implement best practices and training initiatives. Over the next two years, PFG plans to introduce additional all-electric TRUs to our fleet.</p> <p>We are developing a program to provide recyclable, biodegradable, and compostable non-food items, including PFAS-free carry-out containers, sustainable cutlery, paper hot and cold cups, and paper bags. Our strategy will reduce both our risks and our customers' risks and support our competitive advantage by providing a solution to a fundamental sustainability challenge in the restaurant, hospitality, and foodservice industries.</p>
SHORT TO LONG TERM	

TRANSITION RISKS

REPUTATION	
CHANGING CUSTOMER BEHAVIOR	
RISK	STRATEGY
<p>As the economy transitions to a low-carbon economy, the demand and supply for different goods and services, as well as their prices, will fluctuate as well. The ways that markets could be affected by climate change are complicated and difficult to predict. For example, customers have been seeking responsibly sourced foods and transparency with food labels.</p>	<p>PFG has set a goal for 90% of PFG-branded beef, pork, poultry, seafood, coffee, and tea to be produced with verified environmentally sustainable and socially responsible practices by 2025.</p> <p>We conducted a survey using a third party to evaluate our present state of product certification that received more than a 90% response rate. We also conduct customer satisfaction surveys twice a year to evaluate changing attitudes and purchasing requirements. These insights are then used to help drive strategic decisions around customer engagement and product development. The PFG ESG Supplier Survey also evaluates the potential impact of our supply chain to identify areas of opportunity, as well as risks, to mitigate.</p> <p>PFG is committed to increasing the transparency of our branded portfolio items. We implemented a Supplier Compliance Campaign that requires our suppliers to provide predefined information about their products' ingredients, claims, and attributes. We also host webinars with branded and non-branded vendors to communicate our enhanced data-sharing requirement to improve our nutritional claim information. We work closely with vendors and developed implementation guides to ensure suppliers meet PFG's ingredient transparency expectations.</p>
LONG TERM	

REPUTATION	
SHIFTING STAKEHOLDER PRIORITIES	
DESCRIPTION	STRATEGY
<p>Climate change and its impact on communities could change the reputations of companies based on their participation in the low-carbon transition. Customer and consumer perception could shift in favor of companies that are mitigating their climate change impact.</p>	<p>Our ESG commitments and strategies show our investors and customers how we plan to act on climate change. We will continue to report on our progress, successes, and learnings throughout our ESG journey, which includes progress toward our climate change goals. This information is readily available in our annual ESG Report found on our website.</p>
LONG TERM	

OPPORTUNITIES

OPPORTUNITY	STRATEGY
<p>EFFICIENCY</p> <p>Using more efficient transportation, distribution, recycling, building infrastructure, and water can reduce impacts on climate change. By prioritizing resource efficiency, companies can also reduce the operating costs for their buildings, transportation, and distribution facilities. Energy efficiency and water and waste management can provide opportunities for direct cost savings over the short, medium, and long term.</p>	<p>PFG has goals to reduce power consumption intensity by 20% by 2030 against our Fiscal 2020 baseline and achieve an 80% diversion rate for operational waste by 2030. These goals guide our strategy and efforts to explore and evaluate technology to optimize our operations, transportation, and distribution.</p> <p>We consider low-carbon technologies for our fleet transportation to reduce fuel usage and carbon emissions associated with fleet refrigeration. Over the next several years, PFG plans to continue carbon footprint reduction efforts by introducing additional all-electric TRUs to our fleet and implementing our first battery electric vehicles in Fiscal 2023. We will resume monitoring operational and food waste to divert waste from landfills and actively track our recycling.</p>
<p>RENEWABLE ENERGY</p> <p>To support emission-reduction goals, companies will need to transition a large percentage of their energy consumption to low-emission alternatives such as wind and solar. Investments in renewable energy are growing annually, so companies that shift their energy usage toward low-emission technology may reduce renewable energy prices and companies' annual energy costs. Renewable energy sources will also reduce exposure to future fossil fuel price increases and lessen sensitivity to changes in the cost of the carbon taxes.</p>	<p>It is essential for PFG to diversify its energy sourcing to combat both evolving climate policy and to mitigate potential pricing concerns and availability and consistency of fossil fuel service. We set a goal to secure 10% of purchased electricity from renewable sources by 2030, and we are in process of setting an enterprise-wide carbon reduction target, covering Scope 1 and 2 GHG emissions.</p> <p>PFG has been focusing on implementing strategic energy efficiency projects throughout our facilities by investing in energy-saving technologies and optimizing operations. We are continuously exploring renewable power purchasing agreements and leveraging national and state tax incentives to procure more wind and solar energy across our enterprise. These efforts and implementation will enable PFG to power its facilities while significantly reducing the carbon emissions associated with our daily operations.</p>

OPPORTUNITY	STRATEGY
<p>PRODUCTS AND SERVICES</p> <p>Consumer preference and demand are shifting toward responsibly produced food products with transparent labeling. There is a greater emphasis on a product's carbon footprint across the value chain, including sourcing, production, distribution, marketing, and labeling. By reducing GHG emissions and diversifying products, we will be able to meet consumer demand and remain competitive in our industry.</p>	<p>PFG has a goal to ensure 90% of PFG branded beef, pork, poultry, seafood, coffee, and tea are produced with verified environmentally sustainable and socially responsible practices by 2025. We are also developing an environmentally preferable purchasing program for PFG branded non-food products by 2023, expanding sustainable offerings for our customers.</p> <p>PFG completed a baseline analysis of Scope 1 and 2 emissions and set a GHG target that covers both scopes. PFG also completed our first phase of the ESG Supplier Survey to evaluate the ESG maturity of our suppliers, leverage responsible sourcing opportunities, and mitigate ESG risks.</p> <p>Our ESG goals, strategy, and efforts show our climate progress and meet the consumer demand for lower emissions and responsibly sourced food products.</p>

SCENARIO PLANNING

PFG recognizes that scenario analysis is critical to determine the resilience of our strategies for climate-related risks and opportunities. A scenario describes a potential future, the path leading to that outcome, and its impact on an organization. We plan to evaluate our ERM system to involve more climate-related risks that impact us, the global food supply chain, and the foodservice industry. PFG is also in the process of completing a Climate Risk Analysis that will include scenario planning. The risks, opportunities, and our corresponding strategies discussed in the preceding tables highlight the initial findings from our qualitative scenario planning. The Climate Risk Analysis identifies which risks and opportunities will impact PFG over various time periods and strategizes our response to them. As our scenario analyses become more sophisticated, so will our risk and opportunity response plans. This process will allow us to identify where our strategies may be affected by climate change and how we should adjust to address the potential risks, opportunities, and impact of climate-related issues on our enterprise.

RISK MANAGEMENT

PFG has an ERM tool to identify categorical risks, rank those risks, and monitor progress of mitigating them. The risk analysis process assigns each risk as green, yellow, or red, which indicates escalating levels of risk to the company. PFG uses the analysis to update a dashboard that tracks the risk severity and risk mitigation progress.

The ERM analysis identified two categories that specifically included climate-related risks:

- **Supply Chain, including environmental and logistics/transportation disruption**
- **Macroeconomic**

PFG's ERM process includes updates on the climate-related risks identified above to the Audit and Finance Committee of the Board at least twice a year. In addition, cross-functional teams within PFG are actively monitoring the challenges and opportunities represented by these risks and are creating strategic plans designed to ensure business continuity and an ability to maintain the consistency of operation required by our customers.

The dashboard is produced quarterly as part of an effort to regularly reassess risk levels and force rank the risks to ensure that the company is prioritizing significant concerns. The dashboards and the underlying ERM analysis ensure that PFG is actively engaged in effective risk management broadly.

The ERM efforts are combined with PFG's ESG program, which further assesses challenges, concerns, and risks associated with the issues that fall within the ESG program, including:

- **Sustainability and Environmental Performance**
- **Energy Efficiency and Renewable Energy**
- **Responsible Sourcing**

In Fiscal 2022, PFG completed the first phase of an ESG-focused supplier survey designed to assess how PFG's branded vendors are performing on ESG issues. Environmental Management is one of the core survey topics in which suppliers provide details on their commitments and comprehensiveness in environmental stewardship, including goals, systems, and oversight measures. PFG evaluated the survey responses and ranked the supply chain to identify who is leading and lagging regarding ESG performance. For suppliers in the leading category, PFG is developing collaboration opportunities to enhance the efficacy of our supply chain partners' efforts. For the lagging suppliers, PFG is identifying potential risks, which will be added to the larger risk analysis and addressed through PFG's ESG management and the ERM risk mitigation efforts.



METRICS & TARGETS

PFG measures and monitors our climate-related risks and opportunities across the enterprise. We publicly report on these metrics annually in our ESG Report to allow stakeholders to assess our progress in adapting to climate-related issues.

In Fiscal 2022, PFG's Scope 1 and Scope 2 market-based emissions were 967,927 metric tons of CO₂e. PFG has set an enterprise-wide carbon reduction target and commits to reducing 15% of our Scope 1 and 2 GHG emission intensity by 2030 from a 2021 base year.

To capture the opportunities pertaining to resource efficiency and the adoption of low-emission energy sources, PFG has established the following goals:

- **Reduce power consumption intensity by 20% by 2030.**
- **Secure 10% of purchased electricity from renewable sources by 2030.**
- **Achieve an 80% diversion rate for operational waste by 2030.**
- **Develop an environmentally preferable purchasing program for PFG branded non-food products by 2023, expanding sustainable offerings for our customers.**
- **Ensure 90% of PFG branded beef, pork, poultry, seafood, coffee, and tea are produced with verified environmentally sustainable and socially responsible practices by 2025.**

PFG is also actively tracking product-specific, climate-related risk through a contracted third party that provides daily, weekly, and monthly updates on food commodity risks on a global scale. This data is used to make decisions about the need to diversify sources and/or shift purchasing and product options to meet consumer demand. Changing climate conditions and severe weather disruptions are contributing factors included in the regular risk analysis.

CONCLUSION

Our ESG strategy is committed to mitigating physical and transition risks from climate change to protect our planet, people, and performance. We understand the urgency to identify and monitor climate-related risks to our business. We will continue to measure and evaluate our impact on climate change and explore opportunities to reduce our operating costs and boost our resiliency. It is our mission to deliver high-quality, sustainably sourced products for our customers and our communities.



2022 ESG REPORT

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