

## Gordon Food Service is Committed to Stewardship

We are humbled to have celebrated 125 years in business in 2022. Gordon Food Service has grown so much since starting as a simple butter and egg delivery service. It has taken hard work, an intentional thought process, and countless numbers of incredibly committed team members and partners through the years.

Many of the same things that have driven our growth so far — people, innovation, responsibility and showing we care — remain vital to our success. Call it stewardship.

Stewardship at Gordon Food Service means demonstrating care for people, the environment and communities. We engage with responsible partners, understand our environmental impact, care for employees and contribute to our communities.

We are grateful to everyone who has played a part in our journey, and we're excited about those who will join us in the future. We hope you enjoy this overview of our recent stewardship efforts.



## 2023 Stewardship Focus Areas

Change is a constant in the food industry. That's why we balance *change* with *consistency*. As we look at how we support our people, customers and the communities around us, we recognize the importance of having a defined focus on our stewardship journey. We believe a defined focus, related to our pillars, allows us to make the greatest impact. These areas are core to our business and will drive initiatives over the next year and beyond.

Doing well by doing good is intentional, guided by focusing on four areas of high business impact that connect back to our stewardship message. It's hard work, and we do it because it matters. It's the foundation that builds momentum for a brighter future.

- Jeff Maddox, Chief Financial Officer













## Our Focus Areas

## GREENHOUSE GAS INVENTORY

Before establishing meaningful environmental performance targets, we first must assess our current impact. Only then can we set credible goals and hold ourselves accountable.



## WASTE DIVERSION AND REDUCTION

By further reducing environmental impact while expanding food donation and community partnership, we commit to understanding our baseline contribution and then using that information to set reduction goals.







## PRODUCT TRANSPARENCY: ENHANCED DATA QUALITY AND REPORTING

To enable our customers to make informed purchasing decisions related to their own sustainability goals and initiatives, we commit to continuously improving the quality of our product data and reporting.



















# Sustainable Operations





# SUSTAINABLE OPERATIONS: HELPING THE ENVIRONMENT, MINIMIZING OUR CARBON FOOTPRINT

As we look for ways to minimize our impact on the world around us, we keep close watch on our distribution and store properties, as well as our transportation fleet.

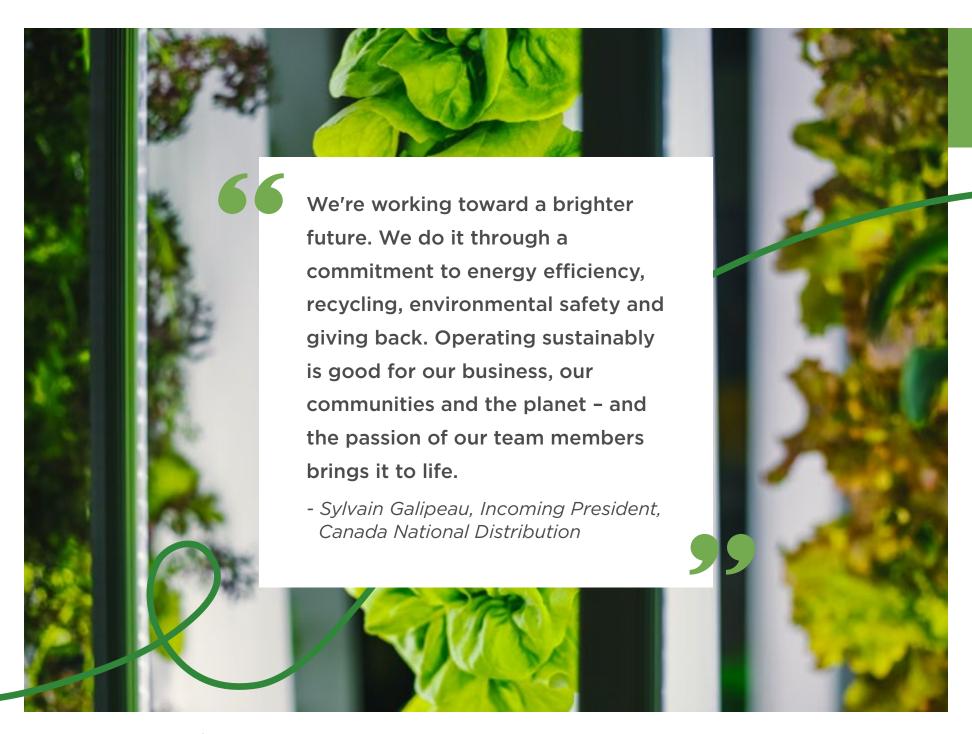






















#### OPERATIONAL IMPROVEMENT ABOUNDS

As our business continues to grow, we continue to look for opportunities to do business better — better for our employees, customers and the environment.



## Distribution Centers Make a Difference

Our distribution facilities allow us to serve our customers throughout Canada and in our U.S. footprint. They also have a big impact on their communities. We recycle pallets



19,000+ tons

pallets recycled in the U.S.

We recycle tires and oil in our fleet shop





**3,400+** tires recycled in the U.S.

We donate safe food



550,000+
cases of food donated to

organizations and communities

15,000 lbs.

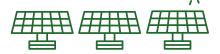
food donated following shows and events in the U.S.

7,700 lbs.

food donated following shows and events in Canada

Learn more in the Supporting Community section

We are building solar energy solutions



- We recognize how renewable energy, including solar, helps us grow and operate more sustainably.
- We know solar power helps us diversify our energy usage and contribute renewable energy to the grid.
- We have started the process to introduce solar at one of our distribution centers.













#### GORDON FOOD SERVICE STORE® DIVISION PITCHES IN

Our Gordon Food Service Stores team completed 14 remodels. With an updated look comes upgrades that impact efficiency and the environment.

#### remodels completed

- We upgraded to LED lights on the sales floor and installed LED flat-panel lights.
- We replaced fans in refrigerated cases with high efficiency versions.
  - » We changed rack systems to protocols that are more efficient.
  - » Racks use a refrigerant considered Global Warming Potential friendly.
- We deployed nightshade curtains over open-air coolers to control temperatures and use less energy.

new stores opened







Memphis. Tennessee

Tennessee

Chattanooga, Huntsville.

• We included modern energy usage to operate efficiently from the start.











#### TRANSPORTATION PAVES SUCCESSES

Vehicles, whether driving or stopped for delivery, are a reminder of our presence in the community. They also play a role in our sustainable operations.

### route optimization

by using diesel particulate filters to remove pollutants from the exhaust.



#### We're evolving and electrifying

- The first electric vehicles will be rolled out at our Gordon **Food Service Stores** 
  - » It's part of a refrigerated van pilot project with Ford Motor Company
  - » Zero emission vans will be suited to maximize routes in densely populated areas and support same-day deliveries.

Scan or click to learn more about our electric delivery vans.



#### We plan more electric endeavors

- Electric tractors
- Straight trucks





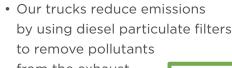






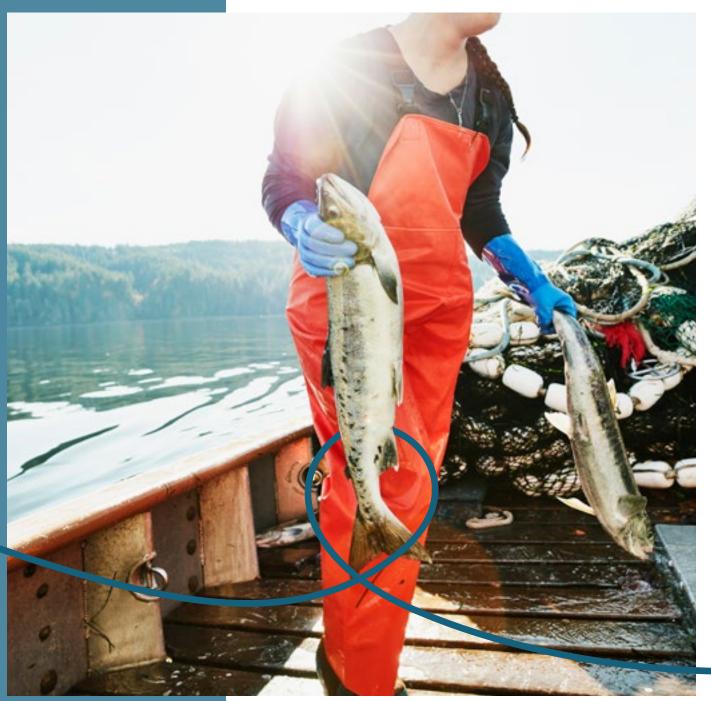








## Responsible Sourcing





# RESPONSIBLE SOURCING: MAKING SURE CUSTOMERS KNOW WHAT THEY ARE BUYING

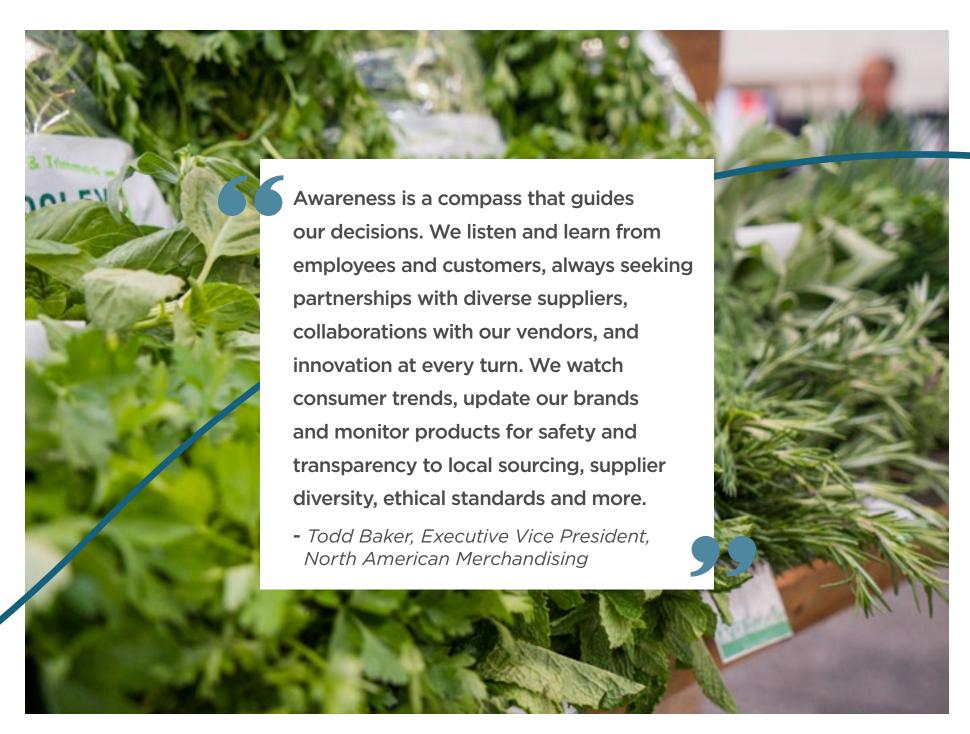
While keeping product quality and safety at our core, we have a responsibility to provide transparency about the items we distribute. This empowers our customers in being able to make informed purchasing decisions.





















#### **FOOD SAFETY COMES FIRST**

Safety is paramount in the food industry. It helps define quality, and this is core to serving our customers. Our Food Safety Quality Assurance (FSQA) team acts as our eyes and ears to maintain the highest standards of product consistency, safety and quality.

### Upholding a Culture of Food Safety

The FSQA team empowers our people to monitor the quality and safety of every product available. We do that by:

- Listening to customers.
   We standardized recall applications:
  - » Provided consistency across U.S. and Canada
  - » Centralized data improves reporting, tracking
- Issuing recalls. 24/7 support to respond to federal agency alerts:
  - » USDA
  - » FDA
  - » CFIA

### Undergoing continuous improvement

Identifying concerns before they become an issue is central to consumer food and product safety. Here's how we work proactively:

- Engagement and analysis.
  The FSQA team is
  closely monitoring and
  commenting on the FDA's
  rulemaking for the Food
  Safety Modernization Act
  Traceability Rule:
  - » Sweeping changes to traceability recordkeeping planned for January 2026.
  - » We are now developing industry best practices for rule compliance.



- Educating and monitoring.
   Gordon Food Service Stores promote safety:
  - » Frequent third-party food safety audits.
  - » Expanded training, including education, awareness and ownership for Store leadership roles.











## Enhancing Product Transparency

Knowledge is power. Sharing detailed product information allows customers to make informed decisions when choosing products that fit their goals, brand or values.



3 of 4

consumers prioritize product transparency

Source: FMI/Neilsen IQ Report, Feb. 2022

**57%** 

of consumers value restaurants that use sustainable foods

Source: Restaurant Directions, The Consumer of Tomorrow, Technomic Inc. 56%

of healthcare communities buy sustainable foods

Source: Menu of Change, Healthcare Without Harm

**2**x

Gen Z and millennials are nearly twice as likely as baby boomers to ask where their food came from.

Source: CFANS Insight Survey, March 2022









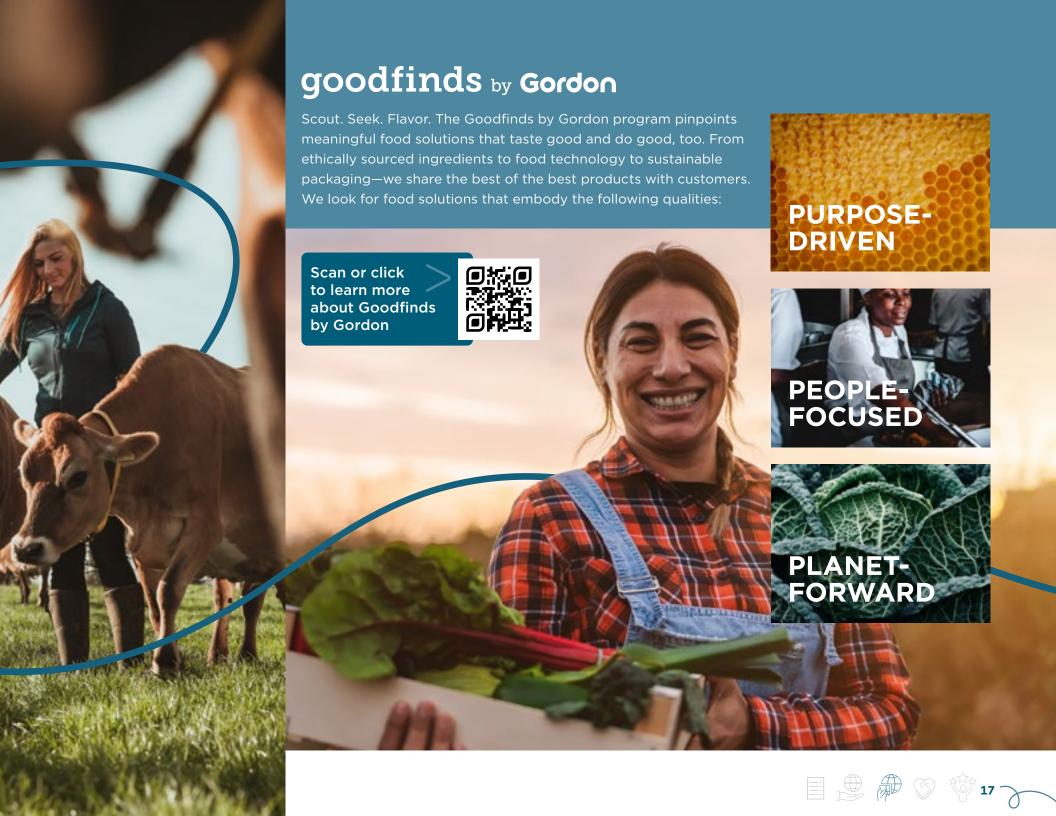














This line of disposable products is designed to help customers share a sustainability story with end consumers. We use a one-of-a-kind icon and color-coded system to communicate which products can be recycled, composted or reused.

Made with the beginning of life in mind - such as using renewable resources or recycled content, our consciously crafted food and drink packaging aims to keep excess plastic and waste materials out of landfills.





















#### MARKON LOCAL

This first-of-its-kind program seamlessly supplies local Markon® produce, when available, to our customers. We support farmers, local communities and help the environment by reducing the distance food must travel. This includes:



Markon Local approved farms (U.S. and Canada)



Controlled Environment
Agriculture (CEA)
partnerships

## Learn more about CEAS

We are seeking more Controlled Environment Agriculture (CEA) grower partners throughout North America.
CEA-grown produce has:

- A positive environmental impact due to the increased reliance on local and regional food systems.
- A decreased need for cross-country transportation.
- Growing practices that use less water, pesticides and land.

Scan or click to learn more about Markon Local













## Celebrating Diverse Suppliers

We recognize the determination, commitment and support it takes to become a successful supplier and we support the journey of diverse suppliers.

**700+**<sup>∞</sup> diverse supplier partnerships



+12%

increase in purchases from diverse-owned suppliers since 2021

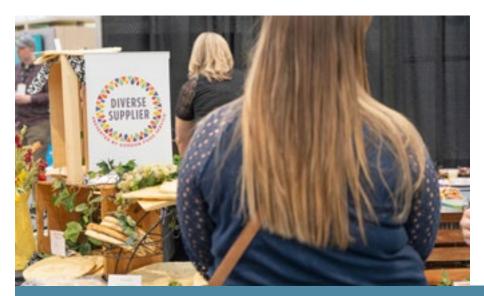
## \$625+<sub>4</sub>

spent with North American diverse-owned suppliers



+29%

increase over 2021



#### Showing our support

Our customers want to easily identify diverse suppliers and their products. We help make the connection by:

- Introducing them at Gordon Food Service Shows
- Social engagement channels
- Gordon Ordering<sup>™</sup> product selection





















## BACKING LOCAL PRODUCERS WITH NEARBUY®

As a multi-generational family business, we know the importance of supporting local businesses. We also want to support our customers seeking products from local farms, butchers, dairies, manufacturers and suppliers.

## NearBuy FAQ

#### Q: What is NearBuy?

A: It's a supplier productsource database our customers can use to identify local purchases with criteria that are important to them.

#### Q: How does it work?

A: Each year we work with our U.S. suppliers to capture, catalog and validate product data for our NearBuy database.

#### Q: How does it help?

A: We are able to provide data and reporting so our customers know exactly where their products come from.

Scan or click to learn more about NearBuy







Click here to learn more about how we are growing local solutions with Markon Local











#### **PROVIDING A CLEAR CHOICE™**

Many products, many details ... yet a simple solution. We created the Clear Choice program so our customers can find and select the products most important to them and their customers.







#### **WHAT IT PROVIDES**

As the name says, customers who use the Clear Choice progam have a clearer view of the products available. Through vendor engagement, Gordon Food Service supports product transparency across all brands and categories.

## How it's working

**55,000** products

1,000 vendors

categories covered



**CLEANER INGREDIENTS** 



**ENVIRONMENTALLY FRIENDLY** 



**SUSTAINABLE SEAFOOD** 



**DIETARY** 



**SOURCED** 



CARE



**SUPPLIER DIVERSITY** (U.S. only)



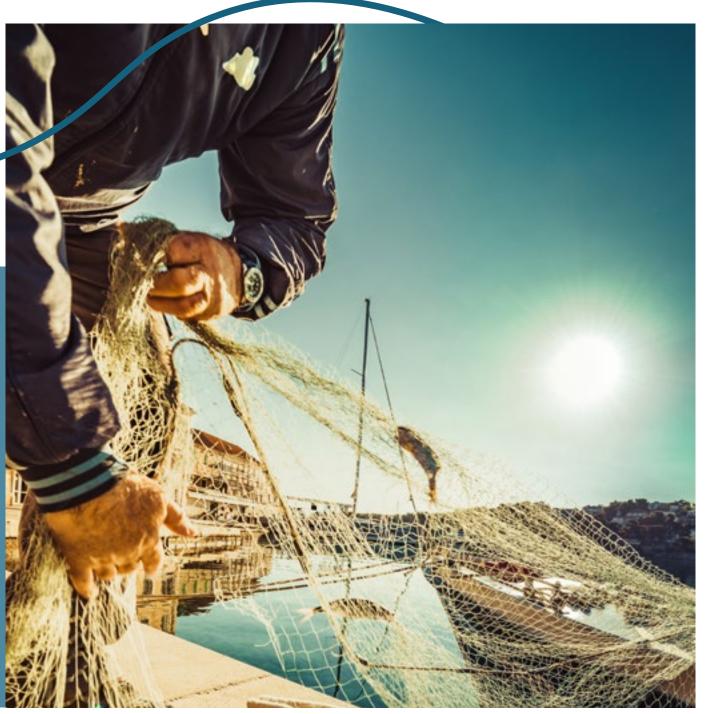












#### **CHAIN OF CUSTODY CERTIFICATIONS**

Gordon Food Service ensures traceability of seafood to its source with chain of custody certification from:

- The Marine Stewardship Council (MSC)
- The Aquaculture Stewardship Council (ASC)

These organizations set environmental standards for seafood based on the sustainability of fish stocks, minimal impact on the ecosystem and responsible fisheries management.

























#### PROMOTING PRODUCT INNOVATION

We look toward the future of foodservice in cooperation with partners at Food Foundry. This technology hub works to find answers and solve industry challenges.

Food Foundry® is a Chicago-based accelerator program built by Relish Works® and Gordon Food Service to support, connect and propel innovative growth stage startups who are disrupting and rethinking the food industry.

### **FOOD FOUNDRY** »





Each company in the Food Foundry's 2022 cohort focuses on doing good for people and the planet and using unique approaches to develop food products. They feature production initiatives, including:

- Upcycled ingredients
- Minimally processed ingredients
- Humanely raised proteins
- Local and regenerative farming practices

Companies that Food
Foundry helped get ready
for the market in 2022

#### Looking ahead

Food Foundry Cohort 5 kicked off in January 2023, welcoming five early-stage companies at the forefront of innovation, all creating unique solutions.

Scan or click to learn more about current and past cohorts.













#### ADVANCING VENDOR PARTNERSHIPS

We partner with businesses whose values and vision align with ours supporting people, their communities and the environment.



## **SQUARE ROOTS**

Square Roots' mission is to responsibly bring locally grown food to people in cities around the world, all year round. It's accomplished by using repurposed shipping containers to create a scalable network of urban, tech-enabled hydroponic farms. The result is empowering the next generation of leaders in urban farming,

### 14 DAYS

Square Roots produce has at least two weeks of extended shelf life

all produce is free of pesticides

and is non-GMO



all produce is sold in recycled and recyclable packaging different types of herbs and

Scan or click to learn more about **Square Roots** 

greens available





Gordon Food Service and Square Roots teamed up in 2019. Since then, we have opened farms in:

Wyoming, MI (first location)

Wyoming, MI (expansion)

July 2022 Kenosha, WI

Sept 2022 Springfield, OH

Shepherdsville, KY

- First harvest, April 2023
- New tech expected to increase yield by 30%
- The result: growing and producing more locally grown products



Just-in-time delivery in some areas means greens within 24 hours — it doesn't get any fresher than that!





















Thrive Farmers works with developing-world coffee and tea farmers to establish direct relationships with customers. The result is fair and stable pricing, greater farmer profits and higher worker wages powerful economic benefits that are lifting entire communities out of poverty. The benefits:

**Connection.** Thrive Farmers coffee offers operators a story that connects their business directly to the farmers.

Menu message. The menu can tell how consuming Thrive Farmers products preserves growing traditions and cultivates a better future for people and our planet.





## Brief history, bright future

In 2019, we partnered with Thrive Farmers and are excited about the positive impact it has made on coffee and tea farmers. A few highlights:



Since 2019, our Mosaic brand coffee has been blended with Thrive Farmers beans, which allows Gordon Food Service to better support the mission of Thrive Farmers.



In 2022, Thrive Farmers product offering expanded to include honey, tea and cold-brew coffee.











#### **SPECIALTY COMPANIES SHINE**

Being all things to all customers is impossible. We call on our network of specialty companies to provide products that align with our sustainability and stewardship goals.





Intercity Packers Meat & Seafood™ has representation on the council of the Canadian Roundtable for Sustainable Beef (CRSB). The roundtable has developed the Certified Sustainable Beef Framework, known as CRSB Certified, a voluntary operation-level certification program audited by a third party. The certification:

- Serves as a checklist to recognize sustainable beef production and processing practices in Canada.
- Evaluates sustainability across five principles:
  - » Natural resources
  - » People and the community
  - » Animal health and welfare
  - » Food and efficiency
  - » Innovation





In Canada, our Gordon Choice<sup>™</sup> boxed beef is sourced from CRSB audited farms and ranchers.



Intercity Packers Meat & Seafood supports beef sustainability in Canada by offering our customers a CRSB Certified Mass Balance Program — at least 30% of the beef comes from CRSB Certified farms and ranches.

















Fresh Start Foods™ has locations across Canada that process whole and cut produce for wholesale customers. The company's stewardship initiatives include:

#### Addressing hunger.

Fresh Start Foods in British Columbia donates to both the Greater Vancouver Food Bank and Goodly Foods. Fresh Start Foods in Milton also donates produce to feed those in need.

#### Reducing waste.

Fresh Start Foods Milton is a leader in food waste diversion, helping others and helping the planet by:

- All organic waste goes to animal feed
- All cardboard and plastic is recycled
- Waste not suitable for donation or recycling goes to a zero waste facility to reduce the burden on landfills.



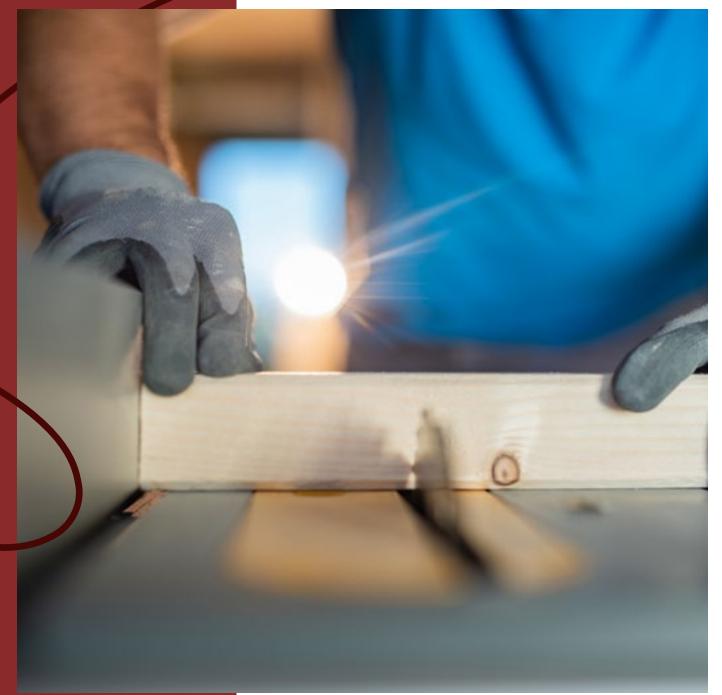








## Supporting Community





# SUPPORTING COMMUNITY: SERVING OTHERS BY CONNECTING WITH PEOPLE AND PLACES

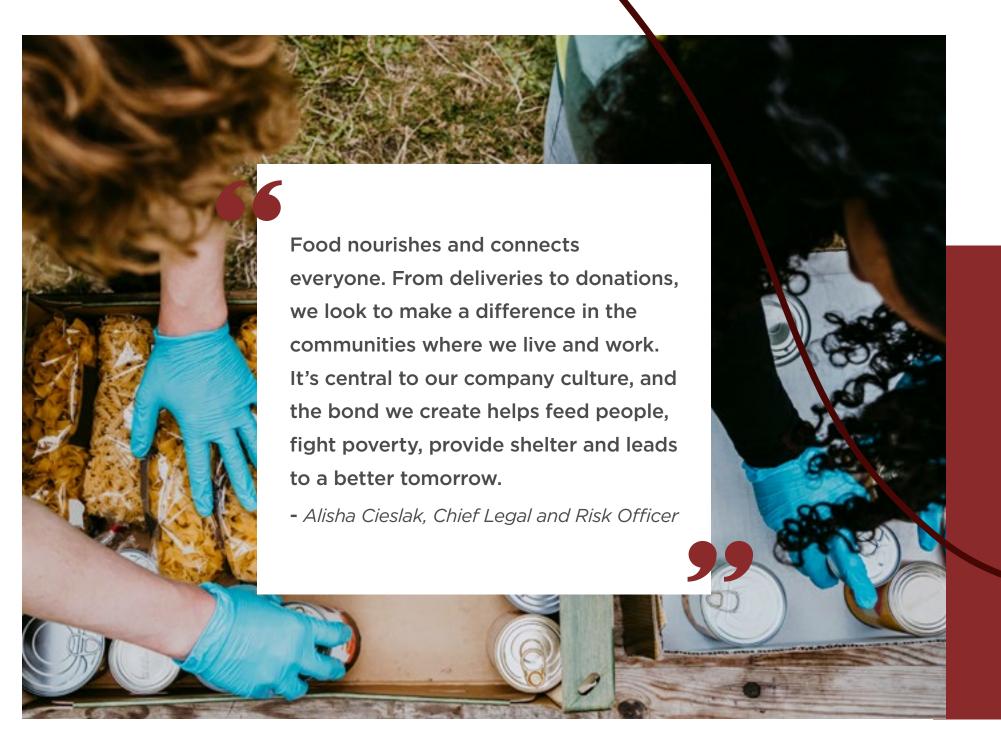
The foodservice business is all about relationships. We can't do business in a community without a commitment to support the people who live, work and play there.























## DISASTER RELIEF COMPASSION

Our employees rally together to support one another, their communities and beyond during times of catastrophic events or hardship.

### \$150K+

given to support people in need, including Gordon Food Service employee donations and company matching contributions.











#### BUILDING SHELTER AND STRENGTH

People need a safe place to live. Gordon Food Service works with Habitat for Humanity, volunteering and fundraising to make home ownership a reality.

#### **Habitat for Humanity** in the U.S.

Gordon Food Service U.S. continues to partner with Habitat for Humanity, and we were happy to participate in another year of bringing people together to build homes and hope.

Through one of our local partnerships, we supported the mission of Habitat for Humanity through:

- Over 370 volunteers
- 2,500 volunteer hours
- 12 homes

#### **Habitat for Humanity** in Canada

Gordon Food Service Canada has partnered with Habitat for Humanity since 2011. Our original goal was to sponsor a build in each area where we have a distribution center. To date, we have sponsored 19 homes. Employee giving and company matches have provided over \$2 million. In 2023, we will be contributing to:

- 10 additional women builds
- 2 homes under the Black Families Program
- Indigenous Housing Partnership, for repairs to the home of an indigenous family of the Saugeen First Nation

















## Feeding America Mission Partner

Hunger relief is a cause we prioritize. Gordon Food Service partnered with Feeding America.







## Fighting Poverty with the United Way

Weathering the COVID-19 storm has been hard on everyone, creating a greater need for help and hope. United Way programs and services offer both. Gordon Food Service helps the organization provide resources and solutions because we believe in the United Way mission: to seek ways to improve lives by mobilizing the caring power of communities around the world.



We have continued to support United Way through an employee donation campaign and company matching funds.





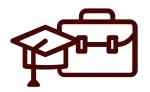






#### **BUILDING TOMORROW'S** WORKFORCE

Gordon Food Service has a robust internship program, hiring a diverse group of interns to provide them professional experience, mentoring and networking. Our goal is to show interns how people contribute value through ideas, innovation and hard work.



interns hired to work in our Home Office

#### Florida Internship Program

Through a partnership with Bethune Cookman University, the Florida division invested time and passion into their internship program by creating a second-year experience in 2022. It included:

- A specialized track for additional hands-on learning.
- Leadership support and relationship building.
- Work with the Historically Black Colleges and Universities program.
- A project to create and present a business case study.

















# **Training Drivers**

Worker shortages and supply-chain challenges plagued many businesses in 2022, Gordon Food Service took a proactive approach. Our British Columbia Distribution Center operated a Driver Training Academy to provide Class 1 licenses in-house.

In the U.S., some divisions have become registered training providers through the Federal Motor Carrier Safety Administration (FMCSA) to educate and train candidates to obtain their CDL.



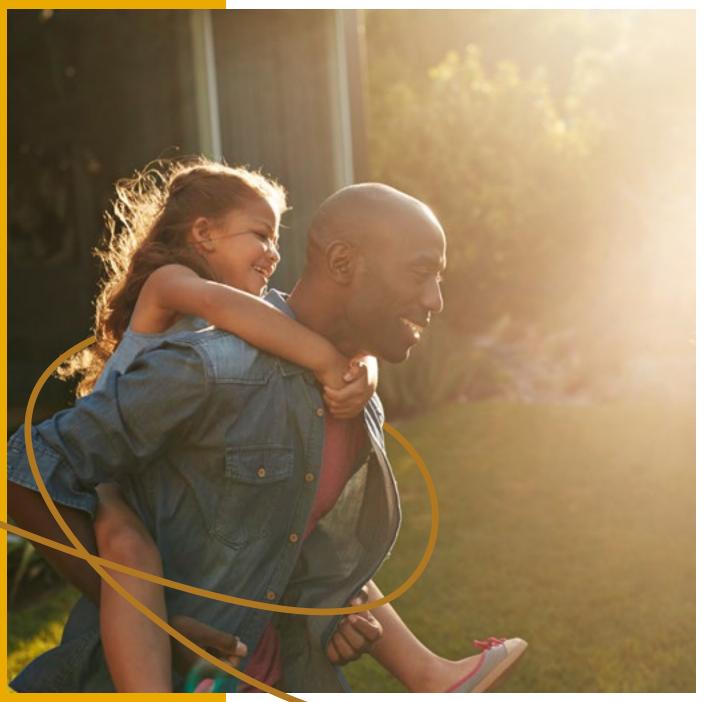








# Empowering People





# EMPOWERING PEOPLE: DEMONSTRATING VALUE, RESPECT, AND EMPOWERING OUR EMPLOYEES

We appreciate that people are our greatest asset, and it's why we value, grow and empower our employees while investing in tomorrow's workforce.

























# Competency Model Redrawn

It's critical to balance relationships and results to support our employees and customers. As our world changes, we've updated our Competency Model to align required knowledge and skills at all levels of our company. The updated Competency Model includes a focus on these areas:

- Leading
- Living the Culture
- Producing Results
- Thinking & Decision-Making













# **GAUGING EMPLOYEE ENGAGEMENT**

## **Connecting in Canada**

# 3 main objectives:



Enhance social wellness and connection



Encourage development and growth



Promote diversity, equity and inclusion



of Pulse Survey respondents rated as favorable















# Promoting Progress for Women

Gordon Food Service is a long-standing partner with the Women's Foodservice Forum (WFF) — a top development resource and a thought leader on gender equality. Our company awarded funds so employees could attend a WFF virtual event.

40

Women's Foodservice Forum Scholarships given.

Women's Foodservice Forum



# A Best Place to Work



Human Resource Director magazine recognized Gordon Food Service Canada as one of the 2022 Best Places to Work.

In 2022, Gordon Food Service Canada was recognized by Forbes magazine among Canada's best employers making it the second year in a row for receiving this recognition.

### **Most Innovative**

The magazine called the Ontario Human Resources team one of the most innovative HR teams.

Their approach

includes the Circle of Care:

- An integrated onsite occupational health service model.
- It provided 5,000 treatments.
- It helped 800 employees.















# **DIVERSITY, EQUITY & INCLUSION**

Everyone is Important is one of our company's Cornerstone Values. We demonstrate it in our organization and the communities we serve. We aspire to listen, learn and support equitable and sustainable solutions that create an atmosphere of dignity and respect.

# 2022 Highlights



We launched a speaker series with a video and discussion guide to spark dialogue and reflection on enhancing inclusion within and among our teams, helping everyone feel welcomed, heard, respected and valued.



Employees were energized to "Rise and Shine" during this year's North American Women's conference.



We are focused on growing and developing partnerships to build a diverse supply chain. We are building a network that prioritizes and celebrates the diverse voices and stories of supplier partners across our entire organization. We allow diverse supplier partnerships to fuel innovation and bring us closer to our customers and the communities we serve.

Click to learn more about Supplier Diversity.

















# Lighting the Way for Everyone

Throughout our footprint, employees serve on DEI Action Teams to engage in conversations, host events or speaker series to strengthen the atmosphere of dignity and respect.



# Orange Shirt Day On September 30, 2022

Gordon Food Service Canada commemorated this day by wearing orange and provided an orange shirt lapel pin.

Orange Shirt Day is an Indigenous-led day to honor the children who survived residential schools and memorialize those who did not. It relates to the experience of Phyllis Webstad, a Northern Secwepemc (Shuswap) from the Stswecem'c Xgat'tem First Nation. On her first day of school, she arrived dressed in a new orange shirt, which was taken from her. It is now a symbol of the stripping away of culture, freedom and self-esteem experienced by Indigenous children over generations.

### **Reflecting our Communities**

We work hard to ensure our associates reflect the communities they serve.

### **HBCU** program expanding:

Gordon Food Service is partnering with Historically Black Colleges and Universities (HBCU) in our U.S. distribution footprint. The program is growing throughout the U.S., and we support the development of talented students as we establish a recruiting resource for the future.

**11** 91%

Gordon Food Service Store locations with the same or higher percentage of minority associates as the communities they serve.













# LiveWell **PROGRAM**

We support employees by creating the best work experience possible. The LiveWell Program is designed to support and educate on areas such as:

- Physical
- Mental
- Financial
- Social









# Safety & Support

A productive workplace is a safe space. Gordon Food Service adheres to legal requirements

### Safety

We require compliance with all applicable workplace and transportation safety standards, provide ongoing training and offer meaningful incentives to ensure a safe work environment.

### **Transportation**

mentorship experience aims to bring success by creating a supportive relationship in order to help drive fulfillment through career goals and development. Furthermore, a group of 15 transportation females were able to attend the Women in Trucking Accelerate conference.

### **Distribution Centers**

The Work Well program took a proactive approach to keep employees safe and adequately stretched and trained for the physical work at distribution

By engaging physical therapists, these teams learned new methods to keep themselves





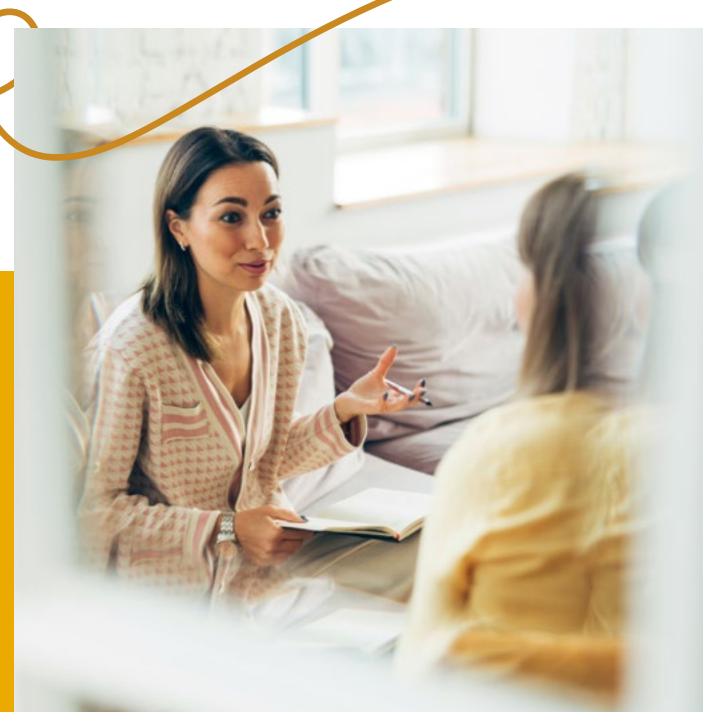












# **CARE PARTNERS**

From stressful situations to sensitive topics, Care Partners are available to our employees throughout the U.S. and in many locations in Canada. Care Partners provide a supportive and confidential connection, if needed, and are available to help create a welcoming and supportive work environment.

### **Partners in Care**

Gordon Food Service Canada has partnered with Inkblot Therapy to expand access to mental health services through a digital and secure platform. This service is a unique way to help mental health services be accessible across a variety of roles from transportation to sales and all roles in between.











Learn more about our stewardship initiatives at gfs.com/stewardship

