

SUSTAINABILITY

REPORT



From now until 2025

The Green Path Forward is a roadmap that everyone at C&S can leverage in recycling; waste reduction/reuse to reduce waste; and facility and transportation energy reduction, to find eco-friendly alternatives that help lessen our carbon footprint.



REACHING OUR GOALS,
EXCEEDING YOUR
EXPECTATIONS.

Our focus is simple but our dedication is deep. We are committed to three core areas: preserving the environment, working to eliminate waste and lessening our carbon footprint.



Courtesy of First Book

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OUR PARTNERS





Courtesy of First Book

WE HAVE
PLANTED MORE
THAN 150,000
TREES AND
PROTECTED
MORE THAN
600 ACRES
OF WORKING
FORESTS.

Our Mission & Vision

At C&S Wholesale Grocers, one of our Core Values is to *continuously make our communities better.*

We live this Value every day from the core of our business, which is to feed our families and neighbors — to ensuring that the communities where we live and work enjoy a healthy environment. We are consistently looking at ways to support sustainable operations and business practices in order to make sure that our planet thrives now and for future generations.

Our focus is simple but our dedication is deep. We are committed to three core areas: **preserving the environment, working to eliminate waste and lessening our carbon footprint.** In each of these areas we have developed annual objectives, which are driven by a dedicated group of cross-functional, cross-Company leaders that sit on our C&S Sustainability Committee. This Committee is responsible for ensuring that our sustainability goals are at the forefront of our Company through a strategic action plan called the Green Path Forward.

The Green Path Forward is a roadmap that sets criteria and establishes standards that everyone at C&S can leverage in recycling; waste reduction/reuse to reduce waste; and facility and transportation energy reduction, to find eco-friendly alternatives that help lessen our carbon footprint.



PRESERVING THE ENVIRONMENT

1

In order to concentrate our efforts on the most relevant and timely sustainability needs, C&S has partnered with industry leaders to help us review our business and identify opportunities to support more eco-friendly practices. One of our most important partnerships is with The Conservation Fund. C&S has worked with this critical organization to fund strategic tree planting projects, which offset annual emissions from business operations. In fact, we have offset nearly one million metric tons of CO2, planted more than 150,000 trees and protected more than 600 acres of working forests – since 2007! While this is truly tremendous progress, we have only just begun.

THE CONSERVATION FUND

◀ See for yourself how our partnership is changing the world!

SCAN ME



GOAL **↑5%**
annual increase
reduction in waste by
2025



ELIMINATING WASTE

2

There's more to eliminating waste than just recycling — though of course we do that, too! C&S is always looking for ways to help feed our neighbors and as a food supplier, we have the opportunity to partner locally with food banks and other food assistance agencies to provide donations. In fact, in 2020 we donated almost 6,000 tons of food to more than 22 food banks across the United States.

In addition, C&S consistently reviews "Waste-to-Energy" outlets and composting options where available, while increasing our recyclable material strategies, to support the diversion of waste from landfills. We have an overall goal to reduce waste and energy consumption and increase efficiency in each of these areas by 5% every year through 2025.



WE CONTINUALLY REVIEW OUR WASTE-TO-ENERGY, COMPOSTING & RECYCLING OPTIONS TO FURTHER SUPPORT THE DIVERSION OF WASTE FROM LANDFILLS.

Lessening Our Carbon Footprint

From our offices, across our warehouses — and on every highway in the United States — C&S is lessening our carbon footprint in a variety of innovative ways.

ECO-FRIENDLY FACILITIES

3

C&S regularly reviews efficiency opportunities at our warehouse facilities, including making investments in Renewable Energy Certificates (RECs) in support of the development of clean and renewable energy. These RECs are made up of 100% wind power from sources in the United States and matches the electricity usage at our New Hampshire corporate offices. C&S has made great strides in energy conservation and efficiencies in our buildings through:



LED Lighting

C&S has invested in LED lighting across our network, leveraging intelligent control systems that automatically shut off or dim lights when no occupants are in an aisle or on the dock. Investments like this have and will continue to save millions of kilowatt hours per year.



Upgraded Battery Technology

C&S is piloting lithium battery technology in our Stockton, California location to determine energy reduction opportunities. Learnings from our first Battery Management System (iBOS), which led to a 3.8% reduction in batteries and a 2.5% reduction in chargers drove C&S to move forward with a newer technology from Advanced Charging Technologies driving further savings.

Green Refrigeration Operations

C&S has invested in roof replacements improving R-values and reducing energy costs. Upon completion of a pilot study at our Aberdeen, Maryland freezer distribution center, C&S improved operational processes in our refrigeration locations.



2020 Enel X Sustainable Footprint Award Winner



C&S is proud to be a recipient of the 2020 Enel X Sustainable Footprint Award for our commitment to grid stability and energy flexibility. We are actively participating in six demand response programs with Enel X – the largest provider of demand response worldwide. This award recognizes our support of a stronger, more resilient and more sustainable energy grid as we worked to curtail more than 1.5 gigawatts of energy demand last year.

In 2020, demand response programs were more crucial than ever in helping to ensure a stable, reliable grid. And during this unprecedented year, C&S went above and beyond in our demand response curtailment, making localized energy reduction contributions as a demand-side resource for the energy grid, while supporting our local communities.

As part of our participation in these programs, C&S facility leaders partner closely with Enel X to shift energy usage away from times when the grid is in high demand. During a curtailment, Enel X notifies C&S about a strain on the utility grid, and our facility directors immediately carry out a carefully orchestrated plan to shut down as much power as possible without interrupting operations – all within just 30 minutes!

Participation in these demand response programs also enable cost savings during grid peaks while earning extra revenue simply for shifting demand. Our administrative and strategic sourcing teams play an important role to help manage the extra revenue we accrue from shifting our energy usage, as well as tracking the earnings and forecasting for the following year.



Even Our Print Shop is Green

We take sustainability seriously in every aspect of our Company. Even our print shop is eco-friendly with inks and paper that are made in the United States, including some from wind power. These products use trees that are responsibly forested and contain some post-consumer content, which is Green E Certified and/or Carbon Neutral, and/or VIP®-2 technology.



CLEAN OPERATIONS



While we like to spend our days at C&S making a big impact feeding our local communities, we work equally as hard to make the way we do business make a small impact on our environment.

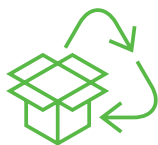
In 2020, we kept a lot of waste out of landfills:



Warehouse Paper



119 tons



Cardboard



17,741 tons



Plastic Shrink Wrap



4,630 tons



WE SAVED
MORE THAN
43,000 TONS
FROM GOING
TO LANDFILLS.

REGULATORY COMPLIANCE

5

We carefully manage our fuel tanks, air permits, storm water plans, regulated waste and process safety/risk management program.



Food
|||||||

**983
tons**

donated to food banks



eWaste
|||||||

(computers, printers, cellphones)

**20
tons**



**Wooden
Pallets**
|||||||

**20,101
tons**

DRIVING SUSTAINABILITY WITH OUR FLEET

6

With transportation as a significant part of C&S's operations, we consistently look to improve our fleet fuel efficiency, including piloting trailer reefers on zero emission technology and tractor fleets on non-fossil fueled power units in key markets.

Over the last four years, C&S has followed a perpetual replacement cycle, introducing 750 new tractors and 2,250 new trailers with the latest efficiencies available, including:

- ✓ Cutting-edge transmission technology (governs speed and helps support enhanced fuel consumption)
- ✓ Aluminum wheels (reduces vehicle weight)
- ✓ Aero caps, skirts and cab extenders (reduces air drag)
- ✓ Electric standby for refrigerated trailers (reduces emissions and noise)
- ✓ Low-rolling resistant tires with 3x recapping capability and inflation systems (extends tire life, reduces air drag and reduces fuel consumption)
- ✓ Roof-integrated trailer solar panels (improves battery life)
- ✓ Smart refrigeration profiles (improves efficiency and reduces food waste)



Recent accomplishments:



Diesel Consumption

Eliminated 2.4 million gallons of diesel consumption annually



Aerodynamic Enhancements

Introduced numerous aerodynamic enhancements



Alternative Fuel

Partnered with three providers to demo/pilot alternative fuel equipment



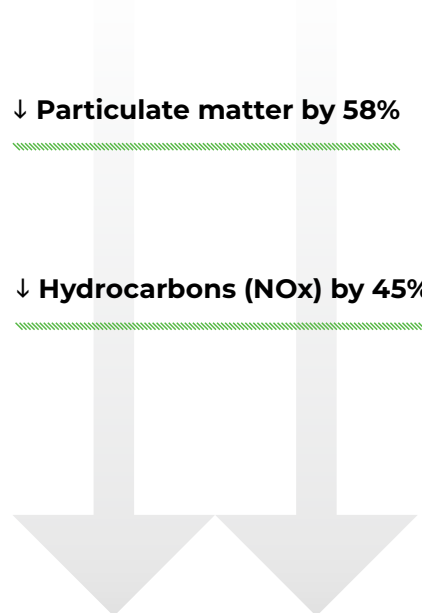


Reefer emissions technology to reduce:

↓ CO2 GHG by 55%

↓ Particulate matter by 58%

↓ Hydrocarbons (NOx) by 45%



Improve Efficiencies

Implemented innovation lifecycle to continuously add efficiencies



Recycle Scrap Metal

Scrap recycling (approximately three million pounds annually)

ishments

IT'S MORE
THAN A JOB.
IT'S OUR
LEGACY.

SAVING THE EARTH AND EACH OTHER

7

2020 was a year like any other with the COVID-19 pandemic and natural disasters impacting every part of the country. As the largest wholesale grocer in the U.S., we are always ready to help. Throughout the year, we supported several local and national relief efforts, including providing more than \$300,000 in donations to supply 100,000 KN95 masks to hospitals in hard-hit regions, as well as financial support for food banks and other charitable organizations across the country.

C&S not only kept our community relations commitments throughout the year but we also gave additional support to our 22 food bank partners nationwide, as well as national organization partners:

Food Banks

C&S provided additional financial support to food banks in communities throughout the United States who worked tirelessly to feed individuals and families who were faced with an economic consequence from this health crisis.



Courtesy of First Book

Feeding America's COVID-19 Response Fund

We provided food and funding to food banks across the country.

First Book

Our financial donation provided basic hygiene supplies and learning resources for children in need.

United Way Worldwide's Community Response and Recovery Fund

C&S support provided services through the United Way network, including food and shelter for individuals in need.



OUR PARTNERS



THE CONSERVATION FUND



At C&S, we are proud of our efforts to create a better planet and world for our children and their children. We are planning today for a brighter tomorrow — not because we have to but because we want to.

It's more than a job. It's our legacy.



WE CONTINUOUSLY MAKE
OUR WORK ENVIRONMENT
AND COMMUNITIES BETTER.

sustain

in

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