

**THE CHEFS' WAREHOUSE, INC.**  
**Environmental Policy**

<b>Introduction</b>	2
<b>Environmental, Health and Safety Principles</b>	3
<b>Environmental Management Strategy</b>	5
<b>Climate-Related Risks and Opportunities</b>	6
<b>Fleet and Fuel Efficiency</b>	10
<b>Sustainable Sourcing</b>	11
<b>Ingredient Standards and Safety</b>	11
<b>Water Usage</b>	12
<b>Waste Management</b>	13

## **Introduction**

At The Chef's Warehouse, Inc. ensuring the health and safety of both our people and our environment is at the core of our values. Our commitment to environmental stewardship and safety protections for our communities is an integral part of our business and helps us to deliver long-term, sustainable financial performance. We know that we are capable of continuing to deliver the highest quality value and service to our customers and shareholders while being cognizant of our environmental impacts.

We recognize the urgent need to take action to combat the negative impacts of climate change. The looming environmental crisis poses a threat to both our Suppliers' ability to grow products and our ability to efficiently operate our business. This threat demands immediate and decisive action from the entire food service industry, and we are dedicated to implementing environmentally conscious business practices that are consistent with our corporate values to promote long-term and sustainable change. By embracing innovative practices, leveraging sustainable technologies, and optimizing operations, we aim to significantly decrease our carbon footprint. Regular assessment and evaluation of our impact on climate change helps us gauge our progress and identify further opportunities to enhance our operational efficiency. Throughout our business's growth and changes, we remain steadfast in our commitment to reduce our environmental footprint.

Above all, our mission is centered around delivering high-quality products for the benefit of our customers and the communities we serve. We firmly believe that through responsible practices and a comprehensive approach to environmental risk management, we can contribute to a more sustainable future while meeting the needs and expectations of our shareholders.

## **Environmental, Health and Safety Principles**

At The Chefs' Warehouse, Inc. we are committed to implementing these Environmental, Health & Safety (EHS) Principles in all our company-wide policies. Through training and operational systems, we use these principles to guide our business practices at every level. We are also committed to extending our EHS principles and expectations to our third-party business partners through open communication channels and regular communication efforts.

Guided by our core values and consistent with both our Code of Business Conduct and Ethics and our Human Rights Policy, the Company has established and is committed to these environmental, health and safety principles:

1. Ownership Culture: We build a proactive culture by driving ownership of environment, health and safety at the individual, managerial and organizational levels. We engage, consult with, and train our people and actively encourage participation in building our proactive culture.
2. Business Integration: We include environmental, health and safety considerations in both our short-term and long-term business decisions.
3. Resource Allocation: We provide appropriate resources to implement our environmental, health and safety management system, which identifies, assesses, and manages risks. We share environmental, health and safety best practices across the Company.
4. Regulatory Compliance: We apply appropriate environmental, health and safety management practices to comply with the Company's standards and applicable legal requirements. We conduct periodic audits to assess conformance with our standards and compliance with our legal obligations.
5. Performance Measurement: We endeavor to establish meaningful metrics and monitor our performance against our environmental, health and safety performance goals, using these metrics to guide our continual improvement. This is reported directly to the Board of Directors.
6. Continual Improvement: We monitor emerging issues and keep abreast of regulatory changes, technological innovations, and stakeholder interests in order to implement effective and sustainable solutions to reduce waste and resource and energy consumption, protect natural resources, and create a healthy and safe work environment.
7. Stakeholder Engagement: We engage with contractors, suppliers, customers, and local communities to reduce the environmental, health and safety impacts of our daily operations, technology, and products. Working with governments, academia, nongovernmental organizations, business associations and other interested stakeholders, we strive to develop effective and sustainable solutions to environmental, health and safety challenges we face in our business activities.
8. Annual Review: We annually review and report on the progress of the Company's performance in implementing this policy and update it as needed.

9. Education: We educate employees at all levels about environmental best practice in order to ensure that everybody involved with the Company adheres to environmental laws, policies, and procedures.

10. Suppliers: We reserve the right to audit suppliers for compliance with the Code of Conduct for Suppliers. This audit can include topics of sustainability and environmental concerns. We audit our Suppliers annually and enforce the Code of Conduct for Suppliers through a variety of audits if deemed necessary by the Company's risk management processes, including third-party verification, access to facilities and relevant records, and any additional monitoring and enforcement measures the Company deems necessary on a case-by-case basis. We expect suppliers to be conscious of their environmental impact.

It is the responsibility of our senior leaders, each of whom reports directly to the Chief Executive Officer and Chairman of the Board, to ensure this policy is effectively communicated, understood, and implemented throughout the Company worldwide. All employees are responsible for understanding the impacts of this policy on their day-to-day work practices and are expected to practice and support the principles stated above.

## **Environmental Management Strategy**

To further our sustainability efforts, we implement an environmental management strategy to regularly assess environmental risks, establish contingency plans, evaluate sustainability practices, promote organizational learning, and ensure employee engagement and satisfaction.

Our Board of Directors assumes the ultimate responsibility of overseeing environmental risks, including those associated with climate change. To ensure effective oversight and management of these risks, our dedicated Environmental, Social, and Governance Committee is collectively responsible for assessing, monitoring, and implementing strategies related to climate change and sustainability across the company. The Environmental, Social, and Governance Committee undertakes the review of shareholder proposals concerning sustainability or corporate social responsibility matters, subsequently providing comprehensive reports to the Board. It also delivers regular updates to the Board, ensuring transparency and effective communication. The Committee actively advises the company's senior executives on our Environmental, Social, and Governance strategy by offering direct guidance to help mitigate risks and safeguard business continuity.

Our senior leadership team is dedicated to effectively managing and mitigating a wide range of risks that have the potential to impact our business and financial performance, including environmental risks. These risks are of paramount importance and are consistently reviewed and discussed by our leadership team at regular intervals, fostering a proactive approach to risk management throughout the organization. Our commitment to robust governance processes means that climate change-related risks are subjected to rigorous assessments, just like any other material risks facing our organization. We integrate climate considerations into our senior leadership risk management framework, which allows us to identify, evaluate, and prioritize these risks effectively. By adopting a comprehensive and inclusive approach, we ensure that climate change risks receive appropriate attention at all levels of our decision-making processes. Our leadership team recognizes the significance of integrating environmental risk assessment into key business decisions, ensuring that potential environmental impacts are thoroughly evaluated and addressed. By incorporating environmental risk management into our overall business strategy, we foster a culture of responsible decision-making and prioritize sustainability across all aspects of our operations. Our leadership team understands that mitigating environmental risks not only protects our organization but also contributes to the long-term well-being of our shareholders and the broader community. Through continuous monitoring, evaluation, and adaptation, we strive to stay ahead of emerging environmental risks, leveraging innovative approaches and best practices to minimize their potential impact. This commitment to comprehensive risk management ensures that we navigate the complex environmental landscape effectively while safeguarding our business continuity and financial performance.

## Climate-Related Risks and Opportunities

### Risks

We acknowledge that climate change is an evolving challenge that requires ongoing attention and action. Recognizing the urgency of global warming, we prioritize the identification and continuous monitoring of environmental risks specific to our business, operations, and supply chain. It is our commitment to proactively strategize and implement effective measures for climate risk mitigation and adaptation. We firmly believe in maintaining transparency with all our shareholders, sharing valuable insights regarding our climate-related risks and opportunities. Through open communication, strong governance, and a proactive approach, we strive to build trust and ensure a sustainable future for our organization and the communities we serve.

While we maintain that our current level of climate change risk is not significant, we remain vigilant and proactive in staying informed about emerging trends and scientific advancements in the field. Our commitment to continuous improvement drives us to regularly review and enhance our climate change risk management practices. By staying abreast of the latest research and best practices, we ensure that our approach to climate change remains robust and effective.

Our business has identified the following environmental risks and corresponding strategies:

#### **Regulatory Risks:**

As governments worldwide strive to mitigate the effects of global warming and reduce greenhouse gas emissions, a range of climate-related disclosure requirements, emissions targets, and regulatory incentives are being proposed and implemented at federal and local levels. Governments may demand greater transparency regarding carbon emissions and ozone-depleting substances, which could entail costs associated with monitoring, reporting, and implementing emission reduction strategies. Governments may also impose carbon pricing mechanisms, such as taxes or cap-and-trade systems, to discourage carbon-intensive activities and encourage the adoption of cleaner energy alternatives. This could impact energy costs, as companies heavily reliant on fossil fuels may face higher expenses.

CORPORATE STRATEGY	FINANCIAL PLANNING
We are currently working on promoting various ESG related initiatives, allowing us to be better prepared and transparent regarding any environmental regulations. Through management by our ESG committee and the creation of ESG reports, we will be able to diminish the environmental impact of our company and remain compliant with relevant regulations.	We are currently taking steps to avoid the regulatory risks discussed above by investing in renewable energy, incorporating more efficient technology, and educating our staff. All of this will help prepare us for such regulations and promote a greener future.

#### **Reputational Risks:**

We understand that shareholders and customers are placing greater emphasis on environmental sustainability and corporate responsibility matters. Climate change and its impact on communities have the potential to reshape the reputations of companies based on their participation in the low-carbon transition. A failure to proactively address the ever-evolving issues surrounding climate change could

potentially expose our business to reputational hardships, leading to adverse consequences. The growing demand for products that offer enhanced transparency regarding their sourcing practices has emerged as a significant trend shaping customer purchasing decisions. We acknowledge the need to adapt to these changes and enhance the transparency of our offerings.

CORPORATE STRATEGY	FINANCIAL PLANNING
Making sure we are as transparent and accurate as possible to avoid potential issues and actively looking for ways to increase disclosures related to important environmental matters.	Allocating funds to promote transparency, progress sustainable practices, and meet evolving customer expectations associated with our products.

**Physical Risks:**

Given the expansive nature of our network, many of our facilities, as well as those of our customers and suppliers, are located in areas experiencing a rise in extreme weather conditions due to climate change. With the increasing global temperatures driven by climate change, there has been a notable rise in the frequency and severity of extreme weather events. In both the short and long term, physical risks encompass a wide range of challenges, including cyclones, hurricanes, wildfires, flooding, storms, extreme heat waves, rising average temperatures, rising sea levels, extended droughts, precipitation variability, and water shortages. The increasing frequency of extreme weather events and natural hazards poses a significant threat, potentially causing extensive damage to our distribution centers, supply chain, transportation routes, and facilities, while also endangering the safety and well-being of our associates and local communities, crucial for our business success. Recognizing the urgency of mitigating climate change, we prioritize the implementation of strategic energy-saving technologies and constantly optimize our operations and maintenance practices. We remain committed to exploring and adopting new technologies that help us reduce our carbon footprint and embed sustainability across all aspects of our operations.

CORPORATE STRATEGY	FINANCIAL PLANNING
Actively work towards diversifying our supply chain, mitigating the potential vulnerabilities associated with climate change. Implement a robust business continuity strategy that continuously evaluates and updates emergency preparedness plans for both anticipated and unexpected weather events (monitoring weather patterns, establishing comprehensive processes to prepare for facility damage, contingency plans for distribution, rerouting strategies).	Adequate coverage from insurance programs, contingency plans, and financial preparation to deal with damage or destruction of our facilities will all combine to avoid compromising our ability to distribute products and limit cost increases associated with operating the affected facilities.

**Technological Risks:**

The transition to a lower-carbon economy requires significant advancements in technology. It is important to acknowledge that the substitution of current products and services with lower-emission technologies may come at a higher cost. As an organization committed to sustainability, we constantly explore opportunities to enhance our energy efficiency and reduce our carbon footprint. Our dedication to this cause extends to closely monitoring the development and progress of low-carbon technologies

specifically designed to power our fleet transportation. In addition to actively managing the lifecycle of our fleet, we employ state-of-the-art routing technology to optimize our operations and minimize resource consumption. By leveraging this technology, we can identify the most efficient routes for our vehicles, saving both time and fuel. Through these concerted efforts, we aim to foster a sustainable future, aligning our actions with the broader global agenda of combating climate change. By investing in technological advancements and implementing environmentally conscious practices, we strive to reduce their carbon emissions and contribute to a greener world.

CORPORATE STRATEGY	FINANCIAL PLANNING
We adhere to industry best practices, continually seeking ways to improve our operations and reduce any unnecessary environmental impact. Coordination organized by our board of directors has led to multiple EV and electric trailer tests, and will continue to facilitate the incorporation of new technologies as our operations expand.	We are currently taking steps to decrease our carbon footprint by investing in EV's, solar power, and other environmentally friendly technologies. We will continue to invest in these opportunities over the years to come.

### Opportunities

Our business recognizes the tremendous opportunity to significantly reduce our environmental footprint by implementing a range of measures across various areas of operation. Through a transition to renewable energy sources, we can combat climate change while simultaneously preparing for emerging climate policies and potential energy supply challenges. By exploring strategic energy-efficient projects and continuously seeking innovative ways to reduce our carbon footprint, we remain proactive in our sustainability endeavors. Additionally, by responding to shifting consumer preferences and demands for responsibly produced products, we position ourselves as a trusted and competitive player in the industry. Our commitment to sustainability is not only beneficial for the planet but also integral to the long-term success and resilience of our business.

### **Increasing Efficiency:**

An important means of making our practices more sustainable involves increasing the efficiency of our operations. This can act as an opportunity for us to reduce our overall costs while also protecting the environment for future generations.

CORPORATE STRATEGY	FINANCIAL PLANNING
We are actively looking for ways to make our practices more efficient, from energy use to our logistics and transportation processes. Partnerships and deals with various environmentally focused organizations will facilitate the growth of our sustainability practices.	Apart from investing in EV's, we also plan on replacing some of our old fleet with more fuel-efficient vehicles, utilizing LED lighting, and investing in better chargers and batteries for our warehouse equipment.



**Transparency:**

While growing awareness of global distributor’s environmental impact creates a difficult challenge, it also presents an opportunity for our company to stand out amongst our peers. By decreasing our environmental impact and taking steps to disclose more information regarding our operations, we improve the image of our company and increase our chances of attracting environmentally conscious investors.

CORPORATE STRATEGY	FINANCIAL PLANNING
We are actively taking steps to increase disclosures related to our environmental impact and corresponding plans through environmental reports, and will continue to add to and improve these reports over the years to come.	We have launched many new environmental projects corresponding to renewable energy, implementation of modern technology, and as indicated in our that we will continue to promote alongside our environmental reports.

**Renewable Energy:**

Investment in renewable energy is another area of great opportunity over the decades to come. Through these investments, our company can diversify its energy portfolio, contributing dramatically toward the amount of carbon injected into the atmosphere from our operations and lowering costs long term.

CORPORATE STRATEGY	FINANCIAL PLANNING
We actively evaluate potential renewable energy sources through coordination with our energy partners. In the past, this has involved presentations regarding solar technology and testing of renewable energy operated vehicles.	We have invested in many new renewable energy projects involving our warehouses and transportation, and will continue to investigate new initiatives as we progress.

## **Fleet and Fuel Efficiency**

By exploring our opportunities to improve our transportation efficiency, leveraging advanced technologies, and transitioning to greener fuel sources, we are actively pursuing our goal of minimizing the environmental footprint of our fleet. We are dedicated to making responsible choices that align with our commitment to sustainability and ensuring that our customers receive their products in a manner that is both efficient and environmentally conscious.

One of our key strategies revolves around optimizing our routing system to minimize the miles driven. By carefully analyzing and planning our routes, we can identify the most efficient paths, thereby reducing fuel consumption and emissions. We are actively exploring alternative fuels as a means to decrease our environmental impact. As part of our comprehensive fleet strategy, we are transitioning to renewable fuel sources, which offer lower emissions compared to traditional fossil fuels. By embracing this transition, we aim to significantly reduce our carbon emissions and contribute to a greener transportation ecosystem.

Looking ahead, we have ambitious goals for fleet optimization. From fiscal 2022 through fiscal 2025, we plan to replace more than 50% of our current fleet with vehicles that boast an average fuel efficiency improvement of approximately 30% compared to our existing fleet average. This significant upgrade in efficiency will have a direct and positive impact on our carbon emissions, reinforcing our commitment to sustainability. Furthermore, we have initiated collaborations with our primary fleet supplier to pave the way for the introduction of electric-powered trucks into our fleet. We anticipate placing orders for these cutting-edge vehicles, and we expect the first deliveries to commence by late 2025 or early 2026. This move towards electric vehicles represents a major step forward in our efforts to reduce our reliance on fossil fuels and embrace cleaner, more sustainable transportation solutions.

## **Sustainable Sourcing**

### **Ingredient Standards and Safety**

#### **→ Use of GMOs & Agricultural Chemicals**

At The Chefs' Warehouse, Inc. we understand the importance of providing sustainably sourced products. Whether sourcing food that contains wheat, corn, or other signature specialty ingredients, we recognize the desire for products that do not contain Genetically Modified Organisms (GMOs). The USDA's [National Bioengineered Food Disclosure Standard](#) requires food manufacturers, importers, and certain retailers to ensure bioengineered foods are appropriately disclosed to consumers. In accordance with our Code of Conduct for Suppliers, The Chefs' Warehouse, Inc. requires each of our Suppliers to operate in full compliance with all applicable laws, including those related to the use or disclosure of GMOs in products. Our committed team of Regulatory and Quality Assurance professionals work diligently to ensure that every product we source meets or exceeds these standards established by law.

We prioritize food safety for the products we source at every step, and we are committed to routinely auditing our Suppliers to ensure full abidance with all relevant laws and regulations. This includes requiring our produce Suppliers adhere to all EPA, USDA, and FDA standards for agriculture. We also recognize the desire for products grown without the use of herbicides and pesticides; we intend to continue exploring opportunities to expand our offerings of these products as our customers request them. We hope that these efforts, in conjunction with the efforts of our various Suppliers, expand our product offerings to match consumer preferences and help support a sustainable future for all.

#### **→ Use of Palm Oil**

We are committed to ensuring that every product we provide to our customers is produced safely and ethically. This commitment not only includes the labor standards outlined in our Code of Conduct for Suppliers, but also includes expectations about the methods of collecting ingredients used in the products we source. With this, The Chefs' Warehouse, Inc. acknowledges our role in promoting the use of and access to responsibly sourced palm oil. Contributing to the promotion of a sustainable supply of palm oil is a responsibility that everyone in the food industry carries. The Chefs' Warehouse, Inc. will work with our Suppliers to ensure that any palm oil or palm oil derivatives used in their products comes from sources that do not use child labor, comply with applicable labor and compensation laws, and provide a safe working environment for employees. Additionally, we strongly consider commitments like "No Deforestation, No Peat, and No Exploitation" when choosing our suppliers, and have taken measures to evaluate new suppliers for these commitments.

#### **→ Exposure to PFAS Chemicals**

In recent years, consumers and businesses alike have become increasingly mindful of the Per- and Polyfluoroalkyl Substances (PFAS) found in many of our resources. PFAS are chemicals that are widely used and long lasting in the environment, meaning many PFAS chemicals are now found in water, air, soil, and food products across the globe. The EPA and its partners are actively working to understand the impact that PFAS chemicals may have on people and on the environment.

As researchers continue to develop methods to measure and understand the presence of PFAS chemicals in our resources, our Food Safety and Quality Assurance departments vigilantly monitor regulations relating to PFAS chemicals. We regularly audit our facilities and vendors to monitor the presence of PFAS chemicals in our packaging materials. We are committed to providing the highest quality products and to maintaining the highest standards of food safety for our customers; with this commitment, we will continue to follow the scientific developments related to PFAS chemicals as they pertain to the environment, food production, and packaging standards.

## **Water Usage**

The Chefs' Warehouse, Inc. recognizes that water is a critical resource for our Suppliers, and that a strong water supply is absolutely vital to operating our business and serving our customers. However, we understand that water stress caused by rising temperatures is intensifying. As we prepare our business for future success, we recognize that increased water scarcity could impact our input costs, disrupt our supply chain, and alter our distribution methods. For example, weather patterns in recent years have resulted in lower than normal or, conversely, higher than normal levels of rainfall and snowfall in key agricultural states, impacting the price of water and the corresponding prices of food products grown in affected states. As of 2023, we are already working in several areas facing high and extremely high risks of baseline water stress according to the World Resources Institute's Global Aqueduct; these areas include operations in Texas, California, Arizona, and Florida.

Accounting for such water-related risks in areas of high water stress is central to our strategic, sustained business development. We actively monitor water-use regulations in areas prone to water scarcity and limit or manage our water usage in these areas accordingly. We are motivated to further understand the potential challenges that exist around the impacts of climate change on our communities' water supplies. We wholeheartedly support the UN Global Compact CEO Water Mandate and are actively exploring steps to officially endorse it. Recognizing the importance of limiting our exposure to water-related risks for our customers' satisfaction and for our long-term performance, The Chefs' Warehouse, Inc. plans to research additional ways to support water-saving efforts and water-related programs.

## **Waste Management**

At The Chefs' Warehouse, Inc. we are committed to eliminating unnecessary waste from our business practices and throughout our supply chain. In order to properly measure and account for our waste, we utilize a third party to manage our waste and recycling programs across our facilities. From our corporate headquarters to our distribution facilities, we provide opportunities for our employees to recycle material waste. With the ability to recycle items ranging from single-use metals to business papers to cardboard packaging, our employees have the opportunity to personally contribute to our waste-reduction efforts. Further, by using cardboard as secondary packaging as often as we can, our customers also have the opportunity to responsibly manage their waste. As we seek to reduce excess waste while still ensuring the highest levels of food safety, we encourage our packaging facilities and third-party suppliers to limit the amount of material used to package their food products when possible.

Producing hazardous and non-hazardous waste may be necessary evils of growing and sourcing food, but we are committed to staying mindful about our methods of disposal. We regularly collect and evaluate information regarding tonnage of non-hazardous waste removed throughout our production and distribution facilities. Still, we recognize that evaluating our waste metrics is only the first step toward building a more sustainable future for all. By exploring innovations that limit the use of plastics, foams, and other non-biodegradable materials, the food distribution industry has an opportunity to work together to manage our environmental footprint.

Recognizing the importance of minimizing our food waste and serving our communities, The Chefs' Warehouse, Inc. has donated thousands of dollars' worth of food products across the United States. By donating food to local community efforts and charitable organizations, we actively divert hundreds of pounds of product from landfills each year. We are proud to assist in providing meals to individuals that are food insecure and intend to continue developing our food donation and waste diversion programs.

Last updated July 30, 2024.