



gsf
sustainability

2023 Global ESG Impact Report





2023 Global ESG Impact Report

Table of Contents

A Message from Our President and CEO	3	Maintain the Highest Standards	27
2023 Report Overview	4	Climate Change	28
2023 Highlights	5	Fuel	30
Environmental Goals	6	Assuring Supply	31
About Golden State Foods	7	Water	32
Creed and Values	8	Waste	33
Vision Statement	9	Packaging	34
Our Sustainability Journey	10	Environmental Management	35
Materiality Assessment	11	Make the Best Product	36
Monitoring Our Progress	12	Product Quality and Safety	37
Structure	13	Customer Satisfaction	39
Treat Others Like You Want to be Treated	14	Innovation	40
Corporate Ethics	15	The Supplier of Choice	41
Diversity, Equity, and Inclusion	16	Supplier Diversity	42
Associate Development	18	Human Rights	42
Career Stories	20	Animal Welfare	43
Our People-First Culture	21	Data Privacy and Security	44
Community Engagement	22	Risk Management	44
The GSF Foundation in Action	23	Looking to the Future	45
Workplace Health and Safety	25	About this Report	46
Safety Initiatives	26		

A Message From Our President and CEO

On behalf of all of us at Golden State Foods, we're pleased to present our third annual Environmental, Social, and Governance (ESG) report as part of our ongoing commitment to share progress and reflect on future opportunities to evolve ESG at GSF. Our vision focuses on maintaining the highest standards of social responsibility and implementing ESG initiatives throughout our global businesses. Integrating sustainability goals and other ESG priorities into our everyday best practices, all of our functional support groups and operational business units contribute to advancing GSF's progress.

During this past year, our teams have prioritized sustainability, people, supply chain resiliency, tech innovations and data-driven action in our ESG efforts. To highlight just a few key accomplishments in these areas:

- **Environmental Sustainability:** To support our climate change goals around energy, waste, and water, we have made significant changes at our operations facilities. For example, we committed to installing a first-of-its-kind solar-powered microgrid at one of our Southern California distribution centers.
- **People:** We bolstered our people programs, including associate benefits programs, targeted leadership trainings, and recognitions of long-tenured associates. Additionally, we introduced improved safety programs and heightened our community impact through successful associate engagement.
- **Supply Chain Resiliency:** With weather events and industry volatility, we activated proactive business continuity plans and assured supply to our customers.
- **Tech Innovations:** Leveraging innovative technologies across business units, we enhanced sustainability and operational efficiencies with AI utilized in logistics, procurement, regulatory/compliance, and operations.
- **Data-Driven Action:** We made strides with data-tracking systems across many ESG categories, including gathering global data and key performance indicators, setting our teams up for informed decision-making and continuous improvement.

Looking ahead, GSF will continue embedding ESG priorities and principles into all we do, and we will not do it alone. Essential to our ESG journey, engaging with our associates, customers, suppliers, and community partners helps us align on goals and opportunities to continuously improve and make a meaningful impact. As we go forward, I invite all of our ESG stakeholders to continue collaborating with our teams and take steps together to positively shape our future.

Brian Dick
President and Chief Executive Officer
Golden State Foods



2023 Report Overview

In this report, we detail our ongoing efforts across environmental, social, and governance impact areas. We provide insights into our strategies for reducing environmental impact, our initiatives to enhance social equity, and the steps we are taking to strengthen governance and accountability. This executive summary will introduce the framework and objectives that guide our ESG activities. We invite our stakeholders to explore the full report for a comprehensive understanding of our dedication to sustainable development, community impact, and ethical business practices.

ESG at Golden State Foods

At GSF, our adoption of the Environmental, Social, and Governance (ESG) framework allows us to proactively address environmental challenges, enhance associate well-being, and maintain ethical governance – key components for achieving our long-term goals. This framework allows us to evaluate and report on our performance, ensuring our actions align with our commitment to sustainable practices. As our Creed and Values inherently embody environmental, social, and ethical responsibility, we show how three of our Values align with the ESG framework. This alignment allows us to effectively communicate our ESG initiatives and 2023 progress throughout this report.



ENVIRONMENTAL

MAINTAIN THE HIGHEST STANDARDS

climate | ingredient sourcing | packaging | waste | water




SOCIAL

TREAT OTHERS LIKE YOU WANT TO BE TREATED

community engagement | consumer welfare | diversity, equity, and inclusion | workplace health and safety




GOVERNANCE

MAKE THE BEST PRODUCT

economic performance and pricing | ethical governance | process efficiency | product quality and safety | regulatory compliance



The United Nations Sustainable Development Goals

Golden State Foods supports the United Nations (UN) Sustainable Development Goals (SDGs), a global framework of 17 goals designed to address the world's most pressing challenges by 2030 through collective commitment and action. These goals aim to promote prosperity while protecting the planet, focusing on critical areas such as poverty reduction, environmental sustainability, and peace and justice. Companies and governments alike are encouraged to align their strategies and operations with these goals to contribute to a sustainable future for all. GSF has aligned our ESG strategy and targets with 11 of the 17 UN SDGs.



2023 Highlights



SOCIAL

Treat Others Like You Want to be Treated

72% of domestic GSF associates identify as people of color

30% of GSF management are **women**

Over **97%** of **associates** participated in the **Associate Experience Survey**

Nearly **750 GSF** associates participated in multi-day **leadership training**

GSF associates volunteered **over 10,700 service hours for the GSF Foundation (GSFF)**

4 new GSF Foundation committees formed in 2023 at local facility locations

More than **\$40K awarded** to **69** associates and family members through GSF Scholarship program

Over \$60 million raised for GSFF since inception

Over **\$790K raised** in annual Associate Campaign

13 GSF facilities awarded the Occupational Excellence Achievement Award by the National Safety Council (NSC)

Hosted **in-person Safety Leadership Summit** for EHS professionals and leaders across GSF



ENVIRONMENTAL

Maintain the Highest Standards

Reduced Scope 1 and 2 GHG Emissions by **13%** since 2018 baseline year

Committed to submitting **emission reduction targets** for validation by the **Science Based Targets initiative (SBTi)** by end of 2024

Almost **7,400 MT CO2 emissions saved** from using renewable diesel instead of conventional diesel

Committed to deploying **45 electric trucks** in last-mile delivery fleet, with **7 newly deployed in 2023**

One facility alone recycled **3.6 million gallons** of sludge and waste tank loadouts that was converted into **clean energy**

Earned ISO 14001 certification for the Environmental Management System at our Protein Products facility

Reports annually to the **Climate Disclosure Project (CDP)**

100% of cocoa certified by Rainforest Alliance (RFA)

100% of palm oil certified by Roundtable Sustainable Palm Oil (RSPO)



GOVERNANCE

Make the Best Product

92% of manufacturing facilities certified by **Global Food Safety Initiative (GSFI)**

Launched **150** new products

Created over **3,140** product prototypes

Integrated new robotic technologies in protein operations to **boost efficiency by 15%**

Implemented use of more **AI-enabled technologies** company-wide

Expanded trials of RFID (Radio Frequency Identification) program to enable **automated, digital supply chain**

Increased **diversity spend by 8%**

83% of GSFI-certified facilities obtained the **highest possible rating on audits**

Received **3 "Elevating the Arches" awards from McDonald's for Quality, Food Safety, and Regulatory Affairs, Innovation, and Supplier Collaboration**

Environmental Goals

GSF is mobilizing around these environmental goals through understanding our impacts in areas of climate, water, and waste.

Climate

Reduce Scope 1, 2, and 3 GHG emissions by **22%** by **2030**
Net Zero* emissions across global operations by **2050**

Water

Reduce water intensity **30%*** across all global facilities by **2030**

Waste

Achieve **Zero-Waste to landfill** at all global facilities by **2030**

“Setting these clear goals provides GSF with a path to improve our environmental impact. These objectives have been established cross-functionally, as we know integrating sustainability across our operations allows GSF to not only protect the environment but also drive innovation and long-term success. Achieving these ambitions depends not just on the collective efforts of our teams, but also on

collaborating with our partners across the value chain. Together, we can make real strides towards a more sustainable future.”



— Audrey Roth,
Sustainability Specialist

Aligning our Targets with Science

Golden State Foods has committed to submitting its emission targets for validation by the Science Based Targets initiative (SBTi) by the end of 2024. The SBTi is an internationally recognized organization that enables businesses to set ambitious reduction targets in line with the latest climate science, ensuring the necessary changes are implemented at the required pace to address climate change. Our targets will be adjusted to align with these rigorous standards and to contribute effectively to global climate solutions. The SBTi promotes best practices in science-based target setting and independently assesses and approves companies' targets. Once we complete this validation process, we will communicate any changes in our reduction goals publicly.



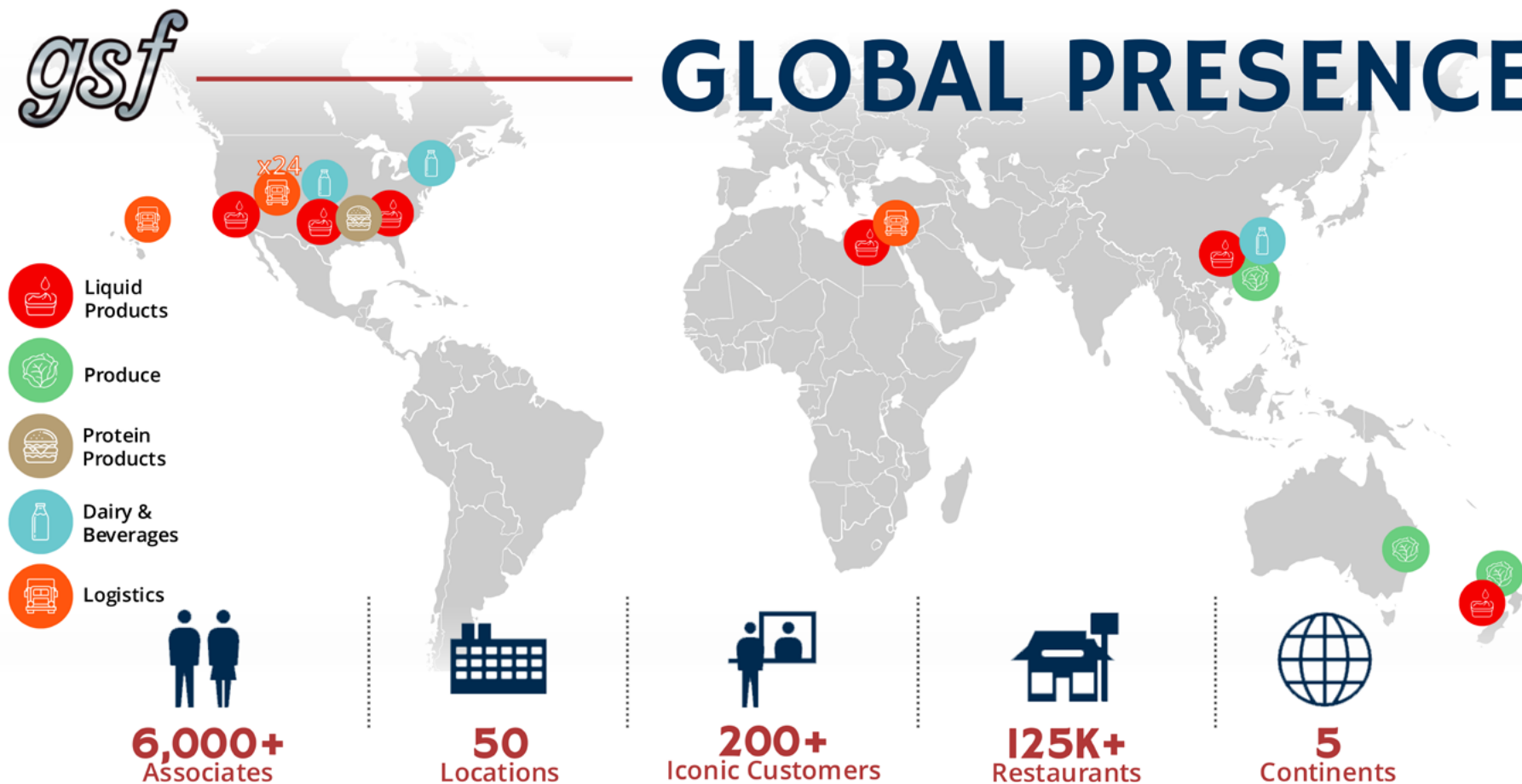
About Golden State Foods

Golden State Foods (GSF) is a multi-national organization rooted in strong values and a commitment to excellence in quality, innovation, and customer satisfaction. Established in 1947, GSF currently services over 200 leading brands (125,000+ restaurants/stores) in 50 countries on five continents.

Its core businesses include: processing and distribution of liquid products, protein, produce, dairy, logistics, and other services. With its global headquarters in Irvine, California, GSF also operates the national non-profit, the GSF Foundation.



GLOBAL PRESENCE



Creed and Values

Our Creed and Values are behind everything we do at Golden State Foods. These aren't just words or a mission statement. They are a way of living, a way of doing business, and a reflection of the positive change we would like to see in the world.

Our Creed and Values bolster our ESG initiatives, directing GSF and its associates to produce high-quality products while considering the impact on our stakeholders.

OUR CREED

We believe in God and the dignity of all people.

We believe that people should be treated as we would like to be treated, and this applies to all our associates, their families, our customers, and suppliers, and to all others with whom we do business.

We believe that successful independent business is the backbone of nations, that our success is dependent upon the success of our customers, and that only by working together can the ultimate success of all partners be assured.

We, therefore, dedicate ourselves to work for our mutual success and pledge our best efforts always toward the attainment of our common goals.

OUR VALUES

Treat others like you want to be treated.

Make the best product.

Give the customer a fair deal.

Maintain the highest standards.



Vision Statement

Golden State Foods' commitment to doing what's right for future generations embodies our responsibility and promise to conscientiously facilitate the prosperity of associates, customers, partners, communities, and the environment.



Our Sustainability Journey

As we present our third annual sustainability report, we reflect on the evolution of our efforts and the strides we've made in integrating sustainability across Golden State Foods (GSF). Although our formal sustainability reporting is still relatively new, our dedication to making a positive impact on the planet, people, and communities has been a core aspect of our operations for more than 75 years. From our roots in Southern California, we have grown into a global entity, consistently working towards a better future for all of our stakeholders. Our long-standing commitment to sustainability has been an integral part of our ethos, even before we began formalizing our sustainability efforts.

Today, GSF stands at a pivotal point in our sustainability journey. The formalization of our sustainability program has undergone several cycles, allowing us to embed these practices more deeply within our organization. Aligning our business objectives with sustainability goals is more crucial than ever, and we are steadfast in ensuring that our decisions reflect this priority.

Looking ahead, GSF is poised to take our sustainability efforts to new heights. Our focus will be on accelerating the momentum we have built, fostering a culture where sustainability is second nature. We aim to expand our initiatives, set more ambitious targets, and explore innovative solutions to the challenges we face. Our future plans include increasing transparency in our reporting, enhancing our resource efficiency, and deepening our engagement with stakeholders. By leveraging our global

presence and collaborative spirit, we are confident in our ability to drive meaningful change and create a more sustainable, equitable, and prosperous future for all.

As we continue this journey, we remain committed to our core values and the principles that have guided us for decades. We invite you to join us in our ongoing efforts, celebrate our achievements, and contribute to the vision of a better world. Together, we can make a lasting impact and ensure a brighter future for generations to come.



Materiality Assessment

Golden State Foods has committed to regularly conducting a materiality assessment as a strategic tool to help identify, prioritize, and address the most important issues for our business and stakeholders, as is standard practice for organizations seeking to advance their ESG programming. This is a proactive process, as identifying emerging risks and opportunities is essential to help inform strategic decision making. During the last materiality assessment, conducted in 2019, GSF asked internal and external stakeholders to prioritize the issues through surveys, interviews, and webinars. With the support of a third-party consultant, the company identified its materiality issues following desk research with more than 70 stakeholders. The issue list includes issues designated by GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board).

Materiality Assessment Results

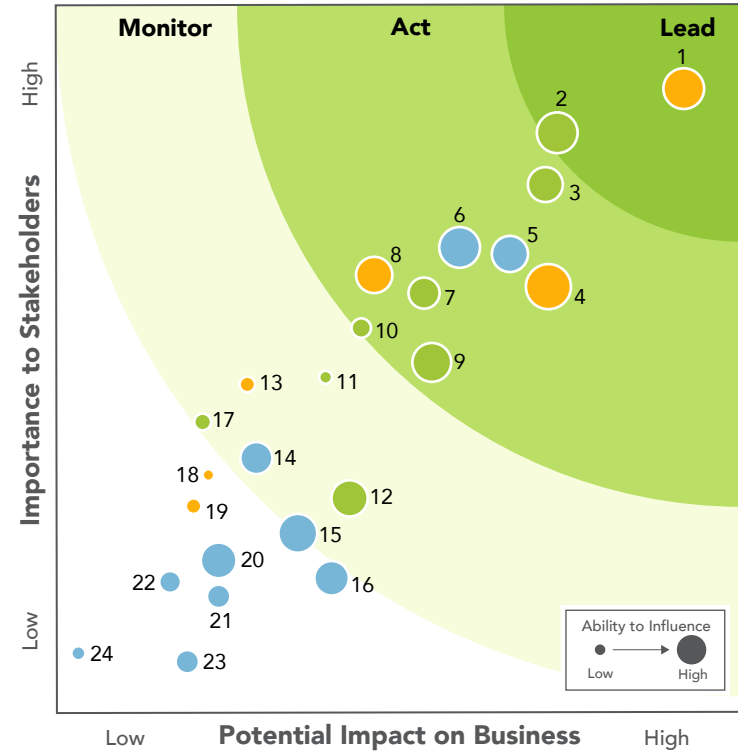
Starting with more than 200 issues, the process narrowed our list to 24 material issues across the three pillars of ESG. Our top three topics identified as salient from our last materiality assessment are:

1. Food Safety
2. Responsible Sourcing and Traceability
3. Waste

The findings of this assessment have informed overall business strategies, allowing GSF to leverage opportunities to emphasize high-priority issues, such as through our strategic sourcing plan, our innovative technologies to improve food safety, and our increased waste data tracking efforts to enable reductions.

As it is standard to conduct a new materiality assessment every 3-5 years, GSF began conducting our newest materiality assessment in late 2023, and will share the results in our 2024 report.

ESG Materiality Matrix for GSF



Matrix Key

1	Food safety	S
2	Responsible sourcing & traceability	E
3	Waste	E
4	GSF-employee health, safety & welfare	S
5	Process efficiency	G
6	Product quality	G
7	Water quality & quantity	E
8	Packaging	E
9	Community impact & development	S
10	Supply chain GHG & air emissions	E
11	Agricultural practices, land-use, soil quality, & genetic engineering	E
12	GSF-operations GHG & air emissions	E
13	Consumer welfare	S
14	Regulatory compliance	G
15	GSF-employee diversity & inclusion	S
16	Economic performance & pricing	G
17	Ecosystem & environment	E
18	Animal health & welfare	S
19	Farmer livelihoods	S
20	Ethical corporate governance	G
21	Transportation	G
22	Human rights in the supply chain	G
23	Information safety & security	G
24	Public policy	G

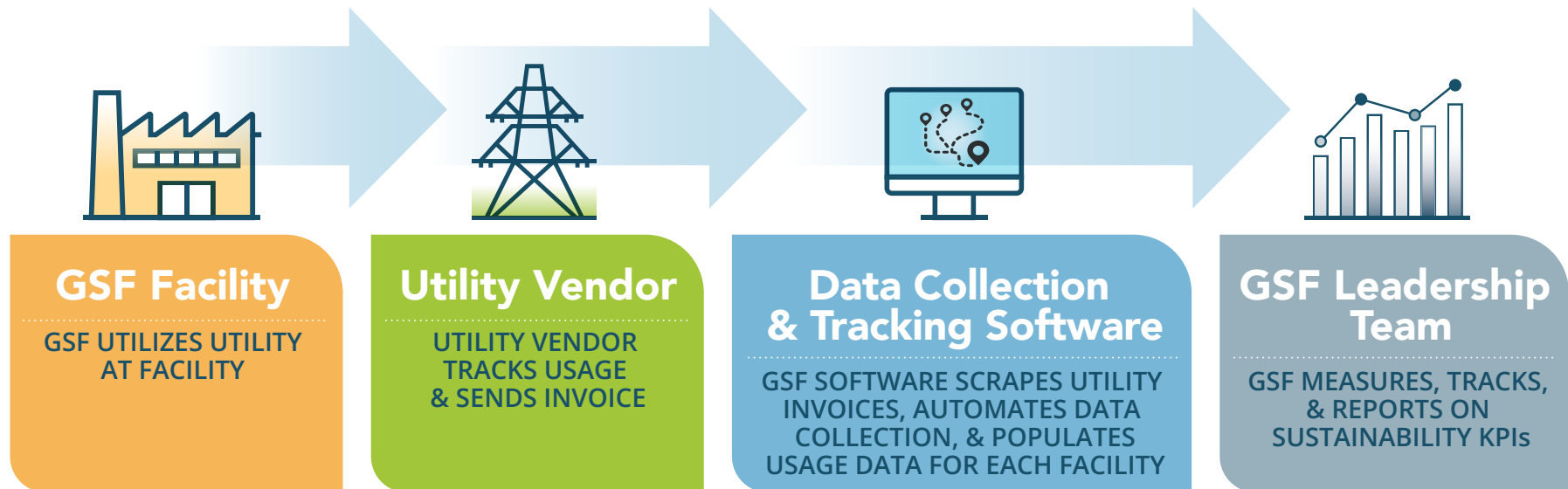
S Social E Environmental G Governance

Monitoring Our Progress

Measuring and tracking sustainability data is crucial for assessing the effectiveness of sustainability initiatives and driving progress towards organizational goals. To meet our environmental goals, Golden State Foods is collecting data in each of our impact areas. We developed our baseline data set using 2018 data and are now able to monitor our progress against key performance indicators for energy/GHG emissions, water, and waste. By establishing clear metrics and regularly collecting data, GSF can make

informed decisions that contribute to both operational efficiency and environmental stewardship.

GSF uses advanced software to collect data, track, and report on our sustainability impacts. In 2023, we completed implementation of our automated data collection programs and we are continuing to fine tune our systems to ensure ongoing data flow and accuracy.



The data now automated in our systems enables GSF to analyze and identify patterns, trends, and areas needing attention. This methodological approach allows us to set realistic and achievable targets for improvement, as well as guide strategic decision-making with sustainability top of mind. This will help us align business practices with our long-term sustainability goals, ensuring that sustainability is not just a policy but an integral part of the business model.

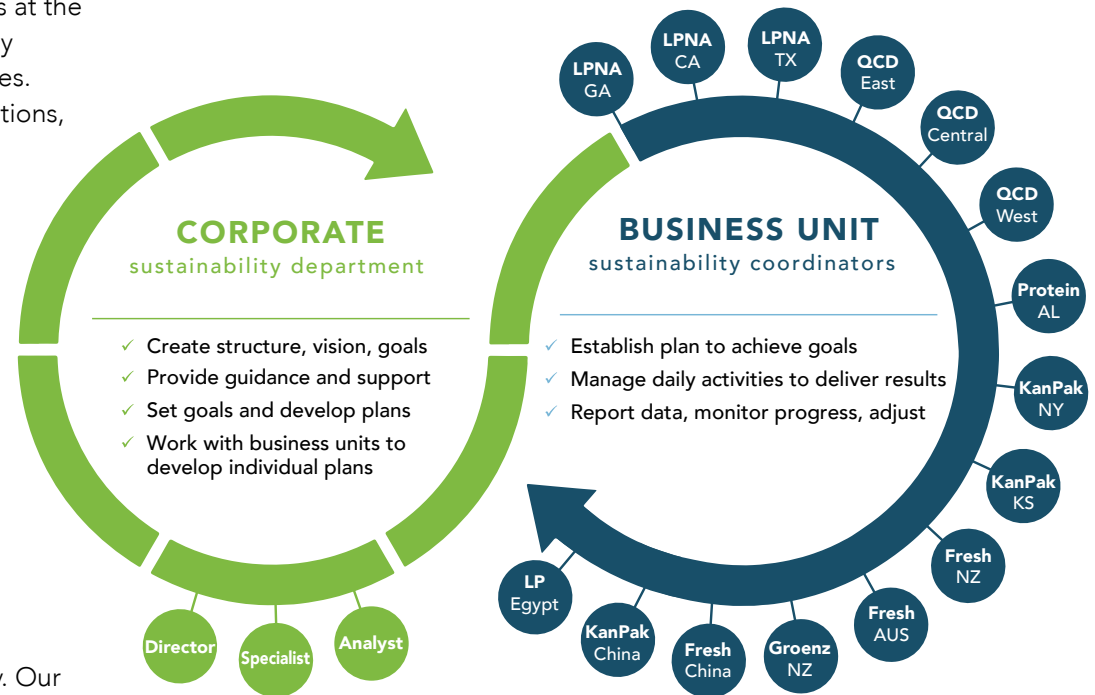
Structure

Our structure for sustainability is designed to embed environmental and social responsibility into every facet of our operations, ensuring that sustainable practices are central to our business strategy.

At the core of our sustainability framework are the 15 sustainability coordinators, each responsible to specific facilities. They play a crucial role in translating our company-wide sustainability goals into actionable plans at the local level. Regular meetings with these coordinators are essential; they provide a forum to discuss programs, progress, and upcoming initiatives. During these meetings, coordinators have the opportunity to ask questions, address concerns, and share successes and challenges.

Through this structured approach, sustainability at our company is not only a responsibility but also an opportunity to innovate, improve efficiency, and build a resilient business that is prepared for the future.

Today, we have a network of 15 Sustainability Coordinators worldwide, each responsible for specific GSF locations.



Furthermore, GSF engages business leaders regularly on sustainability. Our business leaders focus on evaluating our sustainability progress, identifying needs for new projects, and aligning our sustainability trajectory with our overall business objectives. These discussions ensure that sustainability remains a critical consideration in our strategic planning and business operations.

Education and awareness are also key components of our sustainability strategy. We host various educational programs, including webinars for GSF associates, to enhance understanding of environmental impacts and our collective responsibility. By raising awareness, GSF hopes to foster a culture of sustainability that permeates all levels of the organization.

Success Elements:



Tracking and Measurement



Actionable Business Unit Plans



Meaningful Data and Goals



The Right People

Treat Others Like You Want To Be Treated



As a people-first company, we start with the social dimension of our ESG framework to highlight its salience in our corporate ethos. People are our first priority, and we firmly believe that the backbone of our success lies in our associates, customers, and the communities we serve. Their well-being, satisfaction, loyalty, and happiness are not just values we uphold; they are core drivers that shape our business strategies and operational practices. By fostering a supportive and inclusive environment, we strive to enhance the quality of life for everyone associated with our organization, recognizing that their growth and contentment are integral to our collective success. Through these efforts, we aim to create an enduring impact, ensuring that our company remains a trusted and responsible leader in our industry.



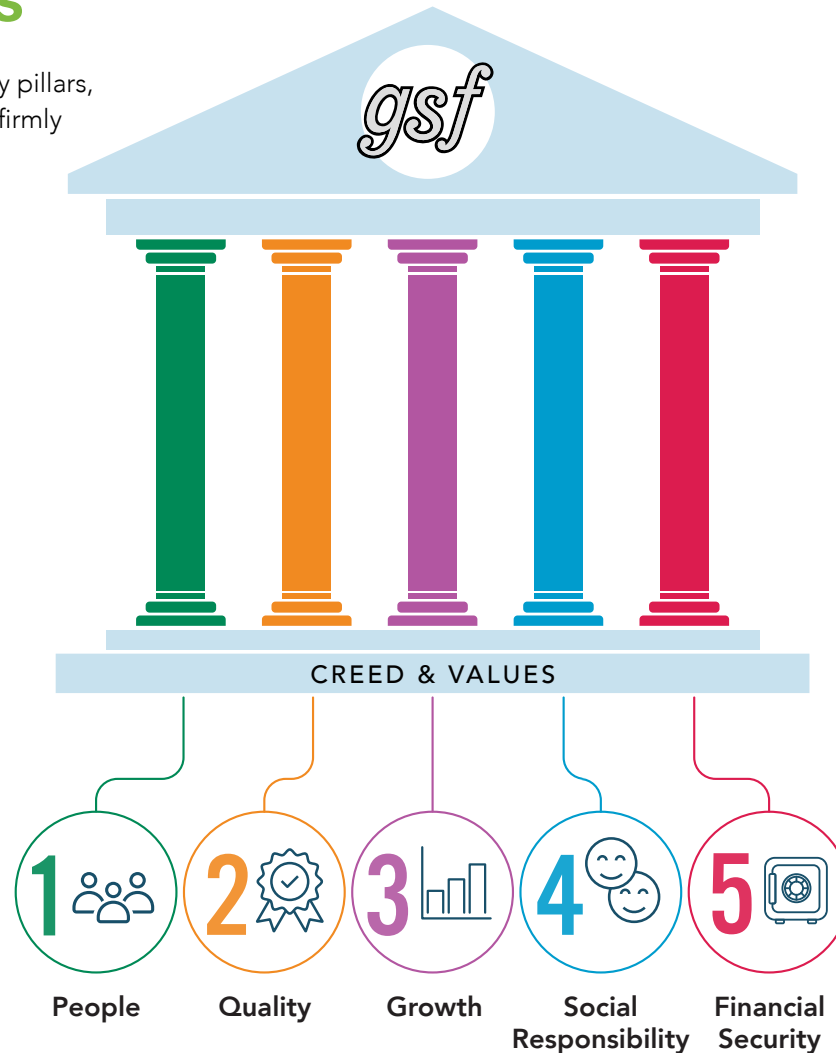
Treat Others Like You Want To Be Treated

Corporate Ethics

Golden State Foods is guided by our five key pillars, which shape our vision for a brighter future, firmly anchored in our Creed and Values.

Leadership at GSF emphasizes the critical importance of each associate's engagement with these foundational elements, ensuring they are well-understood and actively upheld. This commitment is fundamental to conducting our business both lawfully and ethically, which we believe is essential for the wellbeing of our company and all associated with it.

Our Creed and Values are more than just words; they are the bedrock of our daily operations and the ethical compass that guides our actions. This ethical framework is critical as every associate plays a role in embodying these principles, thereby reinforcing our collective integrity each day. To foster a deep understanding and adherence to these values, GSF mandates compliance with our comprehensive Standards of Business Conduct Policy. This policy provides clear guidelines on business activities, ethical practices, and



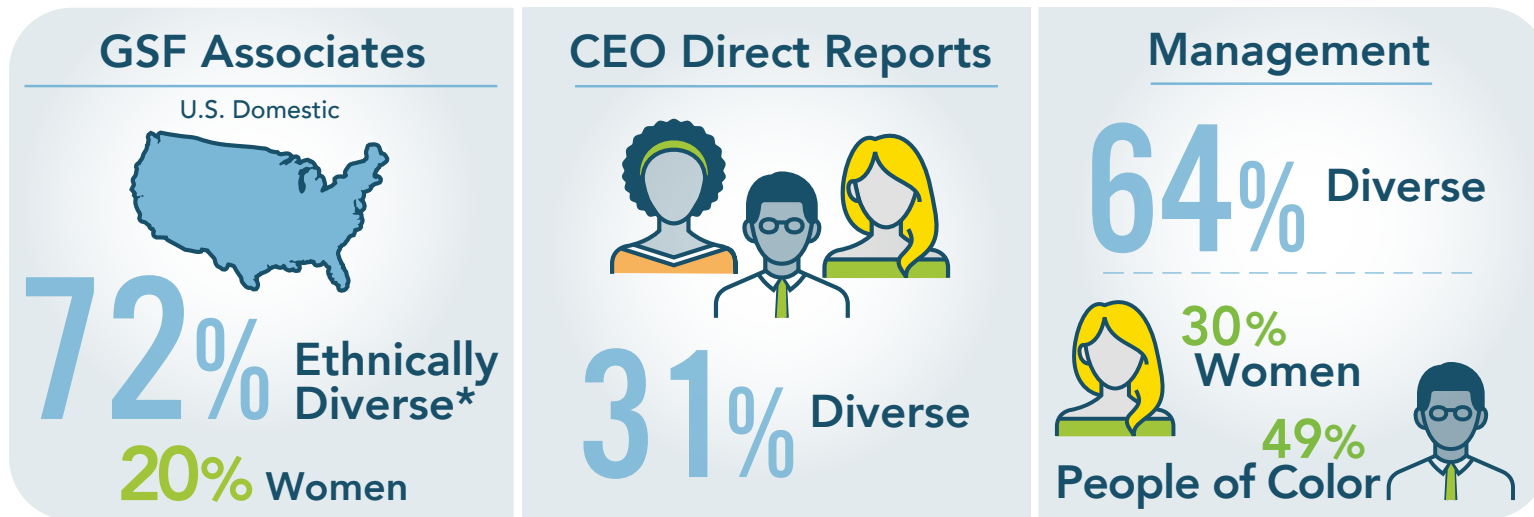
decision making, ensuring that our actions consistently reflect our corporate values.

GSF enforces strict adherence to all relevant laws, regulations, and standards, including those related to food safety, occupational safety, and highway safety, as well as employment and tax requirements. Our training programs cover vital topics such as the Foreign Corrupt Practices Act, equipping our associates with the knowledge to operate legally and ethically across all countries where we do business, including U.S. laws governing our international operations.

We are committed to maintaining a workplace that upholds equality and does not tolerate any form of harassment or inappropriate behavior. GSF's open-door policy underlines our approach to accessibility and support, encouraging associates to seek help whenever necessary. This policy, alongside our ongoing training and compliance efforts, ensures that GSF continues to be a place where ethical practices, safety, and fairness are at the forefront of our company culture.

Diversity, Equity, and Inclusion

At Golden State Foods, diversity, equity, and inclusion (DEI) is a key component for fostering an inclusive corporate culture and driving sustainable growth. By prioritizing DEI, GSF not only enhances the work environment but also improves decision-making processes and innovation through diverse perspectives. Committed to diversity and equal opportunity, GSF employs a diverse workforce, including women, minorities, and military personnel. From our onboarding process to ongoing performance management, fostering a culture of inclusion at GSF is a dynamic journey that shapes our corporate ethos.



“When we include people who think differently, bring diverse perspectives, and tap into their variety of experiences, that dynamic inspires innovation for new products, fresh creativity, and novel reporting approaches. It’s not just good business; DEI distilled down to its very core is innovation.”



— John Page,
GSF Executive Vice President
and Chief Administrative Officer

Our Commitments:



* Ethnically diverse represent associates who identify as Black, and all other non-white ethnicities (Asian, Hispanic or Latino, Native Hawaiian, or Other Pacific Islander, American Indian/Alaskan Native, and Two or More races).

GSF’s definition of diverse includes people of color and women.

Management includes total number of associates at level E5 and above, by gender and ethnicities. In our inaugural report in 2021, Lower Management (E5-E7.5) and Senior Management (E8+) were reported on as separate categories. These categories were combined for the purposes of communication starting in 2022.

To ensure we reflect the communities in which we operate, leadership utilizes statistical data to better understand various populations and geographies and embrace this diversity. Through this data, our teams identify areas of opportunity to prioritize growth and create a robust DEI culture. Promoting a DEI culture using data is not a one-time effort, but an ongoing commitment, ensuring we continue evolving towards a more inclusive and equitable workplace.

GSF'S Diversity Council

GSF's Diversity Council, under the leadership of GSF Executive Vice President and Chief Administrative Officer, John Page, is comprised of GSF leaders who represent a cross-section of the company's demographics. The Diversity Council is a cross-functional steering committee to provide direction and guidance enterprise-wide while cultivating and ensuring awareness of embracing cultural differences.

The Diversity Council plays a crucial role in ensuring that GSF maintains a diverse and inclusive environment. This setting enables all associates to advance, contribute equally, and leverage best practices and innovative solutions to optimally serve our customers.

At the core of GSF's ethos is the commitment to championing a culture of diversity, equity, and inclusion—recognizing this as much more than a moral obligation. It is a fundamental key to the success and overall health of our workforce. We are dedicated to creating a workplace where every associate feels a genuine sense of belonging, feeling valued, empowered, and heard.

To this end, the GSF Diversity Council has established a comprehensive inclusion framework aimed at nurturing an environment where every team member can flourish and offer their unique insights. Utilizing the Inclusion Framework, the council is focusing on courses on DEI and Belonging tailored for our leaders, starting from the supervisor level upwards. Leaders are encouraged to exemplify and promote inclusive behaviors, ensuring that practices of equity are integrated at every level across the organization. This strategic leadership commitment not only elevates the individual employee experience but also propels our collective advancement and success.

Currently, the council is assessing six courses to potentially mandate for all key leaders within GSF. This initiative is part of a broader effort to instill foundational DEI principles across leadership levels. Additionally, efforts are underway to prepare and benchmark an informal parity study, which aims to identify the most effective strategies for understanding and achieving parity across the company.

Inclusion Framework



Leveraging collective knowledge, diverse perspectives, and awareness, we embrace our shared commitment to the strong ethics that shape GSF's culture. Every associate who joins GSF is not just taking on a job but is actively participating in a vibrant, diverse community that is deeply aligned with our Creed and Values. We recognize that the journey toward true inclusivity is continuous, requiring an ongoing process of implementation, refinement, and improvement. As such, our DEI initiatives are dynamic, designed to evolve in response to the growing and changing needs of our workforce. We remain steadfast in our commitment to fostering an environment where every voice is heard and valued, ensuring that our diversity strengthens us and that our practices reflect the high standards we set for ourselves and our community.



GSF participates in annual surveys to share our ongoing DEI journey progress.

Associate Development

In today's competitive landscape, the ability to attract, develop, and retain top talent is paramount to any organization's success. Golden State Foods' strategy underscores the significance of nurturing our workforce, recognizing that our team members are our most critical asset. We focus on engaging associates through meaningful work and a supportive culture, essential for both attracting and retaining exceptional talent. By investing in comprehensive training programs and leadership development initiatives, we ensure that our associates are well-equipped to meet current and future challenges, aligning their personal growth with our organizational goals.

Our talent framework supports the entire lifecycle of associate development, from recruitment to succession planning, emphasizing a culture enriched by numerous long-tenured employees. This longevity fosters a deep-seated culture of growth and support, enhancing our ability to maintain a stable and experienced workforce. We offer targeted leadership training to cultivate a pipeline of future leaders, ensuring that role transitions contribute to the sustainability and resilience of our organization. Integrated succession planning is part of our strategic approach, providing clear career pathways that help retain high-performing talent and secure long-term organizational stability. Through these comprehensive development strategies, we demonstrate our commitment to cultivating a workforce that is not only skilled and motivated but also deeply aligned with our core values and long-term vision.

GSF University

GSF University is an in-house leadership development program that encompasses an array of curriculum-based online courses, as well as instructor-led courses at GSF facilities.



Education Assistance and Scholarship Programs

At GSF, we believe in fostering personal and professional growth through continued education. This is why we offer financial assistance to our associates seeking continued education in their field at recognized colleges, universities, and technical institutions. GSF also offers annual scholarship opportunities to associates' children who demonstrate ambition, achievement, and a commitment to learning. For the 2023-2024 GSF Scholarship Program, Golden State Foods awarded more than \$40,000 to 69 associates and their family members throughout the world, based on academic performance, extracurricular activities, character, and financial need. In a record year for GSF's three decades of support for higher education, scholarship applications and scholarships awarded totaled the highest ever in a single year. Since the program's inception, GSF has provided more than \$500,000 to assist scholars with expenses like tuition, books, and school supplies. This year's application asked scholars to answer the following essay question: "How will artificial intelligence (AI) change work and society in the next 10 years, and how can you prepare for this change?"

Scholarships are awarded based on academic performance, extracurricular activities, and financial needs. These initiatives are designed to alleviate the financial burden of education and provide opportunities for advancement. By investing in the education of our team members and their loved ones, we aim to empower them to reach their full potential.

"Embracing talent as a leader means embracing diversity. Solutions produced from diverse teams are always more innovative, resilient, and scalable. Embracing talent also requires the ability to spot great potential.

To do this, you must be able to really listen and observe as a leader. You then realize this potential through training and learning opportunities, but most importantly by providing your own mentorship and guidance."

— Bill Chiou, Senior Director, Applications



GSF's LEAD 101 Program

As part of GSF's efforts to build leadership capability at all levels throughout the company, GSF University offers the Leadership Essentials to Accelerate Development (LEAD) 101 program. This year, GSF re-launched LEAD 101 to nearly 750 people leaders participating in 32 two-day sessions in various locations around the globe and across the company's business groups.

750 GSF Leaders Participated

in Two-Day LEAD 101 Training

The LEAD 101 curriculum centers on Franklin Covey's "Speed of Trust" on the first day of each session, followed by "Communicating Effectively," facilitated by the American Management Association (AMA) on the second day. During LEAD 101, people leaders have an opportunity to develop and practice new skills and insights, while connecting and sharing best practices with associates from other locations and business groups.

GSF aspires to embed LEAD 101 into our overall leadership approach and will be exploring opportunities to continue leadership learning with a "LEAD 201" course in the future.



Succession Planning

GSF has refined our Succession Planning process to offer robust tools and resources that effectively gauge when associates are primed for career advancement. Our Human Resources team has crafted a sophisticated framework that bolsters each associate's professional growth. This process is a cornerstone of our strategy to maintain a talented and committed workforce. We conduct biannual performance reviews and maintain ongoing dialogues with our associates to align with their career aspirations. Additionally, we challenge our Human Resources teams to continuously innovate and enhance the development tools and opportunities we provide.

The introduction of SAP's SuccessFactors training platform has broadened our perspective across all business units, allowing us to more accurately pinpoint associates who are prepared for cross-functional roles and new opportunities. In 2022, we introduced the "Our Legacy Journey" learning map, a hands-on tool designed to deepen engagement with our culture, Creed, and Values in a dynamic and interactive way. By the end of 2023, 90% of our workforce had completed this training.



Career Stories: Our investment in our people is for the long haul.

Meet



Mark Sheppard

Business Unit: Protein Products
Years of Service: 29
Starting Role: Surplus Helper
Current Role: Assistant Operations Manager

"I'm grateful that the GSF management team saw my potential and assisted me in growing into this position. I am very fortunate to have had the opportunities that I did to allow me and my family to have a good life."



Emine Jasli

Business Unit: GSF Fresh! Australia
Years of Service: 30
Starting Role: Food Processing
Current Role: Production Planning Associate

"If you are willing to put in the hard work and be a part of the team, there is no reason you can't reach the top."



Stefenni Blount

Business Unit: Quality Custom Distribution (QCD)
Years of Service: 6
Starting Role: Operations Clerk
Current Role: Field Service Representative

"What I enjoy most about my job, aside from the people, is the hustle and bustle of the operation and making sure everything goes according to plan. QCD has supported my career by allowing me to grow at my own pace and learn the tools necessary to succeed in my current and future roles."



Russell Higgins

Business Unit: KanPak U.S.
Years of Service: 26
Starting Role: Forklift Driver
Current Role: Regulatory Affairs Manager

"For the past 26 years, KanPak/GSF has been like a second home to me. I have worked with a lot of the same people for many years, and they all feel like family. That is one thing that makes me enjoy coming to work every day"



Michon Scott

Business Unit: Quality Custom Distribution (QCD)
Years of Service: 4
Starting Role: Warehouse Supervisor
Current Role: Warehouse Supervisor

"What I enjoy most about my job is the fact that we get things done. Teamwork works every time. I love seeing how much we strive to accomplish day in and day out. I enjoy working with my team in the warehouse 'all hands on deck' and how we come together with the same agenda in mind."



David Hutchinson

Business Unit: Liquid Products North America
Years of Service: 35
Starting Role: Maintenance Mechanic
Current Role: Senior Director of Operations, Engineering, and Maintenance

"It all starts with the people—engaging in positive interactions and collaboration with my colleagues every day. I value the opportunities to make meaningful contributions, supporting not only GSF employees, but also the GSF Foundation and the communities we live in. This extends beyond contributing to GSF's success to also enhance the well-being of fellow employees. Recognizing and rewarding individuals for their efforts adds to the fulfillment of my role."

Our People-First Culture

At GSF, our people-first culture is foundational to our ESG commitments. We believe that maintaining the comprehensive well-being of our workforce—covering physical, mental, and emotional health—is crucial to our success. This holistic wellness approach supports our operations, ensuring our associates feel supported both professionally and personally. Prioritizing a healthy work environment not only boosts our talent retention but also promotes employee growth and loyalty, leading to greater customer satisfaction through a motivated and well-cared-for team.

Our dedication to associates' well-being is showcased in how we celebrate each individual's achievements. GSF provides special milestone gifts to associates, to help ensure associates feel recognized for their valuable contributions. Celebrating work anniversaries and key career milestones is vital to our culture, showing our deep appreciation for our team's hard work and commitment. These celebrations reinforce our gratitude, enhance morale, and cultivate a strong sense of belonging, essential for fostering a motivating and thriving workplace.

Celebrating Associate Appreciation Week

Our annual Associate Appreciation Week celebrations seek to recognize all contributors who make the global team's success possible. During these events, each facility celebrates associates' dedication, talent, and commitment to the Creed and Values.

In mid-May, associates around the world celebrated Associate Appreciation Week with local activities, special meals, prize raffles, gift giveaways, GSF Foundation volunteer opportunities, and messages of gratitude. From a dunk tank in Seattle and ping pong tournament in Chicago to big wheels races in Las Vegas and Indy 500-inspired bike racing in Indianapolis, each location offered engaging activities tailored to their local teams. In Guangzhou, China, the GSF Fresh! team hand-painted a canvas to display during Associate Appreciation Week. Several locations coordinated wellness activities like health fairs and on-site massages for associates. Additionally, some of the local GSF Foundation events included harvesting produce with Second Harvest Food Bank of Orange County in Irvine, California and a "Pie Your Manager in the Face" fundraiser at QCD Fontana in Southern California. With midnight breakfasts, lunchtime food trucks, and open-air barbecues, associates feasted on a variety of sweet treats and favorite foods throughout the week, including crowd-pleasers like tacos, burgers, donuts, ice cream, and cookies.



Raising The Bar

Listening to our Team: GSF Annual Associate Experience Survey

In our ongoing commitment to maintain a supportive and responsive work environment, GSF conducts an Annual Associate Experience Survey. This survey serves as a vital tool for engaging our associates and giving them a voice in shaping our workplace. GSF's annual survey measures associate engagement, strengths, and areas where the organization can grow. GSF's Associate Experience Survey conducted in early 2023 showed a record increase in engagement across the company with a 97% response rate, up from 90% in 2022. The survey is confidential and available to associates to complete from their computers, mobile devices, or kiosks at our facilities to ensure everyone has an opportunity for their voice to be heard.

Total Rewards

GSF extends its people-first philosophy through a comprehensive Total Rewards package, which supports the multifaceted needs of our employees. This package includes a variety of benefits designed to ensure the health, well-being, and financial security of our associates and their families.



Comprehensive Health Insurance Plans



Wellness Programs



Modernized Tools



Employee Assistance Programs

Community Engagement

Since its inception in 2002, the GSF Foundation (GSFF) has been steadfast in its mission to enhance the lives of children and families in need across the communities where Golden State Foods associates reside and work. This commitment was evident in 2023, when associates dedicated over 10,700 hours to volunteer service. Over the past two decades, the Foundation has embodied GSF’s values-driven approach, empowering associates to actively engage in and profoundly impact their communities across the United States.



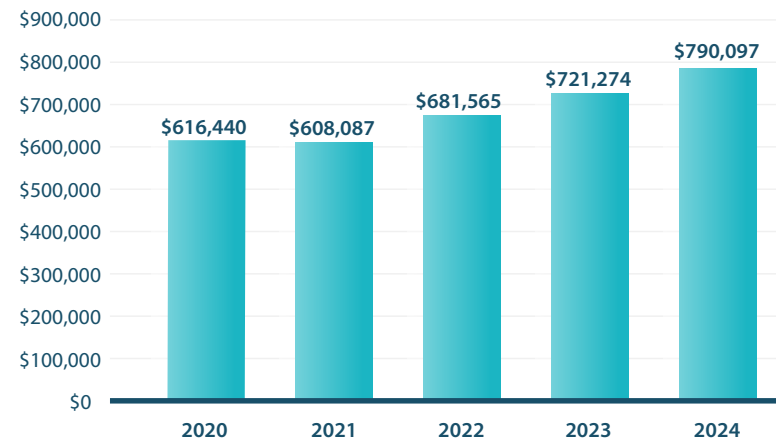
Operated and funded by our associates, the Foundation’s core programs, grant donations, and volunteer efforts are implemented locally in partnership with associate-selected non-profits. This structure ensures that our associates, who deeply understand their communities’ needs, can make the most impactful contributions.

With 32 active local committees—including four newly launched in 2023—our associates organize and participate in a wide array of volunteer activities, fundraisers, and community service projects. These committees offer associates a chance to assume leadership roles that differ from their everyday

responsibilities at GSF, enhancing personal and professional growth. Remarkably, more than 70% of our associates give to the Foundation, making it one of the highest participation rates in any corporate setting.

Annual Associate Campaign Results 2020-2024

28% increase in dollars raised over the last 5 years



The fundraising efforts for the 2024 campaign took place and were announced in 2023, but are designated for the 2024 year, as each year's campaign goes into effect the following year.

Our annual Associate Campaign is a testament to the generosity within the GSF family. Each year, associates generously donate substantial amounts, with 100% of these funds enhancing the lives of children and families in their own communities. These contributions help increase access to food and basic needs, youth development and academic enrichment programs, and family support services. By pooling our resources and working collaboratively, we amplify our impact, demonstrating that together, we can achieve more than we can alone.

Since the Foundation’s Inception...

\$60M
raised

305,000+
volunteer hours



The Foundation is a proud, longtime supporter of Ronald McDonald House Charities (RMHC). Our associates have collectively donated over \$7 million to RMHC since 2002 and have cooked thousands of meals for RMHC families, supporting more than 40 houses and camps.

The GSF Foundation in Action

Since its inception, GSF associates have raised more than \$60 million and volunteered over 305,000 hours to support children and families in need through more than 850 local charities and schools across the United States. GSF Foundation core programs, and the donations to date within these programs, include:



182,100+
backpacks donated

Back(pack) to School

provides elementary students in need with backpacks full of essential supplies so they can begin the school year ready to learn.



6,300+
coats donated

Coats for Kids

brings warmth to the hearts, minds, and bodies of children in need by providing them with new winter coats.



31,800+
pairs of shoes donated

Best Foot Forward

supplies new shoes to children who cannot afford them, so students may participate in their schools' physical education programs.



9,600+
bikes donated

The GSFF Bike Build and Pedal to Perfection programs

provide children with bikes and the opportunity to build their own bicycle under the guidance of a GSFF mentor.



3,500,000+
meals donated

Focus on Food

supports local food banks in their efforts to alleviate childhood hunger by funding meals for food-insecure families.

Strengthening Communities through Partnerships

Partnership for Good unifies GSF's vendor/supplier community in support of the GSF Foundation. These valued business partners provide significant financial contributions and participate in volunteer opportunities. Their involvement strengthens our nationwide programs and initiatives, allowing us to make a substantial collective impact in the lives of children and families in need. Special thanks to:

- Amcor Flexibles
- Aramark
- Craftsmen Utility Trailer
- Gateway Truck and Refrigeration
- The Morning Star Packing Company



Jumping into Action: QCD Hawaii Team Supports Maui Wildfire Victims

On August 8, 2023, the Hawaiian island of Maui faced one of the most devastating natural disasters in U.S. history. Wildfires swept across the island, resulting in the loss of 102 lives and leaving two individuals unaccounted for, marking it as the deadliest event in Hawaii's history and among the top ten deadliest wildfires ever recorded in the United States. Over 2,200 structures were destroyed, more than 7,000 residents displaced, causing an estimated \$5.5 billion in damage and leading to a significant drop in tourism, which decreased by more than 30%.

In response to this unprecedented crisis, our QCD Hawaii GSF Foundation team mobilized to provide immediate and substantial aid to the victims. The GSFF Waipahu Committee, led by Assistant Chair Mike Moreno and his wife, Cyndi, initiated multiple donation drives that collected more than 15 pallets of clothing, food, and personal care items, which were swiftly distributed to Maui locations in need. Hawaii associates collaborated with customers and community partners to determine how to gather and distribute donations, as well as maintain operations and business continuity. In addition to material support, the GSFF made significant financial contributions of over \$7,500.

GSFF initiatives extended beyond immediate relief, focusing on sustainable support and rebuilding. GSFF donated \$1,000 shopping sprees for two families severely affected by the fires and provided Christmas gifts for displaced children. These actions demonstrate our deep commitment to supporting our community through holistic and heartfelt initiatives, ensuring that even as we approach the one-year anniversary of this tragedy, our support remains strong and unwavering.

The impact of these activities is a testament to the strength and resilience of the Maui community and the collective spirit of our Hawaii associates and partners, and the impact our GSF Foundation teams can make.



Workplace Health and Safety

Safety is a core value at Golden State Foods. Our mission is to facilitate a sustainable environmental, health, and safety (EHS) management system that yields continuous improvement in our safety culture. Through our expertise, synergies, and standardization of EHS structures and processes, we aspire to maintain a world-class safety culture within GSF.

At the forefront of our workplace health and safety program is our unwavering commitment to our people, exemplifying our "safety first" culture. Prioritizing associates' well-being, we have instituted comprehensive safety protocols and regular training sessions to cultivate a secure work environment. Especially as a global organization, pursuing ubiquitous safety with standardized competencies remains integral to our programs. By fostering an environment where safety is ingrained in our daily operations, we empower our associates to perform their best with the assurance that their health and security are top priority for everyone.

The global **"As One"** Safety Council comprises three sub-councils that develop, approve, and roll out programmatic standards to local teams with support from safety subject-matter experts. The council ensures the execution of improvement plans and coordinates interventions when necessary. Stakeholder engagement is critical to the council's success in monitoring performance, building capabilities, and delivering training.



The following 13 Golden State Foods facilities received the Occupational Excellence Achievement Award by the National Safety Council (NSC). Recognizing organizations with injury and illness records better than or equal to 50% of the Bureau of Labor Statistics for their North American Industry Classification System (NAICS) code, evaluation criteria include: lost workday case incident rate better than or equal to 50% of the Bureau of Labor Statistics rating for NAICS code in the past calendar year; zero fatalities during previous calendar year; and self-reported data.



GSF
Burleson

GSF
City of Industry

GSF
Conyers

GSF
Opelika

GSF Fresh!
Australia

GSF Fresh!
China – Guangzhou

GSF Fresh!
China – Xiantao



QCD
Charlotte

QCD
Indianapolis

QCD
Phoenix

QCD
Salt Lake City



KanPak
Arkansas City
(distribution)

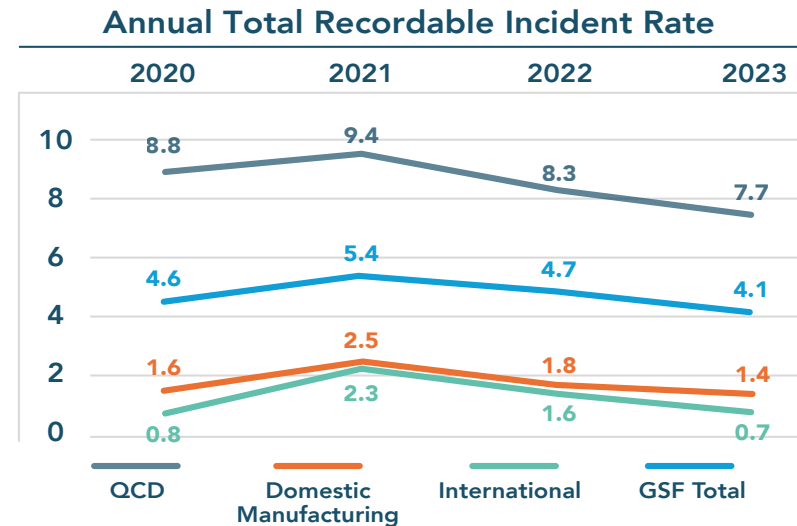
Safety Initiatives

Our dedication to workplace health and safety includes and extends beyond compliance with regulations; it is embedded in our corporate ethos. Our holistic approach ensures engagement, alignment, continuous improvement, and enhanced productivity and morale. The primary initiatives of our quality, safety, compliance, and engineering teams include:

- ✓ Robust annual corporate compliance and risk assessments at each facility
- ✓ Standardization of a Hazard Recognition/Identification program and a Behavior-Based Safety (BBS) program to support incident investigation processes, including corrective action implementation
- ✓ Executive management engagement in ensuring safety as a core value
- ✓ External safety management programs incorporated in our fleet
- ✓ All associates abiding by our universal Safety Vision and Safety Pledge

Our leaders develop actionable insights from these programs and ongoing initiatives to identify process improvement opportunities. Along with these ongoing goals, in 2023 all domestic business units completed EHS assessments encompassing twenty different categories, from management commitment to sustainability. The assessment results allows the facilities to determine areas of focus in the coming year, leading to a deeper dive in making our facilities and associates safer.


We track various metrics related to workplace health and safety to ensure our initiatives are leading to positive results, such as our total recordable incident rate (TRIR) which has continued to decrease in recent years.



Safety Leaders Gather for 2023 Summit

In early March, GSF held a two-day Safety Leadership Summit in Frisco, Texas with Environmental Health Safety (EHS) professionals, U.S. facility leaders, and corporate support teams in attendance. Designed to encourage and equip EHS professionals and facility leaders to be safety champions and improve their locations' safety culture, the Summit program focused on promoting the company's safety vision: "Everyone arrives safely; everyone works safely; everyone goes home safely."

Sessions included EHS goals, standards, survey results, and a focus on building the "as one team" safety culture locally. Among the program highlights, the Summit featured a powerful story-telling session with motivational speaker Dan Clark, an engaging active threat presentation from Frisco Police Department officers, ADA training, and an ergonomics presentation.



In 2023, Golden State Foods associates participated in the annual "Why I Work Safe" program. Launched in 2021, the program encourages associates to take a safety pledge and share what motivates their safe workplace habits. Associates shared their commitments to GSF's safety culture, spanning topics such as wearing protective gear, decluttering work areas, and controlling hazardous energy when operating machines and equipment.

Maintain The Highest Standards



At Golden State Foods, our commitment to maintaining the highest standards is deeply embedded in our environmental strategy. This dedication underscores our unwavering commitment to our associates, the communities we serve, and the well-being of our planet. As a global enterprise, we recognize the necessity of going beyond conventional business practices by integrating our environmental responsibilities. By prioritizing sustainable practices, we not only safeguard our planet but also elevate the quality of life for our communities and ensure the highest standards of excellence in all of our operations. Through this integrated approach, we demonstrate our resolve to create a positive and lasting impact on the world around us.



Climate

Reduce Scope 1, 2, and 3 GHG emissions by **22%** by **2030**
Net Zero*
 emissions across global operations by **2050**

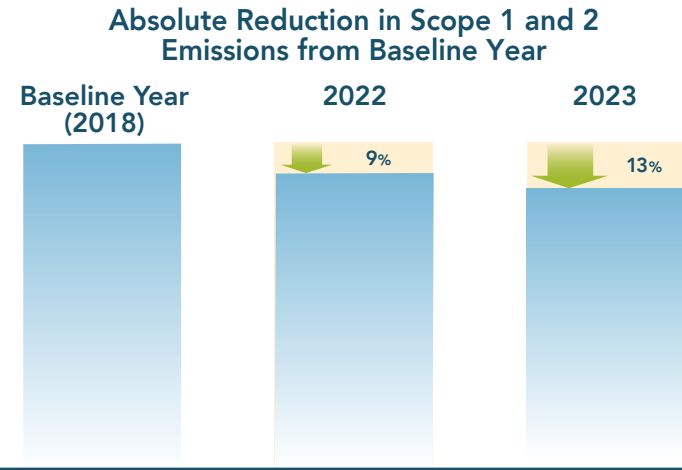
Climate change poses one of the most significant challenges of our time, and at GSF, we are committed to taking proactive measures to address it. From the ingredients we source to our operational impacts, we are acutely aware of how our associates' actions, our products' lifecycles, and our business practices contribute to our global footprint. We are actively engaging in current climate change reduction programs and developing new initiatives to enhance our positive impacts.

Our commitment to combating climate change is underscored by our greenhouse gas (GHG) emission reduction goals. We have set clear targets for both the near and long term, aiming to significantly lower our emissions across all operations.

To reach these goals, our first stage of operational efficiency improvements is underway, emphasizing facility management plans, consistent waste and refrigerant audits, and repurposing older equipment. We are engaged in cross-functional conversations to tackle immediate projects and leverage opportunities for greater impact. In addition to renewable energy projects already in action, we are exploring other renewable energy opportunities across facilities.



As previously noted in this report, Golden State Foods is committed to submitting its emission targets for validation by the Science Based Targets initiative (SBTi) by the end of 2024. This step aligns us with the global effort to implement crucial science-driven climate action. Upon completing the validation process, we will publicly communicate any updates to our reduction goals.



These calculations are based on the methodology GSF has annually used to calculate scope 1 and 2 emissions. We are continuing to refine our methodologies to ensure we are aligning with GHG Protocol and best practices across the industry.

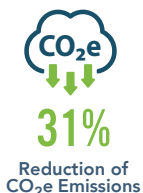
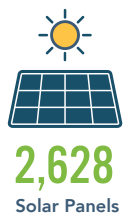
We recognize that collaboration is key to achieving meaningful progress, and we are partnering with stakeholders across the industry to drive collective action on climate change. As part of a larger global community, our efforts are aligned with international sustainability goals, reflecting our commitment to being a responsible corporate citizen. As we continue to strive to meet and achieve our emissions reduction goals, we are determined to play our part in addressing climate change and contributing to a more sustainable and resilient future for all.

In alignment with our internal climate-related goals and those of our customers, GSF has been reporting to the Carbon Disclosure Project (CDP) since 2018. We consistently respond to customer requests for information on our climate initiatives, and we observed a significant increase in these requests in 2023. Moving forward, we will continue to work with our customers, providing relevant data and collaborating on sustainable innovations where possible.



On-Site Renewable Energy: QCD Los Angeles Microgrid

To help Golden State Foods and our customers reduce emissions along the supply chain, QCD will soon build out an innovative, first-of-its-kind clean energy microgrid to power its growing fleet of Volvo VNR electric trucks. Targeting a December 2024 completion date, the new infrastructure will support fleet charging and provide unprecedented back-up power for the Southern California EV fleet and facility (more details on EV fleet on next page). QCD has partnered with Scale Microgrid Solutions to build its microgrid with our QCD Los Angeles facility.



Investing in sustainable facilities has long been a priority for GSF. Our newest facilities, including those in Opelika, Alabama; Fontana, California; and Orlando, Florida, are LEED-certified (Leadership in Energy and Environmental Design) and constructed with the environment in mind. Notably, our Orlando, Florida facility earned LEED Gold in 2017. As we move forward, GSF is committed to furthering our investment in eco-friendly infrastructure, aiming to achieve our reduction goals and contribute positively to the health of our planet.

From Food Waste to Clean Energy

In 2021, our KanPak Penn Yan, New York facility began collaborating with the Lent Hill Dairy Farm to recycle their sludge and waste tank loadouts into energy. The Lent Hill Dairy Farm, in collaboration with Ag-Grid Energy, established New York's first dairy digester project, Lent Hill Ag-Grid. The eco-friendly farm features an anaerobic digester and a combined heat and power (CHP) system, which processes 35,000 gallons of food waste and cow manure each day with an expected production of 8.7 million kW hours of renewable energy annually. In 2023, the KanPak facility recycled 3.6 million gallons of waste with Lent Hill.



Fuel

As a leading last-mile delivery partner to quick-service restaurant (QSR) customers, QCD operates 25 warehouse facilities and makes more than 35,000 weekly deliveries on average to over 8,500 store locations nationwide. With its expanding logistics footprint, QCD is committed to pursuing more sustainable business practices, creating mutual success for both QCD and its customers. Our strategy includes regular maintenance to ensure peak performance, route optimization to minimize fuel consumption, incorporating alternative fuels, and investing in advanced technologies such as electric vehicles. By continuously improving our fuel practices, we aim to enhance operational efficiency and contribute to a more sustainable future.

One of these practices includes our idle reduction program. By reducing engine idling time across our fleet, we aim to lower fuel consumption and decrease greenhouse gas emissions. This program includes driver training on best practices, the installation of idle reduction technologies, and ongoing monitoring to ensure compliance. Through these efforts, we not only enhance fuel efficiency, but also contribute to a cleaner environment and more sustainable logistics operations. In 2023, we saw a 37% reduction in idle time as a result of our program, and we expect these reductions to continue.

QCD has also implemented a comprehensive route optimization program to enhance our sustainability efforts and maintain the highest standards of service delivery to customers. At QCD's Frisco, Texas headquarters, the Operations Command Center (OCC) team centralizes transportation and warehouse support functions across our distribution centers. With AI-driven route optimization software, QCD's team of dedicated routers have developed base models and applied localized insights into newly optimized routes. Our route optimization program enables us to deliver products more efficiently, ensuring timely deliveries while supporting our goals of fuel efficiency and emissions reduction.

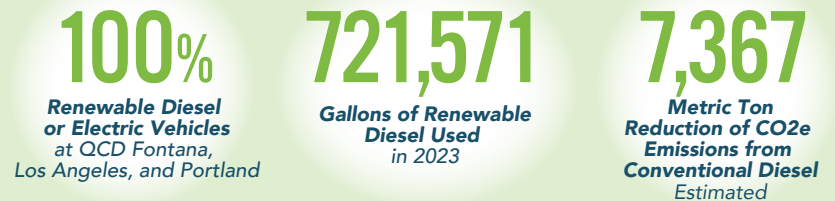


Since 2011, QCD has been a partner with SmartWay, a public-private program created by the EPA in 2004 to help improve the environmental impact of supply chains, reduce fuel usage and improve performance, and positively impact the economy overall.

The partnership works to help companies develop their supply chain sustainability through measurement and monitoring of fleet sustainability programs, education, collaboration, and strategy support.

Greening Our Fleet

QCD is increasing its commitment to zero-tailpipe emission freight transport with electric vehicles, a central part of the strategy to help our customers reduce their supply chain emissions. This commitment includes an investment in 45 Volvo VNR Electric trucks, with 7 already making last-mile deliveries in the QCD Fontana market. With a range of 180 miles, the Volvo Electric VNRs have proven well-suited for Southern California last-mile delivery routes servicing customer stores in urban and suburban markets. The remaining tractors and trailers in our fleet at QCD Fontana, QCD Los Angeles, and QCD Portland run on 100% **Neste MY Renewable Diesel**, made from 100% renewable materials. This product has proven to be as dependable as Ultra Low Sulfur Diesel (ULSD), while providing a much cleaner output from our engines, with zero recognizable impact to our operation.



Over 54% of QCD distribution centers have also implemented shore power, which utilizes electricity to power refrigerated trailers on-site instead of running onboard diesel generators, significantly reducing emissions and costs. QCD continues to increase its shore power usage, with plans to increase across facilities in 2024.

	2022	2023
Electric Hours Using shore power instead of fuel	277,336	324,618
Avoided GHG Emissions From using shore power instead of fuel (Accounts for emissions from electricity use)	1,239 Metric Tons CO ₂ e	2,186 Metric Tons CO ₂ e

Assuring Supply

Ensuring a stable and sustainable supply of ingredients is fundamental to GSF's operations and our commitment to sustainability. We recognize that a resilient supply chain is essential for meeting the needs of our customers while upholding our environmental and social responsibilities. In an era of increasing environmental volatility, this resilience is more crucial than ever. Weather patterns and climate change pose significant threats to the stability of our ingredient supply. Extreme weather events, such as droughts, floods, and hurricanes, can severely impact crop yields and lead to shortages of essential ingredients. These disruptions highlight the importance of building a supply chain that can adapt to and withstand environmental challenges.

Part of our strategy involves diversifying our supplier base to mitigate the risks associated with dependency on a single source or region. GSF has reduced the number of sole suppliers by 16% over a 12-month period, primarily a result of a comprehensive 2023–2024 RFP. Several active projects will add dual sourcing to our portfolio and create a substantial cost savings opportunity for packaging and raw materials in 2024–2025. We actively seek out partners who share our commitment to sustainability and supply chain resiliency. Through these partnerships, we aim to drive positive change throughout the entire supply chain.

To further assure supply, we continuously monitor and forecast to anticipate fluctuations and adjust our sourcing strategies accordingly. For example, the sugar market experienced an unprecedented number of force majeure within the last year leading to sugar being one of the top production disruptors in the food industry. In addition to heavy rains and freezes impacting beet crops, the market is still recovering from the supply shortage. Our focus on assured supply best practices enables us to avoid production disruptions. Although these industry-wide disruptions were not limited to our suppliers, our team pre-booked sugar commitments for all liquid product facilities to ensure availability through 2024. The RFP invited more suppliers, resulting in an 11% savings year-over-year for 2024–2025.

Additionally, GSF maintains ingredient certifications to reduce our environmental footprint, uphold domestic and international regulatory requirements, and support ingredient sourcing from sustainable growers. This includes our cocoa suppliers' compliance with the Rainforest Alliance (RFA) for certified massed balanced cocoa. Certification supports our goals to minimize social and environmental risks throughout the supply chain, including deforestation practices and human rights risks.



Furthermore, farmers benefit economically and socially from selling their cocoa as RFA-certified due to improved working conditions and higher incomes. Additionally, all palm oil within GSF's products is Certified Sustainable Palm Oil (CSPO) through the Roundtable on Sustainable Palm Oil (RSPO). Audits for both RFA and RSPO are conducted annually to maintain compliance.

Our commitment to assuring supply is an ongoing process that requires continuous improvement and adaptation. We are dedicated to monitoring global trends, assessing potential risks, and implementing proactive measures to ensure that our supply chain remains robust and sustainable. By staying ahead of the curve and embracing innovation, GSF is well-positioned to meet customers' while contributing to a more sustainable and resilient food system. In doing so, we not only safeguard our operations against the impacts of climate change, but also support the long-term viability of the agricultural communities we depend on.



At GSF, we are dedicated to tracking our scope 3 emissions, which encompasses all indirect emissions in our value chain, including those from purchased ingredients. Monitoring these emissions is crucial for understanding the full environmental impact of our operations and supply chain. We are continuously seeking to enhance transparency in our supply chain to accurately measure our footprint. By diligently tracking and analyzing this data, we can identify key areas for improvement and work towards reducing our carbon footprint throughout our procurement processes.

Water



Reduce water intensity **30%*** across all global facilities by **2030**

Water is a critical resource in our manufacturing processes, and at GSF, we recognize the importance of responsible water management to our sustainability goals. To reach our water reduction goal, we are implementing practices across our facilities to reduce consumption and improve efficiencies. This includes water leak detection and repair programs, clean in place and sanitization optimizations, use of dry clean up methods instead of hoses, and optimization of cooling towers so the water can be used as many times as practical. GSF has also invested in treating and recycling wastewater across facilities.

By engaging in regular water reduction strategies and setting water reduction targets, we strive to identify opportunities for further improvements and ensure compliance with all relevant environmental regulations.

KanPak Recognized for Wastewater Approach

In late 2023, the Kansas Water Environment Association recognized the KanPak U.S. team in Arkansas City, Kansas with a Wastewater Treatment Plant Award for the facility's wastewater treatment plant. Nominated by the City of Arkansas City, KanPak earned the award for exemplary communication and operational efficiency. To select plant operators that demonstrate

outstanding plant operation and maintenance, the

award criteria include plant performance, comprehensive plant records and files, state of plant maintenance, maintenance records, schedules, programs, and the general appearance of the plant and grounds.



Waste



Achieve
Zero-Waste
to landfill at all global
facilities by **2030**

At GSF, we are committed to minimizing waste and implementing zero waste to landfill strategies as part of our sustainability initiatives. By diverting waste from landfills, we can reduce our carbon footprint and contribute to a circular economy. We are actively engaged in finding solutions to reduce, reuse, and recycle materials across our operations.

To achieve this, we implement training programs at our facilities, educating associates about the waste management systems in place, emphasizing the importance of waste reduction. We seek to empower our teams with the knowledge and skills they need to create a workforce that is both aware of and actively engaged in our waste reduction goals.

In addition to training, we are operationalizing efficiencies to minimize waste generation. This includes optimizing production processes, identifying areas of improvement, and leveraging machine learning to reduce material waste based on equipment waste reports.

Starting in 2024, GSF will be using a universal domestic waste vendor across facilities to enhance our waste management practices. By consolidating our waste management efforts into a single platform, we aim to:

- **More accurately track waste generation, diversion, and disposal**
- **Identify reduction opportunities and increase our recycling rates**
- **Optimize waste management services and reduce costs**
- **Gain deeper insights into our waste streams**
- **Support sustainability initiatives through transparent reporting**

This strategic move aligns with our commitment to sustainability and our goal of achieving zero waste to landfill.

Starbucks FoodShare Program: Reducing Hunger, Reducing Waste

In an effort to combat food insecurity and reduce food waste, QCD supports Starbucks' Foodshare program. QCD leverages its logistics prowess and existing refrigeration capabilities to pick up chilled and ambient donations from stores and deliver to nonprofits and food banks. This initiative helps to combat hunger, providing nutritious meals to individuals and families, while simultaneously preventing food from ending up in landfills.



QCD has been a strong supporter of the Starbucks' FoodShare program since its inception in 2019. In August of 2023, at the Starbucks Distribution and Provider Summit, Starbucks recognized two QCD distribution center teams for their excellence in supporting the Starbucks FoodShare program.

Honored with the "Super Sustainer" award, QCD Denver earned this accolade by maintaining consistent donation pick-ups from stores and deliveries to drop-site clients; staying in constant communication; and ensuring quality execution, while maintaining a growth mindset and collaboration. As the "Community Champion" honoree, QCD Miami's award resulted from the team actively engaging community; adapting processes to meet the needs of drop-site clients; improving communication; and independently supporting and partnering with local hunger relief organizations.

By diverting surplus food from the waste stream, we can help reduce impacts on the environment, as decomposing food in landfills releases methane, a potent greenhouse gas, causing food waste to be a significant contributor of greenhouse gas emissions. This program exemplifies our dedication to contributing to a circular economy, where resources are utilized to their fullest potential and waste is minimized. We will continue collaborating with our partners on waste reduction programs that can help grow the circular economy.

Packaging

As we strive to align our operations with our environmental goals, sustainable packaging stands out as a critical area of focus. Our cross-functional teams, including engineers, product developers, sales personnel, and sourcing experts, work diligently to balance the demands of quality, shelf-life, and sustainability. This collaboration is crucial in developing packaging solutions that maintain the integrity and safety of our products, while minimizing their environmental footprint. As new alternative materials become available, our teams are dedicated to integrating these innovations into our packaging processes, ensuring that we continue to lead with environmentally responsible practices.

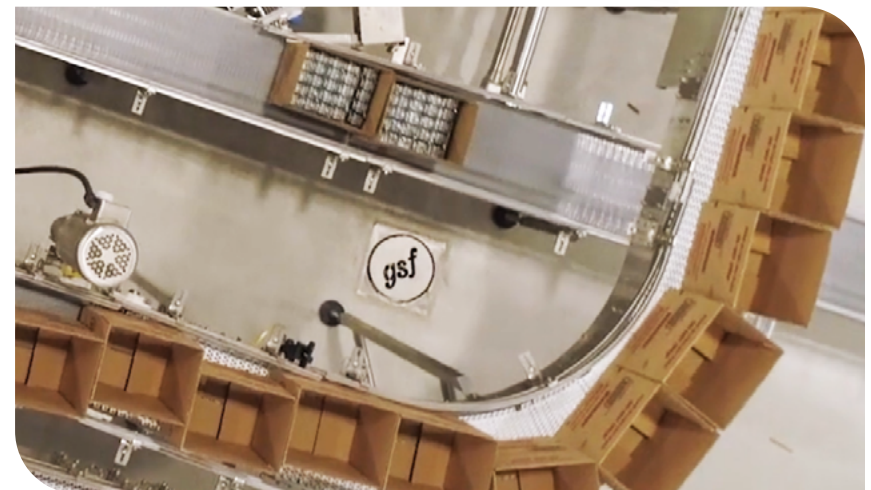
The team's current focus is within a 'test-and-learn' environment that leverages ongoing trialing aimed at achieving reductions in our Scope 3 emissions via the inclusion of inclusion of post-consumer recycled (PCR) content and development of recycle-ready materials. Another example of our team's contribution to sustainable resource management is the integration of certified recycled and PCR content within our corrugated packaging. Roughly 75% of LPNA's corrugated packaging consists of PCR content.

Through ongoing collaborations with our customers and suppliers, we are committed to finding and implementing sustainable solutions, driving forward our mission to enhance environmental stewardship across all aspects of our operations.

Working with Our Suppliers for Positive Impact

In 2023, the Liquid Products Conyers, Georgia and KanPak Arkansas City, Kansas teams received Environmental Impact Awards from GSF's corrugated supplier, Pratt Industries, the world's largest privately held 100% recycled paper and packaging company. GSF was recognized for their environmental sustainability results from the previous year: GSF saved nearly 245 million gallons of water and about 140 million kilowatt hours of power through its use of sustainable solutions with Pratt Industries. Additionally, GSF's use of recycled corrugated in 2022 diverted more than 115,000 cubic yards of waste from landfills.

Through ongoing collaborations with our customers and suppliers, we are committed to finding and implementing sustainable solutions, driving forward our mission to enhance environmental stewardship across all aspects of our operations.



Environmental Management

At GSF, environmental management is an important tenet of our sustainability strategy, ensuring we minimize our impact on the planet while fostering responsible growth. An Environmental Management System (EMS) helps provide GSF operational facilities with a structured framework for managing our environmental impacts. This includes setting measurable environmental objectives, conducting regular audits, and continuously improving our practices. By implementing a robust EMS, we ensure compliance with environmental regulations, mitigate risks, and enhance our overall environmental performance.

In 2023, Our Opelika, Alabama Protein Products facility completed implementation of its EMS certification to ISO 14001, demonstrating the facility's ongoing efforts to apply sustainable practices within its operations. The globally recognized ISO 14001 standard outlines a framework for companies to design and implement their environmental



management systems and ensure continual improvement of environmental impact. The Opelika manufacturing facility joins GSF Conyers, Georgia as the second domestic manufacturing facility to achieve this certification, in addition to all of GSF's facilities in Australia and New Zealand.

In 2024, we will continue expanding implementation of formal EMS programs across our domestic manufacturing facilities.



GSF collaborates with the Meat Institute (formerly known as North American Meat Institute) in support of the Protein PACT's five goals covering animal welfare, environment, food safety, health and wellness, and labor and human rights. The Protein PACT works to enable the supply chain to collaboratively advance the People, Animals, and Climate of Tomorrow. Environmental indicators for the goals include energy, water, solid and food waste, land use, and supplier commitments. As a stakeholder in the continuous improvement of beef supply chain sustainability, the goal is for 100% of the Meat Institute members to have an approved science-based Greenhouse Gas Emissions reduction target by 2030.



Environmental Program of the Year Recognition for QCD

In mid-December, the Best in Biz Awards recognized QCD with a 2023 Gold Award for Environmental Program of the Year. With fleet electrification, renewable diesel fuel, and solar energy initiatives advancing QCD's sustainability journey in recent years, this award showcases the industry-leading innovation and continuous improvement priorities that QCD continues to champion throughout its U.S. foodservice logistics operations.



Agricultural land management is critical in preserving biodiversity and reducing operational carbon footprints. In partnership with Texas A&M University, GSF is collaborating on a five-year research study to better understand the actions and protocols necessary to reduce the carbon footprint of beef cattle production in the U.S. The outcome will be best practices that can be passed from ranchers to distributors, restaurants, and consumers. The project has received match funding from the Foundation for Food & Agriculture Research (FFAR), and we expect the project to kick off in 2025. We look forward to sharing our progress in the coming years.

Make the Best Product



At Golden State Foods, our commitment to deliver the best quality product encompasses a holistic approach to quality, regulatory compliance, risk management, and ethical practices throughout our business. These ideals meaningfully intertwine with our dedication to developing innovative solutions that support the unique needs of our customers and enrich our valued partnerships for the long-term. By fostering a customer-focused approach throughout our organization, we ensure that our practices not only meet but exceed customer expectations, reinforcing the trust and reliability that define GSF. Our unwavering focus on excellence drives our mutual success with customers and upholds our core values.



Product Quality and Safety

Quality and safety are the key ingredients to upholding Golden State Foods' brand and what makes us the company we are today. It's our secret sauce.

At GSF, our dedication to food safety and quality is unwavering. We understand that these elements are foundational to our business and essential for maintaining the trust and confidence of our customers. By integrating rigorous standards, continuous monitoring, and innovative practices into our operations, we strive to set the benchmark for excellence.

Every processing plant in the United States undergoes federal inspections by the USDA or USFDA, complemented by our stringent internal programs and external third-party audits. These third-party audits include certifications from globally recognized bodies such as the Global Food Safety Initiative (GFSI), which benchmark our practices against the highest international standards. In 2023, most GSF locations hosted unannounced IFS audits for the first time, and our teams conducted consistent preparations to earn successful scores. Additionally, we hosted 67 customer-specific audits in 2023, as we always seek to provide customers transparency and excellence in the products they receive. These audits not only verify our compliance, but also provide valuable feedback that we use to continuously refine and improve our processes.

Internationally, our facilities adhere to country-specific regulations, such as the National Food Safety Authority (NFSA) in Egypt, the State Food and Drug Administration (SFDA) in China, and the Ministry for Primary Industries (MPI) and Food Standards Australia New Zealand (FSANZ). Additionally, GSF Fresh! facilities in New Zealand, Australia, and China are equipped with fully staffed quality assurance laboratories. Both domestically and internationally, we ensure quality monitoring and verification across the entire supply chain, from receiving to distribution. We have implemented specific food safety and quality controls which are critical to maintaining the highest standards of safety and quality, as evidenced by our strong audit scores and certifications.

92% of our manufacturing facilities are Global Food Safety Initiative (GFSI) certified.

Ten of the 12 GSFI-certified manufacturing facilities obtained the highest possible rating on their audits. Eight facilities received the highest score of "AA" rating for their BRC (British Retail Consortium) audits, and two facilities received the highest score of "E" rating for their SQF (Safe Quality Food) audits. Additionally, all QCD facilities received a score above 95% in their annual International Featured Standards (IFS) certification audits. Audits also extend beyond the walls of our facilities. For example, our ingredient and packaging materials vendors must pass an annual independent food safety audit.

Enabling Technology

As a company, Golden State Foods embraces the transformative potential of enabling technologies and the positive impacts it can have on our food supply chain. In order to best safeguard food safety and bolster regulatory compliance, we have implemented AI-based solutions that revolutionize our approach.



Given that GSF ships products to over 50 countries, the dynamic regulatory landscape is challenging. GSF has recently implemented RegAsk, a regulatory research service which leverages AI to automate expert research and compliance. This solution continuously scans and interprets global regulatory updates, allowing GSF to stay up to date with regulatory changes globally and have strategic insight for the business, ensuring that we remain at the forefront of compliance in an ever-evolving landscape.



FOODAKAI, an emerging food safety risks monitoring and prediction tool, also supports our food safety and quality team. FOODAKAI provides live food safety data and risk assessment and prediction throughout our ingredients' supply chain. We believe in the power that cutting-edge technology can have on ensuring the quality and safety of the food we provide.

Through GSF's global technical expertise, every food safety plan is science-based and validated. As part of our risk management process, GSF implements Hazard Analysis Critical Control Point (HACCP) plans to identify and mitigate all manufactured products' physical, chemical, and biological hazards. Guided by risk assessment results, internal and external stakeholders continually review food safety programs to identify improvement opportunities.



Furthermore, an environmental monitoring program (EMP) is in place to avoid food contamination due to pathogens. Certain GSF facilities use EnviroMap, a cloud-based environmental monitoring solution. EnviroMap provides GSF associates with real-time monitoring and analytics, multi-facility oversight, alerts and strategy, and real-time analytics to streamline operational processes while remaining safe.

Third Annual GSF Food Safety Awareness Week

GSF's Food Safety Awareness Week from June 5-11 expanded upon the United Nations' June 7 World Food Safety Day, which draws global attention to the critical role that safe food plays in our lives and the health consequences of contaminated food and water. Through facility activities, informational materials, and an online quiz opportunity, GSF's annual Food Safety Awareness Week seeks to inspire all associates to take action to help prevent, detect, and manage food safety risks that lead to foodborne illnesses and food poisoning. New in 2023, GSF created a short whiteboard to highlight the top Good Manufacturing Practices, which guide associates in efforts to minimize the potential for adulteration or contamination of manufactured food products.

FSQR Leadership Recognized

During McDonald's 2023 North American Supply Chain Summit in early September, McDonald's recognized Mariana Manole, GSF's Senior Vice President, Quality, Food Safety and Regulatory Affairs, for consistently demonstrating her commitment to Food Safety and Quality.

The prestigious "Elevating the Arches" awards recognize McDonald's supplier partners for their stand-out actions over the past two years that have resulted in quantifiable and impactful results for McDonald's business and its customers. Since 2020, Mariana Manole has worked to strengthen GSF's Food Safety Culture and to engage associates at all levels to commit to Food Safety and Quality by creating a behavior-based management system called the Golden Standard.



In alignment with a continuous improvement culture, quality and food safety trainings are prioritized for 100% of our associates to understand changing regulatory requirements, food safety programs, and to generally ensure the safety and high quality of all food we make and distribute. For example, QCD warehouse workers and drivers receive annual training in product care and handling to support each distribution center's (HACCP) certification.

The most essential ingredient in our products and services is our care for them. The power of our team differentiates GSF within the industry as a leader in technology-enabled food safety and quality systems. We have a positive, trusted reputation in the industry, with our customers, suppliers, and stakeholders. We strive every day to maintain that trust and mutual respect through our ongoing actions and high-quality service.

Customer Satisfaction

Feedback from customers and consumers is a crucial ingredient in our research and development. For the past decade, Golden State Foods has consistently conducted customer surveys to gather insights and identify areas of opportunity for continuous improvement. GSF began its proprietary customer survey process in 2014 for one business unit, and over the years, the survey process has grown to include all business units and customer segments.

With an expanded approach, GSF surveys key customers across three business units globally. The 2021–22 survey was the largest survey to date and included over 100 customer participants representing 17 countries. The survey process has been instrumental in helping GSF to stay well-aligned with its key customers and their priorities and has been recognized as a best-in-class process. By establishing a base measurement, we are able to measure our overall level of customer satisfaction and make strategic adjustments where need. We are pleased to share that GSF satisfaction scores have trended upward with each survey implemented.



Customer satisfaction and engagement are paramount to our business. We regularly work with our customers on new products, limited-time offerings, and research. We understand that staying attuned to consumer attitudes toward brands, flavors, and behaviors is essential for our customers' success. To this end, we continuously monitor market trends and consumer preferences, analyzing data to identify emerging patterns and shifts.

For example, GSF recently surveyed thousands of QSR consumers to dig deeper into their beverage behaviors. These insights were then shared with customers to provide valuable guidance on their beverage strategies. We also regularly conduct proprietary research studies on sauces, ketchup and other key products to be at the forefront of flavor trends and consumer attitudes impacting these critical areas. Our commitment to trend-tracking enables us to deliver valuable insights and cutting-edge solutions that help our customers stay ahead of the curve.



Giving the Customer a Fair Deal

We conduct honest and well-intentioned business with our customers and suppliers to ensure their utmost satisfaction. Our customer-first mentality is what continues to set us apart from our competitors. The willingness to partner and collaborate with customers as a reliable and transparent solutions provider is critical to who we are as one GSF. We maintain a pulse on the market to provide direct transparency to customers, enabling them to act nimbly in response to market shifts.

Relationships with customers and suppliers are a core focus to ensure consistent performance, drive a creative culture, and allow customer satisfaction to flourish. Our enduring partnership with McDonald's stands as a testament to our commitment to collaboration, innovation, and customer dedication, in our seventh decade of doing business together. With this unique footprint and brand loyalty, our system knowledge and depth of expertise are unparalleled. As a result, our product quality and customer satisfaction continue to shine through many decades later.

This resilient relationship was recognized during McDonald's 2023 North American Supply Chain summit in September of 2023. GSF leaders were recognized with three "Elevating the Arches" awards for their valued contributions. These recognitions included GSF's Liquid Products North America team receiving the "As ONE" award in recognition of its efforts to work cohesively with the other liquid products suppliers, implementing a collaborative approach to support one another during reformulations, demand spikes, and various crises.

"It's such an honor for our leaders and our Liquid Products teams to be recognized in this manner. Golden State Foods has enjoyed our long-term partnership with McDonald's over many decades, and we're proud and grateful for the opportunity to continually earn our customer's business every day."

— Eric Treon, GSF's Group Vice President,
Global McDonald's Business Unit



Innovation

Continuous improvement and innovation are at the core of what we do, enabling us to adapt and grow in an ever-changing market landscape. We prioritize the use of new enabling technologies and processes that not only enhance our product offerings, but also redefine how we operate. By continually investing in research and development, we are able to meet the evolving needs of our customers, while also streamlining our operations for increased efficiency and reduced costs.

In order to maximize innovation in our offerings, Liquid Product North America and KanPak has a collective 27-person product development team that continues to grow. In 2023 alone, our team created over 3,140 product prototypes, serviced over 775 projects, and launched nearly 150 new products. These dedicated teams craft products that meet and consistently surpass the needs of our valued customers. They maintain a steadfast commitment to innovation in product offerings, while diligently integrating environmental considerations.

Golden State Foods stays on the cutting edge by using artificial intelligence (AI) applications throughout their operations, influencing continuous improvements in food safety, quality, service, sourcing, operational efficiencies, and numerous other aspects of the business. In 2023, GSF leaders engaged in speaking opportunities to share their thought leadership based on GSF's continued pursuit of emerging technologies.



Patty-packaging robotics in use at Protein Products facility in Opelika, Alabama.

Tim Bates, GSF's Corporate Quality Systems Director, Logistics, contributed to this during an August 2023 Food Logistics webinar, titled "AI in Unexpected Places: Applications for Cold Chain Temperature Management." Key topics included the use of AI in predicting core product temperatures, preventing unnecessary maintenance and detention time with predictive analytics, and increasing visibility for suppliers and their customers.

Efficient Digital Supply Chain (EDSC)

In recent years, GSF has undertaken phases of piloting RFID technology (Radio Frequency Identification) to enable a more automated, digital supply chain. The EDSC initiative, powered by GS1 Standards, facilitates automated tracking, tracing, and monitoring of case data, enhancing end-to-end visibility from product processing and packaging through last-mile distribution. In recent years, GSF initiated proof-of-concept trials, followed by piloting within facilities. Expansion of testing is underway and will continue into next year. The RFID-enabled solution offers game-changing potential to apply to any product packaged in corrugate.

GSF's Chief Technology Officer, Guilda Javaheri, was recognized for her "System-first" leadership on the EDSC initiatives by McDonald's, earning their "Elevating the Arches" award. At the forefront of driving and scaling innovative action, Guilda has spearheaded efforts to concept, pilot, refine, and commercialize EDSC innovations.

Innovations at Opelika

Over the past two years, GSF's Protein Products team in Opelika, Alabama, has significantly advanced its continuous improvement efforts, enhancing efficiency and bolstering food safety and quality. The team has integrated robotic technology into patty-packaging operations, maintaining speeds of 980 patties per minute per line with potential increases to 1,200 as forming technology advances. This shift boosts efficiency by an estimated 15% and transitions associate roles from manual packing to robotics operation.

The Opelika facility has also implemented inline automatic scaling and vision systems to ensure precise packaging of 380 patties per case, a task that was previously manually challenging on the high-speed production line. The automatic scaling system accurately counts and adjusts patties in the case accordingly. Additionally, the newly installed vision system enhances quality control by detecting and rejecting misshapen or contaminated patties from the production line. The new system not only improves detection, but also allows a more targeted rejection process, ensuring superior product quality for GSF's customers.

The Supplier of Choice

As a leading supplier in the industry, our commitment to sustainability and operational excellence defines our role as the supplier of choice for our partners. We achieve this through a relentless focus on end-to-end collaboration, which enhances supply chain resiliency and incorporates best-in-class sourcing and digitization strategies.

Our fundamental objectives include:

- **Proactive and agile supply chain solutions**, ensuring we can swiftly adapt to changes in market dynamics and supply challenges. By implementing advanced forecasting and responsive logistics practices, we maintain continuity and reliability in supply, even under fluctuating market conditions. This agility supports our partners' needs for assured supply solutions, minimizing disruptions and optimizing operational efficiency.
- **Prioritizing best-in-class sourcing process and technology integration**, ensuring our strategic sourcing initiatives are supported by robust digital platforms that enhance transparency, increase efficiency, and reduce risks.

To continue to drive each GSF business forward, the strategic sourcing team's key priorities in the year ahead are to:



- Encourage the "one-team" approach through best practices and learnings, innovation forums, talent development and retention, and team engagement across GSF businesses.
- Invest in sustainability, supply chain visibility, packaging innovation, technology, and diversity programs.
- Identify opportunities to expand minority business-owned partnerships.
- Implement supplier segmentation and performance reviews.
- Drive financial leadership through cost savings and end-to-end waste minimization.

Suppliers and vendors are encouraged to recommend innovative solutions to support GSF's sustainability goals for goods, materials, and services as part of the integrated food supply system. In addition, GSF's procurement team continues to assess our global value proposition to work towards mutual success with our suppliers and vendors.

"Rock Stars" of the Supply Chain

Two GSF leaders earned 2023 Rock Stars of the Supply Chain Awards from Food Logistics, the only publication exclusively dedicated to covering the movement of products through the global cold food supply chain. Joining four past GSF honorees, this year's influential individuals include GSF's Dawn Warner, Director, Inventory Management, Liquid Products North America, and Trisha McRoberts, Group Vice President, Strategic Sourcing. Both Dawn and Trisha continue to advance the cold food supply chain with key initiatives and sustainable practices that support customers and the industry overall.



- **Investing in our people and building a robust structure for the future**, recognizing that our people are central to our success. We have refined our organizational structure to create both generalized and specialized roles focused on raw materials and packaging. This specialization enhances our capabilities in key areas such as transforming our packaging portfolio to be more sustainable and efficient.

Supplier Diversity

In alignment with our Creed and Values, the GSF Supplier Diversity program was created with the objective of building long-term relationships to procure goods and services from diverse suppliers that represent the communities where GSF associates live and work and where our customers are served.

The Supplier Diversity core team, established in the spring of 2020, defined our baseline spend and outlined measurable targets to deliver on the following primary goals:

1. Ensure diverse suppliers participate in the bidding processes
2. Partner with upstream suppliers to support the improvement of diversity spending and facilitate the certification process
3. Leverage third-party organizations through regular benchmarking activities
4. Gain memberships in supplier diversity resource councils

As a result of the GSF Supplier Diversity Program, our diversity spend went up 8% YOY, with 40% more diverse suppliers participating in the bidding processes. Additionally, we saw a 5% growth YOY of our diverse suppliers that are certified. In 2023, GSF also became members of the Diverse Manufacturing Supply Chain Alliance (DMSCA), allowing us to engage with best practices across the industry.

	2022	2023
Total Diversity Spend	24%	32%
% of Bidding Processes where Diverse Suppliers Participate	50% <small>(transportation & indirect)</small>	90% <small>(transportation, spice, packaging, food additives)</small>
% of Diverse Suppliers that are Certified	21%	26%



GSF is excited to continue growing this program to impact all upstream and downstream suppliers and engaging with the communities in which we operate.

Human Rights

We believe that all people should be treated as we would like to be treated. Human rights are a fundamental pillar of our corporate social responsibility and a critical aspect of our ESG commitments.

As part of our dedication to ethical business practices, we rigorously uphold human rights across our supply chain. This commitment ensures that every entity—from our direct suppliers to sub-contractors—is engaged in practices that respect and promote human dignity. Our human rights policies include standards on human rights within our supply chain, including forced labor, safe and fair working conditions, freedom of associates, and child labor. Violations of human rights are monitored and addressed across supply chains to make sure we represent and act upon justice for all.

We work with our communities to understand their interests and ensure there are viable employment opportunities supported by decent wages. To support this evaluative process, associates, as active members, officers, and leaders of their communities, are encouraged to report any instance in which an act of someone not being treated with respect and equality is witnessed. GSF's "Speak Out" hotline provides a confidential platform for all individuals to freely ask questions and raise concerns without fear of retaliation.

Leveraging Technology in our Supply Chain

In our ongoing efforts to enhance supply chain efficiency, ensure compliance, and drive cost savings, we employ cutting-edge technologies for our contract management system and bidding tools. Our contract management system, powered by artificial intelligence, streamlines the management of contractual obligations. This ensures all agreements meet our ethical standards and helps prevent compliance risk, in addition to enhancing operational efficiency, process speed, and identifying opportunities for cost savings. Our enhanced bidding tools optimize our procurement strategy, helping to support our goal of maintaining a diverse supplier base, drive costs down, and enhance our decision-making process. These tools not only support our commitments to ethical standards, but also contribute to broader operational successes.

Animal Welfare

Golden State Foods takes a proactive approach to animal welfare, recognizing it as a key component of our ESG commitments, especially given our significant production of hamburger patties and beef products each year. We believe that ethical treatment of animals is not only a moral obligation, but also critical to the quality and sustainability of our products.

Golden State Foods, while not directly involved in animal handling, plays a vital role in promoting animal welfare through our supply chain. Our approach centers on policies and requirements that our suppliers must meet to ensure responsible treatment of animals.

To ensure standards of animal welfare are maintained, protein vendors are required to adhere to guidelines and practices to maintain transparency and accountability. This includes signing customer provided Code of Conduct and expectations, multiple annual audits (including unannounced inspections), and encouragement of suppliers to follow the Meat Institute Animal Handling Guidelines and Audit Guide.

As Golden State Foods does not handle animals, our role in animal welfare is in an effort to influence our supply chain. We track our suppliers' compliance with these standards, engaging with them to drive continuous improvements. To date, GSF's beef suppliers have outstanding animal welfare programs in place. By holding our suppliers to these high standards, we ensure that our involvement in the supply chain supports ethical practices and contributes positively to the broader goals of animal welfare.



In addition to standards upheld through the Meat Institute, USRSB, and PAACO (Professional Animal Auditor Certification Organization), we encourage our suppliers to recognize the Five Freedoms, an international set of humane animal treatment standards. Established in 1965, these requirements include freedom from discomfort, disease, and distress.

Formed by a diverse group of beef value chain participants, the U.S. Roundtable for Sustainable Beef (USRSB) is a multi-stakeholder initiative



working towards advancing the sustainability of beef production. GSF's leadership with the U.S. Roundtable for Sustainable Beef (USRSB) began as a charter member in 2015. Dr. Wayne Morgan, GSF Corporate Vice President and President, Protein Products and Operations Support Services, served as Chair from 2020 to 2021 and has led various working groups.

Deemed as high priority by the roundtable's leadership and members, USRSB has developed key goals, including the following environmental indicators: air and greenhouse gas emissions, land resources, and water resources. GSF focuses on progressive metrics detailed by USRSB to ensure optimal animal health and well-being, including operational awareness, supplier collaboration, ongoing measurement, and reporting against USRSB's targets.

We are firm in our belief that addressing sustainability issues is not only good for society, but is reflective of good business practices. Therefore, we encourage every beef supplier to utilize the USRSB strategic plan to continuously improve sustainable practices. GSF is also a member of the Global Roundtable for Sustainable Beef, an international organization also working towards advancement of sustainability in the beef value chain.

Data Privacy and Security

GSF's information technology (IT) team members are the key ingredient in enabling the business to be an industry leader in unleashing innovative, agile solutions worldwide.

Emerging technologies, security threats, and the growing demand for information services create many opportunities and challenges. We embrace new solutions, including robotics, automation, data science, cloud, and the Internet of Things (IoT), to accelerate our transformational journey.

In today's digital landscape, ensuring the confidentiality, integrity, and availability of our information assets is essential for maintaining the trust of our customers, partners, and associates. Ensuring that our data remains secure at all times, we take measures that help protect sensitive information from unauthorized access, data breaches, and cyber threats.

Furthermore, we understand that data privacy and security are not just technical issues, but also involve fostering a culture of awareness and responsibility. We conduct regular trainings and awareness programs for our associates to ensure they understand the importance of data protection and are equipped to handle data securely and grow technology skills. This holistic approach helps to embed data privacy and security into our organizational culture, ensuring that it is a shared responsibility across all levels of the company.



Risk Management

At Golden State Foods, robust risk management is integral to our commitment to operational excellence. We recognize that identifying, assessing, and mitigating risks are essential to maintaining the integrity of our business and the trust of our stakeholders. Our comprehensive risk management framework encompasses all aspects of our operations, from supply chain management and regulatory compliance to environmental impact and social responsibility.

The risk management team is a unified group of high-performance professionals dedicated to supporting organizational risk management, insurance and claims processing, and associate benefits administration. They endeavor to protect corporate assets and minimize liability across the enterprise through practical and cost-effective initiatives that reduce operational risks, including:

- Standardization of incident reporting and causal-loss analysis
- Proactive claim management and loss prevention activities
- Implementation of best practices for regulatory compliance

Our risk management strategies are built on a foundation of data-driven insights and ongoing monitoring. In the internal and external environment, monitoring changes is crucial for achieving our goals and maintaining the trust of our customers, associates, and the communities we serve. This process is constant, as a means to evaluate and mitigate the types of risks that are in our ability to control.

Through these efforts, GSF demonstrates its dedication to maintaining a secure and sustainable operation, ultimately driving long-term value for all our stakeholders.

GSF Corporate IT Team Recognized for Integration Excellence

In October 2023, Golden State Foods received a Customer Innovation Platinum Award from vendor partner, Boomi, an intelligent connectivity and automation leader. GSF's Corporate IT team earned recognition in the Integration Excellence Category. The Boomi platform supports a collection of cloud applications that now function together on the last-mile delivery drivers' devices to help transportation operations run smoothly and safely across GSF's U.S. network of 25 distribution centers. Boomi's Platinum honorees demonstrated business impact through exceptional, quantifiable results; digital transformation; innovative projects; social impact; modernization; integration excellence; and automation excellence.

Looking to the Future



"For our ESG work, 2023 was a year of solid progress. We added several local Foundation Committees, reduced our operational greenhouse gas emissions, and improved our information systems to enable data-driven decision-making and continual improvement. Our continued focus on safety led to improvement in injury rates and numerous facility safety awards. With strong support from leadership and daily execution from our associates, GSF will continue to contribute to a more sustainable and equitable future."

— PJ Newcomb,
Global Director of Sustainability

About this Report

Golden State Foods' annual ESG Impact Report details the company's global commitment to corporate responsibility practices, metrics, strategies and performance for the 2023 fiscal year (ended December 31, 2023). GSF is dedicated to regular and transparent communication and intends to publish an annual impact report to demonstrate progress related to all business units, emphasizing our material issues, announcing environmental sustainability goals, initiatives, and progress, and future policies. Additional information about our company is available at www.goldenstatefoods.com. For questions about this report, please contact sustainability@goldenstatefoods.com.