UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended August 2, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-15723

UNITED NATURAL FOODS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**05-0376157**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

15 Park Row West, Suite 302, Providence, RI 02903

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (401) 528-8634

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value $0.01	UNFI	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes x No ¨

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the common stock held by non-affiliates of the registrant was approximately $1,779 million based upon the closing price of the registrant's common stock on the New York Stock Exchange on January 31, 2025. The number of shares of the registrant's common stock, par value $0.01 per share, outstanding as of September 25, 2025 was 60,652,401.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the Annual Meeting of Stockholders to be held on December 16, 2025 are incorporated herein by reference into Part III of this Annual Report on Form 10-K.

UNITED NATURAL FOODS, INC.

FORM 10-K

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PART I.

ITEM 1. BUSINESS

In this Annual Report on Form 10-K (“Annual Report” or “Report”), unless otherwise specified, references to “United Natural Foods”, “UNFI”, “we”, “us”, “our” or the “Company” mean United Natural Foods, Inc. together with its consolidated subsidiaries. We are a Delaware corporation based in Providence, Rhode Island. We conduct our business through various subsidiaries. Since the formation of our predecessor in 1976, we have grown our business both organically and through acquisitions, which have expanded our distribution network, product selection and customer base.

Our Background

UNFI is a leading distributor of grocery and non-food products, and support services provider to retailers in the United States and Canada. We believe we are uniquely positioned to provide the broadest array of products, programs and services to customers throughout North America. Our diversified customer base includes over 30,000 customer locations ranging from some of the largest grocers in the country to smaller retailers. We offer approximately 230,000 products consisting of national, regional and private label brands grouped into the following main product categories: grocery and general merchandise; perishables; frozen foods; wellness and personal care items; and bulk and foodservice products. We believe we are North America’s premier grocery wholesaler with 52 distribution centers and warehouses representing approximately 30 million square feet of warehouse space. We are a coast-to-coast distributor with customers in all 50 states as well as all ten provinces in Canada, making us a desirable partner for retailers and consumer product manufacturers. We believe our total product assortment and service offerings are unmatched by our wholesale competitors. We plan to continue to pursue new business opportunities with independent retailers that operate diverse formats, regional and national chains, as well as international customers with wide-ranging needs. Our business is classified into three reportable segments: Natural, Conventional and Retail.

Our Strategic Priorities

We are continually striving to better serve our stakeholders, including our customers, suppliers, associates and communities, and to drive profitable growth and sustainable shareholder value creation. We completed the first fiscal year of the strategy we introduced in October 2024 designed to add value to our customers and suppliers while making the Company more effective and efficient, improving profitability and free cash flow generation and reducing net leverage.

Our strategy is centered on adding value to our customers and suppliers through our expansive assortment of products, programs, insights and services that help them grow and compete. Our strategy is highly focused on actively positioning our Company to add value to a resilient portion of the food retail industry estimated at over $90 billion, which includes many natural, organic, specialty, multi-cultural and differentiated conventional grocery retailers. This refreshed strategy capitalizes on UNFI’s strengths, including our heritage in natural and organic products, our growing, value-added digital and professional services portfolio and our private label Brands+ program.

Simultaneously, we are working to improve free cash flow generation and reduce net leverage by optimizing controllable variables, including through intensified network optimization, reduced capital intensity and optimized cost structure. Our efforts to optimize our distribution network include streamlining our distribution center footprint to create a more responsive and resilient supply chain with a lower level of fixed capital invested. As part of this, we implemented Lean daily management in 28 of our distribution centers in fiscal 2025 to further enhance effectiveness and efficiency, including measuring our success around four key performance metrics – safety, quality, delivery and cost. Additionally, we are prioritizing capital investment needs and reducing the overall level of spending, while continuing to emphasize maintenance and targeted network enablement and technology enhancements. We are also strengthening our working capital management processes as a part of our plan to improve working capital efficiency while driving higher customer satisfaction. Finally, we continue to reduce ongoing operating expenses and better align corporate resources to reflect our updated strategy and customer and supplier-facing work.

In the second quarter of fiscal 2025, we began realigning our commercial wholesale organization into two product-centered business divisions, Conventional Grocery Products (“Conventional”) and Natural, Organic, Specialty & Fresh Products (“Natural”), to enhance service to customers and suppliers through more customized, product- and service-focused commercial teams. Each division has focused sales teams aligned to the unique product and service needs of their customers and are supported by dedicated functional experts in merchandising, operations, procurement and supplier services. In addition, capability centers of excellence in areas such as supply chain, professional and digital services, and private brands work across the divisions to help create customized programs to help customers and suppliers accelerate their growth strategies.

In the fourth quarter of fiscal 2025, we restructured our internal financial reporting and management processes to align with the new divisional structure. As a result, we realigned our operating and reportable segments based on how the Chief Operating Decision Maker ("CODM") manages the business, makes decisions about the allocation of resources and assesses segment performance. This new external reporting structure provides insight into each division's performance in line with how the business is now managed. Prior periods have been recast to conform to the new operating and reportable segments. Refer to Note 16—Business Segments in Part II, Item 8 of this Annual Report for additional information.

We expect to continue to use available capital to re-invest in our business and are committed to improving our free cash flow and financial leverage while reducing outstanding debt.

We believe we can optimize our performance and profitability through our improvement efforts, which we expect will improve our cost structure, increase sales of products and services, and position us to provide tailored, data-driven solutions to help our customers run their businesses more efficiently and expand our customer base.

Our Commitment to Sustainability

Creating a Better Future for Communities

At UNFI, we are committed to delivering value to our shareholders while also fostering long-term sustainability in every aspect of our business. Now in its fifth year, our sustainability strategy, Better for All, is designed to drive meaningful impact outcomes, while simultaneously supporting business efficiencies and creating shared value for our stakeholders.

In January 2025, we published our 14th annual Impact Report, which offers a summary of our sustainability initiatives and impact during fiscal 2024. The report demonstrates our enhanced focus on our six most pressing impact areas: safety, inclusion and well-being, waste, climate, sourcing and community. The report is available on the Investor Relations section of our website and highlights progress toward our goals, including waste reduction, associate engagement and belonging, food donations and food safety. The contents of our Impact Report are not incorporated by reference into or considered to be part of this Annual Report.

Upstream

Our impact begins with the decisions made by our partners and suppliers, well before products reach our distribution centers. We are investing in programs and partnerships that drive product quality and improve supply chain resilience. In fiscal 2023, we launched the UNFI Climate Action Partnership, encouraging suppliers to set credible climate goals. By the end of fiscal 2024, 69 UNFI suppliers had joined. In fiscal 2025, we hosted UNFI's first in-person Climate Summit with over 80 attendees, including 34 UNFI Climate Action Partnership suppliers, to discuss the business and environmental value of working collectively to reduce shared Scope 3 emissions. UNFI's Climate Action Hub, which offers suppliers a variety of tools and resources to innovate and scale climate solutions across the food system, hosted its second webinar series featuring industry leaders and exploring climate action topics. We made significant progress on our goal to promote soil health on one million acres by 2030 through UNFI Foundation grants and impact investments, and better quantifying the impact of procuring certified organic products. We also made progress on our Deforestation Policy, transitioning more than 100 of our owned brand SKUs to Roundtable on Sustainable Palm Oil ("RSPO")-certified palm oil. Aligned with our Animal Welfare Position Statement, we enhanced our tracking of products sold in accordance with higher welfare standards. We believe these policies help us to work more efficiently and effectively with suppliers and vendors in pursuing our shared goals.

Operations

We remain focused on improving operational resilience, supporting the highest level of safety and cultivating a high-performing workforce. Our associates' safety and well-being are of the utmost importance to us. Our primary goal is to cultivate a culture that values care and safety for all. Through continuous efforts we are dedicated to minimizing the risk of injuries and accidents, providing a safe and thriving environment for everyone. For the fourth year in a row, we received a score of 100 on the Disability Equality Index. Our seven associate-led Belonging and Innovation Groups also continued to cultivate a culture of innovation, learning and impact across the Company.

We continue to invest in projects that reduce operational cost while generating return on investment. In fiscal 2025, we completed construction on our roof-mounted solar array installation at our Riverside, California distribution center, our largest to date. We continued work on our energy efficiency tune ups across our distribution center network, completing seven in fiscal 2025, resulting in both financial and energy savings.

Downstream

We aim to be responsible community members, from our waste and recycling initiatives to the local organizations our associates support through paid time off to volunteer. In fiscal 2025, we improved implementation of our Reverse Logistics Disposition Reporting (“RLDR”) system at all UNFI distribution centers to enhance inventory visibility and operational efficiency. Through RLDR we are helping reduce food waste and decrease shrink in the distribution centers, resulting in overall cost savings to the Company. The UNFI Foundation, a 501(c)(3) organization, continued to align its strategy with business and impact objectives by implementing new grantmaking programs and supporting inclusive procurement and regenerative agriculture efforts. In fiscal 2025, the UNFI Foundation awarded nearly $1.8 million in grants to nonprofits aligned with its funding priorities.

Our stakeholder-focused sustainability strategy has long been a part of UNFI’s success, unlocking efficiencies through collaboration across the business, and is key to our Company purpose: Better Food. Better Future. We continue to stay focused on the needs of our stakeholders and further prioritize the sustainability initiatives that strengthen the performance of our business.

Our Customers

We maintain long-standing relationships with many of our customers. Our diversified customer base includes over 30,000 customer locations, primarily located across the United States and Canada, which range from large grocery chains to smaller retailers.

One Natural customer, which includes customers under common control, constituted more than 10% of total Net sales in fiscal 2025. We continue to serve our largest customer pursuant to an amended and restated distribution agreement with a term through May 20, 2032.

Our international Net sales primarily reflect UNFI Canada, Inc. (“UNFI Canada”), which represented approximately 1% of our Net sales in fiscal 2025. International business excludes sales transacted in U.S. dollars and shipped internationally, which is an even smaller component of our business.

We also continue to invest in technology and systems with the intent of improving the efficiency of our operations, enhancing the customer experience and growing our services platform, including our eCommerce and innovation businesses. This includes sales to eCommerce companies as well as business-to-business sales to non-traditional customers. Marketplace by UNFI is our business-to-business digital eCommerce solution for emerging brands looking to expand distribution with UNFI customers. Through this virtual marketplace, suppliers gain expedited access to UNFI’s digital infrastructure to promote and sell their products to UNFI’s broad customer base while UNFI customers gain access to an even broader assortment of unique and local items with flexible order sizes and the convenience of ordering from multiple sources online in one place.

Natural and Conventional Wholesale

We organize and operate our wholesale business through two operating segments which represent our product-centered business divisions, as follows:

- *Natural*, which primarily reflects the wholesale distribution of natural, organic and specialty grocery and non-food products and services and includes the Company’s portfolio of natural owned brands and natural and organic snack food manufacturing business; and
- *Conventional*, which primarily reflects the wholesale distribution of conventional grocery and non-food products and services and includes the Company’s portfolio of conventional owned brands.

Each of these segments is led by a separate president responsible for product and service strategy, execution, and financial results, and has focused regional sales teams aligned to the unique product and service needs of the customers they serve. Product and service categories include grocery, fresh, private brands, wellness and personal care items, eCommerce and foodservice, as described further below.

Operations

We have established a national network of strategically located distribution centers utilizing a multi-tiered logistics system. The network includes facilities that carry slow turn or fast turn groceries, perishables, general merchandise and home, health and beauty care products. For financial reporting purposes, intersegment sales from our distribution centers to our own Retail stores are eliminated from our Conventional segment.

We offer wholesale customers a wide variety of food and non-food products, and our own lines of private label products. We also offer a broad array of digital and professional services. As a logistics provider, efficiency is an important customer service measure. We are in the process of optimizing our facilities to implement leading warehouse technology, ranging from radio-frequency devices guiding selectors to mechanized facilities with completely automated order selection for dry groceries that help us deliver aisle-ready pallets to wholesale customers. Deployment of continuous improvement methodologies within our supply chain is focused on delivering labor and cost efficiencies while also improving our ability to more effectively service our customers.

To maintain our market position and improve our operating efficiencies, we seek to continually:
- expand our marketing and customer service programs across regions;
- expand our national purchasing opportunities;
- offer a broader product and value add service selection than our competitors;
- offer operational excellence with high service levels and a higher percentage of on-time deliveries and fill rates than our competitors;
- centralize and streamline general and administrative functions to reduce expenses;
- consolidate systems applications among physical locations and regions; and
- invest in our people, facilities, equipment and technology.

Procurement

We maintain contracts with suppliers to procure their products. Our procurement process includes assessments of demand planning, pricing, seasonality and other factors. Inventory costs are determined when products are procured and include vendor funds received and inbound freight, among other items. The gross margins we earn on sales to our customers are typically based on a percentage mark-up, or fee, on top of vendor listed base cost, which vary by customer, product type, vendor size, volume throughput, transportation methods and distances, among other factors. Net sales to customers are determined at the time of sale based on the then prevailing vendor listed base cost and include discounts we offer to our customers. The differential between the procured cost, including vendor funds and inbound freight, as compared to the net sales price of these products, primarily generates our gross margin.

Retail

As of August 2, 2025, our Retail segment included 75 Cub Foods and Shoppers retail grocery stores. Our retail stores provide an extensive grocery offering and, depending on size, a variety of additional products, including general merchandise, home, health and beauty care, and pharmacy. We offer national and local brands, as well as our own private label products. A typical retail store carries approximately 17,000 to 21,000 core SKUs and ranges in size from approximately 50,000 to 70,000 square feet. We believe our retail banners have strong local and regional brand recognition in the markets in which they operate. Our Retail operations are principally supplied by six of our Conventional distribution centers.

Our Product Offerings

Our extensive selection of products includes natural, organic, specialty, produce and conventional grocery and non-food products. We offer nationally recognized brand name and private label products, including grocery (both perishable and nonperishable), general merchandise, home, health and beauty care and pharmacy, which are sold through our Natural and Conventional segments to wholesale customers and our Retail stores. We offer the following main product categories: grocery and general merchandise; perishables; frozen foods; wellness and personal care items; and bulk and foodservice products.

Our owned brands portfolio is a collection of brands that offer high quality solutions for private label to our customers. ESSENTIAL EVERYDAY® is our leading national brand equivalent private label solution with nearly 2,000 SKUs for departments across the store. It is complemented by SHOPPERS VALUE®, which offers the budget conscious consumer quality alternatives to national brands. Our WILD HARVEST® brand offers a full range of products made with simple, wholesome ingredients across multiple categories, including produce, meat, grocery, frozen, dairy, health and beauty care products and pet foods. Our Field Day® brand is primarily sold to natural store / co-op retailers as a private label solution. Our WOODSTOCK® brand has been pioneering organic / non-GMO products for over 35 years and continues to launch innovative products. Our category-specific brands, primarily including STONE RIDGE CREAMERY®, EQUALINE®, and CULINARY CIRCLE®, also provide national brand equivalent products at a competitive price.

Our subsidiary doing business as Woodstock Farms Manufacturing specializes in importing, roasting, packaging and distributing nuts, dried fruit, seeds, trail mixes, granola, natural and organic snack items and confections for our customers and in the Company's branded products. We operate an organic (United States Department of Agriculture ("USDA") and Quality Assurance International ("QAI")) and kosher (Circle K) certified packaging, roasting, and processing facility in New Jersey that is SQF (Safety Quality Food) level 2 certified. Woodstock Farms Manufacturing sells items manufactured in bulk and through private label packaging arrangements with large health food, supermarket and convenience store chains and independent retailers.

Our Service Offerings

We offer a broad array of digital and professional services that provide wholesale customers with cost-effective and scalable business solutions. Our services are designed to help customers address business challenges, better serve their customers and compete in the marketplace. These services include solutions we develop and provide directly, as well as pass-through programs in which vendors provide services directly to our wholesale customers. We provide shelf and planogram management, retail store support, pricing strategy, shelf tags, electronic payments processing, coupon processing, store layout and design, equipment sourcing and procurement, point-of-sale hardware and software, network and data hosting solutions, consumer convenience services, automation tools, sustainability services and administrative back-office solutions. The sales and operating results for these services are included within Natural and Conventional.

We offer a variety of marketing services designed to increase sales for our customers and suppliers, including consumer and trade marketing programs, as well as programs to support suppliers in understanding our markets. Consumer and trade marketing programs cater to a broad range of retail formats. Retail marketing programs offer web and digital marketing services, including websites, digital coupon and loyalty programs, mobile applications and eCommerce capabilities, and circular programs for our customers and vendors. Supplier marketing programs include information sharing programs designed to provide heightened transparency to suppliers through demand planning, forecasting and procurement insights. Our retail media network, the UNFI Media Network, enables retailers to reach their consumers digitally while connecting to our large network of suppliers, who in turn, can utilize the platform for personalized and targeted advertising. Our goal is to provide programs and services that educate consumers, profile suppliers and increase sales for retailers, many of which do not have the resources necessary to conduct such marketing programs independently, to drive collective long-term success.

In addition to these services, we provide data, insights and resources that help our customers compete and succeed in their respective markets. We also offer our customers:
- trends reports in the natural and organic industry;
- product data information such as best seller lists, store usage reports and catalogs;
- in-store signage, promotional materials and assistance with product display planning and set up; and
- a robust retailer portal with product information, search and ordering capabilities, reports and publications.

Our Suppliers

We purchase our products from nearly 10,000 suppliers. The majority of our suppliers are based in the United States and Canada, but we also source products from suppliers throughout the world. We believe suppliers seek to distribute their products through us because we provide access to a large customer base across the United States and Canada, distribute the majority of the suppliers' products and offer a wide variety of marketing programs to our customers to help sell our suppliers' products. Substantially all product categories that we distribute are available from a number of suppliers and, therefore, we are not dependent on any single supply source for any product category. In addition, although we have exclusive distribution arrangements and support programs with several suppliers, none of our suppliers accounted for more than 5% of our total purchases in fiscal 2025.

We have positioned ourselves as one of the largest purchasers of organically grown bulk products in the natural and organic products industry by centralizing our purchase of nuts, seeds, grains, flours and dried foods. As a result, we are able to negotiate purchases from suppliers on the basis of volume and other considerations that may include discounted pricing or prompt payment discounts. Furthermore, some of our purchase arrangements include the right of return to the supplier with respect to products that we do not sell in a specified period of time. Each division is responsible for placing its own orders and can select the products that it believes will most appeal to its customers, although each division is able to participate in our company-wide purchasing programs.

Our Distribution Network

Logistics

Our distribution centers are located to provide direct access to the markets we serve, and we configure them to optimize service and operating costs. The configuration of our distribution network allows us to provide breadth of assortment, competitive service levels and cost efficiency. We believe that we incur lower inbound freight expense than our regional competitors because our scale allows us to buy full and partial truckloads of products. Products are delivered to our distribution centers primarily by our fleet of leased and owned trucks, contract carriers and the suppliers themselves. When financially advantageous, we pick up products from suppliers or satellite staging facilities and return them to our distribution centers using our own trucks. Additionally, the scale of our distribution network provides us with the flexibility to shift volume amongst distribution centers in the case of volume spikes, unique customer needs, temporary inbound fill rate challenges and weather-related events as well as the capacity to support future sales growth.

The majority of our trucks are leased and are maintained by third-party national leasing companies, which in some cases maintain facilities on our premises for the maintenance and service of these vehicles. We also have facilities where we operate our own maintenance shops.

We ship certain orders for supplements or for items that are destined for areas outside of regular delivery routes through independent carriers. Deliveries to areas outside the continental United States and Canada are typically shipped by freight-forwarders through ocean-going containers.

Organic Certification

We have 33 distribution centers in the United States that are “National Organic Program certified as Organic Handlers by QAI”. Our California locations are certified as Organic Handlers by QAI, with one location also being certified by California Organic Farmers. We are registered as Organic Handlers with the State of California Department of Public Health Food and Drug Branch and the California Department of Food and Agriculture. In addition, our Canadian distribution centers in British Columbia and Ontario hold an Organic Distributor certification from QAI.

We maintain a comprehensive quality assurance program. All products we sell that are represented as organic are required to be certified as such by an independent third-party agency. We maintain current certification affidavits on most organic commodities and produce in order to verify the authenticity of the product. Most potential suppliers of organic products are required to provide such third-party certifications to us before they are approved as suppliers.

Our Technology Investments

We continue to make significant investments in supply chain, financial, information and business applications and operating systems. We continually evaluate and upgrade our enterprise systems and supply chain infrastructure to enhance security, efficiency, cost-effectiveness and responsiveness to customer needs. We believe these systems include best in class functionality in order management systems, cloud-based warehouse management systems for inventory control and labor management, scan-based fulfillment applications, transportation management systems and warehouse automation and robotics. We continue to deploy our fulfillment technology with Universal Product Code ("UPC") scan-based technology for selection, loading and customer deliveries to ensure order accuracy and traceability throughout the supply chain. We have expanded our portfolio of investments in AI-enabled warehouse automation and robotic solutions to support full case and unit pick fulfillment processes. These investments are intended to unlock our supply chain capabilities, improve customer experience and enable growth. We continue to leverage effective transportation management systems that enable us to lower inbound transportation costs by making optimum use of our own fleet of trucks and/or by consolidating deliveries to achieve full truckloads. In addition, we use cloud solutions to assist us in developing the most efficient routes, tracking vehicle maintenance and monitoring driver safety and the movement of trucks in real-time. We continue an effort to standardize to best in industry software solutions for inventory procurement, order management, transportation operations and warehouse management systems throughout our network. Our investment in technology is intended to improve our supply chain effectiveness for our suppliers, associates and customers enabling our collective success.

Competition

Our Natural, Conventional and Retail businesses operate in a highly competitive and rapidly evolving industry, which is characterized by low profit margins, new business models and the entry of new, non-traditional competitors that intensify competition. Our food distribution business competes with many traditional and specialty grocery wholesalers and retailers that maintain or develop self-distribution systems for the business of independent grocery retailers. We also increasingly compete with retailers that maintain or develop self-distribution systems, as well as companies that offer services in digital advertising, fulfillment and delivery services, health and wellness and financial services. The primary competitive factors in the wholesale business include price, service level, product quality, variety, availability, location of distribution centers and other value-added services. In recent years, consolidation within the grocery industry has resulted in, and is expected to continue to result in, increased competition, including from some competitors that have greater financial, marketing and other resources than we do.

Independent retailers and smaller chain customers represent a significant portion of our business and face intense competition from national grocery chains, supercenters, deep discounters, mass merchandisers, limited assortment stores and eCommerce providers, many of whom offer expansive services beyond grocery.

Our retail banners compete with traditional and specialty grocery stores, supercenters, deep discounters, mass merchandisers, limited assortment stores and eCommerce providers. The principal competitive factors in grocery retail include the location and image of the store; the price, quality, and variety of the fresh offering; and the quality, convenience, and consistency of service. Competitive strategies vary based on many factors, such as the competitor's format, strengths, weaknesses, pricing, and sales focus. Our retail stores have continued to respond to growing competition from online and non-traditional retailers by adding options and services such as online ordering, curbside pick-up and home delivery.

Government Regulation

Our operations and many of the products that we distribute in the United States are subject to regulation by state and local health departments, the USDA and the United States Food and Drug Administration (the "FDA"), which generally impose standards for product quality, safety, labeling and defense. In the United States, our facilities generally are inspected at least annually by state or federal authorities. For certain product lines, we are also subject to the Federal Meat Inspection Act, the Poultry Products Inspection Act, the Perishable Agricultural Commodities Act, the Packers and Stockyard Act and regulations promulgated by the USDA to interpret and implement these statutory provisions. The USDA imposes standards for product safety, quality and sanitation through the federal meat and poultry inspection program.

The FDA Food Safety Modernization Act in the United States (administered by the FDA) and the Safe Foods for Canadians Act in Canada (administered by the Canadian Food Inspection Agency ("CFIA")) have expanded food safety requirements across the food supply chain and, among other things, impose additional regulations focused on prevention of food contamination, more frequent inspection of high-risk facilities, increased record-keeping, and improved tracing of food. Products that do not meet regulatory standards and/or comply with these regulations may be considered to be adulterated and/or misbranded and subject to recall.

The Surface Transportation Board and the Federal Highway Administration regulate our transportation operations in the United States. In addition, interstate motor carrier operations are subject to safety requirements prescribed by the United States Department of Transportation and other relevant federal and state agencies. Such matters as weight and dimension of equipment are also subject to federal and state regulations. Transport Canada regulates transportation operations in Canada, in coordination with various provincial/territorial and municipal authorities.

Our facilities are subject to regulations issued pursuant to the U.S. Occupational Safety and Health Act by the U.S. Department of Labor and similar regulations by state agencies. Our facilities in Canada are subject to regulations issued pursuant to the Canadian Centre for Occupational Health and Safety and similar regulations by various provincial agencies. These regulations require us to comply with certain health and safety standards to protect our employees from recognized hazards. We are also subject to the National Labor Relations Act, which provides employees the right to organize and bargain collectively with their employer and to engage in other protected concerted activity, the Fair Labor Standards Act and other employment-related state and local regulations, which establish minimum wages and overtime standards, among other requirements.

Our facilities in the United States and in Canada are subject to various environmental protection statutes and regulations, including those relating to the discharge of materials into the environment, the disposal of food by-products, recycling/end of life product management, the handling, treatment and disposal of wastes, maintenance of refrigeration systems and fuel storage tanks and remediation of soil and groundwater contamination. Moreover, in some of our facilities we, or third parties with whom we contract, perform vehicle maintenance. Our policy is to comply with all applicable federal, state, provincial and local provisions relating to the protection of the environment or the discharge of materials.

Our international business operations are subject to various laws and regulations regarding the import and export of products and preventing corruption and bribery (including the U.S. Foreign Corrupt Practices Act). We have implemented and continue to develop import/export and anti-corruption compliance programs and processes to comply with applicable laws and regulations governing our international business activities.

Human Capital Management

Our employees are critical to supporting our values and achieving our strategic vision, and we are striving to be an employer of choice. We are focused on associate engagement, empowerment and safety to foster innovation and bring best-in-class solutions to our customers and suppliers in an ever-changing retail landscape, including new ways of work scheduling and productivity investments. The Compensation Committee of our Board of Directors has oversight of human capital management matters with a focus on associate well-being across a variety of measures.

As of August 2, 2025, we had approximately 25,600 full and part-time employees, 10,768 of whom (approximately 42%) are covered by 57 collective bargaining agreements, including existing agreements under negotiation. We have been the focus of union-organizing efforts, and we believe it is likely that similar efforts will continue in the future.

Developing Talent

Attracting and retaining talent is one of our top priorities. Our goal is to differentiate ourselves in the market by offering flexibility to associates for how they work and develop. To reduce turnover, we have an emphasized focus on and commitment to our associates, their experiences as well as their continued engagement. We support their growth by offering robust leadership development programs, role-based training, on-the-job training and other career opportunities at every stage of their tenure. Designed to enhance the leadership capabilities of our people, we design and deliver optional programs to leaders across all departments that come together to learn and practice their management skills as well as identify opportunities to lead more effectively. The Elevate program for Director-level and above associates works to solidify our talent pipeline and promote the success of the organization's future leaders. Our front-line leaders are supported through specific Learning and Development pipelines for corporate, wholesale and operations. Our Learning and Development teams partner with key groups such as Sales, Operations, Transportation and Environmental Health and Safety to develop role-based training to drive greater productivity and safety. We also offer associates additional learning and career development opportunities that extend from skills-based training deployed electronically through our BetterU learning system, to mentorship programs and career development discussions and beyond.

Compensation and Benefits

Our compensation and benefits programs are designed to promote a culture of well-being and recognize our associates for their outstanding achievements and dedication to serving our customers and keeping them safe during even the most challenging of times. We are committed to offering market competitive pay programs that reward high levels of performance and behaviors that challenge convention and drive company success. Our short-term incentive programs are tied to the Company's financial goals and are intended to align our eligible associates' rewards with our financial success. Long-term incentives, including restricted stock units and performance stock unit awards, are designed to attract and retain innovative leaders and align their financial interests with that of our shareholders and other stakeholders. As part of our commitment to recognize our associates' "whole self" – health, finances and overall well-being – we offer a comprehensive health and welfare benefit program to eligible associates providing a variety of medical, dental and vision options plus additional voluntary benefits like long-term disability and optional life insurance. Additionally, we provide to eligible associates a leading edge, no-cost wellness program, paid time off programs including paid parental leave, an employee assistance program, 401(k) plan and a recently enhanced education assistance program.

Inclusion and Well-being

In order to recruit, inspire and retain the most talented team at all levels that maximizes speed, agility, innovation, execution and performance from the Boardroom to our distribution centers, we pledge to promote inclusion and well-being for all by delivering high-quality benefits and programs that attract and nurture high performance in a safe and inclusive culture. Our Board of Directors has a broad range of experience and represents a wide range of backgrounds and perspectives. We recognize that innovation thrives when there is unity and respect for all backgrounds and perspectives. Additionally, we aim to foster a culture of belonging, empathy and inclusion through open dialogues and educational opportunities.

Our Vice President of Inclusion and Well-being oversees efforts around associate engagement and belongingness, Broad Market Access supplier initiatives and well-being programs. Our Inclusion and Well-being council and seven associate-led Belonging and Innovation Groups (all of which are open to all associates) actively strive to create a workplace where all associates feel welcome and are motivated to reach their full potential. We have revised policies and practices to better serve our workforce and business needs and developed a multi-pronged approach to educate and engage associates that includes open discussions on various dimensions of inclusion and well-being, a podcast, mental health awareness trainings on our associate platforms, targeted volunteerism, and campaigns encouraging respect and empathy. In fiscal 2025, the Inclusion and Well-being team partnered with Safety and Operations to launch a Mental Health First Aid initiative, reaching all distribution centers, to teach leaders skills needed to recognize and respond to signs and symptoms of mental health and substance use challenges, as well as how to provide someone with initial support until they are connected with appropriate professional help.

Creating a Safe Environment

Safety is at the forefront of everything we do. We continue to focus on the safety of our associates, customers, communities and consumers with increased safety measures. We continue to be committed to continuous learning and improvement, and we believe in the power of learning from past experiences to enhance our safety system and performance, including through root cause incident analysis. We also continue to invest in our safety brand and pledge, Every Moment Matters, which is designed to foster a culture of caring and doing the right thing.

This past year, we focused on continuing to make meaningful reductions in both Occupational Safety and Health Administration ("OSHA") recordable incidents and lost time injuries ("LTI"), such as through Lean daily management, which has been implemented in 28 of our distributions centers and is strengthening our performance across safety, quality, delivery and cost metrics; improving our root cause analysis process; enhancing our safety management software solution; completing internal and external audits and closing findings identified therein; creating more comprehensive reporting on key performance indicators, including adding a new injury severity metric, and continuing to build upon our safety culture. As part of our ongoing commitment to road safety, this year we have completed the installation of a video-based safety technology across our fleet. This investment enhances public safety and driver protection, promotes real-time coaching, strengthens our ability to proactively reduce risk and contributes to safer roads for all.

Our efforts with our food safety and quality assurance ("FSQA") program intensified as we focused on delivering value to our customers and consumers. This included continuing on our path to creating a world-class food safety management system by creating Food Safety Fundamental Rules that are now part of our daily operations rhythms. Furthermore, we enhanced our internal audit program by making all audits unannounced so that we could continue towards our goal of being audit ready every day. Additionally, we created more comprehensive reporting on key performance indicators, invested in technology to allow for easier tracking of food safety incidents and proudly reached our milestone to have the last remaining eligible facilities SQF certified, thus promoting customer confidence in our food safety program.

Seasonality

Overall product sales are fairly balanced throughout the year, although demand for certain products of a seasonal nature may be influenced by holidays, changes in seasons or other annual events. Our working capital needs are generally greater during the months of and leading up to high sales periods, such as the buildup in inventory leading to the calendar year-end holidays. Our inventory, accounts payable and accounts receivable levels may be impacted by macroeconomic impacts and changes in food-at-home purchasing rates. These effects can result in normal operating fluctuations in working capital balances, which in turn can result in changes to cash flow from operations that are not necessarily indicative of long-term operating trends.

Available Information

Our internet address is http://www.unfi.com. The contents of our website are not incorporated by reference into or considered to be part of this Annual Report, and our website address is included in this document as an inactive textual reference only. We make our Annual Report, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") available free of charge through our website as soon as reasonably practicable after we file such reports with, or furnish such reports to, the Securities and Exchange Commission.

ITEM 1A. RISK FACTORS

Our business, financial condition and results of operations are subject to various risks and uncertainties, including those described below and elsewhere in this Annual Report. This section discusses factors that, individually or in the aggregate, we believe could cause our actual results to differ materially from expected and historical results. If any of the events described below occurs, our business, financial condition or results of operations could be materially adversely affected and our stock price could decline.

We provide these factors for investors as permitted by and to obtain the rights and protections under the Private Securities Litigation Reform Act of 1995. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider the following to be a complete discussion of all potential risks or uncertainties applicable to our business. See Management's Discussion and Analysis of Financial Condition and Results of Operations—Cautionary Note Regarding Forward-Looking Statements in Part II, Item 7 of this Annual Report for more information on our business and the forward-looking statements included in this Annual Report.

Strategic and Operational Risks

A significant portion of our revenues is from our principal customers, and our success is heavily dependent on retaining this business and on our principal customers' ability to maintain and grow their businesses.

A significant portion of our revenues is from our principal customers, and our success is heavily dependent on retaining this business and on our principal customers' ability to maintain and grow their businesses. The loss or cancellation of business from our principal customers, including due to the utilization of alternative sources of products, whether through other distributors or increased self-distribution, closures of stores, reductions in the amount of products that our customers sell to their customers, operational issues or our failure to comply with the terms of our distribution agreements, where applicable, could materially and adversely affect our business, financial condition or results of operations. For example, our largest customer accounted for approximately 25% of our Net sales in fiscal 2025. We serve as the primary distributor of natural, organic and specialty non-perishable products, and also distribute certain specialty protein, cheese, culinary items, deli items and products from health, beauty and supplement categories to this customer under the terms of our distribution agreement, which expires on May 20, 2032. A loss or significant decrease in volume with our largest customer could impact our ability to efficiently serve other, smaller customers in these categories who utilize these distribution centers. Our ability to maintain a close, mutually beneficial relationship with our principal customers is an important element to our continued growth. Similarly, if our largest customer diverts some or all of its purchases from us, our business, financial condition or results of operations may be materially and adversely affected.

Our business is characterized by low margins, which are sensitive to inflationary and deflationary pressures, and intense competition and consolidation in the grocery industry, and our inability to maintain or increase our operating margins could adversely affect our results of operations.

The grocery industry is characterized by a relatively high volume of sales with relatively low profit margins, and as competition in certain areas intensifies and the industry continues to consolidate, our results of operations may be negatively impacted through a loss of sales and reduction in gross margin dollars. The grocery business is intensely competitive and the landscape is dynamic and continues to evolve, including from some competitors that have greater financial and other resources than we do. Consumers also have more choices for grocery and consumable purchases, including mass merchandisers, eCommerce providers, deep discount retailers, limited assortment stores, wholesale membership clubs and meal-delivery services, which may reduce the demand for products supplied by our wholesale customers. We may not be able to compete effectively against current and future competitors.

Our ability to compete successfully is largely dependent on our ability to provide quality products and services at competitive prices. Our competition comes from a variety of sources, including other distributors, specialty or independent grocery distributors, mass market grocery distributors and cooperatives and customers with their own distribution channels. Mass market grocery distributors, many with substantially greater financial and other resources than us and that may be better established in their markets, continue to increase their offerings of natural and organic products, resulting in more direct competition with our natural and organic product offerings. While natural and organic products typically generate higher margins, these margins could be affected by changes in the public's perception of the benefits of natural and organic products compared to similar conventional products.

In addition, many supermarket chains have increased self-distribution or purchases of items directly from suppliers. Relatively low barriers to entry have led to the emergence of alternative business models and channels in our markets. We also encounter indirect competition as a result of the fact that our customers with physical locations compete with online retailers and distributors that seek to sell certain products directly to consumers. Further, club stores, commercial wholesale outlets, direct food wholesalers and online food retailers have developed lower cost structures, creating increased pressure on the industry's profit margins. Our current or potential competitors may provide products or services comparable or superior to those provided by us or adapt more quickly than we do to evolving industry trends or changing market requirements. It is also possible that alliances among competitors may develop and that competitors may rapidly acquire significant market share. Increased competition may result in price reductions, reduced gross margins, lost business and loss of market share, any of which could materially and adversely affect our business, financial condition or results of operations.

The continuing consolidation of retailers, the growth of chains and closures of grocery locations may reduce our gross margins in the future should more customers qualify for greater volume discounts or we experience increased pricing pressure from suppliers and retailers. Sales to some of our largest customers generate a lower gross margin than sales to our smaller customers due to agreements that include volume discounts with many of these customers, including our largest customer. Increased sales to these customers results in downward pressure on our gross margins, which may or may not be offset by increases in sales or a reduction in expenses incurred to service these customers.

If we are not able to capture scale efficiencies and enhance our merchandise offerings, we may not be able to achieve our goals with respect to our operating margins. In addition, if we are not able to refine and improve our systems continually or effectively implement improvements to our systems without disruption, including any information technology migration to a cloud environment, we may not be able to reduce costs, increase sales and services, effectively manage inventory and procurement processes, or effectively manage customer pricing plans. As a result, our operating margins may stagnate or decline.

Further, because many of our sales are at prices that are based on our product cost plus a percentage markup, volatile food costs have a direct impact upon our profitability. We have experienced volatile levels of inflation during the past several years, which has had varying impacts on our business. For example, we experienced negative impacts on our profitability as inflation slowed in recent years and decreased the positive impact of inflation-related buying activities. Prolonged periods of product cost inflation and periods of rapidly increasing inflation may have a negative impact on our profit margins and results of operations to the extent that we are unable to pass on all or a portion of such product cost increases to our customers, or to the extent our operating expenses increase. In addition, product cost inflation may negatively impact consumer discretionary spending trends and reduce the demand for higher-margin natural and organic products, which could adversely affect profitability. Conversely, our profit levels may be negatively impacted during periods of slowing inflation or product cost deflation even though our Gross profit as a percentage of Net sales may remain relatively constant. If we are unable to reduce our expenses as a percentage of Net sales, including our expenses related to servicing this lower gross margin business, our business, financial condition or results of operations could be materially and adversely impacted.

We may not realize the anticipated benefits of our strategic initiatives.

Our long-term strategy is centered on adding value to our customers and suppliers through our expansive assortment of products, services, programs and insights that help them grow and compete. Simultaneously, we are working to improve free cash flow by focusing on what we can control around the areas of network optimization, reduced levels of capital intensity and optimization of our cost structure. The successful design, implementation and management of these initiatives may present significant challenges, many of which are beyond our control. In addition, the initiatives may not advance our business strategy as expected. We may not realize all or any of the anticipated benefits, or may not realize the anticipated benefits within the expected time frame, due to financial or operational challenges, delays, lower than expected levels of customer and supplier acceptance and implementation or unexpected costs. Any failure to implement the initiatives in accordance with expectations could adversely affect our ability to achieve the anticipated revenue and profitability benefits. In addition, the complexity of the initiatives requires a substantial amount of management and operational resources. Our management team must successfully implement operational changes necessary to achieve the anticipated benefits of the initiatives. These and related demands on its resources may divert the Company’s attention from existing core businesses and could also have adverse effects on existing business relationships with suppliers and customers. As a result, our business, financial condition or results of operations may be adversely affected.

Changes in relationships with our suppliers may adversely affect our profitability, and conditions beyond our control can interrupt our supplies and alter our product costs.

As a wholesaler, we are dependent upon the consistent supply of products from manufacturers. We maintain supply contracts to fulfill product sales obligations to our customers. Manufacturers’ disruptions in their ability to produce, maintain and supply product based on changing levels of demand could result in an inability to fulfill our obligations to our customers.

The majority of our suppliers are based in the United States and Canada, but we also source products from suppliers throughout the world. For the most part, we do not have long-term contracts with our suppliers committing them to provide products to us. Although our purchasing volume can provide benefits, suppliers may not provide the products needed by us in the quantities or at the prices requested. For example, we experienced higher than usual levels of out-of-stocks leading to reduced fill rates during the COVID-19 pandemic. These shortages caused us to incur higher operating expenses due to the cost of moving products between our distribution and warehouse facilities to maintain expected service levels, and we cannot anticipate whether this trend will recur in the future. We are also subject to supply chain uncertainties and increases in product costs based on conditions outside of our control, which may impact our ability to procure products efficiently. These conditions include work slowdowns, work interruptions, strikes or other job actions by employees of suppliers, challenges with workforce availability, short-term weather conditions or more prolonged climate change, crop conditions, animal diseases, product recalls, water shortages, transportation interruptions, unavailability of fuel or increases in fuel costs, competitive demands, raw material shortages, geopolitical disruptions and natural disasters or other catastrophic events (including, but not limited to food-borne illnesses). As consumer demand for natural and organic products continues to increase, certain retailers and other producers have entered the market and attempted to buy certain raw materials directly, limiting availability for use in certain of our suppliers' products. In addition, increased costs of imported goods, including due to tariffs, import restrictions, global conflict or otherwise, may reduce customer demand for affected products if the parties experiencing those increased costs increase their prices.

We cooperatively engage in and support a variety of promotional programs and services with our suppliers. We manage these programs and services to increase sales while maintaining or improving our margins. We experienced a reduction in promotional spending and payment of slotting fees for new products by our suppliers as a result of the COVID-19 pandemic, including decreased promotional forward-buying opportunities, and we may experience further reductions or changes in promotional spending (including as a result of the increasing attractiveness of alternative retail channels), which could have a significant impact on our profitability. We depend heavily on our ability to purchase merchandise in sufficient quantities at competitive prices, and we benefit from our ability to purchase product in advance of price increases. We have no assurances of continued supply, pricing or access to new products, and suppliers could change the terms upon which they sell to us, the services they request from us or discontinue selling to us altogether.

Further, increased frequency or duration of extreme weather conditions, or other factors which may be the result of climate change, also could impair production capabilities, disrupt our supply chain or impact demand for our products. For example, in the past, weather patterns or events, such as lower than average levels of precipitation in key agricultural states or wildfires in the West, have affected prices of food products of certain of our suppliers. Input costs could increase at any time for a large portion of the products that we sell for a prolonged period. Conversely, weather patterns could lead to a decline in our product costs (for example, if rainfall levels are abundant), particularly in our perishable and produce businesses, and this product cost deflation could negatively impact our results of operations. Our inability to obtain adequate products as a result of any of the foregoing factors or otherwise could prevent us from fulfilling our obligations to customers, and these customers may turn to other distributors. In that case, our business, financial condition or results of operations could be materially and adversely affected.

Failure by us to develop and operate a reliable technology platform and the costs of maintaining secure and effective information technology systems could negatively impact our business, and we may not realize the anticipated benefits of our investments in information technology.

Our ability to decrease costs and increase profits, as well as our ability to serve customers most effectively, depends on the reliability of our technology platform. We use software and other technology systems, among other things, to send, receive, generate and select orders, load and route trucks and monitor and manage our business on a day-to-day basis. Failure to have adequate technology systems across the enterprise and any disruption to these systems could adversely impact our customer service, decrease the volume of our business, and result in increased costs negatively affecting our business, financial condition or results of operations.

In our attempt to reduce operating expenses, increase operating efficiencies and better serve our customers and suppliers, we have invested and continue to invest in the development and implementation of new information technology. We are in the process of converting our existing facilities into a single warehouse management and supply chain platform. In addition, we remain focused on the automation of certain distribution centers and plan to develop further digital solutions for our customers, suppliers and associates. We may not be able to implement these technological enhancements at all or in the anticipated time frame and delays in implementation could negatively impact our business, financial condition or results of operations. In addition, the costs may exceed our estimates and are expected to exceed the benefits during the early stages of implementation. Even if implementation progresses in accordance with our current plans, and within our current cost estimates, we may not achieve the expected efficiencies and cost savings from our investments. Moreover, as we implement information technology enhancements, disruptions in our business may be created (including disruption with our customers), which may have a material adverse effect on our business, financial condition or results of operations.

We face risks related to the availability of qualified labor, labor costs and labor relations.

In the past, we have experienced a shortage of qualified labor. Recruiting and retention efforts, and actions to increase productivity, may not be successful. Such a shortage could potentially increase labor costs, reduce profitability or decrease our ability to effectively serve customers. If we are unable to realize the anticipated benefits of our efforts to improve labor efficiency, including through automation and other technology initiatives, or to increase productivity and efficiency through other methods, we may be more susceptible to labor shortages than our competitors. We have incurred increased costs to retain and address a shortage of qualified labor in certain geographies, particularly for warehouse workers and drivers, including wage actions, sign-on bonus programs, and increased use of third-party labor.

Because our labor costs are, as a percentage of Net sales, higher than in many other industries, we may be significantly harmed by labor cost increases. Further, if we are unable to accurately predict and adjust our labor needs with respect to our sales volume, our cost of labor as a percentage of Net sales may increase. In addition, labor is a significant cost of many of our wholesale customers. Any increase in their labor costs, including any increases in costs as a result of increases in minimum wage requirements or wage competition, could reduce the profitability of our customers and reduce demand for the products we supply. Additionally, the terms of some of our collective bargaining agreements may limit our ability to increase efficiencies.

As of August 2, 2025, approximately 10,768 of our 25,600 employees (approximately 42%) were covered by 57 collective bargaining agreements, including existing agreements under negotiation, which expire through March 22, 2030. In the event we are unable to negotiate reasonable contract renewals with our union associates or are required to make significant changes to terms that are unfavorable to us, our relationship with employees may become fractured, and we could be subject to work stoppages or additional expenses. In that event, it would be necessary for us to hire replacement workers or implement other business continuity contingency plans to continue to meet our obligations to our customers. The costs to hire replacement workers, employ effective security measures and, if necessary, serve customers from alternative facilities, could negatively impact the profitability of any affected facility. Depending on the length of time of any work stoppage or if we are required to employ replacement workers and implement security measures these costs could be significant and could have a material adverse effect on our business, financial condition or results of operations.

We have been the focus of union-organizing efforts, and we believe it is likely that similar efforts will continue in the future. We are in the process of negotiating collective bargaining agreements with newly certified units. New contracts could have substantially less favorable terms than our existing contracts.

Our growth plans may not produce the results that we expect.

Our future growth may be limited by our ability to optimize our distribution center network to serve our customers, retain existing customers, successfully integrate acquired entities or significant new customers, implement information systems and automation initiatives, or adequately manage our personnel. If we fail to optimize the volume of supply operations in our distribution center network, do not retain existing business or do not utilize added network capacity in line with our expectations, excess capacity may exist, which may lead to inefficiencies and adversely affect our business, financial condition or results of operations, including as a result of incurring operating costs for these facilities without sufficient corresponding sales revenue to cover these costs.

If we are unable to successfully optimize our distribution center network or open additional distribution centers in new or existing markets if needed to accommodate or facilitate growth or if our distribution centers have increased operational challenges it could have a material impact on our ability to grow. Our ability to compete effectively, maintain service levels and manage future growth, if any, will depend on our ability to maximize operational efficiencies across our distribution center network, to implement and improve on a timely basis operational, financial and management information systems, including our warehouse management systems, and to expand, train, motivate and manage our work force. Our existing personnel, systems, procedures and controls may not be adequate to support the future growth of our operations. Our inability to manage our growth effectively could have a material adverse effect on our business, financial condition or results of operations.

Further, a key element of our current growth strategy is to increase the amount of differentiated products that we distribute and services that we offer. We believe that the ability to distribute these products and offer these services will distinguish us from our competitors and increase demand for our products. If we are unable to increase these differentiated products and services, our business, financial condition or results of operations may be materially and adversely affected.

Our Conventional and Natural businesses could be adversely affected if we are not able to attract new customers, increase sales to or retain existing customers or if our customers are unable to grow their businesses.

The profitability of our Natural and Conventional businesses is dependent upon sufficient volume to support our operating infrastructure. The inability to attract new customers or the loss of existing customers from a decision to use alternative sources of distribution, whether through a competing wholesaler or by converting to self-distribution, or due to retail closure or industry consolidation may negatively impact our sales and operating margins. If there were a rapid reduction in demand for the products we distribute or services we offer, our results and cash flows may be negatively impacted if we are unable to reduce working capital maintained to support current sales levels.

Our success also depends in part on the financial success and cooperation of our wholesale customers. They may not experience an acceptable level of sales or profitability, and our revenues and gross margins could be negatively affected as a result. We may also need to extend credit to our wholesale customers. While we seek to obtain security interests and other credit support in connection with the financial accommodations we extend, such collateral may not be sufficient to cover our exposure. Additionally, in the past we have entered into wholesale customer support arrangements to guaranty or subsidize real estate obligations, which make us contingently liable in the event our wholesale customers default. If sales trends or profitability worsen for wholesale customers, their financial results may deteriorate, which could result in, among other things, lost business for us, delayed or reduced payments to us or defaults on payments or other liabilities owed by wholesale customers to us, any of which could adversely impact our financial condition and results of operations, as well as our ability to grow our Natural and Conventional businesses. In this regard, our wholesale customers are affected by the same economic conditions, including food inflation and deflation, and competition that our Retail segment faces. The magnitude of these risks increases as the size of our wholesale customers increases.

Many of our customers are not obligated to continue purchasing products from us, and larger customers that have multiyear contracts with us may terminate these contracts early in certain situations or choose not to renew or extend these contracts at expiration.

Many of our wholesale customers buy from us under purchase orders, and we generally do not have written agreements with or long-term commitments from these customers for the purchase of products. These customers may not maintain or increase their orders for the products supplied by us, and we may not be able to maintain or add to our existing customer base. Decreases in volumes or orders for products supplied by us for these customers with whom we do not have a long-term contract may have a material adverse effect on our business, financial condition or results of operations.

We may have contracts with certain of our customers (as is the case with many of our chain customers) that obligate the customer to buy products from us for a particular period of time. Even in this case, the contracts may not require the customer to purchase a minimum number of products from us or the contracts may afford the customer better pricing in the event that the volume of the customer’s purchases exceeds certain levels. If these customers were to terminate or fail to perform under these contracts prior to their scheduled termination, or if we or the customer elected not to renew or extend the term of the contract at its expiration or not to renew or extend at historical purchase levels, it may have a material adverse effect on our business, financial condition or results of operations, including additional operational expenses to transition out of the business or to adjust our facilities and staffing costs to cover the reduction in Net sales.

Disruptions to our or third-party information technology systems, including cyber-attacks and security breaches, and the costs of maintaining secure and effective information technology systems could negatively affect our business and results of operations.

The efficient operation of our businesses is highly dependent on computer hardware and software systems, including customized information technology systems. Additionally, our businesses increasingly involve the receipt, storage and transmission of sensitive data, including personal information about our customers, employees and vendors and our proprietary business information. Our information technology systems and those of our customers, business partners, suppliers, and third-party providers have been, and will continue to be, subject to cyberthreats such as computer viruses or other malicious codes, security breaches, ransomware, unauthorized access attempts, business email compromise, cyber extortion, denial of service attacks, phishing, deepfakes, social engineering, unintentional or malicious actions of employees or contractors, hacking and other cyberattacks attempting to exploit vulnerabilities by hackers, criminal groups, nation-states and nation-state-sponsored organizations and social-activist organizations, which risks may be more pronounced as associates continue to work remotely. We have seen and may continue to see an increase in the number of such attacks. For example, in the fourth quarter of fiscal 2025, we experienced the Cybersecurity Incident, which temporarily disrupted our business and impacted our results of operations. For further information regarding the Cybersecurity Incident, see “Cybersecurity” in Item 1C of Part I of this Annual Report on Form 10-K and Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in Item 7 of Part II of this Annual Report on Form 10-K.

The rapid evolution and increased adoption of emerging technologies, such as artificial intelligence, may also increase the frequency and magnitude of cyberattacks on the Company and amplify our cybersecurity risks. Our security efforts and the security efforts of our third-party providers may not prevent or timely detect future attacks and resulting breaches or breakdowns of our databases or systems. The unavailability of information technology systems or failure of these systems or software to perform as anticipated for any reason, including a ransomware attack, and any inability to respond to, or recover from, such an event on a timely basis, could disrupt our ability to manage or conduct our business, impact our customers and result in decreased performance, reputational harm, governmental fines, penalties, regulatory proceedings, increased overhead costs and increased risk for liability, causing our business and results of operations to suffer.

Further, we are in the process of upgrading certain of our digital capabilities, including hardware, software and operating systems. If such systems are not successfully upgraded or replaced in a timely manner, system outages, disruptions or delays, or other issues may arise.

We have experienced losses due to the uncollectibility of accounts in the past and could experience losses in the future if our customers are unable to timely pay their debts to us.

Certain of our customers have from time to time experienced bankruptcy, insolvency or an inability to pay their debts to us as they come due. If our customers suffer significant financial difficulty, they may be unable to pay their debts to us timely or at all, which could have a material adverse effect on our business, financial condition or results of operations. It is possible that customers may reject their contractual obligations to us under bankruptcy laws or otherwise. Significant customer bankruptcies could further adversely affect our revenues and increase our Operating expenses by requiring larger provisions for bad debt. In addition, even when our contracts with these customers are not rejected in bankruptcy, if customers are unable to meet their obligations on a timely basis, it could adversely affect our ability to collect receivables. Further, we may have to negotiate significant discounts and/or extended financing terms with these customers in such a situation, each of which could have a material adverse effect on our business, financial condition or results of operations.

During periods of economic weakness, small to medium-sized businesses, like many of our independent channel customers, may be impacted more severely and more quickly than larger businesses. Similarly, these smaller businesses may be more likely to be more severely impacted by events outside of their control, like macro-economic shifts or significant weather events. Consequently, the ability of such businesses to make payments to us may deteriorate, and in some cases this deterioration may occur quickly, which could materially and adversely impact our business, financial condition or results of operations.

We may fail to realize the expected benefits of strategic transactions or fail to effectively integrate the businesses we acquire, which may adversely affect our business, financial condition and results of operations.

We have engaged in, and could continue to pursue, strategic transactions. Strategic transactions present significant challenges and risks relating to execution.

Our ability to achieve the expected benefits of strategic transactions will depend on, among other things, our ability to effectively execute on our business strategies, integrate and manage the combined operations for acquisitions, retain customers and suppliers on terms similar to those in place prior to the transaction, achieve desired operating efficiencies and sales growth, optimize delivery routes, coordinate administrative and distribution functions, integrate management information systems, expand into new markets to include markets of the acquired business, retain our associates and retain and assimilate the acquired businesses' employees and maintain our financial and internal controls and systems as we evolve our operations. Achieving the anticipated benefits of strategic transactions also depends on the adequacy of our implementation plans and the ability of management to oversee and operate effectively any changes to the operations.

Increases in healthcare, pension and other costs under the Company's single employer benefit plan and multiemployer benefit plans could adversely affect our financial condition and results of operations.

We provide single employer and multiemployer health, defined benefit pension and defined contribution benefits to many of our employees and, in some cases, former employees. The costs of such benefits continue to increase, and the extent of any increase depends on a number of different factors, many of which are beyond our control. These factors include governmental regulations such as The Patient Protection and Affordable Care Act, which resulted in changes to the U.S. healthcare system and imposes mandatory types of coverage, reporting and other requirements; return on plan assets; changes in actuarial valuations, estimates, or assumptions used to determine our benefit obligations for certain benefit plans, which require the use of significant estimates, including the discount rate, expected long-term rate of return on plan assets, mortality rates and the rates of increase in compensation and healthcare costs; for multiemployer plans, the outcome of collective bargaining and actions taken by trustees who manage the plans; and potential changes to applicable legislation or regulation. If we are unable to control these benefits and costs, we may experience increased operating costs, which may adversely affect our financial condition and results of operations.

Additionally, certain multiemployer pension plans in which we participate are underfunded with the projected benefit obligations exceeding the fair value of those plans' assets, in certain cases, by a wide margin. If a withdrawal were to occur for any reason, the withdrawal liability from our multiemployer plans could be material, our efforts to mitigate these liabilities may not be successful, and potential exposure to withdrawal liabilities could cause us to forgo or negatively impact our ability to enter into other business opportunities. Some of these plans have required rehabilitation plans or funding improvement plans, and we can give no assurances of the extent to which a rehabilitation plan or a funding improvement plan will improve the funded status of the plan. It is possible that increases of unfunded liabilities of the multiemployer pension plans would result in increased future payments by us and the other participating employers over the next several years. Any changes to our pension plans that would impact associates covered by collective bargaining agreements will be subject to negotiation, which may limit our ability to manage our exposure to these plans. A significant increase to funding requirements could adversely affect our financial condition, results of operations or cash flows. The financial condition of these pension plans may also negatively impact our debt ratings, which may increase the cost of borrowing or adversely affect our ability to access financial markets.

Our insurance and self-insurance programs may not be adequate to cover our claims.

We use a combination of insurance and self-insurance to provide for potential liabilities, including workers' compensation, general and auto liability, director and officer liability, property risk, cyber and privacy risks and employee healthcare benefits. We believe that our insurance coverage is customary for businesses of our size and type. However, there are types of losses we may incur that cannot be insured against or that we believe are not commercially reasonable to insure. These losses, should they occur, could have a material adverse effect on our business, financial condition or results of operations. In addition, the cost of insurance fluctuates based upon our historical trends, market conditions, and availability. In response to the current market, we have also increased deductibles and increased percentages of loss retention above the deductible for certain of our policies, which could expose us to higher costs in the event of a claim.

We estimate the liabilities and required reserves associated with the risks we retain. Any such estimates and actuarial projection of losses is subject to a considerable degree of variability. Among the causes of this variability are changes in benefit levels, medical fee schedules, medical utilization guidelines, severity of injuries and accidents, vocation rehabilitation and apportionment and unpredictable external factors affecting inflation rates, discount rates, rising healthcare costs, litigation trends, legal interpretations, and actual claim settlement patterns. If actual losses incurred are greater than those anticipated, our reserves may be insufficient and additional costs could be recorded in our consolidated financial statements. If we suffer a substantial loss that exceeds our self-insurance reserves and any excess insurance coverage or is excluded under the terms of our insurance policies, the loss and attendant expenses could harm our business, financial condition, or results of operations.

The cost of the capital available to us and limitations on our ability to access additional capital may have a material adverse effect on our business, financial condition or results of operations.

Historically, capital expenditures and acquisitions have been large components of our growth may be important to our growth in the future. As a result, increases in the cost of capital available to us, which could result from volatility in the credit markets, downgrades of our credit ratings, our not being in compliance with restrictive covenants under our debt agreements or our inability to access additional capital to finance acquisitions and capital expenditures through borrowed funds could restrict our ability to grow our business organically or through acquisitions, which could have a material adverse effect on our business, financial condition or results of operations.

In addition, our profit margins depend on strategic buying initiatives, such as discounted bulk purchases, which require spending significant amounts of working capital up-front to purchase products that we then sell over a multi-month time period. Increases in the cost of capital or our inability to access additional capital on satisfactory terms could restrict our ability to engage in strategic buying initiatives, which could reduce our profit margins and have a material adverse effect on our business, financial condition or results of operations.

Our debt agreements contain restrictive covenants that may limit our operating flexibility.

Our debt agreements, including the loan agreement (the "ABL Loan Agreement") related to our $2,730 million asset-based revolving credit facility (the "ABL Credit Facility") entered into in June 2022, as amended, and the term loan agreement (the "Term Loan Agreement") related to our $500 million term loan facility (the "Term Loan Facility") entered into on October 22, 2018, as amended, and the indenture governing our $500 million unsecured 6.750% Senior Notes due October 15, 2028 (the "Senior Notes") contain financial covenants and other restrictions that limit our operating flexibility and our flexibility in planning for or reacting to changes in our business. These restrictions may prevent us from taking actions that we believe would be in the best interest of our business if we were not subject to these limitations and may make it difficult for us to successfully execute our business strategy or effectively compete with companies that are not similarly restricted.

In addition, our ABL Loan Agreement, Term Loan Agreement and the indenture governing the Senior Notes require that we comply with various financial tests and impose certain restrictions on us, including among other things, restrictions on our ability to incur additional indebtedness, create liens on assets, make loans or investments, or return capital to stockholders through share repurchases or paying dividends. Failure to comply with these covenants could have a material adverse effect on our business, financial condition, or results of operations.

Impairment charges for long-lived assets could adversely affect the Company's financial condition and results of operations.

We monitor the recoverability of our long-lived assets, such as buildings, equipment and leased assets, and evaluate their carrying value for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. If the review performed indicates that impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value and fair value of the long-lived assets, in the period the determination is made. The testing of long-lived assets and goodwill for impairment requires us to make estimates that are subject to significant assumptions about our future revenue, profitability, cash flows, fair value of assets and liabilities, and weighted average cost of capital, as well as other assumptions. Changes in these estimates, or changes in actual performance compared with these estimates, may affect the fair value of long-lived assets, which may result in an impairment charge.

We cannot accurately predict the amount or timing of any impairment. Should the value of long-lived assets become impaired, our financial condition and results of operations may be adversely affected.

Activist investors could negatively impact our business and cause disruptions to our operations.

We value constructive input from investors and regularly engage in dialogue with our stockholders regarding strategy and performance. Activist stockholders who disagree with the composition of the Board of Directors, our strategy or the way the Company is managed may seek to effect change through various strategies and channels, such as through commencing a proxy contest, making public statements critical of our performance or business or engaging in other similar activities.

Responding to such actions by activist investors can be costly and time-consuming, disruptive to our operations and divert the attention of management, our Board of Directors and our employees, and our ability to execute our strategic plan could also be impaired as a result. For example, we have in the past retained the services of various professionals to advise us on activist stockholder matters, including legal, financial and other advisory fees. In the event of an activist campaign, we could be required to incur substantially increased legal, public relations and other advisory fees and proxy solicitation expenses. In addition, perceived uncertainties as to our future direction, strategy or leadership created as a consequence of activist investors may result in the loss of potential business opportunities, harm our ability to attract new or retain existing investors, customers, directors, employees, collaborators or other partners, disrupt relationships with the Company, and the market price of our common stock could also experience periods of increased volatility as a result.

Economic Risks

Changes in consumer purchasing habits could materially and adversely affect our business, financial condition or results of operations.

Changes in consumer purchasing habits may reduce demand for certain of the products we distribute. Consumer habits could be affected by a number of factors, including an increase in food-away-from home options, changes in attitudes regarding benefits of natural and organic products when compared to similar lower margin conventional products, new information regarding the health effects of consuming certain foods, changes in disposable income levels, which may be impacted by a reduction in the level of government spending that supports grocery purchases, changes in product prices or other macro trends. Further, in a sustained economic downturn, consumers may shift their purchases to lower-cost, lower-margin products. For example, recent price changes have shifted consumer purchasing habits toward value-oriented categories and private brands, while dampening demand for certain discretionary and higher-margin products, a dynamic that continues to shape both retailer mix and wholesale distribution. We cannot be certain how consumer habits may continue to evolve. Although there is a growing consumer preference for sustainable, organic and locally grown products, which are higher margin products, there can be no assurance that such trend will continue. Changing consumer preferences also result from generational shifts, including younger generations seeking new and different foods, as well as more multi-cultural menu options and menu innovation. However, there can be no assurance that such trends will continue. If consumer eating habits change significantly, we may be required to modify or discontinue sales of certain items in our product portfolio, and we may experience higher costs associated with the implementation of those changes. Additionally, if we are not able to effectively respond to changes in consumer perceptions or adapt our product offerings to new or developing trends in eating habits, our business, financial condition, or results of operations could suffer.

Our leverage and debt service obligations increase our sensitivity to the effects of economic downturns and could adversely affect our business.

As of August 2, 2025, we had approximately $1.9 billion of long-term debt outstanding. Our leverage, and any increase therein, could have important potential consequences, including, but not limited to:

- increasing our vulnerability to, and reducing our flexibility in planning for and responding to, adverse general economic and industry conditions and changes in our business and the competitive environment and placing us at a disadvantage to our competitors that are less leveraged;
- requiring us to use a substantial portion of operating cash flow to pay principal of, and interest on, indebtedness, instead of other purposes, such as funding working capital, capital expenditures, acquisitions, returning capital to stockholders through dividends or share repurchases or other corporate purposes;
- increasing our vulnerability to downgrades of our credit rating, which could adversely affect our cost of funds, liquidity, and access to capital markets;
- restricting us from making desired strategic acquisitions in the future or causing us to make non-strategic divestitures;
- increasing our exposure to the risk of increased interest rates insofar as current and future borrowings are subject to variable rates of interest;
- making it more difficult for us to repay, refinance or satisfy our obligations with respect to our indebtedness;
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing; and
- imposing restrictive covenants on our operations, which could result in an event of default if we are unable to comply, and absent any cure or waiver of such default ultimately could result in the acceleration of the such debt and potentially other debt with cross-acceleration or cross-default provisions.

There is no assurance that we will generate sufficient cash flow from operations or that future debt or equity financing will be available to us to enable us to pay our indebtedness. As a result, we may need to refinance all or a portion of our indebtedness on or before maturity, however, we may not be able to do so on favorable terms, or at all. Any inability to generate sufficient cash flow or refinance our indebtedness on favorable terms could have a material adverse effect on our business, financial condition or results of operations.

Disruption of our distribution network or to the operations of our customers could adversely affect our business.

Damage or disruption to our distribution capabilities due to weather, including extreme or prolonged weather conditions, natural disaster, fire, civil unrest, terrorism, pandemic, strikes, product recalls or safety concerns generally, crop conditions, availability of key commodities, regulatory actions, disruptions in technology, the financial and/or operational instability of key suppliers, performance by outsourced service providers, transportation interruptions, labor supply or stoppages or vendor defaults or disputes, or other reasons could impair our ability to distribute our products. To the extent that we are unable, or it is not financially feasible, to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, there could be an adverse effect on our business, financial condition or results of operations.

In addition, such disruption may interrupt or impede access to, or otherwise reduce the number of consumers who visit, our customers' facilities, all of which could have a material adverse effect on our business, financial condition or results of operations.

Increased fuel costs may adversely affect our results of operations.

Increased fuel costs may have a negative impact on our results of operations. Both the price and supply of fuel are unpredictable and fluctuate based on events outside our control, including geopolitical developments, supply and demand for oil and gas, actions by the Organization of Petroleum Exporting Countries and other oil and gas producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns. Higher costs for diesel fuel can increase the price we pay for products as well as the costs we incur to deliver products to our customers, including costs of inbound goods from our suppliers. These factors, in turn, may negatively impact our Net sales, margins, operating expenses and operating results. To the extent we do not enter into commodity derivative contracts to hedge a portion of our projected diesel fuel requirements, our exposure to volatility in the price of diesel fuel would increase relative to our exposure to volatility in periods in which we have outstanding commodity derivative contracts. We also maintain a fuel program with certain customers, which allows us to pass some of the changes in fuel costs through to those customers. If fuel costs continue to increase in the future, we may experience difficulties in passing all or a portion of these costs along to our customers, which may adversely affect our business, financial condition or results of operations.

Legal and Regulatory Risks

We are subject to significant governmental regulation and failure to comply with such regulations may have a material adverse effect on our business, financial condition or results of operations.

Our business is highly regulated at the federal, state, and local levels, and our products and distribution operations require various licenses, permits and approvals. For example:

- The products that we distribute in the United States are subject to inspection by the United States Food and Drug Administration.
- Our warehouse and distribution centers are subject to inspection by the United States Department of Agriculture, the United States Department of Labor Occupational and Health Administration, the Environmental Protection Agency and various state health and workplace safety authorities.
- Our United States trucking operations are subject to regulation by the United States Department of Transportation and the United States Federal Highway Administration.

In addition, the various federal, state and local laws, regulations and administrative practices to which we are subject require us to comply with numerous provisions regulating areas such as environmental, health and sanitation standards, food safety, marketing of natural or organically produced food, facilities, pharmacies, equal employment opportunity, public accessibility, employee benefits, wages and hours worked and licensing for the sale of food, drugs, tobacco and alcoholic beverages, among others. For example:

Environmental, Health and Safety: Our operations are subject to extensive and continually evolving laws and regulations pertaining to the protection of the environment, including those relating to the discharge of materials into the environment, the disposal of food by-products, recycling/end of life product management, the handling, treatment, and disposal of wastes, maintenance of refrigeration systems, and remediation of soil and groundwater contamination. Compliance with existing or changing environmental and safety requirements, including more stringent limitations imposed or expected to be imposed in any recently renewed or soon-to-be renewed environmental permits, may require capital expenditures. Additionally, concern over climate change, including the impact of global warming, has led to significant United States and international legislative and regulatory efforts to limit greenhouse gas emissions. Increased regulation regarding greenhouse gas emissions, particularly with respect to diesel engine emissions, could result in substantial additional operating expenses. These expenses may include an increase in the cost of the fuel and other energy we purchase and capital costs associated with updating or replacing our vehicles sooner than planned. Until the timing, scope and extent of such regulation becomes known, we cannot predict its effect on our results of operations. It is reasonably possible, however, that it could result in material costs, which we may be unable to pass on to our customers.

Further, our business may be subject to climate-related transition risks, which arise from society's transition toward a low-carbon economy due to changes in laws or regulations, technological advancements and investor and consumer sentiment. We also have announced third-party validated emissions reduction targets covering our operations and value chain. While many of our initiatives will create efficiencies and return on investment, the transition to a low-carbon economy generally and our own efforts to reduce emissions could lead to increased costs to transition to or invest in renewable energy sources, including electric vehicles, increased compliance costs, including tracking and reporting systems, and increased costs of products, commodities and energy.

Food Safety and Marketing: There is significant governmental scrutiny, regulations and public awareness regarding food quality and food and drug safety. We may be adversely affected if consumers lose confidence in the safety and quality of the food we manufacture or the food and drug products we distribute. In addition, we are subject to governmental scrutiny of and public awareness regarding food safety and the sale, packaging, and marketing of natural and organic products. Compliance with these laws may impose a significant burden on our operations.

Wage Rates and Paid Leave: Changes in federal, state or local minimum wage and overtime laws, laws relating to work productivity or employee paid leave laws could cause us to incur additional wage costs or state/local employment tax costs, which could adversely affect our operating margins. Failure to comply with existing or new laws or regulations could result in significant damages, penalties and/or litigation costs.

Information Security: As a merchant that accepts debit and credit cards for payment, we are subject to the Payment Card Industry Data Security Standard ("PCI DSS"), issued by the PCI Council. Additionally, we are subject to PCI DSS as a service provider, which is a business entity that is not a payment brand directly involved in the processing, storage or transmission of cardholder data. PCI DSS contains compliance guidelines and standards with regard to our security surrounding the physical and electronic storage, processing and transmission of individual cardholder data. By accepting debit cards for payment, we are also subject to compliance with American National Standards Institute data encryption standards and payment network security operating guidelines. The cost of complying with stricter privacy and information security laws, standards and guidelines, including evolving PCI DSS standards, and developing, maintaining, and upgrading technology systems to address future advances in technology, could be significant and we could experience problems and interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of existing systems. Failure to comply with such laws, standards, and guidelines, or payment card industry standards such as those involving MasterCard, Visa and Europay (EMV) transactions, could have a material adverse impact on our business, financial condition or results of operations.

Foreign Operations: Our supplier base includes domestic and foreign suppliers. In addition, we have customers located outside the United States. Accordingly, laws and regulations affecting the importation and taxation of goods, including duties, tariffs and quotas, or changes in the enforcement of those laws and regulations could adversely impact our financial condition and results of operations. In addition, we are required to comply with laws and regulations governing export controls, and ethical, anti-bribery and similar business practices such as the Foreign Corrupt Practices Act. Our Canadian operations are similarly subject to extensive regulation, including the English and French dual labeling requirements applicable to products that we distribute in Canada. The loss or revocation of any existing licenses, permits, or approvals or the failure to obtain any additional licenses, permits, or approvals in new jurisdictions where we intend to do business could have a material adverse effect on our business, financial condition or results of operations.

Pharmacy: We are required to meet various security and operating standards and comply with the Controlled Substances Act and its accompanying regulations governing the sale, marketing, packaging, holding, record keeping and distribution of controlled substances. During the past several years, the United States healthcare industry has been subject to an increase in governmental regulation and audits at both the federal and state levels. For example, in 2019, the Company settled with the Drug Enforcement Administration alleged violations of the Controlled Substances Act relating to an administrative subpoena received by Supervalu that requested, among other things, information on the Company's pharmacy policies and procedures generally, as well as the production of documents that are required to be kept and maintained pursuant to the Controlled Substances Act and its accompanying regulations.

The failure to comply or maintain compliance with applicable governmental laws and regulations, including those referred to above and in Item 1. Business - Government Regulation of this Annual Report, could result in, among other things, administrative, civil, or criminal penalties or fines; mandatory or voluntary product recalls; warning or other letters; cease and desist orders against operations that are not in compliance; closure of facilities or operations; the loss, revocation, or modification of any existing licenses, permits, registrations or approvals; the failure to obtain additional licenses, permits, registrations or approvals in new jurisdictions where we intend to do business; or the loss of our ability to participate in federal and state healthcare programs, any of which could have a material adverse effect on our business, financial condition or results of operations. These laws and regulations may change in the future. We cannot predict the nature of future laws, regulations, interpretations or applications, nor can we determine the effect that additional governmental regulations or administrative orders, when and if promulgated, or disparate federal, state and local regulatory schemes would have on our future business. We may incur material costs in our efforts to comply with current or future laws and regulations or due to any required product recalls.

In addition, if we fail to comply with applicable laws and regulations or encounter disagreements with respect to our contracts subject to governmental regulations, including those referred to above, we may be subject to investigations, criminal sanctions or civil remedies, including fines, injunctions, prohibitions on exporting, seizures, or debarments from contracting with the U.S. or Canadian governments. The cost of compliance or the consequences of non-compliance, including debarments, could have a material adverse effect on our business, financial condition, or results of operations. In addition, governmental units may make changes in the regulatory frameworks within which we operate that may require us to incur substantial increases in costs in order to comply with such laws and regulations.

Product liability claims could have an adverse effect on our business.

We face a risk of exposure to product liability claims if the products we sell or manufacture cause injury or illness. In addition, meat, seafood, cheese, poultry and other products that we distribute could be subject to recall because they are, or are alleged to be, contaminated, spoiled or inappropriately labeled. Our meat and poultry products may be subject to contamination by disease-producing organisms or pathogens, such as Listeria monocytogenes, Salmonella and generic E. coli. These pathogens are generally found in the environment, and as a result, there is a risk that they, as a result of food processing, could be present in the meat and poultry products we distribute. These pathogens can also be introduced as a result of improper handling at the consumer level. These risks may be controlled, although not eliminated, by adherence to good manufacturing practices and finished product testing. We have little, if any, control over proper handling before we receive the product or once the product has been shipped to our customers. Any events that give rise to actual or potential food contamination, drug contamination or food-borne illness or injury, or events that give rise to claims that our products are not of the quality or composition claimed to be, may result in product liability claims from individuals, consumers and governmental agencies, penalties and enforcement actions from government agencies, a loss of consumer confidence, harm to our reputation and could cause production and delivery disruptions, which may adversely affect our financial condition or results of operations.

In addition, if we were to manufacture or distribute foods that are or are perceived to be unsafe, contaminated, or defective, it may be necessary for us to recall such products, or we may recall products that we determine do not satisfy our quality standards. Any resulting product recalls could have an adverse effect on our business, financial condition or results of operations. We have, and the companies we have acquired have had, liability insurance with respect to product liability claims. This insurance may not continue to be available at a reasonable cost or at all and may not be adequate to cover product liability claims against us or against companies we have acquired.

We generally seek contractual indemnification and insurance coverage from our suppliers and manufacturers, but any such indemnification is limited to the creditworthiness of the indemnifying party. We may be subject to liability, which could be substantial, because of actual or alleged contamination in products manufactured or sold by us, including products sold by companies before we acquired them. If we do not have adequate insurance or contractual indemnification available, product liability claims and costs associated with product recalls, including a loss of business, could have a material adverse effect on our business, financial condition or results of operations.

We may be unable to adequately protect our intellectual property rights, which could harm our business.

We rely on a combination of trademark, service mark, trade secret, copyright and domain name law and internal procedures and nondisclosure agreements to protect our intellectual property. We believe our trademarks, private label products and domain names are valuable assets. However, our intellectual property rights may not be sufficient to distinguish our products and services from those of our competitors and to provide us with a competitive advantage. From time to time, third parties may use names, logos and slogans similar to ours, may apply to register trademarks or domain names similar to ours, and may infringe or otherwise violate our intellectual property rights. Our intellectual property rights may not be successfully asserted against such third parties or may be invalidated, circumvented or challenged. Asserting or defending our intellectual property rights could be time consuming and costly and could distract management's attention and resources. If we are unable to prevent our competitors from using names, logos, slogans and domain names similar to ours, consumer confusion could result, the perception of our brands and products could be negatively affected and our sales and profitability could suffer as a result. In addition, if our wholesale customers receive negative publicity or fail to maintain the quality of the goods and services used in connection with our trademarks, our rights to, and the value of, our trademarks could potentially be harmed. Failure to protect our proprietary information could also have an adverse effect on our business.

We may also be subject to claims that our activities or the products we sell infringe, misappropriate, or otherwise violate the intellectual property rights of others. Any such claims can be time consuming and costly to defend and may distract management's attention and resources, even if the claims are without merit, and may prevent us from using our trademarks in certain geographies or in connection with certain products and services, any of which could adversely affect our business.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We have established policies and processes for assessing, identifying and managing risks from cybersecurity threats based on the National Institute of Standards and Technology ("NIST") cybersecurity framework. Our technology environment is regularly assessed, both internally and through the use of third parties, against the six NIST principles (identify, detect, protect, recover, respond, govern) to oversee and identify the likelihood and impact of risks from cybersecurity threats. Additionally, we apply these principles where appropriate to third-party technology providers. We also utilize third parties to assess the effectiveness of our cybersecurity program on a periodic basis, which includes engaging cybersecurity assessors and cybersecurity experts to assist in the detection, verification and validation of risks from cybersecurity threats, as well as to support associated mitigation plans when necessary. We have a cybersecurity incident response plan in place to assist us in detecting, analyzing, containing, responding to and recovering from cybersecurity incidents. We also maintain cybersecurity insurance coverage to protect against certain potential losses arising from cybersecurity incidents.

We have identified, and as a result monitor, cybersecurity as an enterprise risk of the Company. We have an Information Security Steering Committee that meets quarterly to review the cybersecurity threat landscape, current risks, incidents and program management. We routinely assess the cybersecurity threat landscape, including any potential unauthorized occurrence on or conducted through our information systems that may result in adverse effects on the confidentiality, integrity or availability of our information systems or any information residing therein.

Our Chief Information Security Officer ("CISO") leads a dedicated cybersecurity team responsible for policy, governance, vulnerability management, architecture and incident response. Our team monitors and tests our cybersecurity policies and procedures through methods such as periodic reviews, targeted assessments and tabletop exercises. All personnel with access to UNFI systems are made aware of our cybersecurity policies and procedures upon hire and through periodic refresher trainings. Such policies and procedures cover areas such as identity and access management, vendor management, data governance and protection, vulnerability management, incident response, recovery, communications and cybersecurity hygiene.

In the fourth quarter of fiscal 2025, we became aware of unauthorized activity on certain of our information technology systems. We promptly activated our incident response plan and implemented containment measures, including proactively taking certain systems offline (the "Cybersecurity Incident"). As a result, our ability to fulfill and distribute customer orders was temporarily impacted until the unauthorized activity could be contained, and we could safely restore the core systems that our customers and suppliers use, enabling business operations to normalize. As a result of the Cybersecurity Incident, we experienced reduced sales volume and increased operational costs in the fourth quarter of fiscal 2025, which negatively impacted our results of operations.

Other than the Cybersecurity Incident, we have not experienced any cybersecurity incidents that have materially impacted or are likely to materially impact our business strategy, results of operations or financial condition. Although we cannot eliminate all potential threats, our cybersecurity program is operated in a manner to minimize the likelihood of any threat becoming material and to keep pace with a constantly evolving cybersecurity landscape. For more information on risks from cybersecurity threats, refer to the risks described under "Risk Factors" included in Part I, Item 1A in this Annual Report.

Governance

Board's Role in Oversight of Risks from Cybersecurity Threats

Our Board of Directors has appointed the Audit Committee to assist in fulfilling its responsibilities with respect to the oversight of cybersecurity, data privacy and information technology. Several of our Directors, including certain members of our Audit Committee, have backgrounds or professional experience in risk management, digital platforms, information technology or cybersecurity and meet regularly with members of our management team to advise on cybersecurity matters and technology initiatives.

Our Chief Information Officer ("CIO"), CISO and other members of management provide quarterly updates to the Audit Committee and meet with the Board of Directors at least annually regarding risks related to information systems, information security and cybersecurity. Specific topics may include updates to the Company's strategy to combat cybersecurity risks; cybersecurity news and events; key focus areas; the threat landscape; and the results of certain assessments and testing. Our CIO, CISO or other members of management provide information to the Audit Committee or our Board of Directors, as applicable, pursuant to risk-based escalation protocols for cybersecurity incidents in accordance with an established materiality framework.

Management's Role in Assessing and Managing Material Risks from Cybersecurity Threats

The information security function is led by our CISO, under the direction of our CIO. In fiscal 2025, following the retirement of our former CISO, we appointed an interim CISO who has over 20 years of experience in information technology and security and is a Certified Information Systems Security Professional. Our CISO maintains primary responsibility for developing cybersecurity strategies; cybersecurity governance; identifying, assessing and monitoring cybersecurity risks; preparing for and responding to cybersecurity incidents; verification and testing of cybersecurity; and disaster recovery governance. Our CISO may authorize specific Company associates to assist in managing these responsibilities if determined necessary, including the Crisis Response Team. Our CIO and CISO have oversight responsibilities of the Company's cybersecurity program.

We conduct a regular cybersecurity risk assessment process through our CISO and dedicated information security team, which reports to the Information Security Steering Committee. This committee meets at least quarterly to review current program progress and discuss and evaluate risks that could be material to our business, including cybersecurity threats. The Information Security Steering Committee is comprised of key leadership across the Company to support cross-functional representation.

ITEM 2. PROPERTIES

Distribution Centers

We maintained 52 distribution centers and warehouses at August 2, 2025, which were utilized by our Natural and Conventional segments. Overlap between segments exists due to cross-docking and other supply chain integration. The following table shows our dry and cold storage distribution and warehouse facilities and their associated owned and leased square footage occupied as of August 2, 2025, presented by the segment primarily served by the facility:

Location[1]	Owned Square Footage	Leased Square Footage	Total Square Footage
		(in thousands)	
Natural:			
Manchester, Pennsylvania	—	1,319	1,319
Riverside, California	—	1,171	1,171
Sarasota North, Florida	—	1,016	1,016
Ridgefield, Washington[2]	779	—	779
Sarasota, Florida	—	763	763
Atlanta, Georgia[2]	389	259	648
Lancaster, Texas	—	590	590
Aurora, Colorado	—	529	529
Montgomery, New York[2]	500	—	500
Rocklin, California[2]	469	—	469
Gilroy, California[2]	447	—	447
Sturtevant, Wisconsin[2]	442	—	442
Moreno Valley, California	—	434	434
Howell Township, New Jersey[2]	397	—	397
Chesterfield, New Hampshire[2]	300	69	369
Richburg, South Carolina[2]	342	—	342
Dayville, Connecticut[2]	317	—	317
Greenwood, Indiana[2]	308	—	308
Prescott, Wisconsin[2]	307	—	307
Iowa City, Iowa[2]	271	—	271
West Sacramento, California[2]	251	—	251
Vaughan, Ontario	—	180	180
Edison, New Jersey	—	178	178
Richmond, British Columbia	—	126	126
Londonderry, New Hampshire	—	124	124
Philadelphia, Pennsylvania	—	100	100
West Sacramento, California[2]	85	—	85
Montreal, Quebec	—	31	31
Truckee, California	—	8	8
Total Natural	5,604	6,897	12,501
Conventional:			
Hopkins, Minnesota[2]	1,866	—	1,866
Allentown, Pennsylvania	—	1,327	1,327
Stockton, California	—	1,290	1,290
Mechanicsville, Virginia[2]	1,249	—	1,249
Centralia, Washington	—	1,155	1,155
Green Bay, Wisconsin	—	1,080	1,080
Joliet, Illinois	—	988	988

Location[1]	Owned Square Footage	Leased Square Footage	Total Square Footage
		(in thousands)	
Champaign, Illinois	—	910	910
Pompano Beach, Florida	—	903	903
Harrisburg, Pennsylvania	—	883	883
Quincy, Florida[2]	758	—	758
Commerce, California	—	695	695
Pittsburgh, Pennsylvania	679	—	679
Anniston, Alabama	465	105	570
Indianola, Mississippi[2]	543	—	543
Stevens Point, Wisconsin[2]	314	146	460
Carlisle, Pennsylvania	—	423	423
Fargo, North Dakota[2]	336	—	336
Oglesby, Illinois	—	325	325
Santa Fe Springs, California	—	298	298
Anniston, Alabama	—	231	231
West Newell, Illinois[2]	155	—	155
Fife, Washington	—	39	39
Total Conventional	6,365	10,798	17,163
Total Distribution Centers	11,969	17,695	29,664

(1) Distribution centers and warehouses as presented here reflect the location of the main distribution center campus and warehouse combined with their related offsite storage used to supply customers from these locations.
(2) These distribution centers secure our Term Loan Facility.

Retail Stores

The following table summarizes retail stores utilized by our Retail segment as of August 2, 2025:

Retail Banner	Number of Stores	Owned Square Footage	Leased Square Footage	Total Square Footage
			(square footage in thousands)	
Cub Foods[1][2]	54	1,180	2,496	3,676
Shoppers	21	—	1,205	1,205
Total	75	1,180	3,701	4,881

(1) Cub Foods stores include stores in which we have a controlling ownership interest and excludes 32 franchised Cub Foods full-line and separate liquor stores in which we have no ownership interest or a minority interest.
(2) Includes 7 Cub Foods stores securing our Term Loan Facility.

Corporate

As of August 2, 2025, we had approximately 3 million square feet, 58% of which was leased, of surplus warehouses, distribution centers and retail stores, excluding assigned leases.

As of August 2, 2025, we utilized approximately 131 thousand square feet of corporate office space across the United States, including our corporate headquarters located in Providence, Rhode Island. We own approximately 61 thousand square feet and lease the remaining 70 thousand square feet of our corporate office space.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we are involved in routine litigation or other legal proceedings that arise in the ordinary course of our business, including investigations and claims regarding employment law including wage and hour, pension plans, unfair labor practices, labor union disputes, supplier, customer and service provider contract terms, product liability, real estate and antitrust. Other than as set forth in Note 17—Commitments, Contingencies and Off-Balance Sheet Arrangements in Part II, Item 8 of this Annual Report, which is incorporated herein, there are no pending material legal proceedings to which we are a party or to which our property is subject.

Environmental Matter

On December 31, 2024, the Company received a Notice of Potential Violation and Opportunity to Confer ("Notice") from the U.S. Environmental Protection Agency ("EPA") Region VI alleging violations of the Federal Clean Air Act Section 112(r) at one of the Company's distribution centers. The alleged violations stem from an EPA inspection of the facility in December 2023. The Company conferred with the EPA and provided additional information with respect to the alleged violations and the Company's corrective actions. Subsequent to the end of the fiscal year, on August 4, 2025, the EPA proposed a settlement and penalty based on the alleged violations. Confidential settlement negotiations with the EPA are ongoing and expected to be finalized in the form of a Consent Agreement and Final Order with an expected monetary penalty in excess of $300,000 by the end of the calendar year but is not expected to be material.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II.

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information, Holders and Dividends

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "UNFI".

On September 25, 2025, we had 71 stockholders of record.

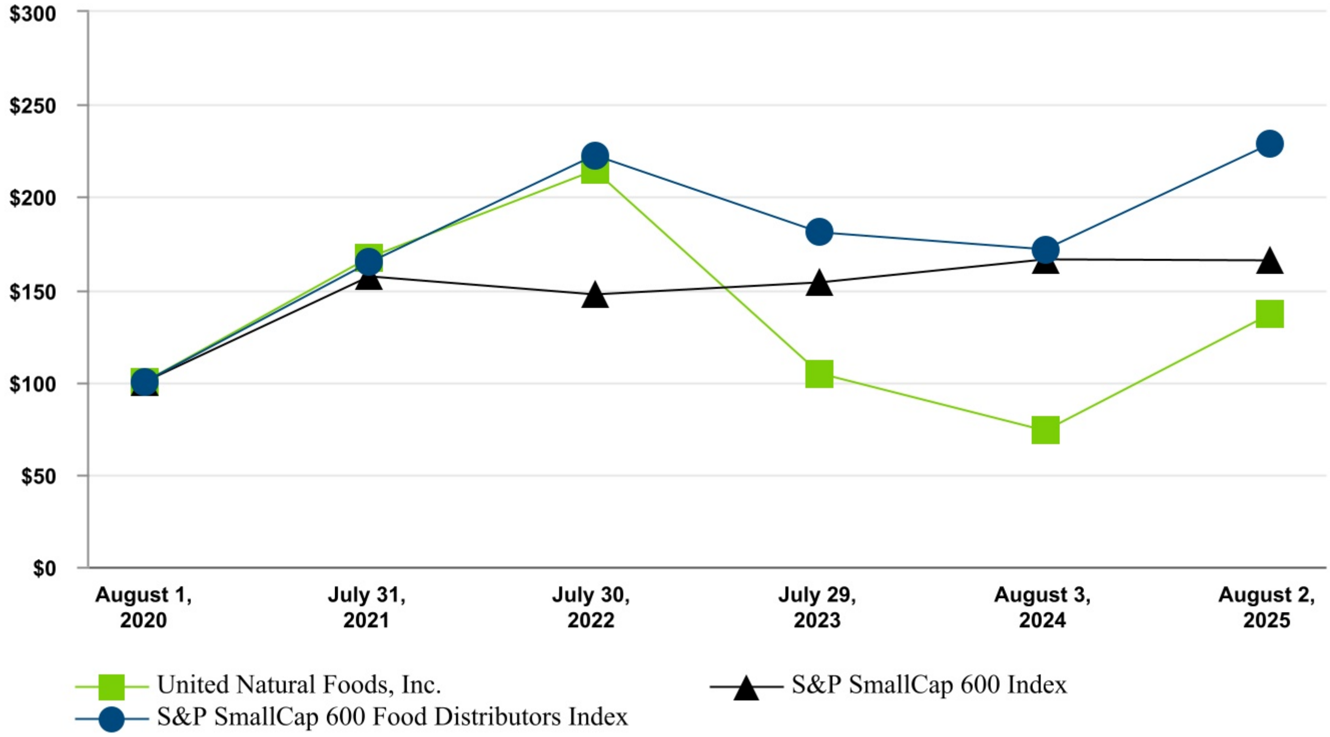
We have never paid any cash dividends on our capital stock and we have no current intention to pay cash dividends. Our future dividend policy will depend on our earnings, capital requirements, financial condition and other factors considered relevant by our Board of Directors. Our Term Loan Facility, ABL Credit Facility and Senior Notes contain terms that limit our ability to make cash dividends.

Comparative Stock Performance

The following graph compares the yearly change in cumulative total stockholder returns on our common stock for the last five fiscal years with the cumulative return on the Standard & Poor's ("S&P") SmallCap 600 Index and the S&P SmallCap 600 Food Distributors Index. The comparison assumes the investment of $100 on August 1, 2020 in our common stock and in each of the indices and, in each case, assumes reinvestment of all dividends. The stock price performance shown below is not necessarily indicative of future performance.

This performance graph shall not be deemed "soliciting material" or be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN
Among United Natural Foods, Inc., the S&P SmallCap 600, the S&P SmallCap 600 Food Distributors(1)



(1) Our selected industry peer group is the S&P SmallCap 600 Food Distributors Index, which includes SpartanNash Company, The Andersons, Inc., The Chef's Warehouse, Inc. and United Natural Foods, Inc.

	August 1, 2020	July 31, 2021	July 30, 2022	July 29, 2023	August 3, 2024	August 2, 2025
United Natural Foods, Inc.	$ 100.00	$ 166.85	$ 214.16	$ 104.38	$ 73.55	$ 136.07
S&P SmallCap 600 Index	$ 100.00	$ 156.95	$ 147.16	$ 153.53	$ 166.23	$ 165.65
S&P SmallCap 600 Food Distributors Index	$ 100.00	$ 164.29	$ 222.24	$ 180.43	$ 171.40	$ 228.14

Issuer Purchases of Equity Securities

On September 21, 2022, our Board of Directors authorized a repurchase program for up to $200 million of our common stock over a term of four years (the "2022 Repurchase Program"). As of August 2, 2025, we had $138 million remaining authorized under the 2022 Repurchase Program. We did not repurchase any shares of our common stock in fiscal 2025.

Any repurchases are intended to be made in accordance with applicable securities laws from time to time in the open market, through privately negotiated transactions or otherwise. With respect to open market purchases, we may use a plan or plans meeting the conditions of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, which allows us to repurchase shares during periods when we otherwise might be prevented from doing so under insider trading laws or because of self-imposed blackout periods. We manage the timing of any repurchases in response to market conditions and other relevant factors, including any limitations on our ability to make repurchases under the terms of our ABL Credit Facility, Term Loan Facility and Senior Notes.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our Consolidated Financial Statements and the notes thereto, "Risk Factors" included in Part I, Item IA, "Cautionary Note Regarding Forward-Looking Statements" and other risks described elsewhere in this Annual Report. The following includes a comparison of our consolidated results of operations, segment results and financial position for fiscal years 2025 and 2024. In evaluating financial performance in each business segment, management primarily uses Net sales and Adjusted EBITDA of its business segments as discussed and reconciled within Note 16—Business Segments in Part II, Item 8 of this Annual Report. For a comparison of our consolidated results of operations and financial position for fiscal years 2024 and 2023, see Item 7 of Part II, "Management's Discussion and Analysis of Financial Condition and Results of Operations", in our Annual Report on Form 10-K for the fiscal year ended August 3, 2024, filed with the Securities and Exchange Commission on October 1, 2024, as supplemented by the additional discussion below, which includes a comparison of our segment results for fiscal years 2024 and 2023 reflecting our updated segments.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act, that involve substantial risks and uncertainties. In some cases you can identify these statements by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "seek," "should," "will" and "would," or similar words. Statements that contain these words and other statements that are forward-looking in nature should be read carefully because they discuss future expectations, contain projections of future results of operations or of financial positions or state other "forward-looking" information.

Forward-looking statements involve inherent uncertainty and may ultimately prove to be incorrect. These statements are based on our management's beliefs and assumptions, which are based on currently available information. These assumptions could prove inaccurate. You are cautioned not to place undue reliance on forward-looking statements. Except as otherwise may be required by law, we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or actual operating results. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including, but not limited to:

- our dependence on principal customers;
- the relatively low margins of our business, which are sensitive to inflationary and deflationary pressures and intense competition, including as a result of the continuing consolidation of retailers and the growth of consumer choices for grocery and consumable purchases;
- our ability to realize the anticipated benefits of our strategic initiatives;
- changes in relationships with our suppliers;
- our ability to develop, implement, operate and maintain, and rely on third parties to operate and maintain, reliable and secure technology systems, and the effectiveness of our business continuity plans in response to an incident impacting our technology systems, such as the unauthorized incident on our technology systems;
- labor and other workforce shortages and challenges;
- the addition or loss of significant customers or material changes to our relationships with these customers;
- our ability to realize anticipated benefits of strategic transactions;
- our ability to continue to grow sales, including of our higher margin natural and organic foods and non-food products;
- our ability to maintain sufficient volume in our Natural and Conventional businesses to support our operating infrastructure;
- our ability to access additional capital;
- increases in healthcare, pension and other costs under our single employer benefit plan and multiemployer benefit plans;

- the potential for additional asset impairment charges;
- our sensitivity to general economic conditions including inflation, tariff policy and changes in disposable income levels and consumer purchasing habits;
- our ability to timely and successfully deploy our warehouse management system throughout our distribution centers and our transportation management system across the Company and to achieve efficiencies and cost savings from these efforts;
- the potential for disruptions in our supply chain or our distribution capabilities from circumstances beyond our control, including due to lack of long-term contracts, severe weather, labor shortages or work stoppages or otherwise;
- the effect of adverse decisions in, or settlement of, litigation or other proceedings to which we are subject;
- moderated supplier promotional activity, including decreased forward buying opportunities;
- union-organizing activities that could cause labor relations difficulties and increased costs;
- changes in tax laws and regulations, and actions by federal, state and local taxing authorities related to the interpretation and application of such tax laws and regulations;
- our ability to maintain food quality and safety; and
- volatility in fuel costs.

You should carefully review the risks described under “Risk Factors” included in Part I, Item 1A, as well as any other cautionary language in this Annual Report, as the occurrence of any of these events could have an adverse effect, which may be material, on our business, results of operations, financial condition or cash flows.

EXECUTIVE OVERVIEW

Business Overview

UNFI is a leading distributor of grocery and non-food products, and support services provider to retailers in the United States and Canada. We believe we are uniquely positioned to provide the broadest array of products, programs and services to customers throughout North America. Our diversified customer base includes over 30,000 customer locations ranging from some of the largest grocers in the country to smaller retailers. We offer approximately 230,000 products consisting of national, regional and private label brands grouped into the following main product categories: grocery and general merchandise; perishables; frozen foods; wellness and personal care items; and bulk and foodservice products. We believe we are North America’s premier grocery wholesaler with 52 distribution centers and warehouses representing approximately 30 million square feet of warehouse space. We are a coast-to-coast distributor with customers in all 50 states as well as all ten provinces in Canada, making us a desirable partner for retailers and consumer product manufacturers. We believe our total product assortment and service offerings are unmatched by our wholesale competitors. We plan to continue to pursue new business opportunities with independent retailers that operate diverse formats, regional and national chains, as well as international customers with wide-ranging needs. Our business is classified into three reportable segments: Natural, Conventional and Retail.

We are executing against the strategy we introduced in October 2024 and three-year financial objectives that seek to add value to our customers and suppliers through our portfolio of products, programs, insights and services while improving our effectiveness, efficiency and cash flow. To accomplish the latter, we are focused on controllable variables in four key areas: intensifying and expanding our network optimization; reducing annual capital spending; optimizing our cost structure; and reducing our net working capital position. Our strategy includes the areas of focus detailed under “Business” included in Part 1, Item 1 of this Annual Report.

In the second quarter of fiscal 2025, we began realigning our commercial wholesale organization into two product-centered business divisions, Conventional Grocery Products (“Conventional”) and Natural, Organic, Specialty & Fresh Products (“Natural”), to enhance service to customers and suppliers through more customized, product- and service-focused commercial teams. In addition, capability centers of excellence in areas such as supply chain, professional and digital services, and private brands work across the divisions to help create customized programs to help customers and suppliers accelerate their growth strategies. In the fourth quarter of fiscal 2025, we restructured our internal financial reporting and management processes to align with the new divisional structure. Our new external reporting structure provides insight into each division’s performance in line with how the business is now managed.

We expect to continue to use available capital to re-invest in our business and are committed to improving our free cash flow and financial leverage while reducing outstanding debt.

We believe we can optimize our performance and profitability through our improvement efforts, which we expect will improve our cost structure, increase sales of products and services, and position us to provide tailored, data-driven solutions to help our customers run their businesses more efficiently and expand our customer base.

Trends and Other Factors Affecting Our Business

Our results are impacted by macroeconomic and demographic trends, changes in the food distribution market structure and changes in consumer behavior, which may result from factors beyond our control, including geopolitical events and other events that may trigger economic volatility and negatively impact discretionary income levels and consumer confidence, social trends, changes in the levels of disposable income and the health of the economy in which our customers and stores operate.

The U.S. economy continues to experience economic volatility, which has had, and we expect may continue to have, an impact on consumer confidence and behavior. Consumer spending may continue to be impacted by levels of discretionary income with consumers trading down to a less expensive mix of products for grocery items or buying fewer items. In addition, inflation continues to affect our business, and fluctuating commodity and labor input costs may continue to impact the prices of products we procure from manufacturers. We believe our product mix, which ranges from high-quality natural and organic products to national and local conventional brands, including cost conscious private label brands, positions us to serve a broad cross section of North American retailers and end customers, and may lessen the impact of any further shifts in consumer and industry trends in grocery product mix. We are actively monitoring the impacts of the evolving macroeconomic and geopolitical landscape, including rapidly evolving tariff and global trade policies, on all aspects of our business.

We are also impacted by changes in food distribution trends affecting our wholesale customers, such as direct store deliveries and other methods of distribution. Our wholesale customers manage their businesses independently and operate in a competitive environment.

Additionally, in the fourth quarter of fiscal 2025, we became aware of unauthorized activity on certain of our information technology systems. We promptly activated our incident response plan and implemented containment measures, including proactively taking certain systems offline (the "Cybersecurity Incident", as discussed in Part I, Item 1C of this Annual Report). As a result, our ability to fulfill and distribute customer orders was temporarily impacted until the unauthorized activity could be contained, and we could safely restore the core systems that our customers and suppliers use, enabling business operations to normalize. As a result of the Cybersecurity Incident, we experienced reduced sales volume and increased operational costs in the fourth quarter of fiscal 2025, which negatively impacted our results of operations. We incurred incremental costs of approximately $26 million in the fourth quarter of fiscal 2025 as a result of the Cybersecurity Incident. These costs related to services provided to investigate and remediate the Cybersecurity Incident, such as third-party cybersecurity, legal and governance experts, as well as increased operating costs from the resulting disruption to our business operations. We have submitted, and intend to continue to submit, claims to our insurers for reimbursement of some of the costs, expenses, and losses stemming from the Cybersecurity Incident and expect that the full claim and settlement process will extend throughout fiscal 2026.

Wholesale Distribution Network Optimization

We are working to optimize our distribution center network to better and more efficiently service customers and suppliers. In the first quarter of fiscal 2025, we consolidated the volume of two distribution centers into other facilities in the Central region. In the second quarter of fiscal 2025, we announced the closure of a third distribution center in the Central region, which was completed in the third quarter of fiscal 2025. We expect to achieve cost savings as a result of these efforts through streamlining operations and delivering efficiencies, including incurring lower operating and shrink expenses, while also improving product assortment and overall customer experience.

In the fourth quarter of fiscal 2025, we came to a mutual agreement with a customer in the East region to terminate our supply agreement, pursuant to which we served as the primary grocery wholesaler to this customer's locations in the Northeast. In connection with this termination, we ceased operations at our Allentown, Pennsylvania distribution center in early fiscal 2026 with the remaining volume consolidated into other facilities in the Northeast. Business with this customer in the Northeast accounted for approximately $1 billion in annual sales. The termination enables us to accelerate progress toward our longer-term strategic and three-year financial objectives.

In the first quarter of fiscal 2025, we began operating a new distribution center in Manchester, Pennsylvania, which has approximately 1.3 million square feet, optimizes volume from the other nearby distribution centers in the East region and primarily distributes natural products. In the third quarter of fiscal 2025, we implemented a full case automation system at the Manchester distribution center and are increasing the volume that utilizes this new solution. Also in the first quarter of fiscal 2025, we began the development of a new automated distribution center in Sarasota, Florida, which has approximately 1.0 million square feet, replaces a smaller legacy distribution center and primarily distributes natural products. We recognized a $118 million right-of-use asset and operating lease liability for this distribution center in the first quarter of fiscal 2025. We began operations in this facility in the fourth quarter of fiscal 2025, with volume expanding at the beginning of fiscal 2026.

We plan to continue to evaluate our distribution center network to further optimize performance and expect to incur incremental expenses related to any future network realignment, expansion or improvements, including network optimization and automation initiatives. We are working to both minimize future costs and obtain new business to further improve the efficiency of our distribution network.

Retail Operations

We operated 75 grocery stores, including 54 Cub Foods stores and 21 Shoppers stores, as of August 2, 2025. In addition, we supplied another 26 Cub Foods stores operated by our wholesale customers through franchise and minority equity ownership arrangements. We operated 80 pharmacies primarily within the stores we operate and the stores of our franchisees. In addition, we operated 24 “Cub Wine and Spirit” and “Cub Liquor” stores.

We plan to continue to invest in and optimize our Retail segment in areas such as customer-facing merchandising initiatives, physical facilities, technology and operational tools.

Impact of Product Cost Changes

We experienced a mix of inflation across product categories during fiscal 2025. In the aggregate across our businesses, including the mix of products, management estimates our businesses experienced product cost inflation of approximately two percent in fiscal 2025 as compared to fiscal 2024. Cost inflation estimates are based on individual like items sold during the periods being compared. Our pricing to our customers is determined at the time of sale, primarily based on the then prevailing vendor listed base cost, and includes discounts we offer to customers. Changes in merchandising, customer buying habits and competitive pressures create inherent difficulties in measuring the impact of inflation and deflation on Net sales and Gross profit.

Generally, in an inflationary environment as a wholesaler, rising vendor costs result in higher Net sales driven by higher vendor prices when other variables such as quantities sold, mix of units sold and vendor promotions are constant. Under the last-in, first out (“LIFO”) method of inventory accounting, product cost increases are recognized within Cost of sales based on expected year-end inventory quantities and costs, which generally has the effect of decreasing Gross profit and the carrying value of inventory during periods of inflation. In fiscal 2025, we experienced fewer and less significant vendor product cost increases as compared to fiscal 2024. These decreases negatively impacted our gross profit rate when comparing fiscal 2025 to fiscal 2024.

Composition of Consolidated Statements of Operations and Business Performance Assessment

Net Sales

Our Net sales consist primarily of product sales of natural, organic, specialty, produce, and conventional grocery and non-food products, adjusted for customer volume discounts, vendor incentives when applicable, returns and allowances, and professional services revenue. Net sales also include amounts charged by us to customers for shipping and handling and fuel surcharges.

Cost of Sales and Gross Profit

The principal components of our Cost of sales include the amounts paid to suppliers for product sold, plus transportation costs necessary to bring the product to, or move product between, our distribution centers and retail stores, partially offset by consideration received from suppliers in connection with the purchase, transportation or promotion of the suppliers’ products.

Operating Expenses

Operating expenses include distribution expenses of warehousing, delivery, purchasing, receiving, selecting, and outbound transportation expenses, and selling and administrative expenses. These expenses include salaries and wages, employee benefits, occupancy, insurance, depreciation and amortization expense and share-based compensation expense.

Restructuring, Acquisition and Integration Related Expenses

Restructuring, acquisition and integration related expenses reflect expenses resulting from restructuring activities, including severance costs, facility closure costs, contract exit-related costs, share-based compensation acceleration charges and acquisition and integration related expenses. Integration related expenses include certain professional consulting expenses and incremental expenses related to combining facilities required to optimize our distribution network as a result of acquisitions.

Loss on Sale of Assets and Other Asset Charges

Loss on sale of assets and other asset charges primarily includes losses (gains) on sales of assets, losses on sales of financial assets, and asset impairments.

Net Periodic Benefit Income, Excluding Service Cost

Net periodic benefit income, excluding service cost reflects the recognition of expected returns on benefit plan assets and interest costs on plan liabilities.

Interest Expense, Net

Interest expense, net includes primarily interest expense on long-term debt, net of capitalized interest, loss on debt extinguishment, interest expense on finance lease obligations, amortization of financing costs and discounts, and interest income.

Adjusted EBITDA

Our Consolidated Financial Statements are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"). In addition to the GAAP results, we consider certain non-GAAP financial measures to assess the performance of our business and understand underlying operating performance and core business trends, which we use to facilitate operating performance comparisons of our business on a consistent basis over time. Adjusted EBITDA is provided as a supplement to our results of operations and related analysis, and should not be considered superior to, a substitute for or an alternative to, any financial measure of performance prepared and presented in accordance with GAAP. Adjusted EBITDA excludes certain items because they are non-cash items or items that do not reflect management's assessment of ongoing business performance.

We believe Adjusted EBITDA is useful because it provides additional information regarding factors and trends affecting our business, which are used in the business planning process to understand expected operating performance, to evaluate results against those expectations, and because of its importance as a measure of underlying operating performance, as the primary compensation performance measure under certain compensation programs and plans. We believe Adjusted EBITDA is reflective of factors that affect our underlying operating performance and facilitate operating performance comparisons of our business on a consistent basis over time. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. Certain adjustments to our GAAP financial measures reflected below exclude items that may be considered recurring in nature and may be reflected in our financial results for the foreseeable future. These measurements and items may be different from non-GAAP financial measures used by other companies. Adjusted EBITDA should be reviewed in conjunction with our results reported in accordance with GAAP in this Annual Report.

There are significant limitations to using Adjusted EBITDA as a financial measure including, but not limited to, it not reflecting the cost of cash expenditures for capital assets or certain other contractual commitments, finance lease obligation and debt service expenses, income taxes and any impacts from changes in working capital.

We define Adjusted EBITDA as a consolidated measure which we reconcile by adding Net (loss) income including noncontrolling interests, less Net income attributable to noncontrolling interests, plus Non-operating income and expenses, including Net periodic benefit income, excluding service cost, Interest expense, net and Other (income) expense, net, plus (Benefit) provision for income taxes and Depreciation and amortization all calculated in accordance with GAAP, plus adjustments for Share-based compensation, non-cash LIFO charge or benefit, Restructuring, acquisition and integration related expenses, Goodwill impairment charges, Loss (gain) on sale of assets and other asset charges, certain legal charges and gains, and certain other non-cash charges or other items, as determined by management.

Assessment of Our Business Results

The following table sets forth a summary of our results of operations and Adjusted EBITDA for the periods indicated.

(in millions)	2025 (52 weeks)	2024 (53 weeks)	Increase (Decrease)
Net sales	$ 31,784	$ 30,980	$ 804
Cost of sales	27,562	26,779	783
Gross profit	4,222	4,201	21
Operating expenses	4,117	4,100	17
Restructuring, acquisition and integration related expenses	94	36	58
Loss on sale of assets and other asset charges	42	57	(15)
Operating (loss) income	(31)	8	(39)
Net periodic benefit income, excluding service cost	(20)	(15)	(5)
Interest expense, net	146	162	(16)
Other income, net	(3)	(2)	(1)
Loss before income taxes	(154)	(137)	(17)
Benefit for income taxes	(39)	(27)	(12)
Net loss including noncontrolling interests	(115)	(110)	(5)
Less net income attributable to noncontrolling interests	(3)	(2)	(1)
Net loss attributable to United Natural Foods, Inc.	$ (118)	$ (112)	$ (6)
Adjusted EBITDA	$ 552	$ 518	$ 34

The following table reconciles Net loss including noncontrolling interests to Adjusted EBITDA.

(in millions)	2025 (52 weeks)	2024 (53 weeks)
Net loss including noncontrolling interests	$ (115)	$ (110)
Adjustments to net loss including noncontrolling interests:		
Less net income attributable to noncontrolling interests	(3)	(2)
Net periodic benefit income, excluding service cost	(20)	(15)
Interest expense, net	146	162
Other income, net	(3)	(2)
Benefit for income taxes	(39)	(27)
Depreciation and amortization	321	319
Share-based compensation	43	37
LIFO (benefit) charge	(2)	7
Restructuring, acquisition and integration related expenses(1)	94	36
Loss on sale of assets and other asset charges(2)	42	57
Business transformation costs(3)	47	52
Cybersecurity incident(4)	26	—
Other adjustments(5)	15	4
Adjusted EBITDA	$ 552	$ 518

(1) Fiscal 2025 primarily reflects the $53 million charge related to the Company's termination of its supply agreement with a customer in the East region and costs associated with certain employee severance and other employee separation costs and outsourcing certain corporate functions under restructuring initiatives. Fiscal 2024 primarily reflects costs associated with certain employee severance and other employee separation costs.

(2) Fiscal 2025 primarily includes a $24 million non-cash asset impairment charge related to a distribution center in our East region and $19 million in losses on the sales of receivables under the accounts receivable monetization program. Fiscal 2024 primarily includes a $21 million non-cash asset impairment charge related to one of our corporate-owned office locations, a $7 million non-cash asset impairment charge related to the decision to close certain retail store locations, a $15 million non-cash impairment charge related to the decision to close certain leased and owned distribution center locations and $21 million in losses on the sales of receivables under the accounts receivable monetization program. Refer to Note 3—Revenue Recognition and Note 5—Property and Equipment, Net in Part II, Item 8 of this Annual Report for additional information.

(3) Reflects costs associated with business transformation initiatives, primarily including third-party consulting costs and licensing costs, and third-party professional service fees related to strategic initiatives and the board-led financial review in fiscal 2024, all of which are included within Operating expenses in the Consolidated Statements of Operations.

(4) Reflects costs and charges related to the Cybersecurity Incident, primarily including shrink and remediation costs related to third-party cybersecurity, legal and governance experts, of which $15 million are included within Gross profit and $11 million are included within Operating expenses in the Consolidated Statements of Operations.

(5) Fiscal 2025 primarily reflects certain accrued legal-related costs, which are included within Operating expenses in the Consolidated Statements of Operations. Fiscal 2024 primarily reflects third-party professional service fees related to shareholder negotiations, which are included within Operating expenses in the Consolidated Statements of Operations.

Within the following results of operations, we have estimated the impact of the additional week in fiscal 2024, where applicable and estimable, to provide more comparable financial results on a year-over-year basis. The impact of the 53rd week discussed below represents an estimate of the contribution from the additional week in fiscal 2024 and is calculated by taking one-fifth of the respective metrics for the last five-week period within the 14-week fourth quarter of fiscal 2024. The 53rd week in fiscal 2024 had no impact on Restructuring, acquisition and integration related expenses or Loss on sale of assets and other asset charges.

RESULTS OF OPERATIONS

Fiscal year ended August 2, 2025 (fiscal 2025) compared to fiscal year ended August 3, 2024 (fiscal 2024)

Net Sales

The following table sets forth our Net sales by segment. Refer to Note 16—Business Segments in Part II, Item 8 of this Annual Report for additional information. Within the following table, we have estimated the impact of the additional 53rd week in fiscal 2024 to provide more comparable financial results on a year-over-year basis.

					Comparable 52-Week Increase (Decrease)(1)	
(in millions except percentages)	2025 (52 weeks)	2024 (53 weeks)	2024 (53rd week estimated impact)	2024 (52 weeks)(1)	$	%
Natural	$ 16,017	$ 14,948	$ 280	$ 14,668	$ 1,349	9.2 %
Conventional	14,667	14,946	280	14,666	1	— %
Retail	2,342	2,436	45	2,391	(49)	(2.0)%
Eliminations	(1,242)	(1,350)	(23)	(1,327)	85	(6.4)%
Total Net sales	$ 31,784	$ 30,980	$ 582	$ 30,398	$ 1,386	4.6 %

(1) Excludes the estimated impact of the 53rd week in fiscal 2024.

Our Net sales for fiscal 2025 increased $804 million, or 2.6%, to $31.8 billion in fiscal 2025, from $31.0 billion in fiscal 2024, which included an estimated $582 million benefit from the 53rd week. Net sales increased approximately 4.6% when excluding the impact of the 53rd week in fiscal 2024. The increase in Net sales was primarily driven by an increase in Natural unit volumes, including new business with existing and new customers, as well as inflation. Net sales were adversely impacted by an estimated $400 million in lost sales related to the Cybersecurity Incident in fiscal 2025.

Natural Net sales increased $1,069, or 7.2%, to $16.0 billion in fiscal 2025, from $14.9 billion in fiscal 2024, which included an estimated $280 million benefit from the 53rd week. Natural Net sales increased approximately 9.2% when excluding the impact from the 53rd week in fiscal 2024. The increase in Natural Net sales, excluding the 53rd week, was primarily driven by an increase in unit volumes, including new business with existing and new customers, as well as inflation.

Conventional Net sales decreased $279 million, or 1.9%, to $14.7 billion in fiscal 2025, from $14.9 billion in fiscal 2024, which included an estimated $280 million benefit from the 53rd week. Conventional Net sales were approximately flat to fiscal 2024, when excluding the impact from the 53rd week in fiscal 2024, due to increases from inflation and new business with existing customers, which were largely offset by a decline in unit volumes.

Retail Net sales decreased $94 million, or 3.9%, to $2.3 billion in fiscal 2025, from $2.4 billion in fiscal 2024, which included an estimated $45 million benefit from the 53rd week. Retail Net sales decreased approximately 2.0% when excluding the impact from the 53rd week in fiscal 2024. The decrease in Retail Net sales was primarily driven by a 0.6% decrease in identical store sales from lower volume, and store closures.

Lower eliminations of Net sales for fiscal 2025 as compared to fiscal 2024 were primarily due to a decrease in Conventional to Retail sales, which are eliminated upon consolidation.

Cost of Sales and Gross Profit

Our Gross profit increased $21 million, or 0.5%, to $4,222 million in fiscal 2025, from $4,201 million in fiscal 2024. The 53rd week in fiscal 2024 contributed an estimated $82 million to Gross profit in fiscal 2024. Our Gross profit as a percentage of Net sales decreased to 13.3% in fiscal 2025 compared to 13.6% in fiscal 2024. The decrease in gross profit rate of 28 basis points was primarily driven by lower product margin rates and customer and product mix, which were partially offset through supplier programs and the benefit of lower shrink expense. The reduction in shrink expense was compressed due to the adverse impact of the Cybersecurity Incident in fiscal 2025.

Operating Expenses

Operating expenses increased $17 million, or 0.4%, to $4,117 million, or 13.0% of Net sales, in fiscal 2025 compared to $4,100 million, or 13.2% of Net sales, in fiscal 2024. The 53rd week in fiscal 2024 contributed an estimated $78 million to Operating expenses in fiscal 2024. The decrease in Operating expenses as a percentage of Net sales was primarily driven by benefits from cost saving initiatives and the leveraging impact of higher sales, partially offset by higher costs associated with occupancy, union and other employee benefits and costs related to the Cybersecurity Incident in fiscal 2025.

Restructuring, Acquisition and Integration Related Expenses

Restructuring, acquisition and integration related expenses increased $58 million to $94 million for fiscal 2025, from $36 million for fiscal 2024. The increase was primarily driven by the $53 million charge related to the Company's termination of its supply agreement with a customer in the East region, increased costs associated with outsourcing certain corporate functions under restructuring initiatives and higher closed property charges and costs, partially offset by a decrease in certain employee severance and other employee separation costs.

Loss on Sale of Assets and Other Asset Charges

Loss on sale of assets and other asset charges decreased $15 million to $42 million for fiscal 2025, from $57 million for fiscal 2024. The decrease in fiscal 2025 was primarily driven by lower asset impairment charges. Fiscal 2025 primarily included a $24 million asset impairment charge related to our Allentown, Pennsylvania distribution center and $19 million in losses on the sales of receivables. Fiscal 2024 primarily included $43 million in asset impairment charges related to one of our corporate-owned office locations, certain leased and owned distribution centers and certain retail store locations and $21 million in losses on the sales of receivables.

Operating (Loss) Income

Reflecting the factors described above, Operating loss was $31 million for fiscal 2025, a $39 million decrease from Operating income of $8 million in fiscal 2024. The decrease was primarily driven by an increase in Restructuring, acquisition and integration related expenses and Operating expenses, partially offset by an increase in Gross profit and a decrease in Loss on sale of assets and other asset charges, each as described above.

Net Periodic Benefit Income, Excluding Service Cost

Net periodic benefit income, excluding service cost increased $5 million to $20 million in fiscal 2025, from $15 million in fiscal 2024. The increase in Net periodic benefit income, excluding service cost was primarily driven by lower interest costs from a lower discount rate utilized in the measurement of pension liabilities.

Interest Expense, Net

(in millions)	2025 (52 weeks)	2024 (53 weeks)	Increase (Decrease)
Interest expense on long-term debt, net of capitalized interest	$ 137	$ 144	$ (7)
Interest expense on finance lease obligations	2	2	—
Amortization of financing costs and discounts	6	9	(3)
Loss on debt extinguishment	4	10	(6)
Interest income	(3)	(3)	—
Interest expense, net	$ 146	$ 162	$ (16)

The decrease in Interest expense, net for fiscal 2025 compared to fiscal 2024 includes an estimated $3 million impact from the 53rd week in fiscal 2024. The remaining decrease was primarily driven by lower outstanding long-term debt balances and lower losses on debt extinguishment.

Benefit for Income Taxes

The effective tax rate was a benefit rate of 25.3% on a pre-tax loss for fiscal 2025 compared to a benefit rate of 19.7% on a pre-tax loss for fiscal 2024. For fiscal 2025, the effective tax rate was impacted by the establishment of valuation allowances against deferred tax assets with limited lives resulting from the One, Big, Beautiful Bill Act ("OBBBA"), partially offset by the tax credit impact of a fiscal 2025 investment in an equity method partnership. For fiscal 2024, the effective tax rate was impacted by non-deductible share-based compensation and the establishment of valuation allowances against deferred tax assets with limited lives.

Net Loss Attributable to United Natural Foods, Inc.

Reflecting the factors described in more detail above, Net loss attributable to United Natural Foods, Inc. was $118 million, or $1.95 per diluted common share, for fiscal 2025, compared to Net loss attributable to United Natural Foods, Inc. of $112 million, or $1.89 per diluted common share, for fiscal 2024.

Adjusted EBITDA

The following table sets forth Adjusted EBITDA by segment for the periods indicated. Refer to Note 16—Business Segments in Part II, Item 8 of this Annual Report for additional information. As a result of the Cybersecurity Incident, we experienced reduced sales volume as described above, which is estimated to have adversely impacted our Adjusted EBITDA results in fiscal 2025 by approximately $50 million.

(in millions)	2025 (52 weeks)	2024 (53 weeks)	Increase (Decrease)
Natural	$ 442	$ 350	$ 92
Conventional	174	219	(45)
Retail	6	8	(2)
Corporate and Other	(70)	(59)	(11)
Total Adjusted EBITDA[(1)]	$ 552	$ 518	$ 34

(1) Fiscal 2024 Adjusted EBITDA included an approximate $10 million benefit from the additional week. The estimated contribution from the additional week is calculated by taking one-fifth of Adjusted EBITDA for the last five-week period within the fourth quarter of fiscal 2024.

Natural Adjusted EBITDA increased 26.3% for fiscal 2025 as compared to fiscal 2024. The increase was driven by an increase in gross profit, partially offset by an increase in operating expenses.

- Natural Gross profit, which excludes the LIFO (benefit) charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $104 million. The 53rd week in fiscal 2024 contributed an estimated $38 million to Natural Gross profit in fiscal 2024. Natural gross profit rate decreased approximately 25 basis points primarily driven by lower product margin rates and customer and product mix, which were partially offset through supplier programs and the benefit of lower shrink expense.
- Natural Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $12 million. The 53rd week in fiscal 2024 contributed an estimated $32 million to Natural Operating expense in fiscal 2024. Natural operating expense rate decreased approximately 67 basis points primarily due to benefits from cost saving initiatives and the leveraging impact of higher sales, partially offset by higher rent and other occupancy costs primarily resulting from new leased distribution centers.

Conventional Adjusted EBITDA decreased 20.5% for fiscal 2025 as compared to fiscal 2024. The decrease was driven by a decrease in gross profit, partially offset by a decrease in operating expenses.

- Conventional Gross profit, which excludes the LIFO (benefit) charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $48 million. The 53rd week in fiscal 2024 contributed an estimated $29 million to Conventional Gross profit in fiscal 2024. Conventional gross profit rate decreased approximately 13 basis points primarily driven by recoveries from vendors related to legal settlements in fiscal 2024 and lower product margin rates, which were partially offset through supplier programs and the benefit of lower shrink expense.
- Conventional Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $3 million. The 53rd week in fiscal 2024 contributed an estimated $25 million to Conventional Operating expense in fiscal 2024. Conventional operating expense rate increased approximately 15 basis points primarily due to higher costs associated with union and other employee benefits, transportation fleet and maintenance, and insurance, all of which were partially offset by benefits from cost saving initiatives.

Retail Adjusted EBITDA decreased $2 million to $6 million for fiscal 2025 as compared to fiscal 2024.

- Retail Gross profit, which excludes the LIFO (benefit) charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $25 million. The 53rd week in fiscal 2024 contributed an estimated $11 million to Retail Gross profit in fiscal 2024. Retail gross profit rate was approximately flat to fiscal 2024, while dollars decreased primarily due to lower sales volume and store closures, offset by a reduction in shrink.
- Retail Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $23 million. The 53rd week in fiscal 2024 contributed an estimated $11 million to Retail Operating expense in fiscal 2024. Retail operating expense rate was approximately flat to fiscal 2024 primarily driven by the deleveraging impact of lower sales and increases in labor costs, offset by operating efficiencies and lower costs from store closures.

Fiscal year ended August 3, 2024 (fiscal 2024) compared to fiscal year ended July 29, 2023 (fiscal 2023)

The updates to our segment reporting structure resulted in a recast of prior period financial information to conform with current period presentation, and as a result the following reflects an updated segment results discussion for fiscal 2024 compared to fiscal 2023.

Net Sales

The following table sets forth our Net sales by segment. Refer to Note 16—Business Segments in Part II, Item 8 of this Annual Report for additional information. Within the following table, we have estimated the impact of the additional 53rd week in fiscal 2024 to provide more comparable financial results on a year-over-year basis.

(in millions except percentages)	2024 (53 weeks)	2024 (53rd week estimated impact)	2024 (52 weeks)(1)	2023 (52 weeks)	Comparable 52-Week Increase (Decrease)(1) $	Comparable 52-Week Increase (Decrease)(1) %
Natural	$ 14,948	$ 280	$ 14,668	$ 14,164	$ 504	3.6 %
Conventional	14,946	280	14,666	15,029	(363)	(2.4)%
Retail	2,436	45	2,391	2,480	(89)	(3.6)%
Eliminations	(1,350)	(23)	(1,327)	(1,401)	74	(5.3)%
Total Net sales	$ 30,980	$ 582	$ 30,398	$ 30,272	$ 126	0.4 %

(1) Excludes the estimated impact of the 53rd week in fiscal 2024.

Natural Net sales increased $784 million, or 5.5%, to $14.9 billion in fiscal 2024, from $14.2 billion in fiscal 2023. The 53rd week in fiscal 2024 contributed an estimated $280 million to Natural Net sales. Excluding the impact of the 53rd week, Natural Net sales were $14.7 billion, an increase of approximately 3.6% from fiscal 2023. The increase in Natural Net sales was primarily driven by inflation and new business with existing customers. These increases were partially offset by a decline in unit volumes.

Conventional Net sales decreased $83 million, or 0.6%, to $14.9 billion in fiscal 2024, from $15.0 billion in fiscal 2023. The 53rd week in fiscal 2024 contributed an estimated $280 million to Conventional Net sales. Excluding the impact of the 53rd week, Conventional Net sales were $14.7 billion, a decrease of approximately 2.4% from fiscal 2023. The decrease in Conventional Net sales was primarily driven by a decline in unit volumes, which was partially offset by inflation and new business with existing customers.

Retail Net sales decreased $44 million, or 1.8%, to $2.4 billion in fiscal 2024, from $2.5 billion in fiscal 2023. The 53rd week in fiscal 2024 contributed an estimated $45 million to Retail Net sales. Excluding the impact of the 53rd week, Retail Net sales decreased approximately 3.6%, primarily due to lower volume and store closures. Identical store sales decreased 3.7%.

Lower eliminations of Net sales for fiscal 2024 as compared to fiscal 2023 were primarily due to a decrease in Conventional to Retail sales, which are eliminated upon consolidation.

Adjusted EBITDA

The following table sets forth Adjusted EBITDA by segment for the periods indicated. Refer to Note 16—Business Segments in Part II, Item 8 of this Annual Report for additional information.

(in millions)	2024 (53 weeks)	2023 (52 weeks)	Increase (Decrease)
Natural	$ 350	$ 328	$ 22
Conventional	219	301	(82)
Retail	8	72	(64)
Corporate and Other	(59)	(61)	2
Total Adjusted EBITDA(1)	$ 518	$ 640	$ (122)

(1) Fiscal 2024 Adjusted EBITDA included an approximate $10 million benefit from the additional week. The estimated contribution from the additional week is calculated by taking one-fifth of Adjusted EBITDA for the last five-week period within the fourth quarter of fiscal 2024.

Natural Adjusted EBITDA increased 6.7% for fiscal 2024 as compared to fiscal 2023. The increase was driven by an increase in gross profit, partially offset by an increase in operating expenses.

- Natural Gross profit, which excludes the LIFO charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $60 million. The 53rd week in fiscal 2024 contributed an estimated $38 million to Natural Gross profit in fiscal 2024. Natural gross profit rate decreased approximately 32 basis points primarily driven by lower levels of procurement gains resulting from decelerating inflation, partially offset by the benefit of lower shrink expense.
- Natural Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $38 million. The 53rd week in fiscal 2024 contributed an estimated $32 million to Natural Operating expense in fiscal 2024. Natural operating expense rate decreased approximately 35 basis points primarily due to lower transportation costs and other operational supply chain efficiencies, partially offset by higher incentive compensation expense and higher occupancy-related costs.

Conventional Adjusted EBITDA decreased 27.2% for fiscal 2024 as compared to fiscal 2023. The decrease was driven by a decrease in gross profit, combined with an increase in operating expenses.

- Conventional Gross profit, which excludes the LIFO charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $62 million. The 53rd week in fiscal 2024 contributed an estimated $29 million to Conventional Gross profit in fiscal 2024. Conventional gross profit rate decreased approximately 35 basis points primarily driven by lower levels of procurement gains resulting from decelerating inflation, partially offset by the benefit of lower shrink expense and recoveries from vendors related to legal settlements.
- Conventional Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $20 million. The 53rd week in fiscal 2024 contributed an estimated $25 million to Conventional Operating expense in fiscal 2024. Conventional operating expense rate increased approximately 18 basis points primarily due to higher incentive compensation expense and the deleveraging impact of lower sales on higher costs, partially offset by lower transportation costs.

Retail Adjusted EBITDA decreased 88.9% for fiscal 2024 as compared to fiscal 2023.

- Retail Gross profit, which excludes the LIFO charge and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, decreased $44 million. The 53rd week in fiscal 2024 contributed an estimated $11 million to Retail Gross profit in fiscal 2024. Retail gross profit rate decreased approximately 132 basis points from margin rate investments intended to drive traffic and lower sales volume.
- Retail Operating expense, which excludes depreciation and amortization, share-based compensation and other adjustments as outlined in Note 16—Business Segments in Part II, Item 8 of this Annual Report, increased $20 million. The 53rd week in fiscal 2024 contributed an estimated $11 million to Retail Operating expense in fiscal 2024. Retail operating expense rate increased approximately 125 basis points primarily driven by the deleveraging impact of lower sales and higher fixed and variable costs.

LIQUIDITY AND CAPITAL RESOURCES

Highlights

- Total liquidity as of August 2, 2025 was $1,497 million and consisted of the following:
  - $1,453 million of unused credit under our asset-based revolving credit facility (the “ABL Credit Facility”), which increased $218 million from $1,235 million as of August 3, 2024, primarily due to a reduction of net borrowings under the ABL Credit Facility and an increase in the borrowing base; and
  - $44 million of cash and cash equivalents, which increased $4 million from $40 million as of August 3, 2024.
- Total debt decreased $223 million to $1,862 million as of August 2, 2025 from $2,085 million as of August 3, 2024, primarily related to debt repayments and a reduction in net borrowings under the ABL Credit Facility due to net cash provided by operating activities, partially offset by payments for capital expenditures and investments.
- Working capital decreased $216 million to $821 million as of August 2, 2025 from $1,037 million as of August 3, 2024, primarily due to an increase in accounts payable to support higher purchasing levels combined with a decrease in inventory levels, partially offset by increases in accounts receivable from higher sales.

- In the fourth quarter of fiscal 2025, we made a voluntary prepayment of $100 million on the Term Loan Facility funded with incremental borrowings under the ABL Credit Facility.
- In connection with the contract termination described further in Note 4—Restructuring, Acquisition and Integration Related Expenses, we paid $18 million in the fourth quarter of fiscal 2025 and an additional $18 million was paid subsequent to the end of fiscal 2025. Remaining installments totaling $17 million are expected to be paid in the first quarter of fiscal 2026.
- In fiscal 2026, scheduled debt maturities are expected to be $5 million. Based on our Consolidated First Lien Net Leverage Ratio (as defined in the Term Loan Agreement) at the end of fiscal 2025, no prepayment from Excess Cash Flow in fiscal 2025 is required to be made on the Term Loan Facility in fiscal 2026.

Sources and Uses of Cash

We expect to continue to replenish operating assets and pay down debt obligations with internally generated funds. A significant reduction in operating earnings or the incurrence of operating losses could have a negative impact on our operating cash flow, which may limit our ability to pay down our outstanding indebtedness as planned. Our credit facilities are secured by a substantial portion of our total assets. We expect to be able to fund debt maturities and finance lease liabilities through fiscal 2026 with internally generated funds and borrowings under the ABL Credit Facility.

Our primary sources of liquidity are from internally generated funds and from borrowing capacity under the ABL Credit Facility. We believe our short-term and long-term financing abilities are adequate as a supplement to internally generated cash flows to satisfy debt obligations and fund capital expenditures as opportunities arise. Our continued access to short-term and long-term financing through credit markets depends on numerous factors, including the condition of the credit markets and our results of operations, cash flows, financial position and credit ratings.

Primary uses of cash include debt service, capital expenditures, working capital maintenance depending on seasonality and other fluctuations, investments in cloud technologies and income tax payments. We typically finance working capital needs with cash provided from operating activities and short-term borrowings. Inventories are managed primarily through demand forecasting and replenishing depleted inventories.

We currently do not pay a dividend on our common stock. In addition, we are limited in the aggregate amount of dividends that we may pay under the terms of our Term Loan Facility, ABL Credit Facility and our $500 million of unsecured 6.750% senior notes due October 15, 2028 (the "Senior Notes"). Subject to certain limitations contained in our debt agreements and as market conditions warrant, we may from time to time refinance indebtedness that we have incurred, including through the incurrence or repayment of loans under existing or new credit facilities or the issuance or repayment of debt securities. Proceeds from the sale of any properties mortgaged and encumbered under our Term Loan Facility are required to be used to make additional Term Loan Facility payments or to be reinvested in the business.

Long-Term Debt

During fiscal 2025, we reduced borrowings under the ABL Credit Facility by a net $114 million, and made voluntary and mandatory prepayments on the Term Loan Facility totaling $116 million. Refer to Note 9—Long-Term Debt in Part II, Item 8 of this Annual Report for a detailed discussion of the provisions of our credit facilities and certain long-term debt agreements and additional information.

Our Term Loan Agreement and Senior Notes do not include any financial maintenance covenants. Our ABL Loan Agreement subjects us to a fixed charge coverage ratio of at least 1.0 to 1.0 calculated at the end of each of our fiscal quarters on a rolling four quarter basis, if the adjusted aggregate availability is ever less than the greater of (i) $220 million, or $210 million if no ABL FILO Loans are then outstanding at such time and (ii) 10% of the aggregate borrowing base. We have not been subject to the fixed charge coverage ratio covenant under the ABL Loan Agreement, including through the filing date of this Annual Report. The Term Loan Agreement, Senior Notes and ABL Loan Agreement contain certain operational and informational covenants customary for debt securities of these types that limit our and our restricted subsidiaries' ability to, among other things, incur debt, declare or pay dividends or make other distributions to our stockholders, transfer or sell assets, create liens on our assets, engage in transactions with affiliates, and merge, consolidate or sell all or substantially all of our and our subsidiaries' assets on a consolidated basis. We were in compliance with all such covenants for all periods presented. If we fail to comply with any of these covenants, we may be in default under the applicable debt agreement, and all amounts due thereunder may become immediately due and payable.

Refer to Note 9—Long-Term Debt in Part II, Item 8 of this Annual Report for further detail of our scheduled debt maturities by fiscal year and by debt instrument, which excludes debt prepayments that may be required from Excess Cash Flow (as defined in the Term Loan Agreement) generated or sales of mortgaged properties in fiscal 2026 or beyond. Based on our Consolidated First Lien Net Leverage Ratio (as defined in the Term Loan Agreement) at the end of fiscal 2025, no prepayment from Excess Cash Flow in fiscal 2025 is required to be made on the Term Loan Facility in fiscal 2026.

Derivatives and Hedging Activity

We enter into interest rate swap contracts from time to time to mitigate our exposure to changes in market interest rates as part of our strategy to manage our debt portfolio to achieve an overall desired position of notional debt amounts subject to fixed and floating interest rates. Interest rate swap contracts are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures.

As of August 2, 2025, we had an aggregate of $750 million of floating rate notional debt subject to active interest rate swap contracts, which effectively fix the Secured Overnight Financing Rate ("SOFR") component of our floating interest payments through pay fixed and receive floating interest rate swap agreements. These fixed rates range from 2.475% to 4.130%, with maturities between October 2025 and June 2028. The fair values of these interest rate derivatives represent a total net liability of $2 million as of August 2, 2025, and are subject to volatility based on changes in market interest rates. Refer to Note 8—Derivatives in Part II, Item 8 and Interest Rate Risk in Part II, Item 7A of this Annual Report for additional information.

From time-to-time, we enter into fixed price fuel supply agreements and foreign currency hedges. As of August 2, 2025, we had fixed price fuel contracts and foreign currency forward agreements outstanding. Gains and losses and the outstanding assets and liabilities from these arrangements are insignificant.

Payments for Capital Expenditures and Cloud Technology Implementation Expenditures

Our capital expenditures for fiscal 2025 were $231 million compared to $345 million for fiscal 2024, a decrease of $114 million. Our capital spending for fiscal 2025 and 2024 principally included supply chain and information technology expenditures, including investments in growth initiatives and maintenance expenditures. Fiscal 2025 included $193 million of distribution center improvements, technology and other expenditures, including investments in automation, $20 million of Retail expenditures and $18 million of investments in new distribution centers. Fiscal 2024 included $280 million of distribution center improvements, technology and other expenditures, $41 million of investments in new distribution centers, primarily the new Manchester, Pennsylvania distribution center, and $24 million of Retail expenditures. Cloud technology implementation expenditures, which are included in operating activities in the Consolidated Statements of Cash Flows, were $7 million for fiscal 2025 compared to $25 million for fiscal 2024.

Fiscal 2026 capital and cloud implementation spending is expected to be approximately $250 million and includes technology platform investments and projects that automate and optimize our distribution network. The components of capital and cloud implementation expenditures for fiscal 2026 will be primarily dependent on the nature of certain contracts to be executed. We expect to finance fiscal 2026 capital and cloud implementation expenditures requirements with cash generated from operations and borrowings under our ABL Credit Facility. Future investments may be financed through long-term debt or borrowings under our ABL Credit Facility and cash from operations.

Cash Flow Information

The following summarizes our Consolidated Statements of Cash Flows:

(in millions)	2025 (52 weeks)	2024 (53 weeks)	Change
Net cash provided by operating activities	$ 470	$ 253	$ 217
Net cash used in investing activities	(218)	(342)	124
Net cash (used in) provided by financing activities	(248)	92	(340)
Effect of exchange rate on cash	—	—	—
Net increase in cash and cash equivalents	4	3	1
Cash and cash equivalents, at beginning of period	40	37	3
Cash and cash equivalents at end of period	$ 44	$ 40	$ 4

The increase in net cash provided by operating activities was primarily due to higher levels of cash generated by net working capital, primarily resulting from an increase in Accounts payable in fiscal 2025 related to higher purchasing levels to support higher sales levels.

The decrease in net cash used in investing activities was primarily due to lower payments for capital expenditures.

The increase in net cash used in financing activities was primarily due to an increase in net repayments of borrowings under the ABL Credit Facility resulting from the increase in net cash provided by operating activities and the decrease in net cash used in investing activities, as described above, partially offset by lower levels of repayments of long-term debt and finance leases.

Other Obligations and Commitments

Our principal contractual obligations and commitments consist of obligations under our long-term debt, interest on long-term debt, operating and finance leases, purchase obligations, self-insurance liabilities and multiemployer plan withdrawal liabilities.

Refer to Note 9—Long-Term Debt, Note 11—Leases, Note 13—Benefit Plans, Note 1—Significant Accounting Policies and Note 17—Commitments, Contingencies and Off-Balance Sheet Arrangements in Part II, Item 8 of this Annual Report for more information on the nature and timing of obligations for debt, leases, benefit plans, self-insurance and purchase obligations, respectively. The future amount and timing of interest expense payments are expected to vary with the amount and then prevailing contractual interest rates over our debt as discussed in Interest Rate Risk in Part II, Item 7A of this Annual Report.

Pension and Other Postretirement Benefit Obligations

We contributed $1 million and $1 million to our defined benefit pension and other postretirement benefit plans, respectively, in fiscal 2025. In fiscal 2026, no minimum pension contributions are required to be made to the SUPERVALU INC. Retirement Plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). An insignificant amount of contributions is expected to be made to other defined benefit pension plans and postretirement benefit plans in fiscal 2026. We fund our tax-qualified defined benefit pension plan based on the minimum contribution required under ERISA, the Pension Protection Act of 2006 and other applicable laws and additional contributions made at our discretion. We may accelerate contributions or undertake contributions in excess of the minimum requirements from time to time subject to the availability of cash in excess of operating and financing needs or other factors as may be applicable. We assess the relative attractiveness of the use of cash to accelerate contributions considering such factors as expected return on assets, discount rates, cost of debt, reducing or eliminating required Pension Benefit Guaranty Corporation variable rate premiums or the ability to achieve exemption from participant notices of underfunding.

Off-Balance Sheet Multiemployer Pension Arrangements

We contribute to various multiemployer pension plans under collective bargaining agreements, primarily defined benefit pension plans. These multiemployer plans generally provide retirement benefits to participants based on their service to contributing employers. The benefits are paid from assets held in trust for that purpose. Plan trustees are typically responsible for determining the level of benefits to be provided to participants as well as the investment of the assets and plan administration. Trustees are appointed in equal number by employers and the unions that are parties to the relevant collective bargaining agreements. Based on the assessment of the most recent information available from the multiemployer plans, we believe that most of the plans to which we contribute are underfunded. We are only one of a number of employers contributing to these plans and the underfunding is not a direct obligation or liability to us.

Our contributions can fluctuate from year to year due to store closures, employer participation within the respective plans and reductions in headcount. Our contributions to these plans could increase in the near term. However, the amount of any increase or decrease in contributions will depend on a variety of factors, including the results of our collective bargaining efforts, investment returns on the assets held in the plans, actions taken by the trustees who manage the plans and requirements under the Pension Protection Act of 2006, the Multiemployer Pension Reform Act and Section 412 of the Internal Revenue Code. Expense is recognized in connection with these plans as contributions are funded, in accordance with GAAP. We made contributions to these plans, and recognized expense of $48 million, $47 million and $48 million in fiscal 2025, 2024 and 2023, respectively. In fiscal 2026, we expect to contribute approximately $50 million to multiemployer plans, subject to the outcome of collective bargaining and capital market conditions. If we were to significantly reduce contributions, exit certain markets or otherwise cease making contributions to these plans, we could trigger a partial or complete withdrawal that could require us to record a withdrawal liability obligation and make withdrawal liability payments to the fund. We expect required cash payments to fund multiemployer pension plans from which we have withdrawn to be insignificant in any one fiscal year, which would exclude any payments that may be agreed to on a lump sum basis to satisfy existing withdrawal liabilities. Any future withdrawal liability would be recorded when it is probable that a liability exists and can be reasonably estimated, in accordance with GAAP. Any triggered withdrawal obligation could result in a material charge and payment obligations that would be required to be made over an extended period of time.

We also make contributions to multiemployer health and welfare plans in amounts set forth in the related collective bargaining agreements. A small minority of collective bargaining agreements contain reserve requirements that may trigger unanticipated contributions resulting in increased healthcare expenses. If these healthcare provisions cannot be renegotiated in a manner that reduces the prospective healthcare cost as we intend, our Operating expenses could increase in the future.

Refer to Note 13—Benefit Plans in Part II, Item 8 of this Annual Report for additional information regarding the plans in which we participate.

Share Repurchases

In September 2022, our Board of Directors authorized a repurchase program for up to $200 million of our common stock over a term of four years (the “2022 Repurchase Program”). As of August 2, 2025, we had $138 million remaining authorized under the 2022 Repurchase Program. We did not repurchase any shares of our common stock in fiscal 2025.

We will manage the timing of any repurchases of our common stock in response to market conditions and other relevant factors, including any limitations on our ability to make repurchases under the terms of our ABL Credit Facility, Term Loan Facility and Senior Notes. We may implement the 2022 Repurchase Program pursuant to a plan or plans meeting the conditions of Rule 10b5-1 under the Exchange Act.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our Consolidated Financial Statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. Management believes the following critical accounting estimates reflect our more subjective or complex judgments and estimates used in the preparation of our Consolidated Financial Statements.

Inventories

Inventories are predominantly valued at the lower of cost or market. Substantially all of our inventories consist of finished goods. Inventories are recorded net of vendor allowances and cash discounts. We evaluate inventory shortages (shrink) throughout each fiscal year based on physical counts in our facilities. The majority of our inventory is valued under the LIFO method, which allows for matching of costs and revenues, as the current acquisition cost is used to value cost of goods sold as inventory is sold in an inflationary environment. During fiscal 2025 and fiscal 2024, inventory quantities in certain LIFO layers were reduced. These reductions resulted in a liquidation of LIFO inventory quantities carried at lower costs prevailing in prior years as compared with the cost of fiscal 2025 and fiscal 2024 purchases, the effect of which decreased Cost of sales by approximately $28 million in fiscal 2025 and $15 million in fiscal 2024. If the first-in, first-out ("FIFO") method had been used, Inventories, net, would have been higher by approximately $349 million and $351 million at August 2, 2025 and August 3, 2024, respectively. As of August 2, 2025, approximately $1.8 billion or 81% of inventory was valued under the LIFO method, before the application of any LIFO reserve, and primarily included grocery, frozen food and general merchandise products, with the remaining inventory valued under the first-in, first-out method and primarily included meat, dairy and deli products. When holding inventory levels and mix constant, as of August 2, 2025, we estimate a 50 basis point increase in the inflation rate on our ending LIFO-based inventory would result in an $8 million increase in the LIFO charge on an annualized basis.

Vendor funds

We receive funds from many of the vendors whose products we buy for resale. These vendor funds are generally provided to increase the purchasing and sell-through of the related products. We receive vendor funds for a variety of merchandising activities: placement of the vendors' products in our advertising; display of the vendors' products in prominent locations in our stores; support for the introduction of new products into our stores and distribution centers; exclusivity rights in certain categories; and compensation for temporary price reductions offered on products held for sale. We also receive vendor funds for buying activities such as volume commitment rebates, credits for purchasing products in advance of their need and cash discounts for the early payment of merchandise purchases. The majority of our vendor fund contracts have terms of less than a year, although some of the contracts have terms of longer than one year.

We recognize vendor funds for merchandising activities as a reduction of Cost of sales when the related products are sold, unless it has been determined that a discrete identifiable benefit has been provided to the vendor, in which case the related amounts are recognized within Net sales and represent less than 0.5% of total Net sales. Vendor funds that have been earned as a result of completing the required performance under the terms of the underlying agreements but for which the product has not yet been sold are recognized as reductions to the value of on-hand inventory.

The amount and timing of recognition of vendor funds as well as the amount of vendor funds to be recognized as a reduction to ending inventory requires management judgment and estimates. Management determines these amounts based on estimates of current year purchase volume using forecast and historical data and a review of average inventory turnover data. These judgments and estimates impact our reported Gross profit, Operating income and inventory amounts. The historical estimates have been reliable in the past, and we believe our methodology will continue to be reliable in the future. Based on previous experience, we do not expect significant changes in the level of vendor support. However, if such changes were to occur, Cost of sales and Net sales could change, depending on the specific vendors involved. If vendor advertising allowances were substantially reduced or eliminated, we would consider changing the volume, type and frequency of the advertising, which could increase or decrease our advertising expense.

Benefit plans

We sponsor pension and other postretirement plans in various forms covering substantially all employees who meet eligibility requirements. Pension benefits associated with these plans are generally based on each participant's years of service, compensation, and age at retirement or termination. Our defined benefit pension plan and certain supplemental executive retirement plans are closed to new participants and service crediting ended for all participants.

While we believe the valuation methods used to determine the fair value of plan assets are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The determination of our obligation and related expense for Company-sponsored pension and other postretirement benefits is dependent, in part, on management's selection of certain actuarial assumptions used in calculating these amounts. These assumptions include, among other things, the discount rate and the expected long-term rate of return on plan assets. We measure our defined benefit pension and other postretirement plan obligations as of the nearest calendar month end. Refer to Note 13—Benefit Plans in Part II, Item 8 of this Annual Report for information related to the actuarial assumptions used in determining pension and postretirement healthcare liabilities and expenses.

Discount rates

We review and select the discount rate to be used in connection with our pension and other postretirement obligations annually. The discount rate reflects the current rate at which the associated liabilities could be effectively settled at the end of the year. We set our rate to reflect the yield of a portfolio of high quality, fixed-income debt instruments that would produce cash flows sufficient in timing and amount to settle projected future benefits.

We utilize the "full yield curve" approach for determining the interest and service cost components of net periodic benefit cost for defined benefit pension and other postretirement benefit plans. Under this method, the discount rate assumption used in the interest and service cost components of net periodic benefit cost is built through applying the specific spot rates along the yield curve used in the determination of the benefit obligation described above, to the relevant projected future cash flows of our pension and other postretirement benefit plans. We believe the "full yield curve" approach reflects a greater correlation between projected benefit cash flows and the corresponding yield curve spot rates and provides a more precise measurement of interest and service costs. Each 25-basis point reduction in the discount rate would increase our projected pension benefit obligation by $32 million, as of August 2, 2025, and for fiscal 2025 would increase Net periodic benefit income by approximately $2 million.

Expected rate of return on plan assets

Our expected long-term rate of return on plan assets assumption is determined based on the portfolio's actual and target composition, current market conditions, forward-looking return and risk assumptions by asset class, and historical long-term investment performance. The assumed long-term rate of return on pension assets was 6.25% for fiscal 2025. The 10-year rolling average annualized return for the SUPERVALU INC. Retirement Plan is approximately 7.5% based on returns from 2016 to 2025. Each 25-basis point reduction in expected return on plan assets would decrease Net periodic benefit income for fiscal 2025 by approximately $4 million.

Amortizing gains and losses

In accordance with GAAP, actual results that differ from our assumptions are accumulated and amortized over future periods and, therefore, affect expense and obligations in future periods. We recognize the amortization of net actuarial loss on the SUPERVALU INC. Retirement Plan over the remaining life expectancy of inactive participants based on our determination that almost all of the defined benefit pension plan participants are inactive and the plan is frozen to new participants. For the purposes of inactive participants, we utilized a 90% threshold established under our policy.

Multiemployer pension plans

We contribute to various multiemployer pension plans based on obligations arising from collective bargaining agreements. These multiemployer pension plans generally provide retirement benefits to participants based on their service to contributing employers. The benefits are paid from assets held in trust for that purpose. Plan trustees are typically responsible for determining the level of benefits to be provided to participants as well as the investment of the assets and plan administration.

We continue to evaluate and address our potential exposure to underfunded multiemployer pension plans as it relates to our associates who are or were beneficiaries of these plans. In the future, we may consider opportunities to limit our exposure to underfunded multiemployer pension obligations by moving our active associates in such plans to defined contribution plans, and withdrawing from the pension plan or continuing to participate in the plans for prior obligations. As we continue to work to find solutions to underfunded multiemployer pension plans, it is possible we could incur withdrawal liabilities for certain additional multiemployer pension plan obligations in the future as we actively negotiate new collective bargaining agreements with a number of our unions in due course.

The American Rescue Plan Act ("ARPA") established the Special Financial Assistance ("SFA") Program for financially troubled multiemployer pension plans. Under ARPA, eligible multiemployer pension plans can apply to receive a cash payment intended to keep the plans solvent and able to pay pension benefits through the plan year ending 2051. As of the end of fiscal 2025, two plans in which we participate have received SFA, and one other plan in which we participate received SFA funding subsequent to the end of fiscal 2025. Although these liabilities are not a direct obligation or liability of ours, addressing these uncertainties requires judgment in the timing of expense recognition when we determine our commitment is probable and estimable.

Refer to Note 13—Benefit Plans in Part II, Item 8 of this Annual Report for more information relating to our participation in these multiemployer pension plans and to the actuarial assumptions used in determining pension and other postretirement liabilities and expenses.

Self-insurance liabilities

We are primarily self-insured for workers' compensation, general and automobile liability insurance. It is our policy to record the self-insured portions of our workers' compensation, general and automobile liabilities based upon actuarial methods of estimating the future cost of claims and related expenses that have been reported but not settled, and that have been incurred but not yet reported. Any projection of losses concerning these liabilities is subject to a considerable degree of variability. Among the causes of this variability are unpredictable external factors affecting litigation trends, benefit level changes and claim settlement patterns. If actual claims incurred are greater than those anticipated, our reserves may be insufficient and additional costs could be recorded in our Consolidated Financial Statements. Accruals for workers' compensation, general and automobile liabilities totaled $100 million and $89 million as of August 2, 2025 and August 3, 2024, respectively.

Recoverability of long-lived assets

We review long-lived assets, including definite-lived intangible assets at least annually, and on an interim basis if events occur or changes in circumstances indicate that the carrying value of the assets may not be recoverable. We evaluate these assets at the asset-group level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Cash flows expected to be generated by the related assets are estimated over the assets' useful lives based on updated projections. When the undiscounted future cash flows are not sufficient to recover an asset's carrying amount, the fair value is compared to the carrying value to determine the loss to be recorded.

Estimates of future cash flows and expected sales prices are judgments based on the Company's experience and knowledge of operations. These estimates project cash flows several years into the future and include assumptions on variables such as changes in supply contracts, macroeconomic impacts and market competition.

In fiscal 2025, we recognized a $24 million non-cash asset impairment charge related to a distribution center in our East region.

Income taxes

We account for income taxes under the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized within the provision for income tax in the period that includes the enactment date.

The calculation of our tax liabilities includes addressing uncertainties in the application of complex tax regulations and is based on the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Addressing these uncertainties requires judgment and estimates; however, actual results could differ, and we may be exposed to losses or gains. Our effective tax rate in a given financial statement period could be affected based on favorable or unfavorable tax settlements. Unfavorable tax settlements will generally require the use of cash and may result in an increase to our effective tax rate in the period of resolution. Favorable tax settlements may be recognized as a reduction to our effective tax rate in the period of resolution.

We regularly review our deferred tax assets for recoverability to evaluate whether it is more likely than not that they will be realized. In making this evaluation, we consider the statutory recovery periods for the assets, along with available sources of future taxable income, including reversals of existing and future taxable temporary differences, tax planning strategies, history of taxable income and projections of future income. We give more significance to objectively verifiable evidence, such as the existence of deferred tax liabilities that are forecast to generate taxable income within the relevant carryover periods and a history of earnings. A valuation allowance is provided when we conclude, based on all available evidence, that it is more likely than not that the deferred tax assets will not be realized during the applicable recovery period.

The OBBBA was signed into law on July 4, 2025. Accounting Standards Codification ("ASC") 740, "Income Taxes", requires the effects of changes in tax laws to be recognized in the period in which the legislation is enacted. The OBBBA includes numerous provisions that affect corporate taxation, including the immediate expensing of domestic research and development costs and modifying the interest expense limitation. Refer to Note 14—Income Taxes in Part II, Item 8 of this Annual Report for more information relating to effects of the new tax legislation on the Company.

Recently Issued Financial Accounting Standards

For a discussion of recently issued financial accounting standards, refer to Note 2—Recently Adopted and Issued Accounting Pronouncements in Part II, Item 8 of this Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a number of market related risks, including changes in interest rates, fuel prices, foreign exchange rates and changes in the market price of investments held in our master trust used to fund defined benefit pension obligations. We have historically employed financial derivative instruments from time to time to reduce these risks. We do not use financial instruments or derivatives for any trading or other speculative purposes. We currently utilize derivative financial instruments to reduce the market risks related to changes in interest rates, fuel prices and foreign exchange rates.

Interest Rate Risk

We are exposed to market pricing risk consisting of interest rate risk related to certain of our debt instruments and notes receivable outstanding. Our debt obligations are more fully described in Note 9—Long-Term Debt in Part II, Item 8 of this Annual Report. Interest rate risk is managed through the strategic use of fixed and variable rate debt and derivative instruments. As more fully described in Note 8—Derivatives in Part II, Item 8 of this Annual Report, we have used interest rate swap agreements to mitigate our exposure to adverse changes in interest rates by effectively converting certain of our variable rate obligations to fixed rate obligations. These interest rate swaps are derivative instruments designated as cash flow hedges on the forecasted interest payments related to a certain portion of our debt obligations. Our variable rate borrowings consist primarily of SOFR-based loans, which is the benchmark interest rate being hedged in our interest rate swap agreements.

Changes in interest rates could also affect the interest rates we pay on future borrowings under our ABL Credit Facility and Term Loan Facility, which rates are typically related to SOFR. As of August 2, 2025, we estimate that a 100-basis point increase in the interest rates related to our variable rate borrowings would increase our annualized interest expense by approximately $6 million, net of the floating interest rate receivable on our interest rate swaps. Changes in interest rates related to our fixed rate debt instruments would not have an impact upon future results of operations or cash flows while outstanding; however, if additional debt issuances at higher interest rates are required to fund fixed rate debt maturities, future results of operations or cash flows may be impacted.

As of August 2, 2025, a 100-basis point increase in forward SOFR interest rates would increase the fair value of the interest rate swaps by approximately $9 million; while a 100-basis point decrease in forward SOFR interest rates would decrease the fair value of the interest rate swaps by approximately $9 million. Refer to Note 8—Derivatives in Part II, Item 8 of this Annual Report for further information on interest rate swap contracts.

The table below provides information about our financial instruments that are sensitive to changes in interest rates, including debt obligations and interest rate swaps. For debt obligations, the table presents principal amounts due and related weighted average interest rates by expected maturity dates using interest rates as of August 2, 2025, excluding any original issue and purchase accounting discounts and deferred financing costs. For interest rate swaps, the table presents the notional amounts and related weighted average interest rates by maturity.

	August 2, 2025		Expected Fiscal Year of Maturity					
	Fair Value	Total	2026	2027	2028	2029	2030	Thereafter
	(in millions, except interest rates)							
Long-term Debt:								
Variable rate—principal payments	$ 1,385	$ 1,382	$ 5	$ 1,004	$ 5	$ 5	$ 5	$ 358
Weighted average interest rate(1)		*6.7 %*	*9.1 %*	*5.8 %*	*9.1 %*	*9.1 %*	*9.1 %*	*9.1 %*
Fixed rate—principal payments	$ 497	$ 500	$ —	$ —	$ —	$ 500	$ —	$ —
Weighted average interest rate		*6.8 %*	*— %*	*— %*	*— %*	*6.8 %*	*— %*	*— %*
Interest Rate Swaps(2):								
Notional amounts hedged under pay fixed, receive variable swaps	$ —	$ 750	$ 200	$ 450	$ 100	$ —	$ —	$ —
Weighted average pay rate		*3.5 %*	*2.8 %*	*3.7 %*	*4.1 %*	*— %*	*— %*	*— %*
Weighted average receive rate		*3.4 %*	*3.7 %*	*3.4 %*	*3.4 %*	*— %*	*— %*	*— %*

(1) Excludes the effect of interest rate swaps effectively converting certain of our variable rate obligations to fixed rate obligations.

(2) Refer to Note 8—Derivatives in Part II, Item 8 of this Annual Report for further information on interest rate swap contracts.

Investment Risk

The SUPERVALU INC. Retirement Plan holds investments in fixed income securities, domestic equity securities, private equity securities, international equity securities and real estate securities, which is described further in Note 13—Benefit Plans in Part II, Item 8 of this Annual Report. Changes in SUPERVALU INC. Retirement Plan assets can affect the amount of our anticipated future contributions. In addition, increases or decreases in SUPERVALU INC. Retirement Plan assets can result in a related increase or decrease to our equity through Accumulated other comprehensive loss. Given the relationships between discount rates that impact the valuation of fixed income plan assets and the impact of discount rates in measuring plan obligations, the SUPERVALU INC. Retirement Plan is subject to less volatility in the net plan assets as a result of its prior investment de-risking compared to the plan assets before the investments were de-risked. As of August 2, 2025, a 10% unfavorable change in the total value of investments held by the SUPERVALU INC. Retirement Plan (entirely within the return-seeking portion of the plan assets) would not have had an impact on our minimum contributions required under ERISA for fiscal 2025, but would have resulted in an unfavorable change in net periodic pension income for fiscal 2026 of $2 million and would have reduced Stockholders' equity by $148 million on a pre-tax basis as of August 2, 2025.

Fuel Price and Foreign Exchange Risk

To reduce diesel price risk, we have entered into derivative financial instruments and/or forward purchase commitments for a portion of our projected monthly diesel fuel requirements at fixed prices primarily related to inbound transportation. To reduce foreign exchange risk, we have entered into derivative financial instruments for a portion of our projected monthly foreign currency requirements at fixed prices. The fair values of fuel derivative and foreign exchange agreements are measured using Level 2 inputs. As of August 2, 2025, the fair value and expected exposure risk based on aggregate notional values are insignificant.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO FINANCIAL STATEMENTS

All other schedules are omitted because they are not applicable or not required.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
United Natural Foods, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of United Natural Foods, Inc. and subsidiaries (the Company) as of August 2, 2025 and August 3, 2024, the related consolidated statements of operations, comprehensive (loss) income, stockholders' equity, and cash flows for each of the fiscal years in the three-year period ended August 2, 2025, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of August 2, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of August 2, 2025 and August 3, 2024, and the results of its operations and its cash flows for each of the fiscal years in the three-year period ended August 2, 2025, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of August 2, 2025 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the value of the defined benefit pension obligation

As discussed in Note 13 to the consolidated financial statements, the Company sponsors a defined benefit pension plan, covering employees who meet certain eligibility requirements. The value of the defined benefit pension obligation at year end was $1.41 billion, offset by plan assets totaling $1.48 billion. The determination of the Company's defined benefit pension obligation with respect to the plan is dependent, in part, on the selection of certain actuarial assumptions, including the discount rate used.

We identified the assessment of the value of the defined benefit pension obligation as a critical audit matter because of the subjectivity in evaluating the discount rate used, and the impact small changes in this assumption would have on the measurement of the defined benefit pension obligation. Additionally, the audit effort associated with the evaluation of the discount rate required specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's defined benefit pension obligation process, including a control related to the development of the discount rate used. We compared the methodology used in the current year to develop the discount rate to the methodology used in the prior period. In addition, we involved an actuarial professional with specialized skills and knowledge, who assisted in the evaluation of the Company's discount rate by evaluating the methodology utilized by the Company and assessing the selected discount rate against publicly available discount rate benchmark information.

/s/ KPMG LLP

We have served as the Company's auditor since 1993.

Minneapolis, Minnesota
September 30, 2025

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except for par values)

	August 2, 2025	August 3, 2024
ASSETS		
Cash and cash equivalents	$ 44	$ 40
Accounts receivable, net	1,093	953
Inventories, net	2,095	2,179
Prepaid expenses and other current assets	191	230
Total current assets	3,423	3,402
Property and equipment, net	1,749	1,820
Operating lease assets	1,474	1,370
Goodwill	19	19
Intangible assets, net	576	649
Deferred income taxes	162	87
Other long-term assets	192	181
Total assets	$ 7,595	$ 7,528
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 1,875	$ 1,688
Accrued expenses and other current liabilities	319	288
Accrued compensation and benefits	227	197
Current portion of operating lease liabilities	173	181
Current portion of long-term debt and finance lease liabilities	8	11
Total current liabilities	2,602	2,365
Long-term debt	1,859	2,081
Long-term operating lease liabilities	1,400	1,263
Long-term finance lease liabilities	11	12
Pension and other postretirement benefit obligations	14	15
Other long-term liabilities	155	151
Total liabilities	6,041	5,887
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, authorized 5.0 shares; none issued or outstanding	—	—
Common stock, $0.01 par value, authorized 100.0 shares; 63.1 shares issued and 60.6 shares outstanding at August 2, 2025; 62.0 shares issued and 59.5 shares outstanding at August 3, 2024	1	1
Additional paid-in capital	658	635
Treasury stock at cost	(86)	(86)
Accumulated other comprehensive loss	(42)	(47)
Retained earnings	1,020	1,138
Total United Natural Foods, Inc. stockholders' equity	1,551	1,641
Noncontrolling interests	3	—
Total stockholders' equity	1,554	1,641
Total liabilities and stockholders' equity	$ 7,595	$ 7,528

See accompanying Notes to Consolidated Financial Statements.

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except for per share data)

	Fiscal Year Ended		
	August 2, 2025 (52 weeks)	August 3, 2024 (53 weeks)	July 29, 2023 (52 weeks)
Net sales	$ 31,784	$ 30,980	$ 30,272
Cost of sales	27,562	26,779	26,141
Gross profit	4,222	4,201	4,131
Operating expenses	4,117	4,100	3,973
Restructuring, acquisition and integration related expenses	94	36	8
Loss on sale of assets and other asset charges	42	57	30
Operating (loss) income	(31)	8	120
Net periodic benefit income, excluding service cost	(20)	(15)	(29)
Interest expense, net	146	162	144
Other income, net	(3)	(2)	(2)
(Loss) income before income taxes	(154)	(137)	7
Benefit for income taxes	(39)	(27)	(23)
Net (loss) income including noncontrolling interests	(115)	(110)	30
Less net income attributable to noncontrolling interests	(3)	(2)	(6)
Net (loss) income attributable to United Natural Foods, Inc.	$ (118)	$ (112)	$ 24
Basic (loss) earnings per share	$ (1.95)	$ (1.89)	$ 0.41
Diluted (loss) earnings per share	$ (1.95)	$ (1.89)	$ 0.40
Weighted average shares outstanding:			
Basic	60.2	59.3	59.2
Diluted	60.2	59.3	60.7

See accompanying Notes to Consolidated Financial Statements.

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(in millions)

	Fiscal Year Ended		
	August 2, 2025 (52 weeks)	August 3, 2024 (53 weeks)	July 29, 2023 (52 weeks)
Net (loss) income including noncontrolling interests	$ (115)	$ (110)	$ 30
Other comprehensive income (loss):			
Recognition of pension and other postretirement benefit obligations, net of tax[(1)]	6	(1)	(18)
Recognition of interest rate swap cash flow hedges, net of tax[(2)]	(2)	(15)	14
Foreign currency translation adjustments	1	(3)	(2)
Recognition of other cash flow derivatives, net of tax[(3)]	—	—	(2)
Total other comprehensive income (loss)	5	(19)	(8)
Less comprehensive income attributable to noncontrolling interests	(3)	(2)	(6)
Total comprehensive (loss) income attributable to United Natural Foods, Inc.	$ (113)	$ (131)	$ 16

(1) Amounts are net of tax expense (benefit) of $2 million, $0 million and $(7) million, respectively.

(2) Amounts are net of tax (benefit) expense of $(1) million, $(5) million and $5 million, respectively.

(3) Amounts are net of tax benefit of $0 million, $0 million, and $(1) million, respectively.

See accompanying Notes to Consolidated Financial Statements.

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total United Natural Foods, Inc. Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
	Shares	Amount	Shares	Amount						
Balances at July 30, 2022	58.9	$ 1	0.6	$ (24)	$ 608	$ (20)	$ 1,226	$ 1,791	$ 1	$ 1,792
Restricted stock vestings	2.1	—	—	—	(40)	—	—	(40)	—	(40)
Share-based compensation	—	—	—	—	38	—	—	38	—	38
Repurchases of common stock	—	—	1.9	(62)	—	—	—	(62)	—	(62)
Other comprehensive loss	—	—	—	—	—	(8)	—	(8)	—	(8)
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	(6)	(6)
Net income	—	—	—	—	—	—	24	24	6	30
Balances at July 29, 2023	61.0	$ 1	2.5	$ (86)	$ 606	$ (28)	$ 1,250	$ 1,743	$ 1	$ 1,744
Restricted stock vestings	1.0	—	—	—	(7)	—	—	(7)	—	(7)
Share-based compensation	—	—	—	—	39	—	—	39	—	39
Other comprehensive loss	—	—	—	—	—	(19)	—	(19)	—	(19)
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	(4)	(4)
Acquisition of noncontrolling interests	—	—	—	—	(3)	—	—	(3)	1	(2)
Net (loss) income	—	—	—	—	—	—	(112)	(112)	2	(110)
Balances at August 3, 2024	62.0	$ 1	2.5	$ (86)	$ 635	$ (47)	$ 1,138	$ 1,641	$ —	$ 1,641
Restricted stock vestings	1.1	—	—	—	(10)	—	—	(10)	—	(10)
Share-based compensation	—	—	—	—	37	—	—	37	—	37
Other comprehensive income	—	—	—	—	—	5	—	5	—	5
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	(4)	(4)
Acquisition of noncontrolling interests	—	—	—	—	(4)	—	—	(4)	4	—
Net (loss) income	—	—	—	—	—	—	(118)	(118)	3	(115)
Balances at August 2, 2025	63.1	$ 1	2.5	$ (86)	$ 658	$ (42)	$ 1,020	$ 1,551	$ 3	$ 1,554

See accompanying Notes to Consolidated Financial Statements.

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Fiscal Year Ended August 2, 2025 (52 weeks)	Fiscal Year Ended August 3, 2024 (53 weeks)	Fiscal Year Ended July 29, 2023 (52 weeks)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) income including noncontrolling interests	$ (115)	$ (110)	$ 30
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	321	319	304
Share-based compensation	43	39	38
Gain on sale of assets	(4)	(7)	(9)
Long-lived asset impairment charges	25	43	25
Net pension and other postretirement benefit income	(20)	(15)	(29)
Deferred income tax benefit	(56)	(49)	(36)
LIFO (benefit) charge	(2)	7	119
Provision (recoveries) for losses on receivables	3	3	(1)
Loss on debt extinguishment	4	—	—
Non-cash interest expense and other adjustments	5	18	13
Changes in operating assets and liabilities			
Accounts and notes receivable	(142)	(68)	327
Inventories	87	104	(57)
Prepaid expenses and other assets	276	(157)	(108)
Accounts payable	200	(81)	53
Accrued expenses and other liabilities	(155)	207	(45)
Net cash provided by operating activities	470	253	624
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for capital expenditures	(231)	(345)	(323)
Proceeds from dispositions of assets	30	25	16
Payments for investments	(17)	(22)	(32)
Net cash used in investing activities	(218)	(342)	(339)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings under revolving credit line	3,528	2,571	2,976
Proceeds from issuance of other loans	13	15	—
Repayments of borrowings under revolving credit line	(3,642)	(2,270)	(3,004)
Repayments of long-term debt and finance leases	(124)	(191)	(154)
Repurchases of common stock	—	—	(62)
Payments of employee restricted stock tax withholdings	(10)	(7)	(40)
Payments for debt issuance costs	(1)	(18)	—
Distributions to noncontrolling interests	(4)	(4)	(6)
Repayments of other loans	(8)	(2)	(2)
Other	—	(2)	—
Net cash (used in) provided by financing activities	(248)	92	(292)
EFFECT OF EXCHANGE RATE ON CASH	—	—	—
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4	3	(7)
Cash and cash equivalents, at beginning of period	40	37	44
Cash and cash equivalents, at end of period	$ 44	$ 40	$ 37
Supplemental disclosures of cash flow information:			
Cash paid for interest	$ 147	$ 159	$ 133
Cash payments (refunds) for federal, state and foreign income taxes, net	$ 4	$ (14)	$ (5)
Additions of property and equipment included in Accounts payable	$ 7	$ 21	$ 32

See accompanying Notes to Consolidated Financial Statements.

UNITED NATURAL FOODS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

United Natural Foods, Inc. and its subsidiaries (the "Company", "we", "us", "UNFI", or "our") is a leading distributor of natural, organic, specialty, produce and conventional grocery and non-food products, and provider of support services to retailers. The Company sells its products primarily throughout the United States and Canada.

Effective for the fourth quarter of fiscal 2025, the Company updated its segment reporting structure to align with how the business is now operated and managed, following the divisional realignment and organizational changes that began during the second quarter of fiscal 2025. Prior periods have been recast to conform to the Company's new reportable segments, which are as follows:

- *Natural*, which primarily reflects the wholesale distribution of natural, organic and specialty grocery and non-food products and services and includes the Company's portfolio of natural owned brands and natural and organic snack food manufacturing business;
- *Conventional*, which primarily reflects the wholesale distribution of conventional grocery and non-food products and services and includes the Company's portfolio of conventional owned brands; and
- *Retail*, which reflects the Company's grocery and liquor stores operating under the Cub® Foods and Shoppers® banners that sell products directly to consumers.

Refer to Note 16—Business Segments for additional information.

Cybersecurity Incident

In the fourth quarter of fiscal 2025, the Company became aware of unauthorized activity on certain information technology systems. The Company promptly activated its incident response plan and implemented containment measures, including proactively taking certain systems offline (the "Cybersecurity Incident").

During fiscal 2025, the Company recognized expenses related to the Cybersecurity Incident in Gross profit and Operating expenses in the Consolidated Statements of Operations. The Company maintains insurance coverage to limit its exposure to losses such as those related to the Cybersecurity Incident. The Company has submitted, and intends to continue to submit, claims to its insurers for reimbursement of some of the costs, expenses, and losses stemming from the Cybersecurity Incident and expects that the full claim and settlement process will extend throughout fiscal 2026. The timing of recognizing insurance recoveries will differ from the timing of recognizing the associated expenses.

Fiscal Year

The Company's fiscal years end on the Saturday closest to July 31 and contain either 52 or 53 weeks. References to fiscal 2025, fiscal 2024 and fiscal 2023, or 2025, 2024 and 2023, as presented in tabular disclosure, relate to the 52-week, 53-week and 52-week fiscal periods ended August 2, 2025, August 3, 2024 and July 29, 2023, respectively. Fiscal 2024 contained 53 weeks with the fourth quarter of fiscal 2024 containing 14 weeks.

Basis of Presentation

The accompanying Consolidated Financial Statements include the accounts of the Company and its subsidiaries. The Consolidated Financial Statements are prepared in conformity with accounting principles generally accepted in the United States ("GAAP"). All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Within the Consolidated Financial Statements certain immaterial amounts have been reclassified to conform with current year presentation. These reclassifications had no impact on reported net (loss) income, cash flows, or total assets and liabilities.

Net Sales

Our Net sales consist primarily of product sales of natural, organic, specialty, produce, and conventional grocery and non-food products, adjusted for customer volume discounts, vendor incentives when applicable, returns and allowances, and professional services revenue. Net sales also include amounts charged by the Company to customers for shipping and handling and fuel surcharges. Vendor incentives do not reduce sales in circumstances where the vendor tenders the incentive to the customer, when the incentive is not a direct reimbursement from a vendor, when the incentive is not influenced by or negotiated in conjunction with any other incentive arrangements and when the incentive is not subject to an agency relationship with the vendor, whether expressed or implied.

The Company recognizes revenue in an amount that reflects the consideration that is expected to be received for goods or services when its performance obligations are satisfied by transferring control of those promised goods or services to its customers. Accounting Standards Codification ("ASC") 606 defines a five-step process to recognize revenue that requires judgment and estimates, including identifying the contract with the customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract and recognizing revenue when or as the performance obligation is satisfied.

Revenues from wholesale product sales are recognized when control is transferred, which typically happens upon delivery, depending on the contract terms with the customer. Typically, shipping and customer receipt of wholesale products occur on the same business day. Discounts and allowances provided to customers are recognized as a reduction in Net sales as control of the products is transferred to customers. The Company recognizes freight revenue related to transportation of its products when control of the product is transferred, which is typically upon delivery.

Revenues from Retail product sales are recognized at the point of sale upon customer check-out. Advertising income earned from our franchisees that participate in our Retail advertising program is recognized as Net sales. The Company recognizes loyalty program expense in the form of fuel rewards as a reduction of Net sales.

Sales tax is excluded from Net sales. Limited rights of return exist with our customers due to the nature of the products we sell.

Refer to Note 3—Revenue Recognition for additional information regarding the Company's revenue recognition policies.

Cost of Sales

Cost of sales consist primarily of amounts paid to suppliers for product sold, plus transportation costs necessary to bring the product to, or move product between, the Company's distribution centers and retail stores, partially offset by consideration received from suppliers in connection with the purchase, transportation or promotion of the suppliers' products. Retail store advertising expenses are components of Cost of sales and are expensed as incurred.

The Company receives allowances and credits from vendors for buying activities, such as volume incentives, promotional allowances directed by the Company to customers, cash discounts and new product introductions (collectively referred to as “vendor funds”), which are typically based on contractual arrangements covering a period of one year or less. The Company recognizes vendor funds for merchandising activities as a reduction of Cost of sales when the related products are sold, unless it has been determined that a discrete identifiable benefit has been provided to the vendor, in which case the related amounts are recognized within Net sales. Vendor funds that have been earned as a result of completing the required performance under the terms of the underlying agreements but for which the product has not yet been sold are recognized as a reduction to the cost of inventory. When payments or rebates can be reasonably estimated and it is probable that the specified target will be met, the payment or rebate is accrued. However, when attaining the target is not probable, the payment or rebate is recognized only when and if the target is achieved. Any upfront payments received for multi-period contracts are generally deferred and amortized over the life of the contracts. The majority of the vendor funds contracts have terms of less than a year, with a small proportion of the contracts longer than one year.

Shipping and Handling Fees and Costs

The Company includes shipping and handling fees billed to customers in Net sales. Shipping and handling costs associated with inbound freight are recorded in Cost of sales, whereas shipping and handling costs for receiving, selecting, quality assurance, and outbound transportation are recorded in Operating expenses. Outbound shipping and handling costs, including allocated employee benefit expenses that are recorded in Operating expenses, totaled $1,686 million, $1,674 million and $1,745 million for fiscal 2025, 2024 and 2023, respectively.

Operating Expenses

Operating expenses include distribution expenses of warehousing, delivery, purchasing, receiving, selecting, and outbound transportation expenses, and selling and administrative expenses. These expenses include salaries and wages, employee benefits, occupancy, insurance, depreciation and amortization expense and share-based compensation expense.

Restructuring, Acquisition and Integration Related Expenses

Restructuring, acquisition and integration related expenses reflect expenses resulting from restructuring activities, including severance costs, facility closure costs, contract exit-related costs, share-based compensation acceleration charges and acquisition and integration related expenses. Integration related expenses include certain professional consulting expenses and incremental expenses related to combining facilities required to optimize our distribution network as a result of acquisitions.

Loss on Sale of Assets and Other Asset Charges

Loss on sale of assets and other asset charges primarily includes losses (gains) on sales of assets, losses on sales of financial assets, and asset impairments. In fiscal 2025, the Company recorded an impairment charge related to its Allentown, Pennsylvania distribution center. Refer to Note 5—Property and Equipment, Net and Note 11—Leases for additional information on this impairment charge. In fiscal 2024, the Company recorded impairment charges related to one of its corporate-owned office locations, certain leased and owned distribution centers and certain retail store locations. Refer to Note 5—Property and Equipment, Net for additional information on these impairment charges. In fiscal 2023, the Company recorded an impairment charge related to intangible assets associated with its Blue Marble Brands portfolio. Refer to Note 6—Goodwill and Intangible Assets, Net for additional information on this impairment charge.

Interest Expense, Net

Interest expense, net includes primarily interest expense on long-term debt, net of capitalized interest, loss on debt extinguishment, interest expense on finance lease obligations, amortization of financing costs and discounts, and interest income.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with original maturities of three months or less. The Company’s banking arrangements allow it to fund outstanding checks when presented to the financial institution for payment. The Company funds all intraday bank balance overdrafts during the same business day. Checks outstanding in excess of bank balances create book overdrafts, which are recorded in Accounts payable in the Consolidated Balance Sheets and are reflected as an operating activity in the Consolidated Statements of Cash Flows. As of August 2, 2025 and August 3, 2024, the Company had net book overdrafts of $267 million and $243 million, respectively.

Accounts Receivable, Net

Accounts receivable, net primarily consist of trade receivables from customers and net receivable balances from suppliers. In determining the adequacy of the allowances, management analyzes customer creditworthiness, aging of receivables, payment terms, the value of the collateral, customer financial statements, historical collection experience and other economic and industry factors. In instances where a reserve has been recorded for a particular customer, future sales to the customer are conducted using either cash-on-delivery terms, or the account is closely monitored so that as agreed upon payments are received and then orders are released; a failure to pay results in held or canceled orders.

Inventories, Net

Substantially all of the Company's inventories consist of finished goods. To value discrete inventory items at lower of cost or net realizable value before application of any last-in, first-out ("LIFO") reserve, the Company utilizes the weighted average cost method, perpetual cost method, the retail inventory method and the replacement cost method. Allowances for vendor funds and cash discounts received from suppliers are recorded as a reduction to Inventories, net and subsequently within Cost of sales upon the sale of the related products. Inventory quantities are evaluated throughout each fiscal year based on physical counts in the Company's distribution centers and stores. Allowances for inventory shortages are recorded based on the results of these counts. During fiscal 2025 and fiscal 2024, inventory quantities in certain LIFO layers were reduced. These reductions resulted in a liquidation of LIFO inventory quantities carried at lower costs prevailing in prior years as compared with the cost of fiscal 2025 and fiscal 2024 purchases, the effect of which decreased Cost of sales by approximately $28 million in fiscal 2025 and $15 million in fiscal 2024. As of August 2, 2025 and August 3, 2024, approximately $1.8 billion and $1.9 billion, respectively, of inventory was valued under the LIFO method, before the application of a LIFO reserve, and primarily included grocery, frozen food and general merchandise products, with the remaining inventory valued under the first-in, first-out ("FIFO") method and primarily included meat, dairy and deli products. The LIFO reserve was $349 million and $351 million as of August 2, 2025 and August 3, 2024, respectively, which is recorded within Inventories, net on the Consolidated Balance Sheets.

Property and Equipment, Net and Amortizing Intangible Assets

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation expense is based on the estimated useful lives of the assets using the straight-line method. Applicable interest charges incurred during the construction of new facilities are capitalized as one of the elements of cost and are amortized over the assets' estimated useful lives if certain criteria are met. Refer to Note 5—Property and Equipment, Net for additional information.

The Company reviews long-lived assets, including amortizing intangible assets, for indicators of impairment whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Cash flows expected to be generated by the related assets are estimated over the assets' useful lives based on updated projections. The Company groups long-lived assets with other assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. If the evaluation indicates that the carrying amount of an asset group may not be recoverable, the potential impairment is measured based on a fair value discounted cash flow model or a market approach method. Refer to Note 5—Property and Equipment, Net and Note 6—Goodwill and Intangible Assets, Net for additional information regarding the Company's long-lived asset impairment reviews and other information.

Cloud Computing Arrangements

The Company enters into certain cloud-based software hosting arrangements for internal use that are accounted for as service contracts. The capitalized implementation costs associated with these cloud computing arrangements are included in Prepaid expenses and other current assets and Other long-term assets within the Consolidated Balance Sheets, and the related cash flows are included within operating activities in the Consolidated Statements of Cash Flows. Once a cloud computing arrangement is ready for its intended use, the capitalized implementation costs are amortized on a straight-line basis over the term of the related hosting agreement, including renewal periods that are reasonably certain to be exercised, and expensed in the same line item in the Consolidated Statements of Operations as the associated hosting fees. The net book value of these capitalized implementation costs was $52 million and $51 million as of August 2, 2025 and August 3, 2024, respectively. Amortization expense was $8 million, $4 million and $2 million for fiscal 2025, 2024 and 2023, respectively.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. A deferred tax asset is recognized if it is more likely than not that a tax benefit will be realized. A valuation allowance is established when necessary to reduce deferred tax assets to amounts that are more likely than not expected to be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company records liabilities to address uncertain tax positions we have taken in previously filed tax returns or that we expect to take in a future tax return. The determination for required liabilities is based upon an analysis of each individual tax position, taking into consideration whether it is more likely than not that our tax position, based on technical merits, will be sustained upon examination. For those positions for which we conclude it is more likely than not it will be sustained, we recognize the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the taxing authority. The difference between the amount recognized and the total tax position is recorded as a liability. The ultimate resolution of these tax positions may be greater or less than the liabilities recorded.

The Company allocates tax expense among specific financial statement components using a “with-or-without” approach. Under this approach, the Company first determines the total tax expense or benefit (current and deferred) for the period. The Company then calculates the tax effect of pretax income. The residual tax expense is allocated on a proportional basis to other financial statement components (i.e. other comprehensive income).

Goodwill and Intangible Assets, Net

The Company accounts for acquired businesses using the purchase method of accounting, which requires that the assets acquired and liabilities assumed be recorded at the acquisition date at their respective estimated fair values. Goodwill represents the excess acquisition cost over the fair value of net assets acquired in a business combination. Goodwill is assigned to the reporting units that are expected to benefit from the synergies of the business combination that generated the goodwill. Goodwill reporting units exist at one level below the operating segment level unless they are determined to be economically similar, and are evaluated for events or changes in circumstances indicating a goodwill reporting unit has changed. Relative fair value allocations are performed when components of an aggregated goodwill reporting unit become separate reporting units or move from one reporting unit to another.

Goodwill is reviewed for impairment at least annually as of the first day of the fourth fiscal quarter and more frequently if events occur or circumstances change that would indicate that the value of the reporting unit may be impaired. The Company performs qualitative assessments of Goodwill for impairment. If the qualitative assessment indicates it is more likely than not that a reporting unit’s fair value is less than the carrying value, or the Company bypasses the qualitative assessment, a quantitative assessment would be performed. When a quantitative assessment is required, the Company estimates the fair values of its reporting units by using the market approach, applying a multiple of earnings based on guidelines for publicly traded companies, and/or the income approach, discounting projected future cash flows based on management’s expectations of the current and future operating environment for each reporting unit. Refer to Note 6—Goodwill and Intangible Assets, Net for additional information regarding the Company’s goodwill impairment reviews and other information.

Indefinite-lived intangible assets include the Tony’s Fine Foods tradename, and prior to July 23, 2023 included the Blue Marble Brands portfolio. Indefinite-lived intangible assets are reviewed for impairment at least annually as of the first day of the fourth fiscal quarter and more frequently if events occur or circumstances change that would indicate that the value of the asset may be impaired. When a quantitative assessment is required, the Company estimates the fair value for intangible assets utilizing the income approach, which discounts the projected future net cash flow using an appropriate discount rate that reflects the risks associated with such projected future cash flow. Refer to Note 6—Goodwill and Intangible Assets, Net for additional information regarding the Company’s intangible assets impairment reviews and other information.

Intangible assets with definite lives are amortized on a straight-line basis over the following years:

Customer relationships	10 - 20 years
Trademarks and tradenames	2 - 10 years
Favorable operating leases	2 - 8 years
Pharmacy prescription files	7 years

Fair Value of Financial Instruments

Financial assets and liabilities measured on a recurring basis, and non-financial assets and liabilities that are recognized on a non-recurring basis, are recognized or disclosed at fair value on at least an annual basis. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes three levels of inputs that may be used to measure fair value:

- Level 1 Inputs—Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs—Inputs other than quoted prices included in Level 1 that are either directly or indirectly observable through correlation with market data. These include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs to valuation models or other pricing methodologies that do not require significant judgment because the inputs used in the model, such as interest rates and volatility, can be corroborated by readily observable market data.
- Level 3 Inputs—One or more significant inputs that are unobservable and supported by little or no market activity, and that reflect the use of significant management judgment. Level 3 assets and liabilities include those whose fair value measurements are determined using pricing models, discounted cash flow methodologies or similar valuation techniques, and significant management judgment or estimation.

The carrying amounts of the Company’s financial instruments including Cash and cash equivalents, Accounts receivable, Accounts payable and certain Accrued expenses and Other assets and liabilities approximate fair value due to the short-term nature of these instruments.

Share-Based Compensation

Share-based compensation consists of time-based restricted stock units, performance-based restricted stock units and stock options. Share-based compensation expense is measured by the fair value of the award on the date of grant. The Company recognizes Share-based compensation expense on a straight-line basis over the requisite service period of the individual grants. Forfeitures are recognized as reductions to Share-based compensation when they occur. The grant date closing price per share of the Company’s stock is used to determine the fair value of restricted stock units. The Company classifies certain restricted stock unit awards that can or will be settled in cash as liability awards. The fair value of liability-classified awards is remeasured at the end of each reporting period and adjustments resulting from remeasurement are recognized in earnings over the requisite service period. The Company’s executive officers and members of senior management have been granted performance units which vest, when and if earned, in accordance with the terms of the related performance unit award agreements. The Company recognizes Share-based compensation expense based on the target number of shares of common stock and the Company’s stock price on the date of grant and subsequently adjusts expense based on actual and forecasted performance compared to planned targets. Share-based compensation expense is recognized within Operating expenses for ongoing employees and in certain instances is recorded within Restructuring, acquisition and integration related expenses when an employee is notified of termination and their awards become accelerated. Refer to Note 12—Share-Based Awards for additional information.

Benefit Plans

The Company recognizes the funded status of its Company-sponsored defined benefit plans in the Consolidated Balance Sheets and gains or losses and prior service costs or credits not yet recognized as a component of Accumulated other comprehensive loss, net of tax, in the Consolidated Balance Sheets. The Company measures its defined benefit pension and other postretirement plan obligations as of the nearest calendar month end. The Company records Net periodic benefit income or expense related to interest cost, expected return on plan assets and the amortization of actuarial gains and losses, excluding service costs, in the Consolidated Statements of Operations within Net periodic benefit income, excluding service cost. Service costs are recorded in Operating expenses in the Consolidated Statements of Operations.

The Company sponsors pension and other postretirement plans in various forms covering participants who meet eligibility requirements. The determination of the Company's obligation and related income or expense for Company-sponsored pension and other postretirement benefits is dependent, in part, on management's selection of certain actuarial assumptions in calculating these amounts. These assumptions include, among other things, the discount rate, the expected long-term rate of return on plan assets and the rates of increase in healthcare costs. These assumptions are disclosed in Note 13—Benefit Plans. Actual results that differ from the assumptions are accumulated and amortized over future periods.

The Company contributes to various multiemployer pension plans under collective bargaining agreements, primarily defined benefit pension plans. Pension expense for these plans is recognized as contributions are funded. In addition, the Company provides postretirement health and welfare benefits for certain groups of union and non-union employees. See Note 13—Benefit Plans for additional information on participation in multiemployer plans.

(Loss) Earnings Per Share

Basic (loss) earnings per share is calculated by dividing net (loss) income by the weighted average number of common shares outstanding during the period. Diluted (loss) earnings per share is calculated by adding the dilutive potential common shares to the weighted average number of common shares that were outstanding during the period. For purposes of the diluted earnings per share calculation, outstanding stock options, restricted stock units and performance-based awards, if applicable, are considered common stock equivalents, using the treasury stock method.

Treasury Stock

The Company records the repurchase of shares of common stock at cost based on the settlement date of the transaction. These shares are classified as Treasury stock, which is a reduction to Stockholders' equity. Treasury stock is included in authorized and issued shares but excluded from outstanding shares.

On September 21, 2022, our Board of Directors authorized a repurchase program for up to $200 million of the Company's common stock over a term of four years (the "2022 Repurchase Program"). Under the 2022 Repurchase Program, the Company repurchased approximately 1.9 million shares of its common stock for a total cost of $62 million in fiscal 2023. The Company did not repurchase any shares of its common stock in fiscal 2025 or 2024. As of August 2, 2025, the Company had $138 million remaining authorized under the 2022 Repurchase Program. Refer to Note 9—Long-Term Debt for information on the Company's credit facilities' limitations on its ability to repurchase shares of common stock above certain levels unless certain conditions and financial tests are met.

Comprehensive (Loss) Income

Comprehensive (loss) income is reported in the Consolidated Statements of Comprehensive (Loss) Income. Comprehensive (loss) income includes all changes in Stockholders' equity during the reporting period, other than those resulting from investments by and distributions to stockholders. The Company's comprehensive (loss) income is calculated as Net (loss) income including noncontrolling interests, plus or minus adjustments for foreign currency translation related to the translation of UNFI Canada, Inc. ("UNFI Canada") from the functional currency of Canadian dollars to U.S. dollar reporting currency, changes in the fair value of cash flow hedges, net of tax, and changes in defined pension and other postretirement benefit plan obligations, net of tax, less comprehensive income attributable to noncontrolling interests.

Accumulated other comprehensive loss represents the cumulative balance of Other comprehensive income (loss), net of tax, as of the end of the reporting period and relates to foreign currency translation adjustments, and unrealized gains or losses on cash flow hedges, net of tax and changes in defined pension and other postretirement benefit plan obligations, net of tax.

Derivative Financial Instruments

The Company utilizes derivative financial instruments to manage its exposure to changes in interest rates, fuel costs, and with the operation of UNFI Canada, foreign currency exchange rates. All derivatives are recognized on the Company’s Consolidated Balance Sheets at fair value based on quoted market prices or estimates, and are recorded in either current or noncurrent assets or liabilities based on their maturity. Changes in the fair value of derivatives are recorded in comprehensive (loss) income or net earnings, based on whether the instrument is designated and effective as a hedge transaction and, if so, the type of hedge transaction. Gains or losses on derivative instruments are recorded in Accumulated other comprehensive loss and are reclassified to earnings in the period the hedged item affects earnings. If the hedged relationship ceases to exist, any associated amounts reported in Accumulated other comprehensive loss are reclassified to earnings at that time. The Company measures effectiveness of its hedging relationships both at hedge inception and on an ongoing basis.

Self-Insurance Liabilities

The Company is primarily self-insured for workers’ compensation, general and automobile liability insurance. It is the Company’s policy to record the self-insured portion of workers’ compensation, general and automobile liabilities based upon actuarial methods to estimate the future cost of claims and related expenses that have been reported but not settled, and that have been incurred but not yet reported, discounted at a risk-free interest rate. The present value of such claims was calculated using a discount rate of 3.8% and 4.8% as of August 2, 2025 and August 3, 2024, respectively.

Changes in the Company’s self-insurance liabilities consisted of the following:

(in millions)	2025	2024	2023
Beginning balance	$ 89	$ 97	$ 98
Expense	66	57	52
Claim payments	(65)	(56)	(57)
Reclassifications	10	(9)	4
Ending balance	$ 100	$ 89	$ 97

The current portion of the self-insurance liability was $31 million and $33 million as of August 2, 2025 and August 3, 2024, respectively, and is included in Accrued expenses and other current liabilities in the Consolidated Balance Sheets. The long-term portions were $69 million and $56 million as of August 2, 2025 and August 3, 2024, respectively, and are included in Other long-term liabilities in the Consolidated Balance Sheets. The self-insurance liabilities as of the end of the fiscal year are net of discounts of $9 million and $12 million as of August 2, 2025 and August 3, 2024, respectively. Amounts due from insurance companies were $25 million and $33 million as of August 2, 2025 and August 3, 2024, respectively, and are recorded in Prepaid expenses and other current assets and Other long-term assets.

Leases

At the inception or modification of a contract, the Company determines whether a lease exists and classifies its leases as an operating or finance lease at commencement. Subsequent to commencement, lease classification is only reassessed upon a change to the expected lease term or contract modification. Finance and operating lease assets represent the Company’s right to use an underlying asset as lessee for the lease term, and lease obligations represent the Company’s obligation to make lease payments arising from the lease. These assets and obligations are recognized at the lease commencement date based on the present value of lease payments, net of incentives, over the lease term. Incremental borrowing rates are estimated based on the Company’s borrowing rate as of the lease commencement date to determine the present value of lease payments, when the rate implicit in the lease is not readily determinable. Incremental borrowing rates are determined by using the yield curve based on the Company’s credit rating adjusted for the Company’s specific debt profile and secured debt risk. The lease asset also reflects any prepaid rent, initial direct costs incurred and lease incentives received. The Company’s lease terms include optional extension periods when it is reasonably certain that those options will be exercised. Leases with an initial expected term of 12 months or less are not recorded in the Consolidated Balance Sheets and the related lease expense is recognized on a straight-line basis over the lease term. For certain classes of underlying assets, the Company has elected to not separate fixed lease components from the fixed nonlease components.

The Company recognizes contractual obligations and receipts on a gross basis, such that the related lease obligation to the landlord is presented separately from the sublease created by the lease assignment to the assignee. As a result, the Company continues to recognize on its Consolidated Balance Sheets the operating lease assets and liabilities, and finance lease assets and obligations, for assigned leases.

The Company records operating lease expense and income using the straight-line method within Operating expenses, and lease income on a straight-line method for leases with its customers within Net sales. Finance lease expense is recognized as amortization expense within Operating expenses, and interest expense within Interest expense, net. For operating leases with step rent provisions whereby the rental payments increase over the life of the lease, and for leases with rent-free periods, the Company recognizes expense and income on a straight-line basis over the expected lease term, based on the total minimum lease payments to be made or lease receipts expected to be received. The Company is generally obligated for property tax, insurance and maintenance expenses related to leased properties, which often represent variable lease expenses. For contractual obligations on properties where the Company remains the primary obligor upon assignment of the lease and does not obtain a release from landlords or retain the equity interests in the legal entities with the related rent contracts, the Company continues to recognize rent expense and rent income within Operating expenses.

Operating and finance lease assets are reviewed for impairment based on an ongoing review of circumstances that indicate the assets may no longer be recoverable, such as closures of retail stores, distribution centers and other properties that are no longer being utilized in current operations, and other factors. The Company calculates operating and finance lease impairments using a discount rate to calculate the present value of estimated subtenant rentals that could be reasonably obtained for the property. Lease impairment charges for properties no longer used in operations are recorded as a component of Loss on sale of assets and other asset charges in the Consolidated Statements of Operations.

The calculation of lease impairment charges requires significant judgments and estimates, including estimated subtenant rentals, discount rates and future cash flows based on the Company's experience and knowledge of the market in which the property is located, previous efforts to dispose of similar assets and the assessment of existing market conditions. Impairments are recognized as a reduction of the carrying value of the right of use asset and finance lease assets. Refer to Note 11—Leases for additional information.

For transactions in which an owned property is sold and leased back from the buyer, the Company recognizes a sale, and lease accounting is applied if the Company has transferred control of the property to the buyer. For such transactions, the Company removes the transferred assets from the Consolidated Balance Sheets and a gain or loss on the sale is recognized for the difference between the carrying amount of the asset and the fair value of the transaction as of the transaction date. If control of the underlying asset is not transferred, the Company does not recognize an asset sale and recognizes a financing lease liability for consideration received.

NOTE 2—RECENTLY ADOPTED AND ISSUED ACCOUNTING PRONOUNCEMENTS

Recently Adopted Accounting Pronouncements

In June 2022, the Financial Accounting Standards Board ("FASB") issued ASU 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. ASU 2022-03 clarifies that a contractual restriction on the sale of an equity security is not part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments in this update also require additional disclosures for equity securities subject to contractual sale restrictions. The Company adopted this standard in the first quarter of fiscal 2025. The adoption of this standard did not have a material impact on the Company's Consolidated Financial Statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items to reconcile to segment profit or loss, and the title and position of the entity's CODM. The amendments in this update also expand the interim segment disclosure requirements. The Company adopted this standard in the fourth quarter of fiscal 2025, which resulted in additional disclosures in the notes to the consolidated financial statements. Refer to Note 16—Business Segments for additional information.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 requires disclosure of specific categories in the rate reconciliation and additional information for reconciling items that meet a quantitative threshold. The amendments also require disclosure on an annual basis of income taxes paid disaggregated by federal, state and foreign taxes as well as the amount of income taxes paid by individual jurisdiction. In addition, the amendments require disclosures of disaggregated pretax income and income tax expense and remove the requirement to disclose certain items that are no longer considered cost beneficial or relevant. The Company is required to adopt the amendments in this update in fiscal 2026. Early adoption is permitted. The amendments in this update should be applied on a prospective basis but can also be applied retrospectively. The Company is currently reviewing the provisions of the amendments in this update and evaluating their impact on the Company's consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. ASU 2024-03 requires disclosure on an annual and interim basis, in the notes to the financial statements, of disaggregated information about specific categories underlying certain income statement expense line items. The Company is required to adopt the amendments in this update in fiscal 2028, and the interim disclosure requirements will be effective for the Company in the first quarter of fiscal 2029. Early adoption is permitted. The amendments in this update should be applied on a prospective basis but can also be applied retrospectively. The Company is currently reviewing the provisions of the amendments in this update and evaluating their impact on the Company's consolidated financial statements.

NOTE 3—REVENUE RECOGNITION

Product sales

The Company enters into wholesale customer distribution agreements that provide terms and conditions of our order fulfillment. The Company's distribution agreements often specify levels of required minimum purchases in order to earn certain rebates or incentives. Certain contracts include rebates and other forms of variable consideration, including consideration payable to the customer up-front, over time or at the end of a contract term. Many of the Company's contracts with customers outline various other promises to be performed in conjunction with the sale of product. The Company determined that these promises provided are immaterial within the overall context of the respective contract, and as such has not allocated the transaction price to these obligations.

In transactions for goods or services where the Company engages third parties to participate in its order fulfillment process, it evaluates whether it is the principal or an agent in the transaction. The Company's analysis considers whether it controls the goods or services before they are transferred to its customer, including an evaluation of whether the Company has the ability to direct the use of, and obtain substantially all the remaining benefits from, the specified good or service before it is transferred to the customer. Agent transactions primarily reflect circumstances where the Company is not involved in order fulfillment or where it is involved in the order fulfillment but is not contractually obligated to purchase the related goods or services from vendors, and instead extends wholesale customers credit by paying vendor trade accounts payable and does not control products prior to their sale. Under ASC 606, if the Company determines that it is acting in an agent capacity, transactions are recorded on a net basis. If the Company determines that it is acting in a principal capacity, transactions are recorded on a gross basis.

The Company also evaluates vendor sales incentives to determine whether they reduce the transaction price with its customers. The Company's analysis considers which party tenders the incentive, whether the incentive reflects a direct reimbursement from a vendor, whether the incentive is influenced by or negotiated in conjunction with any other incentive arrangements and whether the incentive is subject to an agency relationship with the vendor, whether expressed or implied. Typically, when vendor incentives are offered directly by vendors to the Company's customers, require the achievement of vendor-specified requirements to be earned by customers, and are not negotiated by the Company or in conjunction with any other incentive agreement whereby the Company does not control the direction or earning of these incentives, then Net sales are not reduced as part of the Company's determination of the transaction price. In circumstances where the vendors provide the Company consideration to promote the sale of their goods and the Company determines the specific performance requirements for its customers to earn these incentives, Net sales and Cost of sales are reduced for these customer incentives as part of the determination of the transaction price.

Certain customer agreements provide for the right to license one or more of the Company's tradenames, such as FESTIVAL FOODS®, SENTRY®, COUNTY MARKET®, FOODLAND®, and SUPERVALU®. In addition, the Company enters into franchise agreements to separately charge its customers, who the Company also sells wholesale products to, for the right to use its CUB® tradename. The Company typically does not separately charge for the right to license its tradenames. The Company believes that these tradenames are capable of being distinct, but are not distinct within the context of the contracts with its customers. Accordingly, the Company does not separately recognize revenue related to tradenames utilized by its customers.

The Company enters into distribution agreements with manufacturers to provide wholesale supplies to the Defense Commissary Agency ("DeCA") and other government agency locations. DeCA contracts with manufacturers to obtain grocery products for the commissary system. The Company contracts with manufacturers to distribute products to the commissaries after being authorized by the manufacturers to be a military distributor to DeCA. The Company must adhere to DeCA's delivery system procedures governing matters such as product identification, ordering and processing, information exchange and resolution of discrepancies. DeCA identifies the manufacturer with which an order is to be placed, determines which distributor is contracted by the manufacturer for a particular commissary or exchange location, and then places a product order with that distributor that is covered under DeCA's master contract with the applicable manufacturer. The Company supplies product from its existing inventory, delivers it to the DeCA designated location, and bills the manufacturer for the product price plus a drayage fee. The manufacturer then bills DeCA under the terms of its master contract. The Company has determined that it controls the goods before they are transferred to the customer, and as such it is the principal in the transaction. Revenue is recognized on a gross basis when control of the product passes to the DeCA designated location.

Customer incentives

The Company provides incentives to its wholesale customers in various forms established under the applicable agreement, including advances, payments over time that are earned by achieving specified purchasing thresholds, and upon the passage of time. The Company typically records customer advances within Other long-term assets and Prepaid expenses and other current assets and typically recognizes customer incentive payments that are based on expected purchases over the term of the agreement as a reduction to Net sales. To the extent that the transaction price for product sales includes variable consideration, such as certain of these customer incentives, the Company estimates the amount of variable consideration that should be included in the transaction price primarily by utilizing the expected value method. Variable consideration is included in the transaction price if it is probable that a significant future reversal of cumulative revenue under the agreement will not occur. The Company believes that there will not be significant changes to its estimates of variable consideration, as the uncertainty will be resolved within a relatively short time and there is a significant amount of historical data that is used in the estimation of the amount of variable consideration to be received. Therefore, the Company has not constrained its estimates of variable consideration.

Customer incentive assets are reviewed for impairment when circumstances exist for which the Company no longer expects to recover the applicable customer incentives.

Professional services and equipment sales

Separate from the services provided in conjunction with the sale of products described above, many of the Company's agreements with customers also include distinct professional services and other promises to customers, in addition to the sale of the product itself, such as retail store support, advertising, store layout and design services, merchandising support, couponing, eCommerce, network and data hosting solutions, training and certifications classes, and administrative back-office solutions. These professional services may contain a single performance obligation for each respective service, in which case such services revenues are recognized when delivered. Revenues from professional services are less than 1% of total Net sales.

Wholesale equipment sales are recorded as direct sales to customers when control is transferred, which is typically upon delivery, consistent with the recognition of product sales.

Disaggregation of Revenues

Effective for the fourth quarter of fiscal 2025, the Company updated its segment reporting structure to align with how the business is operated and managed, following the divisional realignment and organizational changes announced during the second quarter of fiscal 2025. The Company disaggregates revenue by business division based on product and service offerings, and determined that disaggregating revenue at the segment level achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 16—Business Segments for Net sales by reportable segment.

Sales to one customer in the Natural segment, which includes customers under common control, accounted for approximately 25%, 23% and 22% of the Company's net sales for fiscal 2025, 2024 and 2023, respectively. There were no other customers that individually generated 10% or more of the Company's net sales during those periods.

The Company serves customers in the United States and Canada, as well as customers located in other countries. However, all of the Company's revenue is earned in the United States and Canada, and international distribution occurs through freight-forwarders. The Company does not have any performance obligations on international shipments subsequent to delivery to the domestic port.

Contract Balances

The Company typically does not incur costs that are required to be capitalized in connection with obtaining a contract with a customer. The Company typically does not have any performance obligations to deliver products under its contracts until its customers submit a purchase order, as it stands ready to deliver product upon receipt of a purchase order under contracts with its customers. These performance obligations are generally satisfied within a very short period of time. Therefore, the Company has utilized the practical expedient that provides an exemption from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less. The Company does not typically receive pre-payments from its customers.

Customer payments are due when control of goods or services are transferred to the customer and are typically not conditional on anything other than payment terms, which typically are less than 30 days. Since no significant financing components exist between the period of time the Company transfers goods or services to the customer and when it receives payment for those goods or services, the Company generally does not adjust the transaction price to recognize a financing component. Customer incentives are not considered contract assets as they are not generated through the transfer of goods or services to the customers. No material contract asset or liability exists for any period reported within these Consolidated Financial Statements.

Accounts and Notes Receivable Balances

Accounts and notes receivable are as follows:

(in millions)	**August 2, 2025**	**August 3, 2024**
Customer accounts receivable	$ 1,062	$ 936
Allowance for uncollectible receivables	(37)	(21)
Other receivables, net	68	38
Accounts receivable, net	$ 1,093	$ 953
Notes receivable, net, included within Prepaid expenses and other current assets	$ 2	$ 3
Long-term notes receivable, net, included within Other long-term assets	$ 7	$ 7

The allowance for uncollectible receivables, and estimated variable consideration allowed for as sales concessions consists of the following:

(in millions)	2025	2024	2023
Balance at beginning of year	$ 21	$ 17	$ 18
Provision for losses in Operating expenses	14	9	2
Reductions (increases) to Net sales	14	(2)	6
Write-offs charged against the allowance	(12)	(3)	(9)
Balance at end of year	$ 37	$ 21	$ 17

In fiscal 2023, the Company entered into an agreement to sell, on a revolving basis, certain customer accounts receivable to a third-party financial institution. After these sales, the Company does not retain any interest in the receivables. The Company's continuing involvement in transferred receivables is limited to servicing the receivables. Accounts receivable that the Company is servicing on behalf of the financial institution, which would have otherwise been outstanding as of August 2, 2025 and August 3, 2024, was approximately $380 million and $322 million, respectively. As of the end of fiscal 2025, the agreement allows for the Company to sell up to a maximum amount of $500 million of accounts receivable. Net proceeds received are included within cash from operating activities in the Consolidated Statements of Cash Flows in the period of sale. The loss on sale of receivables was $19 million and $21 million for fiscal 2025 and fiscal 2024, respectively, and is recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations.

NOTE 4—RESTRUCTURING, ACQUISITION AND INTEGRATION RELATED EXPENSES

Restructuring, acquisition and integration related expenses were as follows:

(in millions)	2025	2024	2023
Contract termination charges and costs	$ 53	$ —	$ —
Restructuring and integration costs	30	30	8
Closed property charges and costs, net	11	6	—
Total	$ 94	$ 36	$ 8

Contract Termination Charges and Costs

In fiscal 2025, the Company mutually agreed to terminate its supply agreement with a customer in the East region, pursuant to which the Company served as the customer's primary grocery wholesaler in the Northeast. The supply agreement terminated on September 6, 2025, and the customer's conventional products business in the Northeast transitioned to another wholesaler. In connection with this termination agreement, the Company incurred a $53 million charge for contract termination payments that was recorded in the fourth quarter of fiscal 2025. The first installment payment of $18 million was paid in the fourth quarter of fiscal 2025 and $35 million remained outstanding as of August 2, 2025. Subsequent to the end of fiscal 2025, an additional $18 million was paid and remaining installments are expected to be paid over a transition period ending in the first quarter of fiscal 2026.

Restructuring and Integration Costs

Restructuring and integration costs for fiscal 2025 primarily relate to costs associated with certain employee severance and other employee separation costs and outsourcing certain corporate functions under restructuring initiatives. Restructuring and integration costs for fiscal 2024 and 2023 primarily relate to costs associated with certain employee severance and other employee separation costs.

Closed Property Charges and Costs

Closed property charges for fiscal 2025 and 2024 primarily relate to non-operating distribution centers as the Company optimizes its distribution center network, and non-operating retail stores.

The following table provides the activity of restructuring liabilities for fiscal 2025 and fiscal 2024, which are included in Accrued expenses and other current liabilities and Accrued compensation and benefits in the Consolidated Balance Sheets:

(in millions)	Severance and other employee separation costs	Contract termination charges and costs
Balances at July 29, 2023	$ 5	$ —
Restructuring-related charges	27	—
Cash settlements	(16)	—
Balances at August 3, 2024	16	—
Contract termination charges	—	53
Restructuring-related charges	20	—
Cash settlements	(26)	(18)
Balances at August 2, 2025	$ 10	$ 35

NOTE 5—PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

(in millions)	Original Estimated Useful Lives	2025	2024
Land		$ 113	$ 123
Buildings and improvements	10 - 40 years	1,003	1,034
Leasehold improvements	10 - 20 years	304	303
Equipment	3 - 25 years	1,663	1,477
Motor vehicles	5 - 8 years	48	50
Finance lease assets	1 - 9 years	38	51
Construction in progress		200	215
Property and equipment		3,369	3,253
Less accumulated depreciation and amortization		1,620	1,433
Property and equipment, net		$ 1,749	$ 1,820

The Company capitalized $9 million, $11 million and $5 million of interest during fiscal 2025, 2024 and 2023, respectively.

Depreciation and amortization expense on property and equipment was $250 million, $247 million and $232 million for fiscal 2025, 2024 and 2023, respectively.

In fiscal 2025, as a result of the expected loss in volume related to the termination of the Company's supply agreement with a customer in the East region, the Company determined that it was more likely than not that it would discontinue operations at the Allentown, Pennsylvania distribution center. As a result, the Company conducted an impairment review and recorded a $24 million non-cash asset impairment charge during the third quarter of fiscal 2025, of which $11 million related to property and equipment. The fair value utilized in the Company's impairment analysis was determined based on the income approach, and the impairment charge is recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations. Refer to Note 11—Leases for additional information.

In fiscal 2024, the Company determined that it was more likely than not that it would dispose of one of its corporate-owned office locations before the end of its previously estimated useful life. As a result, the Company conducted an impairment review and recorded a $21 million non-cash asset impairment charge in fiscal 2024. The fair value utilized in the Company's impairment review was determined based on the market approach, and the impairment charge is recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations. In the fourth quarter of fiscal 2024, the Company sold certain long-lived assets related to this corporate-owned office location for an amount that approximated its net book value at the time of the sale.

During the fourth quarter of fiscal 2024, the Company recorded a $15 million non-cash impairment charge related to the decision to close certain leased and owned distribution center locations. During the third quarter of fiscal 2024, the Company recorded a $7 million non-cash asset impairment charge related to the decision to close certain retail store locations. The impairment charges are recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations.

There were no property and equipment impairment charges recorded for fiscal 2023.

NOTE 6—GOODWILL AND INTANGIBLE ASSETS, NET

Resulting from a change in reportable segments as described in Note 16—Business Segments, the Company reassessed its goodwill reporting units. As a result, certain reporting units were combined. The Company now has four goodwill reporting units: Natural, Conventional and Retail, which are each separate operating and reportable segments; and Woodstock Farms, which does not meet the criteria of an operating segment and is reported within the Natural segment.

In the fourth quarter of fiscal 2025, 2024 and 2023 the Company performed its annual goodwill qualitative impairment review and determined that a quantitative impairment test was not required for any of its reporting units.

Goodwill and Intangible Assets Changes

The Company's Goodwill balance as of August 2, 2025 and August 3, 2024 was $19 million, net of accumulated goodwill impairment charges of $727 million, and was only attributable to the Natural reporting unit. There were no goodwill impairment charges during fiscal 2025, 2024 or 2023. Changes in the carrying value of Goodwill for fiscal 2025 and fiscal 2024 were due to changes in foreign exchange rates.

Identifiable intangible assets, net consisted of the following:

	2025			2024		
(in millions)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net**
Amortizing intangible assets:						
Customer relationships	$ 1,007	$ 472	$ 535	$ 1,007	$ 413	$ 594
Pharmacy prescription files	33	32	1	33	27	6
Operating lease intangibles	3	3	—	6	5	1
Trademarks and tradenames	85	70	15	88	65	23
Total amortizing intangible assets	1,128	577	551	1,134	510	624
Indefinite lived intangible assets:						
Trademarks and tradenames	25	—	25	25	—	25
Intangibles assets, net	$ 1,153	$ 577	$ 576	$ 1,159	$ 510	$ 649

The Company performed annual qualitative reviews of its indefinite lived trademarks and tradenames in fiscal 2025 and 2024, which indicated a quantitative assessment was not required.

In the fourth quarter of fiscal 2023, the Company decided to rationalize certain of its brands within its Blue Marble Brands portfolio, resulting in an abandonment of certain brands and a shortened life of remaining brand-related intangible assets. These changes were part of an effort for the Company to focus on its core private brand offerings. As a result, the Company recorded a $25 million intangible asset impairment charge in fiscal 2023 and began amortizing the remaining intangible assets associated with its Blue Marble Brands portfolio. The fair values utilized in the Company's quantitative assessment were determined using the income approach, discounting projected future net cash flows based on management's expectations of the current and future operating environment for each brand. The impairment charge is recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations.

Amortization expense was $71 million, $72 million and $72 million for fiscal 2025, 2024 and 2023, respectively. The estimated future amortization expense for each of the next five fiscal years and thereafter on amortizing intangible assets existing as of August 2, 2025 is as shown below:

Fiscal Year:	*(in millions)*
2026	$ 66
2027	63
2028	61
2029	51
2030	48
Thereafter	262
	$ 551

NOTE 7—FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Recurring Fair Value Measurements

The following tables provide the fair value hierarchy for financial assets and liabilities measured on a recurring basis:

		Fair Value at August 2, 2025		
(in millions)	**Consolidated Balance Sheets Location**	**Level 1**	**Level 2**	**Level 3**
Assets:				
Interest rate swaps designated as hedging instruments	Prepaid expenses and other current assets	$ —	$ 1	$ —
Liabilities:				
Interest rate swaps designated as hedging instruments	Other long-term liabilities	$ —	$ 3	$ —

		Fair Value at August 3, 2024		
(in millions)	**Consolidated Balance Sheets Location**	**Level 1**	**Level 2**	**Level 3**
Assets:				
Interest rate swaps designated as hedging instruments	Prepaid expenses and other current assets	$ —	$ 5	$ —
Foreign currency derivatives designated as hedging instruments	Prepaid expenses and other current assets	$ —	$ 1	$ —
Liabilities:				
Fuel derivatives designated as hedging instruments	Accrued expenses and other current liabilities	$ —	$ 2	$ —
Interest rate swaps designated as hedging instruments	Other long-term liabilities	$ —	$ 5	$ —

Interest Rate Swap Contracts

The fair values of interest rate swap contracts are measured using Level 2 inputs. The interest rate swap contracts are valued using an income approach interest rate swap valuation model incorporating observable market inputs including interest rates, Secured Overnight Financing Rate ("SOFR") swap rates and credit default swap rates. Refer to Note 8—Derivatives for further information on interest rate swap contracts.

Fuel Supply Agreements and Derivatives

To reduce diesel fuel price risk, the Company has entered into derivative financial instruments and/or forward purchase commitments for a portion of our projected monthly diesel fuel requirements at fixed prices. The fair values of fuel derivative agreements are measured using Level 2 inputs.

Foreign Exchange Derivatives

To reduce foreign exchange risk, the Company has entered into derivative financial instruments for a portion of our projected monthly foreign currency requirements at fixed prices. The fair values of foreign exchange derivatives are measured using Level 2 inputs.

Fair Value Estimates

For certain of the Company's financial instruments including cash and cash equivalents, receivables, accounts payable, accrued vacation, compensation and benefits, and other current assets and liabilities the fair values approximate carrying amounts due to their short maturities. The fair value of notes receivable is estimated by using a discounted cash flow approach prior to consideration for uncollectible amounts and is calculated by applying a market rate for similar instruments using Level 3 inputs. The fair value of debt is estimated based on market quotes, where available, or market values for similar instruments, using Level 2 and 3 inputs. In the table below, the carrying value of the Company's long-term debt is net of original issue discounts and debt issuance costs. Refer to Note 1—Significant Accounting Policies for additional information regarding the fair value hierarchy.

	August 2, 2025		August 3, 2024	
(in millions)	Carrying Value	Fair Value	Carrying Value	Fair Value
Notes receivable, including current portion	$ 13	$ 8	$ 14	$ 8
Long-term debt, including current portion	$ 1,862	$ 1,882	$ 2,085	$ 2,072

NOTE 8—DERIVATIVES

Management of Interest Rate Risk

The Company enters into interest rate swap contracts from time to time to mitigate its exposure to changes in market interest rates as part of its overall strategy to manage its debt portfolio to achieve an overall desired position of notional debt amounts subject to fixed and floating interest rates. Interest rate swap contracts are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures. The Company's interest rate swap contracts are designated as cash flow hedges. Interest rate swap contracts are reflected at their fair values in the Consolidated Balance Sheets. Refer to Note 7—Fair Value Measurements of Financial Instruments for further information on the fair value of interest rate swap contracts.

Details of active swap contracts as of August 2, 2025, which are all pay fixed and receive floating, are as follows:

Effective Date	Swap Maturity	Notional Value (in millions)	Pay Fixed Rate	Receive Floating Rate	Floating Rate Reset Terms
October 26, 2018	October 22, 2025	$ 50	2.8725 %	One-Month Term SOFR	Monthly
November 16, 2018	October 22, 2025	50	2.8750 %	One-Month Term SOFR	Monthly
November 16, 2018	October 22, 2025	50	2.8380 %	One-Month Term SOFR	Monthly
January 24, 2019	October 22, 2025	50	2.4750 %	One-Month Term SOFR	Monthly
December 29, 2023	June 3, 2027	100	3.7525 %	One-Month Term SOFR	Monthly
December 29, 2023	June 3, 2027	100	3.7770 %	One-Month Term SOFR	Monthly
June 25, 2024	June 30, 2028	50	4.1175 %	One-Month Term SOFR	Monthly
June 25, 2024	June 30, 2028	50	4.1300 %	One-Month Term SOFR	Monthly
October 31, 2024	October 30, 2026	100	3.5965 %	One-Month Term SOFR	Monthly
October 31, 2024	October 30, 2026	100	3.6000 %	One-Month Term SOFR	Monthly
October 31, 2024	October 30, 2026	50	3.6000 %	One-Month Term SOFR	Monthly
		$ 750			

The Company performs an initial quantitative assessment of hedge effectiveness using the "Hypothetical Derivative Method" in the period in which the hedging transaction is entered. Under this method, the Company assesses the effectiveness of each hedging relationship by comparing the changes in cash flows of the derivative hedging instrument with the changes in cash flows of the designated hedged transactions. In future reporting periods, the Company performs a qualitative analysis for quarterly prospective and retrospective assessments of hedge effectiveness. The Company also monitors the risk of counterparty default on an ongoing basis and noted that the counterparties are reputable financial institutions. The entire change in the fair value of the derivative is initially reported in Other comprehensive income (loss) (outside of earnings) in the Consolidated Statements of Comprehensive (Loss) Income and subsequently reclassified to earnings in Interest expense, net in the Consolidated Statements of Operations when the hedged transactions affect earnings.

The location and amount of gains or losses recognized in the Consolidated Statements of Operations for interest rate swap contracts for each of the periods, presented on a pre-tax basis, are as follows:

	Interest Expense, net		
(In millions)	**2025**	**2024**	**2023**
Total amounts of expense line items presented in the Consolidated Statements of Operations in which the effects of cash flow hedges are recorded	$ 146	$ 162	$ 144
Gain on cash flow hedging relationships:			
Gain reclassified from comprehensive (loss) income into earnings	$ 9	$ 19	$ 12

NOTE 9—LONG-TERM DEBT

The Company's long-term debt consisted of the following:

(in millions)	**Average Interest Rate at August 2, 2025**	**Fiscal Maturity Year**	**August 2, 2025**	**August 3, 2024**
Term Loan Facility (1)	9.11%	2031	$ 383	$ 499
ABL Credit Facility (2)	5.79%	2027	999	1,113
Senior Notes (3)	6.75%	2029	500	500
Other secured loans	—%	2025	—	1
Debt issuance costs, net			(13)	(18)
Original issue discount on debt			(7)	(10)
Long-term debt, including current portion			1,862	2,085
Less: current portion of long-term debt			(3)	(4)
Long-term debt			$ 1,859	$ 2,081

(1) Face value before debt issuance costs of $4 million and $6 million, respectively and an original issue discount on debt of $7 million and $10 million, respectively.

(2) Face value before debt issuance costs of $5 million and $7 million, respectively.

(3) Face value before debt issuance costs of $4 million and $5 million, respectively.

Future maturities of long-term debt, excluding debt issuance costs and original issue and purchase accounting discounts on debt, and contractual interest payments based on the face value and applicable interest rate as of August 2, 2025, consist of the following (in millions):

Fiscal Year	**Long-term debt maturity**	**Interest on long-term debt**
2026	$ 5	$ 127
2027	1,004	118
2028	5	68
2029	505	51
2030	5	34
2031 and thereafter	358	24
	$ 1,882	$ 422

Term Loan Facility

The term loan agreement dated as of October 22, 2018 (as amended, the “Term Loan Agreement”) provides for a $500 million senior secured first lien term loan (the “Term Loan Facility”), which is scheduled to mature on May 1, 2031, with a springing maturity of 91 days prior to the maturity of the Senior Notes (defined below), in the event that at least $100 million in principal amount outstanding of such Senior Notes remains outstanding on such date.

Under the Term Loan Agreement, the Company may, at its option, increase the amount of the Term Loan Facility or add one or more additional tranches of term loans or revolving credit commitments, without the consent of any lenders not participating in such additional borrowings, up to an aggregate amount of $546 million plus additional amounts based on satisfaction of certain leverage ratio tests, subject to certain customary conditions and applicable lenders committing to provide the additional funding. There can be no assurance that additional funding would be available.

The obligations under the Term Loan Facility are guaranteed by most of the Company’s wholly-owned subsidiaries (collectively, the “Guarantors”), subject to customary exceptions and limitations. The Term Loan Facility is secured by (i) a first-priority lien on substantially all assets other than the ABL Assets (defined below) and (ii) a second-priority lien on substantially all of the ABL Assets, in each case, subject to customary exceptions and limitations, including an exception for owned real property (other than distribution centers) with net book values of less than or equal to $10 million. As of August 2, 2025 and August 3, 2024, there was $642 million and $686 million, respectively, of owned real property pledged as collateral that was included in Property and equipment, net and Prepaid expenses and other current assets in the Consolidated Balance Sheets.

The Company must prepay loans outstanding under the Term Loan Facility no later than 130 days after the fiscal year end in an aggregate principal amount equal to a specified percentage of Excess Cash Flow (as defined in the Term Loan Agreement), minus certain types of voluntary prepayments of indebtedness made during such fiscal year. Based on our Consolidated First Lien Net Leverage Ratio (as defined in the Term Loan Agreement) at the end of fiscal 2025, no such prepayment will be required under the Term Loan Facility in fiscal 2026.

As of August 2, 2025, the borrowings under the Term Loan Facility bear interest at rates that, at the Term Borrowers’ option, can be either: (i) a base rate plus a margin of 3.75% or (ii) a SOFR rate plus a margin of 4.75%, provided that the SOFR rate shall never be less than 0.0%.

On May 5, 2025, the Company made a voluntary prepayment of $100 million on the Term Loan Facility funded with incremental borrowings under the ABL Credit Facility. In connection with this prepayment, the Company incurred a loss on debt extinguishment of $4 million related to unamortized debt issuance costs, unamortized original issue discount and the required 1.00% prepayment premium, which was recorded within Interest expense, net in the Consolidated Statements of Operations in the fourth quarter of fiscal 2025.

On May 30, 2025, the Company made a voluntary prepayment of $10 million and a mandatory prepayment of $1 million on the Term Loan Facility with proceeds from the sale of the Billings, Montana distribution center.

ABL Credit Facility

The revolving credit agreement dated as of June 3, 2022, (as amended, the “ABL Loan Agreement”) provides for a secured asset-based revolving credit facility (the “ABL Credit Facility”) with an aggregate principal amount available of up to $2,730 million, including Revolver Loans (as defined in the ABL Loan Agreement) of up to $2,600 million and a First In, Last Out (“FILO”) tranche of incremental ABL loans of $130 million (the “ABL FILO Loan”). The ABL Credit Facility is scheduled to mature on June 3, 2027.

Under the ABL Loan Agreement, the aggregate amount of the ABL Credit Facility may be increased in an amount of up to $620 million without the consent of any lenders not participating in such increase, subject to certain customary conditions and applicable lenders committing to provide the increase in funding. There can be no assurance that additional funding would be available.

Revolver Loans and ABL FILO Loans under the ABL Credit Facility bear interest at rates that, at the Company's option, can be either at a base rate or Term SOFR plus an applicable margin. The applicable margins and letter of credit fees under the ABL Credit Facility are variable and are dependent upon the prior fiscal quarter's daily average Availability (as defined in the ABL Loan Agreement), and were as follows:

	Range of Facility Rates and Fees (per annum)	August 2, 2025
Applicable margin for revolver base rate loans	0.00% - 0.25%	0.00 %
Applicable margin for revolver SOFR and BA loans(1)	1.00% - 1.25%	1.00 %
Applicable margin for FILO base rate loans	1.50%	1.50 %
Applicable margin for FILO SOFR loans	2.50%	2.50 %
Unutilized commitment fees	0.20%	0.20 %
Letter of credit fees	1.125% - 1.375%	1.125 %

(1) The Company utilizes SOFR-based loans and UNFI Canada utilizes bankers' acceptance rate-based loans.

The ABL Credit Facility is guaranteed by the Guarantors, subject to customary exceptions and limitations. The ABL Credit Facility is secured by (i) a first-priority lien on certain accounts receivable, inventory and certain other assets (collectively, the "ABL Assets") and (ii) a second-priority lien on all other assets that do not constitute ABL Assets, in each case, subject to customary exceptions and limitations.

Availability under the ABL Credit Facility is subject to a borrowing base consisting of specified percentages of the value of eligible accounts receivable, credit card receivables, inventory, pharmacy receivables and pharmacy prescription files, after adjusting for customary reserves, but at no time shall exceed the aggregate commitments plus the outstanding ABL FILO Loans under the ABL Credit Facility (currently $2,730 million).

The assets included in the Consolidated Balance Sheets securing the outstanding obligations under the ABL Credit Facility on a first-priority basis were as follows:

(in millions)	August 2, 2025	August 3, 2024
Certain inventory assets included in Inventories, net	$ 1,830	$ 1,915
Certain receivables included in Accounts receivable, net	780	611
Pharmacy prescription files included in Intangible assets, net	1	6
Total	$ 2,611	$ 2,532

As of August 2, 2025, the borrowing base was $2,636 million, reflecting the advance rates described above and $105 million of reserves, which is below the $2,730 million limit of availability. This resulted in total availability of $2,636 million for loans and letters of credit under the ABL Credit Facility. The Company's unused credit under the ABL Credit Facility was as follows:

(in millions)	August 2, 2025
Total availability for ABL loans and letters of credit	$ 2,636
ABL loans outstanding	999
Letters of credit outstanding	184
Unused credit	$ 1,453

Senior Notes

On October 22, 2020, the Company issued $500 million of unsecured 6.750% senior notes due October 15, 2028 (the "Senior Notes"). The Senior Notes are guaranteed by each of the Company's subsidiaries that are borrowers under or that guarantee the ABL Credit Facility or the Term Loan Facility (defined above).

Debt Covenants

Our debt agreements contain certain customary operational and informational covenants. These include, among other things, restrictions on our ability to incur additional indebtedness, create liens on assets, make loans or investments, or return capital to stockholders through share repurchases or paying dividends. If the Company fails to comply with any of these covenants, it may be in default under the applicable debt agreement, and all amounts due thereunder may become immediately due and payable.

The ABL Loan Agreement also subjects the Company to a fixed charge coverage ratio of at least 1.0 to 1.0 calculated at the end of each of the Company's fiscal quarters on a rolling four quarter basis, if the adjusted aggregate availability is ever less than the greater of (i) $220 million, or $210 million if no ABL FILO Loans are then outstanding at such time, and (ii) 10% of the borrowing base. The Term Loan Agreement and Senior Notes do not include any financial maintenance covenants.

NOTE 10—COMPREHENSIVE (LOSS) INCOME AND ACCUMULATED OTHER COMPREHENSIVE LOSS

Changes in Accumulated other comprehensive loss by component, net of tax, for fiscal 2025, 2024 and 2023 are as follows:

(in millions)	Other Cash Flow Derivatives	Benefit Plans	Foreign Currency	Swap Agreements	Total
Accumulated other comprehensive income (loss) at July 30, 2022	$ 2	$ (3)	$ (19)	$ —	$ (20)
Other comprehensive (loss) income before reclassifications	—	(20)	(2)	23	1
Amortization of amounts included in net periodic benefit income	—	2	—	—	2
Amortization of cash flow hedges	(2)	—	—	(9)	(11)
Net current period Other comprehensive (loss) income	(2)	(18)	(2)	14	(8)
Accumulated other comprehensive (loss) income at July 29, 2023	$ —	$ (21)	$ (21)	$ 14	$ (28)
Other comprehensive (loss) income before reclassifications	(2)	(3)	(3)	(1)	(9)
Amortization of amounts included in net periodic benefit income	—	2	—	—	2
Amortization of cash flow hedges	2	—	—	(14)	(12)
Net current period Other comprehensive (loss) income	—	(1)	(3)	(15)	(19)
Accumulated other comprehensive loss at August 3, 2024	$ —	$ (22)	$ (24)	$ (1)	$ (47)
Other comprehensive (loss) income before reclassifications	(1)	5	1	4	9
Amortization of amounts included in net periodic benefit income	—	1	—	—	1
Amortization of cash flow hedges	1	—	—	(6)	(5)
Net current period Other comprehensive income (loss)	—	6	1	(2)	5
Accumulated other comprehensive loss at August 2, 2025	$ —	$ (16)	$ (23)	$ (3)	$ (42)

Items reclassified out of Accumulated other comprehensive loss had the following impact on the Consolidated Statements of Operations:

(in millions)	2025	2024	2023	Affected Line Item on the Consolidated Statements of Operations
Pension and postretirement benefit plan obligations:				
Amortization of amounts included in net periodic benefit (income) cost[(1)]	$ 1	$ 2	$ 3	Net periodic benefit income, excluding service cost
Income tax benefit	—	—	(1)	Benefit for income taxes
Total reclassifications, net of tax	$ 1	$ 2	$ 2	
Swap agreements:				
Reclassification of cash flow hedge	$ (9)	$ (19)	$ (12)	Interest expense, net
Income tax expense	3	5	3	Benefit for income taxes
Total reclassifications, net of tax	$ (6)	$ (14)	$ (9)	
Other cash flow hedges:				
Reclassification of cash flow hedge	$ 2	$ 2	$ (3)	Cost of sales
Income tax (benefit) expense	(1)	—	1	Benefit for income taxes
Total reclassifications, net of tax	$ 1	$ 2	$ (2)	

(1) Reclassification of amounts included in net periodic benefit income include reclassification of prior service cost and reclassification of net actuarial gain loss as reflected in Note 13—Benefit Plans.

As of August 2, 2025, the Company expects to reclassify a de minimis amount related to unrealized derivative gains out of Accumulated other comprehensive loss and primarily into Interest expense, net during the following twelve-month period.

NOTE 11—LEASES

The Company leases certain of its distribution centers, retail stores, office facilities, transportation equipment and other operating equipment from third parties. Many of these leases include renewal options. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Lease assets and liabilities, net, are as follows (in millions):

Lease Type	Consolidated Balance Sheets Location	August 2, 2025	August 3, 2024
Operating lease assets	Operating lease assets	$ 1,474	$ 1,370
Finance lease assets	Property and equipment, net	15	16
Total lease assets		$ 1,489	$ 1,386
Operating liabilities	Current portion of operating lease liabilities	$ 173	$ 181
Finance liabilities	Current portion of long-term debt and finance lease liabilities	5	7
Operating liabilities	Long-term operating lease liabilities	1,400	1,263
Finance liabilities	Long-term finance lease liabilities	11	12
Total lease liabilities		$ 1,589	$ 1,463

The Company's lease cost under ASC 842 is as follows (in millions):

Lease Expense Type	Consolidated Statements of Operations Location	2025	2024	2023
Operating lease cost	Operating expenses	$ 316	$ 298	$ 261
Short-term lease cost	Operating expenses	6	10	17
Variable lease cost	Operating expenses	94	87	73
Sublease income	Operating expenses	(4)	(5)	(8)
Sublease income	Net sales	(7)	(10)	(14)
Other sublease income, net	Restructuring, acquisition and integration related expenses[(1)]	6	—	(1)
Net operating lease cost		411	380	328
Amortization of leased assets	Operating expenses	6	6	7
Interest on lease liabilities	Interest expense, net	2	2	3
Finance lease cost		8	8	10
Total net lease cost		$ 419	$ 388	$ 338

(1) Includes $32 million, $28 million and $27 million of lease expense in fiscal 2025, 2024 and 2023, respectively, and $(26) million, $(28) million, and $(28) million of lease income in fiscal 2025, 2024 and 2023, respectively, that is recorded within Restructuring, acquisition and integration related expenses for assigned leases related to previously sold locations and surplus, non-operating properties for which the Company is restructuring its obligations.

As discussed in Note 5—Property and Equipment, Net, the Company recorded a $24 million non-cash asset impairment charge related to our Allentown, Pennsylvania distribution center during the third quarter of fiscal 2025, of which $13 million related to operating lease assets. The impairment charge is recorded within Loss on sale of assets and other asset charges in the Consolidated Statements of Operations.

During fiscal 2025, the Company entered into a lease agreement for a new distribution center in Sarasota, Florida. We recognized a $118 million right-of-use asset and operating lease liability for this distribution center in the Consolidated Balance Sheets upon its commencement in the first quarter of fiscal 2025.

During fiscal 2023, the Company entered into a lease agreement for a new distribution center in Manchester, Pennsylvania. We recognized a $205 million right-of-use asset and operating lease liability for this distribution center in the Consolidated Balance Sheets upon its commencement in the second quarter of fiscal 2024.

The Company leases certain property to third parties and receives lease and subtenant rental payments under operating leases, including assigned leases for which the Company has future minimum lease payment obligations. Future minimum lease payments ("Lease Liabilities") include payments to be made by the Company or certain third parties in the case of assigned noncancellable operating leases and finance leases. Future minimum lease and subtenant rentals ("Lease Receipts") include expected cash receipts from operating subleases, and in the case of assigned noncancellable leases receipts for stores sold to third parties, which they operate. As of August 2, 2025, these Lease Liabilities and Lease Receipts consisted of the following (in millions):

	Lease Liabilities		Lease Receipts		Net Lease Obligations	
Fiscal Year	**Operating Leases[1]**	**Finance Leases [2]**	**Operating Leases**	**Finance Leases**	**Operating Leases**	**Finance Leases**
2026	$ 311	$ 6	$ (31)	$ —	$ 280	$ 6
2027	254	4	(23)	—	231	4
2028	259	3	(20)	—	239	3
2029	227	3	(15)	—	212	3
2030	223	2	(12)	—	211	2
Thereafter	1,258	2	(25)	—	1,233	2
Total undiscounted lease liabilities and receipts	$ 2,532	$ 20	$ (126)	$ —	$ 2,406	$ 20
Less interest[3]	(959)	(4)				
Present value of lease liabilities	1,573	16				
Less current lease liabilities	(173)	(5)				
Long-term lease liabilities	$ 1,400	$ 11				

(1) There were no operating leases for which the extension options are reasonably certain of being exercised, nor were there any excluded legally binding minimum lease payments for leases signed but not yet commenced.

(2) There were no finance leases for which the extension options are reasonably certain of being exercised, nor were there any excluded legally binding minimum lease payments for leases signed but not yet commenced.

(3) Calculated using the interest rate for each lease.

The following tables provide other information required by ASC 842:

Lease Term and Discount Rate	**August 2, 2025**	**August 3, 2024**
Weighted-average remaining lease term (years)		
Operating leases	9.9 years	9.9 years
Finance leases	4.6 years	4.1 years
Weighted-average discount rate		
Operating leases	9.6 %	9.4 %
Finance leases	9.6 %	9.9 %

Other Information *(in millions)*	**2025**	**2024**	**2023**
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	$ 311	$ 284	$ 249
Operating cash flows from finance leases	$ 2	$ 2	$ 2
Financing cash flows from finance leases	$ 7	$ 12	$ 10
Leased assets obtained in exchange for new finance lease liabilities	$ 5	$ 8	$ —
Leased assets obtained in exchange for new operating lease liabilities	$ 321	$ 361	$ 237

NOTE 12—SHARE-BASED AWARDS

As of August 2, 2025, the Company had restricted stock awards and performance share units outstanding under the 2020 Equity Incentive Plan, as amended and restated from time to time (the “2020 Equity Incentive Plan”). The terms of each stock-based award will be determined by the Board of Directors or the Compensation Committee thereof. As of August 2, 2025, the Company had 2.6 million shares authorized and available for grant under the 2020 Equity Incentive Plan.

Share-Based Compensation Expense

The following table presents information regarding share-based compensation expenses and the related tax impacts:

(in millions)	2025	2024	2023
Restricted stock awards	$ 33	$ 33	$ 35
Performance-based share awards	10	4	3
Share-based compensation expense recorded in Operating expenses	43	37	38
Income tax benefit	(12)	(10)	(10)
Share-based compensation expense, net of tax	$ 31	$ 27	$ 28
Share-based compensation expense recorded in Restructuring, acquisition and integration related expenses	$ —	$ 2	$ —
Income tax benefit	—	(1)	—
Share-based compensation expense recorded in Restructuring, acquisition and integration related expenses, net of tax	$ —	$ 1	$ —

Vesting requirements for awards are generally at the discretion of the Company’s Board of Directors or the Compensation Committee thereof. Time-based vesting awards for employees typically vest in three equal installments. The Board of Directors has adopted a policy in connection with the 2020 Equity Incentive Plan that sets forth grant, vesting and settlement dates for equity awards, a one-year vesting period for awards issued to non-employee directors, and a three-year equal installment vesting period for designated employee restricted stock awards. Performance awards have a three-year cliff vest, subject to achievement of the performance objective. As of August 2, 2025, there was $82 million of total unrecognized compensation cost related to outstanding share-based compensation arrangements (including restricted stock units and performance-based restricted stock units). This cost is expected to be recognized over a weighted-average period of 2.0 years.

Restricted Stock Awards

The fair value of restricted stock units and performance share units are determined based on the number of units granted and the quoted price of the Company’s common stock as of the grant date. Restricted stock units include liability-classified awards granted during fiscal 2025, that can or will be settled in cash. Liability-classified awards are remeasured at the end of each reporting period. The Company recorded total liabilities for cash-settled share-based compensation awards of $6 million as of August 2, 2025, of which the entire amount was classified as current. The Company had no liabilities for cash-settled share-based compensation awards as of August 3, 2024. No amounts were paid related to settlement for liability-classified awards in fiscal 2025, 2024 or 2023.

The following summary presents information regarding restricted stock units and performance share units:

	Equity-Classified		Liability-Classified	
	Number of Shares (in millions)	Weighted Average Grant-Date Fair Value	Number of Shares (in millions)	Weighted Average Grant-Date Fair Value
Outstanding at July 30, 2022	4.9	$ 20.02	—	$ —
Granted	1.7	35.01	—	—
Vested	(3.1)	35.48	—	—
Forfeited/Canceled	(0.3)	21.55	—	
Outstanding at July 29, 2023	3.2	32.11	—	—
Granted	3.7	15.99	—	—
Vested	(1.5)	14.56	—	—
Forfeited/Canceled	(0.8)	10.42	—	—
Outstanding at August 3, 2024	4.6	22.66	—	—
Granted	1.2	26.26	0.9	26.18
Vested	(1.6)	23.70	—	26.59
Forfeited/Canceled	(0.5)	20.02	(0.1)	27.32
Outstanding at August 2, 2025	3.7	$ 21.83	0.8	$ 27.01

(in millions)	2025	2024	2023
Intrinsic value of restricted stock units vested	$ 37	$ 22	$ 113

Performance-Based Share Awards

During fiscal 2025, the Company granted 0.5 million equity-classified performance share units, included in the granted number in the above table, to its executives and other senior leaders (subject to the issuance of up to 0.5 million additional shares if the Company's performance exceeds specified targeted levels) with a weighted average grant-date fair value of $28.22. These performance units are tied to 3-year cumulative fiscal 2025, 2026 and 2027 performance metrics, including adjusted earnings per share ("EPS") and free cash flow. An insignificant amount of performance share units granted in fiscal 2025 were forfeited during fiscal 2025.

During fiscal 2024, the Company granted 0.8 million equity-classified performance share units, included in the granted number in the above table, to its executives and other senior leaders (subject to the issuance of up to 1.0 million additional shares if the Company's performance exceeds specified targeted levels) with a weighted average grant-date fair value of $16.38. These performance units are tied to fiscal 2024, 2025 and 2026 performance metrics, including adjusted EPS growth and adjusted return on invested capital ("ROIC"). An insignificant amount of performance share units granted in fiscal 2024 were forfeited during fiscal 2025.

During fiscal 2023, the Company granted 0.4 million equity-classified performance share units, included in the granted number in the above table, to its executives and other senior leaders (subject to the issuance of up to 0.4 million additional shares if the Company's performance exceeds specified targeted levels) with a weighted average grant-date fair value of $36.87. These performance units were tied to fiscal 2023, 2024 and 2025 performance metrics, including adjusted EPS growth and adjusted ROIC. An insignificant amount of performance share units granted in fiscal 2023 were forfeited during fiscal 2025.

Stock Options

The Company did not grant options in fiscal 2025, 2024 or 2023. The following summary presents information regarding outstanding stock options as of August 2, 2025 and changes during the fiscal year then ended:

	Number of Options (in millions)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at beginning of year	0.1	$ 58.45	0.6 years	
Exercised	—	—		
Canceled	(0.1)	58.45		
Outstanding at end of year	—	—	0.0 years	$ —
Exercisable at end of year	—	$ —	0.0 years	$ —

The aggregate intrinsic value of options exercised was $0 million for each of the fiscal 2025, 2024 and 2023 years.

NOTE 13—BENEFIT PLANS

The Company's employees who participate are covered by various contributory and non-contributory pension, 401(k) plans, and other health and welfare benefits. The Company's primary defined benefit pension plans are the SUPERVALU INC. Retirement Plan and certain supplemental executive retirement plans. All of these plans are closed to new participants. Service crediting in the SUPERVALU INC. Retirement Plan ended for all participants as of December 31, 2007, and pay increases were reflected in the amount of benefits accrued in this plan until December 31, 2012. Approximately 62% of the 10,768 union employees participate in multiemployer defined benefit pension plans under collective bargaining agreements. The remaining either participate in plans sponsored by the Company or are not currently eligible to participate in a retirement plan. In addition to sponsoring both defined benefit and defined contribution pension plans, the Company provides healthcare and life insurance benefits for eligible retired employees under postretirement benefit plans. The Company also provides certain health and welfare benefits, including short-term and long-term disability benefits, to inactive disabled employees prior to retirement. The terms of the postretirement benefit plans vary based on employment history, age and date of retirement. For many retirees, the Company provides a fixed dollar contribution and retirees pay contributions to fund the remaining cost.

Defined Benefit Pension and Other Postretirement Benefit Plans

For the defined benefit pension plans, the accumulated benefit obligation is equal to the projected benefit obligation. The benefit obligation, fair value of plan assets and funded status of our defined benefit pension plans and other postretirement benefit plans consisted of the following:

	2025		2024	
(in millions)	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits
Changes in Benefit Obligation				
Benefit obligation at beginning of year	$ 1,505	$ 11	$ 1,545	$ 11
Actuarial gain	(50)	(1)	(14)	—
Benefits paid	(107)	(1)	(100)	(1)
Interest cost	70	1	74	1
Benefit obligation at end of year	1,418	10	1,505	11
Changes in Plan Assets				
Fair value of plan assets at beginning of year	1,534	—	1,559	—
Actual return on plan assets	48	—	74	—
Benefits paid	(107)	(1)	(100)	(1)
Employer contributions	1	1	1	1
Fair value of plan assets at end of year	1,476	—	1,534	—
Funded (unfunded) status at end of year	$ 58	$ (10)	$ 29	$ (11)

The actuarial gain on projected pension benefit obligations in fiscal 2025 was primarily the result of a 28 basis point increase in the discount rate on the SUPERVALU INC. Retirement Plan. The actuarial gain on projected pension benefit obligations in fiscal 2024 was primarily the result of an 8 basis point increase in the discount rate on the SUPERVALU INC. Retirement Plan.

The funded status of our pension benefits contains plans with individually funded and underfunded statuses. Our other postretirement benefits consist of one plan as shown above. The following table provides the funded status of individual projected pension benefit plan obligations and the fair value of plan assets for these plans:

(in millions)	SUPERVALU INC. Retirement Plan	Other Pension Plan	Total Pension Benefits
August 2, 2025:			
Fair value of plan assets at end of year	$ 1,476	$ —	$ 1,476
Benefit obligation at end of year	(1,413)	(5)	(1,418)
Funded (unfunded) status at end of year	$ 63	$ (5)	$ 58

	SUPERVALU INC. Retirement Plan	Other Pension Plan	Total Pension Benefits
August 3, 2024:			
Fair value of plan assets at end of year	$ 1,534	$ —	$ 1,534
Benefit obligation at end of year	(1,499)	(6)	(1,505)
Funded (unfunded) status at end of year	$ 35	$ (6)	$ 29

Net periodic benefit (income) cost and other changes in plan assets and benefit obligations recognized consist of the following:

	2025		2024		2023	
(in millions)	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits
Net Periodic Benefit (Income) Cost						
Expected return on plan assets	$ (92)	$ —	$ (92)	$ —	$ (95)	$ —
Interest cost	70	1	74	1	63	—
Amortization of prior service cost	—	2	—	3	—	3
Amortization of net actuarial gain	—	(1)	—	(1)	—	—
Net periodic benefit (income) cost	(22)	2	(18)	3	(32)	3
Other Changes in Plan Assets and Benefits Obligations Recognized in Other Comprehensive Income (Loss)						
Net actuarial (gain) loss	(6)	(1)	3	—	29	(1)
Amortization of prior service cost	—	(2)	—	(3)	—	(3)
Amortization of net actuarial loss	—	1	—	1	—	—
Total (benefit) expense recognized in Other comprehensive income (loss)	(6)	(2)	3	(2)	29	(4)
Total (benefit) expense recognized in net periodic benefit (income) cost and Other comprehensive income (loss)	$ (28)	$ —	$ (15)	$ 1	$ (3)	$ (1)

Amounts recognized in the Consolidated Balance Sheets as of August 2, 2025 and August 3, 2024 consist of the following:

	August 2, 2025		August 3, 2024	
(in millions)	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits
Other long-term assets	$ 63	$ —	$ 35	$ —
Pension and other postretirement benefit obligations	(5)	(9)	(5)	(10)
Accrued compensation and benefits	—	(1)	(1)	(1)
Total	$ 58	$ (10)	$ 29	$ (11)

Benefit Plan Assumptions

Weighted average assumptions used to determine benefit obligations and net periodic benefit (income) cost consisted of the following:

	2025	2024	2023
Benefit obligation assumptions:			
Discount rate	5.37% - 5.43%	5.09% - 5.12%	5.01% - 5.03%
Net periodic benefit (income) cost assumptions:			
Discount rate	5.09% - 5.12%	5.01% - 5.03%	4.20% - 4.26%
Rate of compensation increase	—	—	—
Expected return on plan assets(1)	6.25 %	6.25%	6.00%
Interest credit	5.00 %	5.00 %	5.00 %

(1) Expected return on plan assets is estimated by utilizing forward-looking, long-term return, risk and correlation assumptions developed and updated annually by the Company. These assumptions are weighted by the actual or target allocation to each underlying asset class represented in the pension plan master trust. The Company also assesses the expected long-term return on plan assets assumption by comparison to long-term historical performance on an asset class basis to ensure the assumption is reasonable. Long-term trends are also evaluated relative to market factors such as inflation, interest rates, and fiscal and monetary policies in order to assess the capital market assumptions.

The Company reviews and selects the discount rate to be used in connection with measuring its pension and other postretirement benefit obligations annually. In determining the discount rate, the Company uses the yield on corporate bonds (rated AA or better) that coincides with the cash flows of the plans' estimated benefit payouts. The model uses a yield curve approach to discount each cash flow of the liability stream at an interest rate specifically applicable to the timing of each respective cash flow. The model totals the present values of all cash flows and calculates the equivalent weighted average discount rate by imputing the singular interest rate that equates the total present value with the stream of future cash flows. This resulting weighted average discount rate is then used in evaluating the final discount rate to be used.

For those retirees whose health plans provide for variable employer contributions, the assumed healthcare cost trend rate used in measuring the accumulated postretirement benefit obligation before age 65 was 8.30% as of August 2, 2025. The assumed healthcare cost trend rate for retirees before age 65 will decrease each year through fiscal 2035, until it reaches the ultimate trend rate of 4.50%. For those retirees whose health plans provide for variable employer contributions, the assumed healthcare cost trend rate used in measuring the accumulated postretirement benefit obligation after age 65 was 6.60% as of August 2, 2025.

Pension Plan Assets

Pension plan assets are held in a master trust and invested in separately managed accounts and commingled investment vehicles holding fixed income securities, domestic equity securities, private equity securities, international equity securities and real estate securities. The Company employs a liability hedging approach, targeting a level of risk commensurate with keeping pace with the long-term cost of funding plan liabilities. Risk is managed through diversification across asset classes, multiple investment manager portfolios and both general and portfolio-specific investment guidelines. Risk tolerance is established through careful consideration of the plan liabilities, plan funded status and the Company's financial condition. This asset allocation policy mix is reviewed annually and actual versus target allocations are monitored regularly and rebalanced on an as-needed basis. Plan assets are invested using a combination of active and passive investment strategies. Passive, or "indexed" strategies, attempt to mimic rather than exceed the investment performance of a market benchmark. The plan's active investment strategies employ multiple investment management firms. Managers within each asset class cover a range of investment styles and approaches and are combined in a way that controls for capitalization, and style biases (equities) and interest rate exposures (fixed income) versus benchmark indices. Monitoring activities to evaluate performance against targets and measure investment risk take place on an ongoing basis through annual liability measurements, periodic asset/liability studies and quarterly investment portfolio reviews.

The asset allocation targets and the actual allocation of pension plan assets are as follows:

Asset Category	**Target**	**2025**	**2024**
Fixed income	85.0 %	84.9 %	85.9 %
Domestic equity	6.9 %	6.9 %	5.5 %
Private equity	2.0 %	2.5 %	3.3 %
International equity	4.1 %	4.1 %	3.7 %
Real estate	2.0 %	1.6 %	1.6 %
Total	100.0 %	100.0 %	100.0 %

The following is a description of the valuation methodologies used for investments measured at fair value:

Common stock - Valued at the closing price reported in the active market in which the individual securities are traded.

Common collective trusts - Investments in common/collective trust funds are stated at net asset value (“NAV”) as determined by the issuer of the common/collective trust funds and is based on the fair value of the underlying investments held by the fund less its liabilities. The majority of the common/collective trust funds have a readily determinable fair value and are classified as Level 2. Other investments in common/collective trust funds determine NAV on a less frequent basis and/or have redemption restrictions. For these investments, NAV is used as a practical expedient to estimate fair value.

Corporate bonds - Valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the fair value is based upon an industry valuation model, which maximizes observable inputs.

Government securities - Certain government securities are valued at the closing price reported in the active market in which the security is traded. Other government securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Mortgage backed securities - Valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar securities, the fair value is based upon an industry valuation model, which maximizes observable inputs.

Private equity and real estate partnerships - Valued based on NAV provided by the investment manager, updated for any subsequent partnership interests’ cash flows or expected changes in fair value. The NAV is used as a practical expedient to estimate fair value.

Other - Consists primarily of options, futures, and money market investments priced at $1 per unit.

The valuation methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes our valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement.

The fair value of assets held in the master trust for defined benefit pension plans as of August 2, 2025, by asset category, consisted of the following (in millions):

	Level 1	Level 2	Level 3	Measured at NAV as a Practical Expedient	Total
Common stock	$ 49	$ —	$ —	$ —	$ 49
Common collective trusts	—	523	—	—	523
Corporate bonds	—	573	—	—	573
Government securities	—	148	—	—	148
Mortgage-backed securities	—	25	—	—	25
Other	94	4	—	—	98
Private equity and real estate partnerships	—	—	—	60	60
Total plan assets at fair value	$ 143	$ 1,273	$ —	$ 60	$ 1,476

The fair value of assets held in the master trust for defined benefit pension plans as of August 3, 2024, by asset category, consisted of the following (in millions):

	Level 1	Level 2	Level 3	Measured at NAV as a Practical Expedient	Total
Common stock	$ 45	$ —	$ —	$ —	$ 45
Common collective trusts	—	538	—	—	538
Corporate bonds	—	603	—	—	603
Government securities	—	146	—	—	146
Mortgage-backed securities	—	25	—	—	25
Other	97	5	—	—	102
Private equity and real estate partnerships	—	—	—	75	75
Total plan assets at fair value	$ 142	$ 1,317	$ —	$ 75	$ 1,534

Contributions

No minimum pension contributions were required to be made under the SUPERVALU INC. Retirement Plan under the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") in fiscal 2025. The Company expects to contribute approximately $1 million to its other defined benefit pension plans and $1 million to its postretirement benefit plans in fiscal 2026.

The Company funds its defined benefit pension plans based on the minimum contribution required under the Internal Revenue Code, ERISA, the Pension Protection Act of 2006 and other applicable laws, as determined by our external actuarial consultant, and additional contributions made at its discretion. The Company may accelerate contributions or undertake contributions in excess of the minimum requirements from time to time subject to the availability of cash in excess of operating and financing needs or other factors as may be applicable. The Company assesses the relative attractiveness of the use of cash considering such factors as expected return on assets, discount rates, cost of debt, reducing or eliminating required Pension Benefit Guaranty Corporation variable rate premiums or the ability to achieve exemption from participant notices of underfunding.

Estimated Future Benefit Payments

The estimated future benefit payments to be made from our defined benefit pension and other postretirement benefit plans, which reflect expected future service, are as follows (in millions):

Fiscal Year	Pension Benefits	Other Postretirement Benefits
2026	$ 114	$ 1
2027	114	1
2028	114	1
2029	114	1
2030	113	1
Years 2031-2035	548	4

Defined Contribution Plan

The Company sponsors a defined contribution and profit sharing plan pursuant to Section 401(k) of the Internal Revenue Code. Employees may contribute a portion of their eligible compensation to the plan on a pre-tax or after-tax Roth basis. The Company matches a portion of certain employee contributions by contributing cash into the investment options selected by the employees. The total amount contributed by the Company to the plan is determined by plan provisions or at the Company's discretion. Total employer contribution expenses for this plan were $31 million, $30 million and $30 million for fiscal 2025, 2024 and 2023, respectively.

Post-Employment Benefits

The Company recognizes an obligation for benefits provided to former or inactive employees. The Company is self-insured for certain disability plan programs, which comprise the primary benefits paid to inactive employees prior to retirement.

As of August 2, 2025 there was $3 million of Accrued compensation and benefits and $1 million of Other long-term liabilities recognized in the Consolidated Balance Sheets. As of August 3, 2024 there was $3 million of Accrued compensation and benefits and $2 million of Other long-term liabilities.

Multiemployer Pension Plans

The Company contributes to various multiemployer pension plans under collective bargaining agreements, primarily defined benefit pension plans. These multiemployer plans generally provide retirement benefits to participants based on their service to contributing employers. The benefits are paid from assets held in trust for that purpose. Plan trustees are typically responsible for determining the level of benefits to be provided to participants as well as the investment of the assets and plan administration. Trustees are appointed in equal number by employers and the unions that are parties to the relevant collective bargaining agreements.

Expense is recognized in connection with these plans as contributions are funded, in accordance with GAAP. The risks of participating in these multiemployer plans are different from the risks associated with single-employer plans in the following respects:

- Assets contributed to the multiemployer plan by one employer are held in trust and may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the Company chose to stop participating in some multiemployer plans, or to make market exits or closures or otherwise have participation in the plan drop below certain levels, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company's participation in these plans is outlined in the table below. The EIN-Pension Plan Number column provides the Employer Identification Number ("EIN") and the three-digit plan number, if applicable. Unless otherwise noted, the most recent Pension Protection Act ("PPA") zone status relates to the plans' most recent fiscal year-end for which information is available. The zone status is based on information that we received from the plan or that the plan otherwise makes available and is annually certified by each plan's actuary. Among other factors, deep red zone status or critical and declining plans are generally less than 65% funded and are projected to become insolvent within 15 to 20 years, red zone status plans are generally less than 65% funded and are considered in critical status, yellow zone status plans are less than 80% funded and are considered in endangered or seriously endangered status, and green zone plans are at least 80% funded. The FIP/RP Status Pending/Implemented column indicates plans for which a funding improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented by the trustees of each plan. The American Rescue Plan Act of 2021 ("ARPA") established the Special Financial Assistance ("SFA") Program to permit financially troubled multiemployer plans to apply to receive a cash payment intended to keep plans solvent and able to pay benefits through 2051. As of August 2, 2025, two plans in which the Company participates have received SFA, and one other plan in which the Company participates received SFA subsequent to the end of fiscal 2025.

Certain plans have been aggregated in the All Other Multiemployer Pension Plans line in the following table, as the contributions to each of these plans are not individually material. The collective bargaining agreements specify the contribution rates per unit to these plans and do not specify a minimum dollar amount.

At the date the financial statements were issued, Form 5500 for these plans were generally not available for the plan years ending in 2024.

The following table contains information about the Company's significant multiemployer plans from which the Company has not withdrawn (in millions):

			Pension Protection Act Zone Status		Contributions			
Pension Fund	**EIN-Pension Plan Number**	**Plan Month/Day End Date**	**Most Recent Available**	**FIP/RP Status Pending/Implemented**	**2025**	**2024**	**2023**	**Surcharges Imposed(1)**
Teamsters Retirement Pension Plan (f/k/a/ Minneapolis Food Distributing Industry Pension Plan)	416047047-001	12/31	Green	No	$ 11	$ 11	$ 12	No
Minneapolis Retail Meat Cutters and Food Handlers Pension Fund	410905139-001	2/28	Red	Implemented	10	11	13	No
Minneapolis Retail Meat Cutters and Food Handlers Variable Annuity Pension Plan	832598425-001	12/31	NA	NA	3	3	3	NA
Central States, Southeast & Southwest Areas Pension Plan	366044243-001	12/31	Red	Implemented	5	5	5	No
UFCW Unions and Participating Employers Pension Plan	526117495-002	12/31	Red	Implemented	3	3	3	No
Western Conference of Teamsters Pension Plan	916145047-001	12/31	Green	No	14	12	10	No
All Other Multiemployer Pension Plans(2)					2	2	2	
Total					$ 48	$ 47	$ 48	

(1) PPA surcharges are 5% or 10% of eligible contributions and may not apply to all collective bargaining agreements or total contributions to each plan.

(2) All Other Multiemployer Pension Plans includes 5 plans, none of which are individually significant when considering contributions to the plan, severity of the underfunded status or other factors.

The following table describes the expiration of the Company's collective bargaining agreements associated with the significant multiemployer plans in which we participate:

Pension Fund	Range of Collective Bargaining Agreement Expiration Dates	Total Collective Bargaining Agreements	Most Significant Collective Bargaining Agreement		Over 5% Contributions 2024
			Expiration Date	% of Associates under Collective Bargaining Agreement [1]	
Teamsters Retirement Pension Plan (f/k/a/ Minneapolis Food Distributing Industry Pension Plan)	5/31/2026	1	5/31/2026	100.0 %	☒
Minneapolis Retail Meat Cutters and Food Handlers Pension Fund	3/4/2028	1	3/4/2028	100.0 %	☒
Minneapolis Retail Meat Cutters and Food Handlers Variable Annuity Pension Fund	3/4/2028	1	3/4/2028	100.0 %	☒
Central States, Southeast and Southwest Areas Pension Fund	6/1/2026 - 9/15/2029	4	5/31/2029	59.2 %	☐
UFCW Unions and Participating Employers Pension Fund	7/11/2026	2	7/11/2026	74.9 %	☒
Western Conference of Teamsters Pension Plan Trust	9/20/2026 - 2/28/2029	17	3/20/2027	36.8 %	☐

(1) Company participating employees in the most significant collective bargaining agreement as a percent of all Company employees represented under the applicable collective bargaining agreements.

As of August 2, 2025, accrued multiemployer pension plan withdrawal liabilities included in Other long-term liabilities and Accrued compensation and benefits were $61 million and $6 million, respectively, for 13 multiemployer plans. As of August 3, 2024 amounts included in Other long-term liabilities and Accrued compensation and benefits were $66 million and $6 million, respectively. Payments associated with these liabilities are required to be made over varying time periods, but principally over the next 20 years.

Multiemployer Benefit Plans Other than Pensions

The Company also makes contributions to multiemployer health and welfare plans in amounts set forth in the related collective bargaining agreements. These plans provide medical, dental, pharmacy, vision and other ancillary benefits to active employees and retirees as determined by the trustees of each plan. The vast majority of the Company's contributions benefit active employees and as such, may not constitute contributions to a postretirement benefit plan. With respect to most multiemployer health and welfare plans to which the Company contributes, contribution amounts to postretirement benefit plans are not able to be separated from contribution amounts paid to benefit active employees.

The Company contributed $90 million, $88 million and $85 million in fiscal 2025, fiscal 2024 and fiscal 2023, respectively, to multiemployer health and welfare plans. If healthcare provisions within these plans cannot be renegotiated in a manner that reduces the prospective healthcare cost as we intend, our Operating expenses could increase in the future.

Collective Bargaining Agreements

As of August 2, 2025, we had approximately 25,600 employees. Approximately 10,768 employees are covered by 57 collective bargaining agreements, including existing agreements under negotiation. During fiscal 2025, 10 collective bargaining agreements covering approximately 3,385 employees were renegotiated, including 1 collective bargaining agreement that had expired in fiscal 2024 but was negotiated in fiscal 2025. Additionally, 10 new collective bargaining agreements covering approximately 1,119 employees were negotiated. During fiscal 2026, 12 collective bargaining agreements covering approximately 3,381 employees are scheduled to expire.

NOTE 14—INCOME TAXES

Income Tax Benefit

For fiscal 2025, (loss) income before income taxes consists of $(163) million from U.S. operations and $9 million from foreign operations. (Loss) income before income taxes for fiscal 2024 consists of $(145) million from U.S. operations and $8 million from foreign operations. (Loss) income before income taxes for fiscal 2023 consists of ($1) million from U.S. operations and $8 million from foreign operations.

The income tax benefit was allocated as follows:

(in millions)	2025	2024	2023
Income tax benefit	$ (39)	$ (27)	$ (23)
Other comprehensive income (loss)	2	(6)	(2)
Total	$ (37)	$ (33)	$ (25)

Total federal, state and foreign income tax benefit consists of the following:

(in millions)	Current	Deferred	Total
Fiscal 2025			
U.S. Federal	$ 11	$ (42)	$ (31)
State and Local	3	(14)	(11)
Foreign	3	—	3
	$ 17	$ (56)	$ (39)
Fiscal 2024			
U.S. Federal	$ 15	$ (41)	$ (26)
State and Local	5	(8)	(3)
Foreign	2	—	2
	$ 22	$ (49)	$ (27)
Fiscal 2023			
U.S. Federal	$ 23	$ (36)	$ (13)
State and Local	(11)	(1)	(12)
Foreign	1	1	2
	$ 13	$ (36)	$ (23)

Total income tax benefit was different than the amounts computed by applying the statutory federal income tax rate to income before income taxes because of the following:

(in millions)	2025	2024	2023
Computed “expected” tax expense	$ (32)	$ (29)	$ 1
State and local income tax, net of Federal income tax benefit	(10)	(9)	(1)
Non-deductible expenses	3	2	3
Tax effect of share-based compensation	—	5	(9)
General business credits	(4)	(2)	(8)
Unrecognized tax benefits	—	—	(16)
Enhanced inventory donations	(1)	(1)	(1)
Changes in valuation allowance	7	6	4
Other, net	(2)	1	4
Total income tax benefit	$ (39)	$ (27)	$ (23)

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows:

(in millions)	2025	2024	2023
Unrecognized tax benefits at beginning of period	$ 7	$ 11	$ 19
Unrecognized tax benefits added during the period	2	1	5
Decreases in unrecognized tax benefits due to statute expiration	—	(3)	(5)
Decreases in unrecognized tax benefits due to settlements	(1)	(2)	(8)
Unrecognized tax benefits at end of period	$ 8	$ 7	$ 11

In addition, the Company has nothing paid on deposit to any governmental agencies to cover the above liability. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. For fiscal 2025, 2024 and 2023, total accrued interest and penalties was $2 million, $2 million and $1 million, respectively.

The Company is currently under examination in several taxing jurisdictions and remains subject to examination until the statute of limitations expires for the respective taxing jurisdiction or an agreement is reached between the taxing jurisdiction and the Company. As of August 2, 2025, the Company is no longer subject to comprehensive federal income tax examinations for fiscal years before 2016 and in most states is no longer subject to state income tax examinations for fiscal years before 2016 for Supervalu and the Company. Due to the implementation of the CARES Act, net operating losses were carried back into fiscal years 2014 and 2015, which extends the federal statute of limitations on those years up to the amount of the carryback claim.

Based on the possibility of the closing of pending audits and appeals, or expiration of the statute of limitations, the Company anticipates that the amount of unrecognized tax benefits will decrease by approximately $5 million during the next 12 months.

Deferred Tax Assets and Liabilities

The tax effects of temporary differences that give rise to significant portions of the net deferred tax assets and deferred tax liabilities at August 2, 2025 and August 3, 2024 are presented below:

(in millions)	August 2, 2025	August 3, 2024
Deferred tax assets:		
Compensation and benefits related	$ 33	$ 35
Accounts receivable, principally due to allowances for uncollectible accounts	9	4
Accrued expenses	39	27
Capitalized research and development	56	49
Net operating loss carryforwards	18	13
Other tax carryforwards	107	59
Foreign tax credits	1	1
Intangible assets	37	45
Lease liabilities	414	381
Interest rate swap agreements	1	—
Other deferred tax assets	3	1
Total gross deferred tax assets	718	615
Less valuation allowance	(17)	(9)
Net deferred tax assets	$ 701	$ 606
Deferred tax liabilities:		
Plant and equipment, principally due to differences in depreciation	$ 126	$ 133
Inventories	25	25
Lease right of use assets	388	361
Total deferred tax liabilities	539	519
Net deferred tax assets	$ 162	$ 87

Tax Credits and Valuation Allowances

At August 2, 2025, the Company had gross deferred tax assets of approximately $718 million. The Company regularly reviews its deferred tax assets for recoverability to evaluate whether it is more likely than not that they will be realized. In making this evaluation, the Company considers the statutory recovery periods for the assets, along with available sources of future taxable income, including reversals of existing taxable temporary differences, tax planning strategies, history of taxable income, and projections of future income. The Company gives more significance to objectively verifiable evidence, such as the existence of deferred tax liabilities that are forecast to generate taxable income within the relevant carryover periods, and a history of earnings. A valuation allowance is provided when the Company concludes, based on all available evidence, that it is more likely than not that the deferred tax assets will not be realized during the applicable recovery period. The Company has reviewed these factors in evaluating the recoverability of its deferred tax assets. As of August 2, 2025, the Company anticipates sufficient future taxable income to realize all of its deferred tax assets within the applicable recovery periods with the exception of certain foreign tax credits, charitable contribution carryovers and state net operating losses. Accordingly, the Company has established valuation allowances against that portion of its charitable contribution carryovers, state net operating losses and foreign tax credits that, in the Company's judgment, are not likely to be realized within the applicable recovery periods.

At August 2, 2025, the Company had net operating loss carryforwards of approximately $0.2 million for federal income tax purposes that are subject to an annual limitation of approximately $0.1 million under Internal Revenue Code Section 382. These Section 382-limited carryforwards expire at various times through fiscal year 2027. As of August 2, 2025, the Company anticipates sufficient future taxable income over the periods in which the net operating losses can be utilized. The Company also has the availability of future reversals of taxable temporary differences that are expected to generate taxable income in the future. Therefore, the ultimate realization of net operating losses for federal purposes appears more likely than not at August 2, 2025 and correspondingly no valuation allowance has been established.

At August 2, 2025, the Company had gross disallowed charitable contribution carryforwards of approximately $76 million that are available for carryforward over five years. As of August 2, 2025, the Company anticipates sufficient future taxable income to utilize $37 million of these gross charitable contribution carryovers within the applicable five-year carryforward periods. The Company has established a valuation allowance against the gross $39 million of charitable contribution carryovers that, in the Company's judgment, are not likely to be realized within the applicable recovery period.

The retained earnings of the Company's non-U.S. subsidiary were subject to deemed U.S. repatriation and taxation during fiscal 2017 pursuant to the Tax Cuts and Jobs Act, and existing foreign tax credits were utilized to offset the resulting liability. We have established a deferred tax asset for the remaining U.S. foreign tax credits of $1 million. Such credits are offset by a valuation allowance.

One Big Beautiful Bill Act

The One, Big, Beautiful Bill Act ("OBBBA"), was signed into law on July 4, 2025. ASC 740, "Income Taxes", requires the effects of changes in tax laws to be recognized in the period in which the legislation is enacted. The OBBBA includes numerous provisions that affect corporate taxation, including the immediate expensing of domestic research and development costs and modifying the interest expense limitation. The Company has analyzed the impacts of the OBBBA and reflected them in the current period. The impact of these changes required the Company to re-evaluate its deferred taxes and subsequently record an increase in the valuation allowance of $7 million in the quarter related to future anticipated expirations of charitable carryovers. The provisions in the legislation are generally effective for the Company beginning in fiscal 2026 and is ultimately expected to decrease its fiscal 2026 cash tax payments, due to the increase in the interest expense limitation to tax EBITDA and the current expensing of domestic research costs.

Effective Tax Rate

The Company's effective tax rate was a benefit rate of 25.3% on pre-tax loss for fiscal 2025 as compared to benefit rate of 19.7% on pre-tax loss for fiscal 2024 and a benefit rate of 328.6% on pre-tax income for fiscal 2023. For fiscal 2023, the effective tax rate was impacted by solar credits, including the tax credit impact of a fiscal 2023 investment in an equity method partnership and solar credits associated with a solar array installation at the Company's Howell Township, New Jersey facility. The effective tax rate was also impacted by the recognition of previously unrecognized tax benefits and excess tax deductions attributable to share-based compensation. The combined impact of these fiscal 2023 tax benefits exceeded pre-tax income, generating an overall tax benefit rate for fiscal 2023. For fiscal 2024, the effective tax rate was impacted by non-deductible share-based compensation and the establishment of valuation allowances against deferred tax assets with limited lives. For fiscal 2025, the effective tax rate was impacted by the establishment of valuation allowances against deferred tax assets with limited lives resulting from the OBBBA, partially offset by the tax credit impact of a fiscal 2025 investment in an equity method partnership.

NOTE 15—(LOSS) EARNINGS PER SHARE

The following is a reconciliation of the basic and diluted number of shares used in computing (loss) earnings per share:

(in millions, except per share data)	2025	2024	2023
Basic weighted average shares outstanding	60.2	59.3	59.2
Net effect of dilutive stock awards based upon the treasury stock method	—	—	1.5
Diluted weighted average shares outstanding	60.2	59.3	60.7
Basic (loss) earnings per share[1]	$ (1.95)	$ (1.89)	$ 0.41
Diluted (loss) earnings per share[1]	$ (1.95)	$ (1.89)	$ 0.40
Anti-dilutive share-based awards excluded from the calculation of diluted (loss) earnings per share	3.1	2.1	0.8

(1) (Loss) earnings per share amounts are calculated using actual unrounded figures.

NOTE 16—BUSINESS SEGMENTS

The Company regularly monitors for events or circumstances that would indicate a change in reportable segments. Effective for the fourth quarter of fiscal 2025, the Company restructured its internal financial reporting and management processes to align with its new product-centered divisional structure, which required the Company to reevaluate its operating segments. Based on the changes to the commercial wholesale organizational structure and how the Company's CODM assesses performance and makes decisions about the allocation of resources to each operating segment, operations previously reported in Wholesale are now included in the Natural and Conventional segments, and certain operations previously reported in Other are now included in the Natural segment. The Company now has three reportable segments: Natural, Conventional and Retail. Prior periods have been recast to conform to the Company's new reportable operating segments. Reportable segments are reviewed on an annual basis, or more frequently if events or circumstances indicate a change in reportable segments has occurred.

The Natural reportable segment is engaged in the wholesale distribution of natural, organic and specialty grocery and non-food products and services and includes the Company's portfolio of natural owned brands and natural and organic snack food manufacturing business. The Conventional reportable segment is engaged in the wholesale distribution of conventional grocery and non-food products and services and includes the Company's portfolio of conventional owned brands. The Retail reportable segment derives revenues from the sale of groceries and other products at the Company's grocery and liquor stores operating under the Cub® Foods and Shoppers® banners. Intersegment sales represent sales between the segments, which are eliminated in consolidation. Intersegment transactions are generally recorded at amounts that approximate market value.

The Company's CODM is the Chief Executive Officer. The Company's CODM uses segment Adjusted EBITDA as the measure of segment profitability to assess the performance and core business trends of each segment through regular review of financial information, and when making decisions about the allocation of resources to each segment. The Company's CODM uses segment Adjusted EBITDA primarily as a part of the annual budget and forecasting process. Segment Adjusted EBITDA includes revenues and costs attributable to each of the respective business segments and certain allocated corporate expenses, based on the segment's estimated consumption of corporately managed resources.

During the fourth quarter of fiscal year 2025, the Company updated allocation methodologies for its measure of segment Adjusted EBITDA to exclude a portion of centrally-managed corporate functions, which include, but are not limited to, corporate legal operations, investor relations, treasury, certain enterprise-wide information technology and other corporate operating expenses that are not integral to segment performance and are included in Corporate and Other. The prior period segment financial results have been recast to conform to the current allocation methodology. This change did not impact the Company's previously reported consolidated results. Corporate and Other excludes items such as restructuring, acquisition and integration related expenses and share-based compensation. These items are excluded from the definition of Adjusted EBITDA and are added back to reconcile segment Adjusted EBITDA to (Loss) income before income taxes.

The Company does not report total assets by segment for internal or external reporting purposes as the Company's CODM does not assess performance or allocate resources based on segment assets. Additionally, the Company does not record its revenues within its Natural nor Conventional reportable segments for financial reporting purposes by product group, and it is therefore impracticable for it to report them accordingly.

The following tables provide financial information for each reportable segment and Corporate and Other, along with a reconciliation to (Loss) income before income taxes:

	2025				
(in millions)	**Natural**	**Conventional**	**Retail**	**Corporate and Other**	**Consolidated Totals**
Net sales (revenues from external customers)	$ 15,964	$ 13,478	$ 2,342	$ —	$ 31,784
Intersegment Net sales	53	1,189	—	—	1,242
	16,017	14,667	2,342	—	$ 33,026
Elimination of intersegment Net sales					(1,242)
Net sales					$ 31,784
Less:					
Cost of sales[1]	13,904	13,137	1,746	—	
Distribution expenses[1]	1,263	1,003	—	—	
Other[2]	408	353	590	70	
Adjusted EBITDA	442	174	6	(70)	$ 552
Adjustments:					
Net income attributable to noncontrolling interests					3
Net periodic benefit income, excluding service cost					20
Interest expense, net					(146)
Other income, net					3
Depreciation and amortization					(321)
Share-based compensation					(43)
LIFO benefit					2
Restructuring, acquisition, and integration related expenses					(94)
Loss on sale of assets and other asset charges					(42)
Business transformation costs					(47)
Cybersecurity incident					(26)
Other adjustments					(15)
Loss before income taxes					$ (154)
Other Segment Disclosures:					
Depreciation and amortization	$ 103	$ 178	$ 36	$ 4	$ 321
Payments for capital expenditures	$ 164	$ 43	$ 20	$ 4	$ 231

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker.
(2) Other segment items for each reportable segment include:

- *Natural and Conventional* – other operating costs such as selling, general and administrative expenses and certain allocated corporate costs
- *Retail* – other operating costs such as store compensation and occupancy costs, selling and administrative expenses as well as an adjustment for Net income attributable to noncontrolling interests, which is excluded from Adjusted EBITDA

	2024[1]				
(in millions)	**Natural**	**Conventional**	**Retail**	**Corporate and Other**	**Consolidated Totals**
Net sales (revenues from external customers)	$ 14,869	$ 13,675	$ 2,436	$ —	$ 30,980
Intersegment Net sales	79	1,271	—	—	1,350
	14,948	14,946	2,436	—	$ 32,330
Elimination of intersegment Net sales					(1,350)
Net sales					$ 30,980
Less:					
Cost of sales[2]	12,939	13,368	1,815	—	
Distribution expenses[2]	1,230	1,009	—	—	
Other[3]	429	350	613	59	
Adjusted EBITDA	350	219	8	(59)	$ 518
Adjustments:					
Net income attributable to noncontrolling interests					2
Net periodic benefit income, excluding service cost					15
Interest expense, net					(162)
Other income, net					2
Depreciation and amortization					(319)
Share-based compensation					(37)
LIFO charge					(7)
Restructuring, acquisition, and integration related expenses					(36)
Loss on sale of assets and other asset charges					(57)
Business transformation costs					(52)
Other adjustments					(4)
Loss before income taxes					$ (137)
Other Segment Disclosures:					
Depreciation and amortization	$ 101	$ 172	$ 35	$ 11	$ 319
Payments for capital expenditures	$ 171	$ 140	$ 24	$ 10	$ 345

(1) Effective for the fourth quarter of fiscal 2025, the Company updated its segment reporting structure as described above. Prior periods have been recast to conform to the Company's new reportable operating segments and current allocation methodology. There was no impact to the Company's consolidated results.

(2) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker.

(3) Other segment items for each reportable segment include:
- *Natural and Conventional* – other operating costs such as selling, general and administrative expenses and certain allocated corporate costs
- *Retail* – other operating costs such as store compensation and occupancy costs, selling and administrative expenses as well as an adjustment for Net income attributable to noncontrolling interests, which is excluded from Adjusted EBITDA

(in millions)	Natural	Conventional	Retail	Corporate and Other	Consolidated Totals
	2023[1]				
Net sales (revenues from external customers)	$ 14,094	$ 13,698	$ 2,480	$ —	$ 30,272
Intersegment Net sales	70	1,331	—	—	1,401
	14,164	15,029	2,480	—	$ 31,673
Elimination of intersegment Net sales					(1,401)
Net sales					$ 30,272
Less:					
Cost of sales[2]	12,215	13,389	1,815	—	
Distribution expenses[2]	1,217	1,022	—	—	
Other[3]	404	317	593	61	
Adjusted EBITDA	328	301	72	(61)	$ 640
Adjustments:					
Net income attributable to noncontrolling interests					6
Net periodic benefit income, excluding service cost					29
Interest expense, net					(144)
Other income, net					2
Depreciation and amortization					(304)
Share-based compensation					(38)
LIFO charge					(119)
Restructuring, acquisition, and integration related expenses					(8)
Loss on sale of assets and other asset charges					(30)
Multi-employer pension plan withdrawal (charges) benefit					(1)
Other retail expense					(1)
Business transformation costs					(25)
Income before income taxes					$ 7
Other Segment Disclosures:					
Depreciation and amortization	$ 96	$ 168	$ 36	$ 4	$ 304
Payments for capital expenditures	$ 110	$ 177	$ 34	$ 2	$ 323

(1) Effective for the fourth quarter of fiscal 2025, the Company updated its segment reporting structure as described above. Prior periods have been recast to conform to the Company's new reportable operating segments and current allocation methodology. There was no impact to the Company's consolidated results.

(2) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker.

(3) Other segment items for each reportable segment include:
- *Natural and Conventional* – other operating costs such as selling, general and administrative expenses and certain allocated corporate costs
- *Retail* – other operating costs such as store compensation and occupancy costs, selling and administrative expenses as well as an adjustment for Net income attributable to noncontrolling interests, which is excluded from Adjusted EBITDA

NOTE 17—COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

Guarantees and Contingent Liabilities

The Company has outstanding guarantees related to certain lease obligations of various retailers as of August 2, 2025. These guarantees were generally made to support the business growth of wholesale customers. The guarantees are generally for the entire terms of the leases, with remaining terms that range from less than one year to eleven years, with a weighted average remaining term of approximately five years. For each guarantee issued, if the wholesale customer or other third-party defaults on a payment, the Company would be required to make payments under its guarantee. Generally, the guarantees are secured by indemnification agreements or personal guarantees. The Company reviews performance risk related to its guarantee obligations based on internal measures of credit performance. As of August 2, 2025, the maximum amount of undiscounted payments the Company would be required to make in the event of default of all guarantees was $10 million ($9 million on a discounted basis). Based on the indemnification agreements, personal guarantees and results of the reviews of performance risk, as of August 2, 2025, the Company has recorded a de minimis total estimated loss in the Consolidated Balance Sheets.

The Company is a party to a variety of contractual agreements under which it may be obligated to indemnify the other party for certain matters in the ordinary course of business, which indemnities may be secured by operation of law or otherwise. These agreements primarily relate to the Company's commercial contracts, service agreements, contracts entered into for the purchase and sale of stock or assets, operating leases and other real estate contracts, financial agreements, agreements to provide services to the Company and agreements to indemnify officers, directors and employees in the performance of their work. While the Company's aggregate indemnification obligations could result in a material liability, the Company is not aware of any matters that are expected to result in a material liability. The Company has recorded the de minimis fair value of these guarantees and contingent obligations, when applicable, in the Consolidated Balance Sheets.

Other Contractual Commitments

In the ordinary course of business, the Company enters into supply contracts to purchase products for resale and service contracts for fixed asset and information technology systems. These contracts typically include either volume commitments or fixed expiration dates, termination provisions and other standard contractual considerations. As of August 2, 2025, the Company had approximately $436 million of non-cancelable future purchase obligations, most of which will be paid and utilized in the ordinary course within one year.

Legal Proceedings

The Company is one of dozens of companies that have been named in various lawsuits alleging that drug manufacturers, retailers and distributors contributed to the national opioid epidemic. Currently, UNFI, primarily through its subsidiary, Advantage Logistics, is named in approximately 40 suits pending in the United States District Court for the Northern District of Ohio where thousands of cases have been consolidated as Multi-District Litigation ("MDL"). In accordance with the Stock Purchase Agreement dated January 10, 2013, between New Albertson's Inc. ("New Albertson's") and the Company (the "Stock Purchase Agreement"), the Company believes that New Albertson's has an obligation to defend and indemnify UNFI in a majority of the cases. New Albertson's originally agreed to do so under a reservation of rights, however, New Albertson's is disputing its obligation to do so. In one of the MDL cases, MDL No. 2804 filed by The Blackfeet Tribe of the Blackfeet Indian Reservation, all defendants were ordered to Answer the Complaint, which UNFI did on July 26, 2019. To date, no discovery has been conducted against UNFI in any of the actions. On October 7, 2022, the MDL Court issued an order directing the Company and numerous other non-litigating defendants to submit by November 1, 2022, a list of opioid cases where the Company is named and opioid dispensing and distribution data. The Company produced the data in compliance with the order. On March 8, 2023, the Company received a subpoena from the Consumer Protection Division of the Maryland Attorney General's Office seeking records related to the distribution and dispensing of opioids. On May 19, 2023, the Company provided an initial production in response to the subpoena and is waiting for further direction from the Maryland Attorney General on additional documents requested. At an April 24, 2024 status conference, the MDL Court directed that the plaintiffs and non-litigating defendants, which includes the Company, determine whether the cases will be dismissed, litigated or mediated. On June 3, 2025, the Company began the process of mediation. The Company believes these claims are without merit and intends to vigorously defend this matter.

On January 21, 2021, various health plans filed a complaint in Minnesota state court against the Company, Albertson's Companies, LLC ("Albertson's") and Safeway, Inc. alleging the defendants committed fraud by improperly reporting inflated prices for prescription drugs for members of health plans. The Plaintiffs assert six causes of action against the defendants: common law fraud, fraudulent nondisclosure, negligent misrepresentation, unjust enrichment, violation of the Minnesota Uniform Deceptive Trade Practices Act and violation of the Minnesota Prevention of Consumer Fraud Act. The plaintiffs allege that between 2006 and 2016, Supervalu overcharged the health plans by not providing the health plans, as part of usual and customary prices, the benefit of discounts given to customers purchasing prescription medication who requested that Supervalu match competitor prices. Plaintiffs seek an unspecified amount of damages. Similar to the above case, for the majority of the relevant period Supervalu and Albertson's operated as a combined company. In March 2013, Supervalu divested Albertson's and pursuant to the Stock Purchase Agreement, Albertson's is responsible for any claims regarding its pharmacies. On February 19, 2021, Albertson's and Safeway removed the case to Minnesota Federal District Court, and on March 22, 2021, plaintiffs filed a motion to remand to state court. On February 26, 2021, defendants filed a motion to dismiss. The hearing on the remand motion and motions to dismiss occurred on May 20, 2021. On September 21, 2021, the Federal District Court remanded the case to Minnesota state court and did not rule on the motion to dismiss, which was refiled in state court. On February 1, 2022, the state court denied the motion to dismiss. On November 27, 2023, the court held a scheduling conference and thereafter entered a scheduling order setting various discovery and expert deadlines. The trial date is set for May 18, 2026. The Company believes these claims are without merit and is vigorously defending this matter.

UNFI is currently subject to a qui tam action alleging violations of the False Claims Act ("FCA"). In United States ex rel. Schutte and Yarberry v. Supervalu, New Albertson's, Inc., et al, which is pending in the U.S. District Court for the Central District of Illinois, the relators allege that defendants overcharged government healthcare programs by not providing the government, as a part of usual and customary prices, the benefit of discounts given to customers purchasing prescription medication who requested that defendants match competitor prices. The complaint was originally filed under seal and amended on November 30, 2015. The government previously investigated the relators' allegations and declined to intervene. Violations of the FCA are subject to treble damages and penalties of up to a specified dollar amount per false claim. The relators elected to pursue the case on their own and have alleged FCA damages against Supervalu and New Albertson's in excess of $100 million, not including trebling and statutory penalties. For the majority of the relevant period Supervalu and New Albertson's operated as a combined company. In March 2013, Supervalu divested New Albertson's (and related assets) pursuant to the Stock Purchase Agreement. Based on the claims that are currently pending and the Stock Purchase Agreement, Supervalu's share of a potential award (at the currently claimed value by the relators) would be approximately $24 million, not including trebling and statutory penalties. Both sides moved for summary judgment. On August 5, 2019, the Court granted one of the relators' summary judgment motions finding that the defendants' lower matched prices are the usual and customary prices and that Medicare Part D and Medicaid were entitled to those prices. On July 2, 2020, the Court granted the defendants' summary judgment motion and denied the relators' motion, dismissing the case. On July 9, 2020, the relators filed a notice of appeal with the Seventh Circuit Court of Appeals. On August 12, 2021, the Seventh Circuit affirmed the District Court's decision granting summary judgment in defendants' favor. On June 1, 2023, the Supreme Court reversed and vacated the lower court's judgment and remanded the case to the Seventh Circuit for further proceedings. On July 27, 2023, the Seventh Circuit vacated the summary judgment order and remanded the case to the District Court. On August 22, 2023, the District Court set the trial date for April 29, 2024. On October 11, 2023, each of the Company and the relators filed a motion for summary judgment. On February 16, 2024, the defendants filed a motion to reconsider the Court's August 5, 2019 partial grant of summary judgment to the relators and to continue the trial date. On February 27, 2024, the Court granted the defendants' motion for a trial date continuance and vacated the April 29, 2024 trial date. On April 26, 2024, the Court denied the defendants' motion to reconsider the partial grant of summary judgment. On May 20, 2024, the District Court heard oral argument on the pending motions for summary judgment and on September 30, 2024, the Court denied both parties' motions for summary judgment on scienter and granted relators' motion for summary judgment on materiality. On March 4, 2025, after a three-week jury trial, the jury found in favor of the Company determining that the Company has no liability. On April 1, 2025, the relators filed a motion asking the Court to alter or amend the judgment to enter judgment for relators on penalties and a new trial on damages. The Company filed its response in opposition to the motion on April 29, 2025.

The Company, J. Alexander Miller Douglas, John Howard and Chris Testa are named in a putative securities class action that was originally filed on March 29, 2023. In Dan Sills, et al. v. United Natural Foods, Inc., et al., pending in the U.S. District Court for the Southern District of New York, the plaintiffs allege that defendants violated federal securities laws by making materially false and/or misleading statements and failing to disclose material facts about UNFI's business, operations and prospects. The defendants filed a Motion to Dismiss on December 21, 2023, and on September 13, 2024, the court issued an opinion granting in part and denying in part the motion. On October 28, 2024, the Company answered the complaint denying the allegations. On March 7, 2025, the plaintiffs filed a motion for class certification and the Company filed its response on June 13, 2025. A mediation has been scheduled for November 17, 2025. The Company intends to vigorously defend this matter.

The Company is named in a putative class action lawsuit that was filed on November 3, 2024. The case is captioned NYSM Organics LLC v. United Natural Foods, Inc., and is pending in the Rhode Island Superior Court. In the Amended Complaint, which was filed on December 30, 2024, the plaintiff alleges that the Company took prompt-pay discounts improperly. The Amended Complaint asserts claims for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, and violation of the Massachusetts Consumer Protection Act. In an order dated June 5, 2025, the Court dismissed the Massachusetts Consumer Protection Act claim. The Company filed its answer to the Amended Complaint on June 16, 2025.

From time to time, the Company receives notice of claims or potential claims or becomes involved in litigation, alternative dispute resolution, such as arbitration, or other legal and regulatory proceedings that arise in the ordinary course of its business, including investigations and claims regarding employment law, including wage and hour (including class actions); pension plans; labor union disputes, including unfair labor practices, such as claims for back-pay in the context of labor contract negotiations and other matters; supplier, customer and service provider contract terms and claims, including matters related to supplier or customer insolvency or general inability to pay obligations as they become due; product liability claims, including those where the supplier may be insolvent and customers or consumers are seeking recovery against the Company; real estate and environmental matters, including claims in connection with its ownership and lease of a substantial amount of real property, both retail and warehouse properties; and antitrust. Additionally, costs could result from claims from customers or suppliers related to the Cybersecurity Incident. Other than as described above, there are no pending material legal proceedings to which the Company is a party or to which its property is subject.

Predicting the outcomes of claims and litigation and estimating related costs and exposures involves substantial uncertainties that could cause actual outcomes, costs and exposures to vary materially from current expectations. Management regularly monitors the Company's exposure to the loss contingencies associated with these matters and may from time to time change its predictions with respect to outcomes and estimates with respect to related costs and exposures. Management has made provisions where it believes the loss contingency is probable and can be reasonably estimated. As of August 2, 2025, no material accrued obligations, individually or in the aggregate, have been recorded for these legal proceedings.

Although management believes it has made appropriate assessments of potential and contingent loss in each of these cases based on current facts and circumstances, and application of prevailing legal principles, there can be no assurance that material differences in actual outcomes from management's current assessments, costs and exposures relative to current predictions and estimates, or material changes in such predictions or estimates will not occur. The occurrence of any of the foregoing could have a material adverse effect on the Company's financial condition, results of operations or cash flows.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and President and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this Annual Report (the “Evaluation Date”). Based on this evaluation, our Chief Executive Officer and President and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective.

Management’s Annual Report on Internal Control Over Financial Reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, including our Chief Executive Officer and President and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of August 2, 2025. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in the Internal Control-Integrated Framework (2013 framework). Based on its assessment, our management concluded that, as of August 2, 2025, our internal control over financial reporting was effective based on those criteria at the reasonable assurance level.

Report of the Independent Registered Public Accounting Firm.

The effectiveness of our internal control over financial reporting as of August 2, 2025 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in its attestation report which is included in Financial Statements and Supplementary Data in Part II, Item 8 of this Annual Report.

Changes in Internal Controls Over Financial Reporting

No change in our internal control over financial reporting (as such term is defined in Securities Exchange Act of 1934, as amended Rule 13a-15(f) or 15d-15(f)) occurred during the fiscal quarter ended August 2, 2025 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

On September 25, 2025, the Compensation Committee adopted the United Natural Foods, Inc. Executive Severance Plan (the "Severance Plan"), which will provide severance payments and benefits to eligible employees of the Company ("Eligible Associates") in connection with certain terminations of employment. The Severance Plan will become effective on October 24, 2025 (the "Effective Date"). Eligible Associates include each of the Named Executive Officers, as well as executive officers and certain other officers of the Company who had preexisting severance agreements in place. For executive officers and officers who are party to an existing severance agreement with the Company that expires after the Effective Date, such executive officer will become an Eligible Associate on the day immediately following the expiration date of the current severance agreement.

Under the Severance Plan, if the Company terminates an Eligible Associate's employment without Cause (as defined in the Severance Plan) or such Eligible Associate resigns for Good Reason (as defined in the Severance Plan), in either case, other than in connection with or during the two-year period following a Change in Control, and subject to the effectiveness of a release in favor of the Company, (i) the Eligible Associate (other than the CEO) will continue to receive his or her base salary for one year, a lump sum cash payment equal to one time the Eligible Associate's target bonus amount, a prorated portion of incentive compensation earned based on the number of days of service in the year and a lump sum cash payment of $35,000 for medical benefits and (ii) the CEO will continue to receive his or her base salary for two years, a lump sum cash payment equal to two times the CEO's target bonus amount, a prorated portion of incentive compensation earned based on the number of days of service in the year and a lump sum cash payment of $70,000 for medical benefits.

The description above is a summary of the Severance Plan and is subject to and qualified in its entirety by the terms of the Severance Plan, a copy of which is filed herewith as Exhibit 10.39 and incorporated herein by reference.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item will be contained, in part, in our Definitive Proxy Statement on Schedule 14A for our Annual Meeting of Stockholders to be held on December 16, 2025 (the “Proxy Statement”) under the captions “Directors and Nominees for Director,” “Executive Officers of the Company,” “Delinquent Section 16(a) Reports,” if applicable, “Anti-Hedging and Insider Trading Policies,” “Committees of the Board of Directors,” “Nomination of Directors” and “Stockholder Director Recommendations and Proxy Access” and is incorporated herein by this reference.

We have adopted a code of conduct and ethics that applies to all employees, including our Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer. Our code of conduct and ethics is publicly available on our website at www.unfi.com and is available free of charge by writing to United Natural Foods, Inc., 15 Park Row West, Suite 302, Providence, RI 02903, Attn: Investor Relations. We intend to make any legally required disclosures regarding amendments to, or waivers of, the provisions of the code of conduct and ethics on our website at www.unfi.com. Please note that our website address is provided as an inactive textual reference only.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be contained in the Proxy Statement under the captions “Director Compensation,” “Executive Compensation,” “Compensation Discussion and Analysis,” “Executive Compensation Tables,” “Potential Payments Upon Termination or Change-in-Control,” “CEO Pay Ratio,” “Compensation Risk Assessment,” “Compensation Committee Interlocks and Insider Participation,” if applicable, and “Report of the Compensation Committee” and is incorporated herein by this reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item will be contained in the Proxy Statement under the caption “Stock Ownership of Certain Beneficial Owners and Management” and “Securities Authorized for Issuance Under Equity Compensation Plans” and is incorporated herein by this reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item will be contained in the Proxy Statement under the captions “Certain Relationships and Related Transactions” and “Director Independence” and is incorporated herein by this reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be contained in the Proxy Statement under the captions “Fees Paid to KPMG LLP” and “Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services,” and is incorporated herein by this reference.

PART IV.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)1. Financial Statements:

(a)2. Financial Statement Schedules:

All schedules have been omitted because they are either not required or the information required is included in our consolidated financial statements or the notes thereto included in Item 8 hereof.

(a)3.&(b) Exhibits:

Exhibit No.	Description
3.1	Certificate of Incorporation of the Registrant, as amended (restated for SEC filing purposes only) (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 31, 2015).
3.2	Fifth Amended and Restated Bylaws of the Registrant (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 29, 2023).
4.1	Specimen Certificate for shares of Common Stock, $0.01 par value, of the Registrant (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended August 1, 2009).
4.2	Description of the Registrant's Securities Registered Under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.1+	Amended and Restated Agreement for the Distribution of Products, dated May 21, 2024, between Whole Foods Market Services, Inc. and the Registrant (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 27, 2024).
10.2	Loan Agreement, dated June 3, 2022, by and among the Registrant, UNFI Canada, Inc., the financial institutions that are parties thereto as lenders, Wells Fargo Bank, National Association and the other parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 30, 2022).
10.3	Amendment No. 1 to Loan Agreement, dated May 1, 2024, by and among the Registrant, UNFI Canada, Inc., the financial institutions that are parties thereto as lenders, Wells Fargo Bank, National Association and the other parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 27, 2024).
10.4	Term Loan Agreement, dated October 22, 2018, by and among United Natural Foods, Inc., SUPERVALU INC., Goldman Sachs Bank USA, as administrative agent for the lenders, and the lenders party thereto (incorporated by reference to Registrant's Current Report on Form 8-K filed on October 25, 2018).
10.5	Amendment No. 1 to Term Loan Agreement, dated as of February 11, 2021, by and among the Registrant and SUPERVALU INC., Credit Suisse AG, Cayman Islands Branch, Goldman Sachs Bank USA and the other lender parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 30, 2021).
10.6	Amendment No. 2 to Term Loan Agreement, dated as of November 10, 2021, by and among the Registrant and SUPERVALU INC., Credit Suisse AG, Cayman Islands Branch and the other lender parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended October 30, 2021).
10.7	Amendment No. 3 to Term Loan Agreement, dated June 3, 2022, by and among the Registrant and SUPERVALU INC., Credit Suisse AG, Cayman Islands Branch and the other lender parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 30, 2022).
10.8	Amendment No. 4 to Term Loan Agreement, dated May 1, 2024, by and among the Registrant, UNFI Wholesale, Inc., UNFI Distribution Company, LLC and SUPERVALU INC., Credit Suisse AG, Cayman Islands Branch and other lender parties thereto (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 27, 2024).
10.9**	Form of Second Amended and Restated Change in Control Agreement (incorporated by reference to the Registrant's Current Report on Form 8-K filed on November 8, 2018).

Exhibit No.	Description
10.10**	Amended and Restated Indemnification Agreement (incorporated by reference to the Registrant's Current Report on Form 8-K filed on November 8, 2018).
10.11	Indenture, dated October 22, 2020, among the Registrant, its subsidiary guarantors named therein and U.S. Bank National Association, as trustee (incorporated by reference to the Registrant's Current Report on Form 8-K, filed on October 26, 2020).
10.12**	Amended and Restated CEO Severance Agreement, dated June 3, 2024, between the Registrant and J. Alexander Miller Douglas (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended April 27, 2024).
10.13**	CEO Change in Control Agreement, dated effective August 9, 2021, between the Registrant and J. Alexander Miller Douglas (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 31, 2021).
10.14**	CEO Indemnification Agreement, dated effective August 9, 2021, between the Registrant and J. Alexander Miller Douglas (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 31, 2021).
10.15**	Form of RSU Award Agreement (CEO) pursuant to the Registrant's Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended October 30, 2021).
10.16**	Form of PSU Award Agreement (CEO) pursuant to the Registrant's Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended October 30, 2021).
10.17**	Amended and Restated 2020 Equity Incentive Plan, as amended on June 3, 2021 (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended May 1, 2021).
10.18**	Form of RSU Award Agreement pursuant to the Registrant's Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended May 1, 2021).
10.19**	Form of PSU Award Agreement pursuant to the Registrant's Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended May 1, 2021).
10.20**	Form of Amended and Restated Severance Agreement, effective as of October 23, 2022 (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 30, 2022).
10.21**	Second Amended and Restated United Natural Foods, Inc. 2020 Equity Incentive Plan, effective as of March 3, 2023 (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 28, 2023).
10.22**	Form of RSU Award Agreement pursuant to Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 28, 2023).
10.23**	Form of PSU Award Agreement pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 28, 2023).
10.24**	Form of RSU Award Agreement (CEO) (for grants made after September 21, 2023) pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.25**	Form of PSU Award Agreement (CEO) (for grants made after September 21, 2023) pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.26**	Form of RSU Award Agreement (for grants made after September 21, 2023) pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.27**	Form of PSU Award Agreement (for grants made after September 21, 2023) pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.28**	Form of RSU Award Agreement (Director) (for grants made after September 21, 2023) pursuant to the Registrant's Second Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.29**	Form of Indemnification Agreement (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
10.30**	Third Amended and Restated United Natural Foods, Inc. 2020 Equity Plan Incentive (Filed as Annex A to the Registrant's Proxy Statement on FORM DEF14A filed on November 8, 2023).
10.31**	Form of Indemnification Agreement (for agreements entered into after February 29, 2024) (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended January 27, 2024).

Exhibit No.	Description
10.32**	United Natural Foods, Inc. Annual Incentive Plan, as further amended, effective as of September 26, 2024 (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended August 3, 2024).
10.33**	Form of PSU Award Agreement (CEO, Retail) (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended August 3, 2024).
10.34**	Fourth Amended and Restated United Natural Foods, Inc. 2020 Equity Incentive Plan (filed as Annex A to the Registrant's Proxy Statement on Form DEF 14A filed on November 6, 2024).
10.35**	Form of RSU Award Agreement (for grants made on or after December 19, 2024), pursuant to the Registrant's Fourth Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended February 1, 2025).
10.36**	Form of PSU Award Agreement (for grants made on or after December 19, 2024), pursuant to the Registrant's Fourth Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended February 1, 2025).
10.37**	Form of RSU Award Agreement (CEO) (for grants made on or after December 19, 2024), pursuant to the Registrant's Fourth Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended February 1, 2025).
10.38**	Form of PSU Award Agreement (CEO) (for grants made on or after December 19, 2024), pursuant to the Registrant's Fourth Amended and Restated 2020 Equity Incentive Plan (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the quarter ended February 1, 2025).
10.39* **	United Natural Foods, Inc. Executive Severance Plan.
19*	UNFI Amended and Restated Policy Regarding Trading in Company Securities.
21*	Subsidiaries of the Registrant.
23.1*	Consent of Independent Registered Public Accounting Firm.
31.1*	Certification of CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1	Erroneously Awarded Incentive-Based Compensation Clawback Policy, effective October 2, 2023 (incorporated by reference to the Registrant's Annual Report on Form 10-K for the year ended July 29, 2023).
101*	The following materials from the United Natural Foods, Inc.'s Annual Report on Form 10-K for the fiscal year ended August 2, 2025, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive (Loss) Income, (iv) Consolidated Statements of Stockholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.
104	The cover page from the Registrant's Annual Report on Form 10-K for the year ended August 2, 2025, formatted in Inline XBRL (included in Exhibit 101).

* Filed herewith.

** Denotes a management contract or compensatory plan or arrangement.

+ Portions of this exhibit have been omitted in compliance with Regulation S-K Item 601(b)(10)(iv) because the Company has determined that the information is not material and is the type that the Company treats as private or confidential.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITED NATURAL FOODS, INC.
/s/ GIORGIO MATTEO TARDITI
Giorgio Matteo Tarditi
President and Chief Financial Officer
(Principal Financial Officer)
Dated: September 30, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ J. ALEXANDER MILLER DOUGLAS J. Alexander Miller Douglas	Chief Executive Officer (Principal Executive Officer) and Director	September 30, 2025
/s/ GIORGIO MATTEO TARDITI Giorgio Matteo Tarditi	President and Chief Financial Officer (Principal Financial Officer)	September 30, 2025
/s/ R. ERIC ESPER R. Eric Esper	Chief Accounting Officer (Principal Accounting Officer)	September 30, 2025
/s/ JACK L. STAHL Jack L. Stahl	Chairman	September 30, 2025
/s/ LYNN S. BLAKE Lynn S. Blake	Director	September 30, 2025
/s/ GLORIA R. BOYLAND Gloria R. Boyland	Director	September 30, 2025
/s/ DAPHNE J. DUFRESNE Daphne J. Dufresne	Director	September 30, 2025
/s/ MICHAEL S. FUNK Michael S. Funk	Director	September 30, 2025
/s/ JAMES M. LOREE James M. Loree	Director	September 30, 2025
/s/ JAMES L. MUEHLBAUER James L. Muehlbauer	Director	September 30, 2025
/s/ JAMES C. PAPPAS James C. Pappas	Director	September 30, 2025
/s/ MOHAMMAD SHAMIM Mohammad Shamim	Director	September 30, 2025

Exhibit 10.39

United Natural Foods, Inc.

Executive Severance Plan

(Established Effective October 24, 2025)

United Natural Foods, Inc. Executive Severance Plan

SECTION 1 - INTRODUCTION

1.1 History, Purpose and Effective Date

Effective October 24, 2025 (the "Effective Date"), United Natural Foods, Inc., a Delaware corporation (the "Company"), established the United Natural Foods, Inc. Executive Severance Plan (the "Plan"), for the purpose of providing severance benefits to eligible associates of the Company and its United States affiliates and subsidiaries whose employment is terminated under certain conditions. The Plan is an unfunded severance pay arrangement and an employee welfare benefit plan within the meaning of Sections 3(1) and 3(2)(B)(i) of ERISA, and is designed for a select group of management or highly compensated employees that is intended to qualify for the exemptions provided in Sections 201, 301 and 401 of ERISA and for the alternative reporting method provided in U.S. Department of Labor Reg. § 2520.104-24. This document is the Plan document and the summary plan description.

1.2 Definitions

When the following terms are used in this Plan document with initial capital letters, they shall have the following meanings:

1.2.1 "**Affiliate**" with respect to the Company means any corporation, partnership, joint venture or other entity during any period in which at least fifty percent voting or profits interest is owned, directly or indirectly, by the Company (or by any entity that is a successor to the Company).

1.2.2 "**Annual Incentive Plan**" means the annual incentive plan maintained by the Company from time to time. As of the Effective Date, the Annual Incentive Plan is the United Natural Foods, Inc. Annual Incentive Plan, as amended from time to time.

1.2.3 "**Board**" means the Board of Directors of the Company.

1.2.4 "**Cause**" means the termination of the Eligible Associate's employment with the Company or any Affiliate due to (i) conviction of the Eligible Associate under applicable law of (A) any felony or (B) any misdemeanor involving moral turpitude, (ii) unauthorized acts intended to result in the Eligible Associate's personal enrichment at the material expense of the Company or any of its Affiliates or their reputation, (iii) any violation of the Eligible Associate's duties or responsibilities to the Company and its Affiliates which constitutes willful misconduct or dereliction of duty, or (iv) material breach of the Restrictive Covenants or material failure to protect Confidential Information. Notwithstanding the foregoing, an Eligible Associate's Termination Date shall not be considered to have occurred on account of "Cause" pursuant to the circumstances described in the immediately preceding item (iv) unless the nature of the circumstances shall be set forth with reasonable particularity in a written notice to the Eligible Associate, the content and delivery of which have been approved by a majority of the membership of the Board, and the Eligible Associate shall have twenty (20) business days following delivery of such written notice to cure such alleged breach, provided that such breach is, as determined in the reasonable discretion of the Board, susceptible to a cure.

1.2.5 "**Claimant**" means an Eligible Associate or a Participant who makes a claim for benefits under the Plan as described in Section 4.6.

1.2.6 "**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

1.2.7 "**COBRA Amount**" means:

1.2.7.1 With respect to a Participant who is the Chief Executive Officer of the Company, seventy thousand dollars ($70,000);

1.2.7.2 With respect to all other Participants, thirty-five thousand dollars ($35,000).

1.2.8 "**Code**" means the Internal Revenue Code of 1986, as amended.

1.2.9 "**Committee"** means the Compensation Committee of the Board.

1.2.10 "**Confidential Information**" means all business-related information belonging to the Company that is proprietary and confidential in nature, regardless of whether the information is reduced to writing or is simply in the Eligible Associate's memory, that has been provided or accessible to the Eligible Associate during the Eligible Associate's employment with the Company, or was developed by the Eligible Associate during the Eligible Associate's employment with the Company. Confidential Information includes trade secrets, as defined by applicable law, and information or documents that do not meet the legal definition of a "trade secret" but are still proprietary, confidential, and otherwise meet the definition of Confidential Information. Confidential Information includes, without limitation, any customer lists, customer needs, price and performance information, processes, specifications, hardware, software, devices, supply sources and characteristics, business opportunities, potential business interests, marketing, promotional pricing and financing techniques, or other information relating to the business of the Company that the Eligible Associate knows or should know is confidential and proprietary. Confidential Information does not include information which (i) is readily ascertainable to the general public; (ii) is disclosed through no fault of the Eligible Associate; or (iii) is required to be disclosed pursuant to applicable law or regulation or the order of a governmental or regulatory body.

1.2.11 "**Continuation Period**" means:

1.2.11.1 With respect to a Participant who is the Chief Executive Officer of the Company, two (2) years;

1.2.11.2. With respect to all other Participants, one (1) year.

1.2.12 **"Disability"** has the meaning set forth in the long-term disability component of the UNFI Health and Welfare Plan (or any successor to that plan) (the "**Benefit Plan**"). If the Eligible Associate has elected long-term disability coverage under the Benefit Plan and such coverage is in force as of the Eligible Associate's Termination Date, such Eligible Associate will be considered to have a Disability when the long-term disability insurer has determined the same. If the Eligible Associate has not elected long-term disability coverage under the Benefit Plan as of the Eligible Associate's Termination Date, the Eligible Associate's employment cannot be terminated for Disability, and any termination of the Eligible Associate during such a period shall constitute a termination by the Company without Cause as determined by the Plan Administrator in its sole discretion.

1.2.13 "**Earned Incentive Compensation**" means to the extent not previously paid, the annual cash incentive bonus payable to the Participant under the Annual Incentive Plan based on the Company's actual performance for the most recent fiscal year ended before the Participant's Termination Date and (ii) the Pro-Rated Portion of any annual cash incentive bonus that would otherwise be payable to the Participant under the Annual Incentive Plan if the Participant remained employed by the Company, based on the actual performance for the fiscal year during which the Participant's employment is terminated.

1.2.14 **"Eligible Associate"** means:

1.2.14.1 An "Executive Officer" of the Company within the meaning of Rule 3b-7 of the Securities Exchange Act of 1934; *provided, however*, that if the Executive Officer is party to a Severance Agreement with the Company on the Effective Date that expires after October 23, 2025, such Executive Officer shall become an Eligible Associate on the day immediately following the date his or her Severance Agreement expires.

1.2.14.2. Any other associate employed by the Company who is party to a Severance Agreement with the Company that expires on October 23, 2025.

1.2.15 "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

1.2.16 "**Good Reason**" means, without the Eligible Associate's express written consent, the occurrence of any one or more of the following:

1.2.16.1 The assignment of the Eligible Associate to duties materially adversely inconsistent with the Eligible Associate's then-current duties;

1.2.16.2 A material reduction in the Eligible Associate's title, executive authority, or reporting status;

1.2.16.3 The Company's requirement that the Eligible Associate relocate more than fifty (50) miles from the Eligible Associate's then-current place of employment;

1.2.16.4 A reduction by the Company in the Eligible Associate's base salary, or the failure of the Company to pay or cause to be paid any compensation or benefits under the terms of any employee benefit plan established by the Company, and failure to restore such base salary or make such payments within five (5) days of receipt of notice from the Eligible Associate;

1.2.16.5 Failure to extend participation to the Eligible Associate in any new employee benefit plans established by the Company for similarly-situated executives generally, unless such plan relates to the payment of benefits upon a change of control or severance given that such terms are covered by this Plan or the separate change in control agreement to which the Eligible Associate is a party, or a material reduction in the Eligible Associate's level of participation in any benefit plans of the Company; provided that a Company-wide reduction or elimination of such plans shall not give rise to a "Good Reason" termination; or

1.2.16.6 The failure of the Company to obtain a satisfactory agreement from any successor to the Company with respect to the ownership of substantially all the stock or assets of the Company to assume and agree to perform the obligations under this Plan.

An Eligible Associate's Termination Date shall not be considered to have occurred due to the Eligible Associate's resignation for Good Reason unless (A) within sixty (60) days of the initial occurrence of the event specified in 1.2.16.1 – 1.2.16.6 above, the Eligible Associate has given the Company written notice of such event that the Eligible Associate believes constitutes "Good Reason", (B) the Company has not cured the Good Reason event within thirty (30) days after receiving the written notice, and (C) the Eligible Associate resigns his or her employment within ninety (90) days from the date on which the Good Reason event initially occurred.

1.2.17 "**Multiple**" means:

1.2.17.1. With respect to a Participant who is the Chief Executive Officer of the Company, two (2);

1.2.17.2. With respect to all other Participants, one (1).

1.2.18 “**Participant**” means an Eligible Associate whose Termination Date occurs due to the Eligible Associate’s termination by the Company or its Affiliates without Cause or due to the Eligible Associate’s resignation for Good Reason.

1.2.19 “**Plan**” means the United Natural Foods, Inc. Executive Severance Plan.

1.2.20 “**PPACA**” means the Patient Protection and Affordable Care Act of 2010, as amended, and the Health Care and Education Reconciliation Act of 2010, as amended.

1.2.21 “**Pro-Rated Portion”** means the quotient of (A) and (B), where (A) equals the number of days in the fiscal year prior to a Participant’s Termination Date and (B) equals the number of days in such fiscal year.

1.2.22 “**Restrictive Covenants”** means restrictive covenants contained in any agreement between the Eligible Associate and the Company or any of its Affiliates (including, but not limited to, a Restrictive Covenant Agreement, or any award agreement pursuant to the United Natural Foods, Inc. 2020 Equity Incentive Plan, as such plan is amended from time to time or any successor thereto).

1.2.23 “**Severance Payment Start Date**” means the sixtieth (60^{th}) day following the Termination Date.

1.2.24 **“Termination Date”** means the date on which the Eligible Associate’s employment with the Company and its Affiliates terminates for any reason.

1.2.25 “**Waiver and Release”** means the release of claims against the Company and its Affiliates, and other released parties, in substantially the form provided in Exhibit A hereto. The Company may modify the Waiver and Release as required or desirable, in the Company’s sole discretion, to account for legal requirements applicable to it from time to time, or for other matters determined in its sole discretion.

SECTION 2 - SEVERANCE BENEFITS

2.1 Severance Benefit

If an Eligible Associate's Termination Date occurs due to the Eligible Associate's termination by the Company or its Affiliates without Cause or due to the Eligible Associate's resignation for Good Reason, the Eligible Associate thereby becomes a Participant. In that case, subject to any limitation imposed under applicable law and subject to the conditions in Section 3, the Participant will be entitled to the payments described in this Section 2, subject to applicable withholding and deductions and the other terms and conditions of the Plan, and provided that the Waiver and Release has become effective as of the Severance Payment Start Date. The Participant will in all cases be entitled to the payment of any unpaid base salary and accrued and unpaid vacation as of the Termination Date as required by applicable law.

2.2 Continued Base Salary

The Company shall continue the Participant's base salary in effect as of the Termination Date for the Continuation Period, with the first payment being made on the first administratively possible payroll period occurring after the Severance Payment Start Date and continuing for the balance of the Continuation Period, payable in accordance with the normal payroll practices of the Company; *provided, however*, that if the payments to be made to the Participant pursuant to this Section 2.2 are not subject to Code Section 409A, payments may begin, in the sole discretion of the Plan Administrator, on any date after the date on which the Waiver and Release becomes effective and before the date that payments would otherwise have commenced pursuant to this Section 2.2 (and, in such case, the date on which such payments begin would be considered the Severance Payment Start Date for purposes of this Section 2).

2.3 Annual Cash Incentive Bonus

The Company shall pay to the Participant a cash lump sum payment in the amount of the product of (A) and (B), where (A) equals the Multiple and (B) equals the Participant's annual cash incentive bonus payment under the Annual Incentive Plan calculated at target levels of performance for the fiscal year in which the Termination Date occurs. The cash lump sum payment shall be paid to the Participant on the first administratively possible payroll period occurring after the Severance Payment Start Date.

2.4 Earned Incentive Compensation

The Company shall pay to the Participant any Earned Incentive Compensation, when such Earned Incentive Compensation would otherwise be payable if the Participant's employment was not terminated (or, if later, on the first administratively possible payroll period occurring after the Severance Payment Start Date).

2.5 COBRA Amount

The Company shall pay the COBRA Amount to the Participant on the first administratively possible payroll period occurring after the Severance Payment Start Date. The Participant may use the COBRA Amount to procure group health plan coverage for the Participant and his or her eligible dependents, or for any other purpose. If the Participant desires to elect continuation coverage under COBRA, it shall be the sole responsibility of the Participant (and/or other family members who are qualified beneficiaries, as described in the COBRA election notice, and who desire COBRA continuation coverage) to timely elect COBRA continuation coverage and timely make all applicable premium payments therefore. The COBRA Amount is taxable to the Participant. Payment of the COBRA Amount shall only be made to the extent that such payment would not result in any excise taxes on the Company or any of its Affiliates for failure to comply with the nondiscrimination requirements of PPACA. If the Company is unable to pay the COBRA Amount without triggering an excise tax under PPACA, the Company and the Participant shall use reasonable efforts to provide a benefit to the Participant which represents the economic equivalent of the COBRA Amount and which does not result in an excise tax on the Company or any of its Affiliates under PPACA, which benefit shall be paid in a lump sum.

2.6 No Other Obligations

If the Eligible Associate's Termination Date occurs as a result of termination by the Company or any of its Affiliates for Cause, or on account of the Eligible Associate's death or Disability, or resignation for other than Good Reason, the Eligible Associate will not become a Participant and will not be entitled to any payment or benefits under the Plan. If the Eligible Associate is terminated for Cause, the Company may withhold any compensation due to the Eligible Associate as a partial offset against any damages suffered by the Company and any of its Affiliates as a result of the Eligible Associate's actions. In addition, regardless of the reason for termination of employment, the Eligible Associate shall, upon demand by the Company, return promptly to the Company any compensation or other benefits paid, or targeted to be paid, to the Eligible Associate under the circumstances set forth in Section 3.4.

2.7 Effect on Other Benefits

The availability, if any, of any other benefits shall be governed by the terms and conditions of the plans or agreements under which such benefits are granted. The benefits granted under this Plan are in addition to, and not in limitation of, any other benefits granted to the Participant under any policy, plan, or agreement; provided, however, that any benefits paid to the Participant under this Plan shall reduce any severance or similar benefits payable to the Participant under any benefit plan or arrangement of the Company or any of its Affiliates, including any severance plan or agreement between the Company and the Participant providing benefits upon the termination of the Participant's employment with the Company similar to the benefits provided hereunder, which reduction shall be made strictly in accordance with Code Section 409A including the preservation of any applicable payment schedule. If severance is available under any agreement providing payments for severance to the Participant in connection with a change in control of the Company, the terms of the change in control agreement shall control and the Participant will not be entitled to severance benefits under both this Plan and the change in control agreement.

SECTION 3 - CONDITIONS TO PAYMENT

3.1 Waiver and Release

3.1.1 The benefits described in Section 2 are payable only if the Participant signs and does not revoke the Waiver and Release and if the Waiver and Release becomes effective no later than the Severance Payment Start Date. The Company will provide the Waiver and Release to the Participant promptly after the Termination Date.

3.1.2 The Participant will not be required to release: (a) any rights the Participant has under the Plan; (b) any rights that the Participant has pursuant to any other plan, program or agreement subject to ERISA; (c) any rights pursuant to any incentive or compensation plans of the Company or its Affiliates, any equity plan maintained by the Company, or any rights pursuant to any award agreements issued pursuant to any incentive or compensation plan of the Company or its Affiliates or any award agreements issued pursuant to any equity plan maintained by the Company; (d) any rights the Participant and his or her beneficiaries may have to continued medical coverage under COBRA or similar applicable state law; (e) any rights the Participant may have to indemnification under state or other law or the Certificate of Incorporation or by-laws of the Company and its Affiliates, under any indemnification agreement with the Company or under any insurance policy providing directors' and officers' coverage for any lawsuit or claim relating to the period when the Participant was a director or officer of the Company or any of its Affiliates; or (vi) any rights to make disclosures permitted under Section 3.2.2.

3.2 Protection of Confidential Information

The benefits described in Section 2 are conditioned upon the Participant's protection of Confidential Information, and such benefits are subject to forfeiture and clawback as described in Sections 3.4 and 4.11 if the Participant fails to protect Confidential Information:

3.2.1 The Participant confirms that Confidential Information constitutes the exclusive property of the Company. Both during and after the Participant's employment with the Company, the Participant shall not, except as required to fulfill the Participant's duties to the Company, either directly or through the actions of others, retain, transfer, acquire, email, download, upload, use, sell, communicate, furnish, or disclose to any other person or entity any of the Company's Confidential Information. This prohibition includes, without limitation: (a) using Confidential Information, directly or in concert with others, to solicit or attempt to solicit the customers or personnel of the Company; (b) emailing Confidential Information to a personal, private, or third-party email account; (c) downloading Confidential Information to a personal, private, or third-party thumb drive or other external storage device; (d) taking photographs or videos of Confidential Information for competitive purposes; or (e) saving Confidential Information to a personal, private, or third-party cloud storage account. The Participant agrees that the Participant will immediately return to the Company upon request, but in any event upon termination of employment, any physical or electronic embodiment of any Confidential Information and/or any summaries containing any Confidential Information, in whole in part, in any media. It shall be a material breach of this Plan and a failure to protect Confidential Information for the Participant to retain any of the Company's property, including Confidential Information in physical or electronic form, after termination of the Participant's employment with the Company.

3.2.2 Nothing contained in Section 3.2.1 restricts or limits the Participant's right to discuss or disclose information about unlawful acts in the workplace, at work-related events, or between Company employees or Company and the Participant, such as harassment, discrimination, retaliation, sexual assault, or any other conduct that the Participant has reason to believe is unlawful, nor does Section 3.2.1 prohibit the Participant from discussing the Participant's employment or reporting possible violations of law or regulation with the Department of Justice, the Congress, any Inspector General, the Equal Employment Opportunity Commission, United States Department of Labor, the Occupational Safety and Health Administration, the National Labor Relations Board, the Securities and Exchange Commission, or other federal government agency or state or local government agency. Section 3.2.1 does not prohibit the Participant from discussing the terms and conditions of the Participant's employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act or to the extent that such disclosure is protected under the applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure. Section 3.2.1 does not require the Participant not to disclose or discuss conduct or the existence of a settlement involving conduct relating to a dispute: (1) involving a nonconsensual sexual act or sexual contact, as such terms are defined in 18 U.S.C. § 2246, or similar applicable tribal or state law; or (2) relating to conduct that is alleged to constitute sexual harassment under applicable federal, tribal, or state law. The Participant acknowledges and agrees that the Company has provided the Participant with written notice below that the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), provides an immunity for the disclosure of a trade secret to report suspected violations of law and/or in an anti-retaliation lawsuit, as follows:

(1) IMMUNITY. — An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that —

(A) is made —

(i) in confidence to a Federal, State or local government official, either directly or indirectly, or to an attorney; and

(ii) solely for the purpose of reporting or investigating a suspected violation of law; or

(B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2) USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT.— An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual—

(A) files any document containing the trade secret under seal; and

(B) does not disclose the trade secret, except pursuant to court order.

3.3 Restrictive Covenants

The benefits described in Section 2 are conditioned upon the Participant's compliance with the Restrictive Covenants, and such benefits are subject to forfeiture and clawback as described in Section 3.4 and 4.11 if the Participant violates any portions of such Restrictive Covenants.

3.4 Clawback/Forfeiture of Benefits

If the Board determines (in its sole discretion but acting in good faith) that (a) the Participant has violated any portions of the Restrictive Covenants or has failed to protect Confidential Information, (b) any of the Company's financial statements are required to be restated resulting from fraud attributable to the Participant, or (c) any amount of compensation was based upon financial results later found to be materially inaccurate, then (i) the Company may recover or refuse to pay any of the compensation or benefits that may be owed to the Participant under Section 2, and (ii) the Company may prohibit the Participant from exercising all or any options with respect to stock of the Company, or may recover all or any portion of the gain realized by the Participant from (1) such options exercised, (2) the vesting of any equity award received from the Company or (3) the sale of any equity award received from the Company, in each case in the twelve (12) month period immediately preceding any violation of the Restrictive Covenants or failure to protect Confidential Information or any restatement of financial statements, or in the periods following the date of any such violation, failure, or restatement. In addition, the Company may pursue any remedies available pursuant to any policy of recoupment of incentive compensation that may be adopted by the Board from time to time including the Company's Recoupment Policy Related to Performance-Based Compensation, as may be amended from time to time hereafter ("Recoupment Policy") and the Erroneously Awarded Compensation Clawback Policy, as may be amended from time to time hereafter ("Clawback Policy"). Unless otherwise provided in any such policy of recoupment, including the Recoupment

Policy or the Clawback Policy, the amount to be recovered shall be equal to the excess of the amount paid out (on a pre-tax basis) over the amount that would have been paid out had such financial results or performance metrics been fairly stated at the time the payout was made; and/or, in the case of misconduct, the Company’s Recoupment Policy or the Clawback Policy includes a material failure by the Participant to exercise his or her assigned oversight responsibilities, in violation of law or Company policy, resulting in a material financial or reputational harm to the Company, in which cases the Board may require forfeiture of any unpaid, unearned or unexercised performance-based or incentive compensation received by, or awarded to, the Participant in or with respect to the period during which the misconduct occurred, including any amounts owed under Section 2. The payment shall be made in such manner and on such terms and conditions as may be required by the Company. If the Participant fails to return such compensation promptly, the amount of such compensation may be deducted from any and all other compensation owed to the Participant by the Company or any of its Affiliates, to the extent permitted by Code Section 409A, if applicable. The Company may engage in any legal or equitable action or proceeding in order to enforce the provisions of this Section 3.4. The Company may modify this Section 3.4 to the extent required by applicable law to become consistent with any applicable law whether adopted and/or amended before or after the Effective Date. This Section 3.4 shall remain in effect for the period required by applicable law. The Company shall be entitled, at its election, to set off against the amount of any such payment any amounts otherwise owed to the Participant by the Company.

SECTION 4 - OTHER PROVISIONS

4.1 Effect of Plan

Except as described in Section 2.7 regarding change in control agreements, the Plan supersedes and replaces any and all Severance Agreements between an individual who becomes an Eligible Associate and the Company. For the avoidance of doubt, the Company's Executive Officers and those associates party to a Severance Agreement with the Company as of the Effective Date shall become Eligible Associates and thereby covered under the Plan upon the later of (i) the Effective Date or (ii) the expiration of such individual's current Severance Agreement.

4.2 Amendment and Termination of the Plan

The Company reserves the unilateral right to amend or terminate the Plan, in whole or in part, at any time and for any reason by action taken by the Committee. Notwithstanding the foregoing:

(i) With respect to any individual who is party to a Severance Agreement with the Company on the day before the Effective Date, the Company will not amend the Plan to reduce the amount of benefits set forth in Sections 2.2 – 2.5 for a period beginning on the date such individual becomes an Eligible Associate under the Plan, and ending on the 3rd anniversary of such date;

(ii) No such amendment or termination will materially adversely affect the rights of any Participant who has been terminated and is receiving severance benefits under the Plan as of the effective date of such amendment or termination;

(iii) No amendment that would reduce the amount of benefits set forth in Sections 2.2 – 2.5 payable to an Eligible Associate who has provided a Good Reason notice before the effective date of such amendment will apply to such Eligible Associate if he or she becomes a Participant by reason of the Good Reason event.

4.3 Successors and Assigns

The Plan will be binding on the successors of the Company and the heirs, beneficiaries, successors and personal representatives of any Eligible Associate.

4.4 No Vesting or Plan Funding

The Plan and the benefits payable under the Plan are unfunded obligations of the Company, and no Eligible Associate or Participant is vested or has any interest in specific assets of the Company with respect thereto. Any Plan benefits that become payable are unfunded obligations and shall be paid from the general assets of the Company.

4.5 Plan Administration

The Chief Human Resources Officer of the Company shall serve as the “Plan Administrator” of the Plan and the “Named Fiduciary” within the meaning of such terms as defined in ERISA. Notwithstanding the foregoing, the Company’s General Counsel and Corporate Secretary shall serve as the Plan Administrator and Named Fiduciary with respect to determinations regarding the Chief Human Resources Officer’s benefits.

The Plan Administrator shall have the discretionary authority to determine whether an Eligible Associate’s Termination Date is due to the Eligible Associate’s termination by the Company or its Affiliates without Cause or due to the Eligible Associate’s resignation for Good Reason . The Plan Administrator may, in its discretion or to the extent required by applicable law, consult with the Committee regarding the Plan Administrator’s determination. The Plan Administrator has the discretionary authority to conclusively construe the provisions of the Plan and to conclusively make all factual determinations necessary to administer the Plan. Plan benefits will only be payable if the Plan Administrator decides in its sole discretion that the benefits are payable. The Plan Administrator’s decisions are final and conclusive with respect to all issues of Plan interpretation and administration and are intended to be given the maximum deference afforded by law.

The Plan Administrator may delegate to other persons responsibilities for performing certain of the duties of the Plan Administrator under the provisions of the Plan and may seek such expert advice as the Plan Administrator deems reasonably necessary with respect to the Plan. The Plan Administrator shall be entitled to rely upon the information and advice furnished by such delegates and experts, unless knowing such information and advice to be inaccurate or unlawful.

4.6 Claims Procedure

Generally, Eligible Associates do not need to make any claim for Plan benefits. The Company will notify an Eligible Associate if he or she becomes a Participant because his or her Termination Date occurs due to the Eligible Associate’s termination by the Company or its Affiliates without Cause or due to the Eligible Associate’s resignation for Good Reason. However, if an Eligible Associate believes that he or she is entitled to Plan benefits, or a Participant believes that he or she is entitled to Plan benefits greater than those the Company pays, such Eligible Associate or Participant must file a claim for benefits with the Plan Administrator and is referred to in Sections 4.6 – 4.8 as a Claimant. **The Claimant must file his or her claim within one year of his or her Termination Date.** Any claim filed after the one-year period will be denied as untimely.

4.7 Initial Claim and Decision

The Claimant's claim must be in writing, must include the facts and arguments he or she wants to have considered, and may include any documents, information or records that the Claimant believes supports the claim. If the Claimant does not provide all the necessary information for the Plan Administrator to process the claim, the Plan Administrator may request additional information and set deadlines for the Claimant to provide that information. The Plan Administrator has ninety (90) calendar days after receiving a claim to make a decision and notify the Claimant if the claim is denied in whole or in part.

The Plan Administrator may require more time to review the claim if necessary due to circumstances beyond its control. If this should happen, the Plan Administrator will notify the Claimant that its review period has been extended for one additional period of up to ninety (90) calendar days. The Plan Administrator's written notice of extension will explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. If additional information is required, the Plan Administrator will notify the Claimant, in writing, stating the information needed and explaining why it is needed. If this extension is taken because the Claimant must furnish additional information, he or she will have at least forty-five (45) calendar days to provide the specified information. The deadline for deciding the claim will be tolled from the date on which the written notice of extension is sent to the Claimant until the date on which he or she responds to the request for additional information.

If the claim is denied in whole or in part, the Plan Administrator will furnish a written notice to the Claimant containing the following information:

a. The specific reasons for the denial;
b. Specific references to the Plan provisions on which any denial is based;
c. A description of any additional material or information that must be furnished by the Claimant to perfect the claim; and
d. An explanation of the appeal procedures of the Plan.

4.8 Appeal of Denied Claim and Decision

If the Claimant's claim is denied in whole or in part and the Claimant wants to pursue the matter further, the Claimant **must** appeal the denial of the claim. The Claimant (or his or her duly authorized representative) must make a written appeal to the Plan Administrator within sixty (60) calendar days from the date the Claimant received the claim denial. The Claimant or his or her authorized representative has the right to upon request and free of charge, review or receive copies of any documents, records or other information relevant to the claim, and submit written comments, documents, records and other information relating to the Claimant's claim in writing to the Plan Administrator.

In deciding the Claimant's appeal, the Plan Administrator will consider all comments, documents, records and other information submitted by the Claimant relating to the claim, regardless of whether such information was submitted or considered in the initial review of the claim. If the Claimant does not provide all the necessary information for the Plan Administrator to process the appeal, the Plan Administrator may request additional information and set deadlines for the Claimant to provide that information.

The Plan Administrator will decide the appeal within sixty (60) calendar days after receiving the written request for such appeal. The Plan Administrator may require more time to review the appeal if necessary due to circumstances beyond its control. If this should happen, the Plan Administrator will notify the Claimant that its review period has been extended for up to sixty (60) calendar days.

The Plan Administrator will notify the Claimant of the Plan Administrator's decision on the appeal in writing. The notice will describe:

a. The specific reasons for the decision;
b. The specific reference to Plan provisions upon which the decision on the appeal is based;
c. A statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records or other information relevant to his or her claim; and
d. A statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following a denial of his or her appeal for Plan benefits.

The Claimant must comply with and exhaust the claim and appeal procedures described above as a condition to challenging a decision of the Plan Administrator in court.

The Claimant must commence any such challenge within 180 days of receiving the written notice of the Plan Administrator's denial of the Claimant's claim on appeal.

4.9 Beneficiaries

If a Participant dies after severance benefits described in Sections 2.2 – 2.5 have begun but before all payments have been made then the Company will pay the remaining amount in a single lump sum payment to the Participant's beneficiary designated under this Plan on a form provided by the Plan Administrator. In the absence of a beneficiary designation or if all beneficiaries designated predecease the Participant, the Company will pay the remaining amount to the Participant's surviving spouse or if none, to the Participant's estate.

An Eligible Associate may make or change his or her beneficiary designation at any time on a form that is available from the Plan Administrator. A beneficiary designation will be effective on the date the Plan Administrator receives a fully completed and signed form from the Eligible Associate. To be valid, the Plan Administrator must receive the form before the Eligible Associate's death.

4.10 No Assignment

Severance benefits under the Plan shall not be subject to anticipation, alienation, pledge, sale, transfer, assignment, garnishment, attachment, execution, encumbrance, levy, lien, or charge, and any attempt to cause such pay or benefits to be so subjected shall not be recognized, except to the extent required by law.

4.11 Cancellation of Pay and Benefits; Repayment to Company

Notwithstanding any other provisions of the Plan, if during the period a Participant receives severance benefits under the Plan, the Company becomes aware of facts that would have allowed it to terminate the Participant's employment for Cause, or that indicate the Participant has violated the Restrictive Covenants or failed to protect Confidential Information, then, to the extent permitted by law and consistent with Section 3.4:

(a) All severance benefits otherwise due to the Participant, but not yet paid or delivered shall be canceled; and

(b) Upon the written request of the Company, the Participant shall repay to the Company any severance benefits the Company previously paid to the Participant within 30 days of such written request.

4.12 No Employment Rights

The Plan does not constitute a contract for employment for any specific period of time. Either the Company or the Eligible Associate is free to terminate the employment relationship at will at any time, with or without Cause, to the fullest extent permitted by law.

4.13 Governing Law; Venue

The Plan terms shall be governed by the laws of the state of Rhode Island, except to the extent preempted by ERISA or the Code. All controversies, disputes, claims, or causes of action arising under or related to the Plan must be brought in the United States District Court for the District of Rhode Island.

4.14 Code Section 409A

(a) It is intended that (i) each payment or installment of payments provided under this Plan is a separate "payment" for purposes of Code Section 409A, and (ii) that the payments satisfy, to the greatest extent possible, the exemptions from the application of Code Section 409A, including those provided under Treasury Regulations 1.409A-1(b)(4) (regarding short-term deferrals), 1.409A-1(b)(9)(iii) (regarding the two-times, two (2) year exception) and 1.409A-1(b)(9)(v) (regarding reimbursements and other separation pay). Notwithstanding anything to the contrary herein, if (i) on the date of the Participant's "separation from service" (as such term is defined under Treasury Regulation 1.409A-1(h)), the Participant is deemed to be a "specified employee" (as such term is defined under Treasury Regulation 1.409A-1(i)(1)) of the Company, as determined in accordance with the Company's "specified employee" determination procedures, and (ii) any payments to be provided to the Participant pursuant to this Plan which constitute "deferred compensation" for purposes of Code Section 409A and are or may become subject to the additional tax under Code Section 409A(a)(1)(B) or any other taxes or penalties imposed under Code Section 409A if provided at the time otherwise required under the Plan, then such payments shall be delayed until the date that is six (6) months after the date of the Participant's "separation from service" (as such term is defined under Treasury Regulation 1.409A-1(h)) or, if sooner, the date of the Participant's death. Any payments delayed pursuant to this Section 4.14 shall be made in a lump sum on the first day of the seventh month following the Participant's "separation from service" (as such term is defined under Treasury Regulation 1.409A-1(h)) or, if sooner, the date of the Participant's death.

(b) Notwithstanding any other provision herein to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Plan providing for the payment of "deferred compensation" (as such term is defined in Code Section 409A and the Treasury Regulations promulgated thereunder) upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and Section 1.409A-1(h) of the Treasury Regulations and, for purposes of any such provision of this Plan, references to a "separation," "termination," "termination date," "termination of employment" or like terms shall mean "separation from service.

(c) Notwithstanding any other provision herein to the contrary, in no event shall any payment under this Plan that constitutes "deferred compensation" for purposes of Code Section 409A and the Treasury Regulations promulgated thereunder be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

(d) Notwithstanding any other provision herein to the contrary, to the extent that any reimbursement (including expense reimbursements), fringe benefit or other similar plan or arrangement in which the Participant participates during the Participant's employment with the

Company and/or its Affiliates or thereafter provides for a “deferral of compensation” within the meaning of Code Section 409A and the Treasury Regulations promulgated thereunder, then such reimbursements shall be made in accordance with Treasury Regulations 1.409A-3(i)(1)(iv) including; (i) the amount eligible for reimbursement or payment under such plan or arrangement in one calendar year may not affect the amount eligible for reimbursement or payment in any other calendar year (except that a plan providing medical or health benefits may impose a generally applicable limit on the amount that may be reimbursed or paid), (ii) subject to any shorter time periods provided herein or the applicable plans or arrangements, any reimbursement or payment of an expense under such plan or arrangement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to any reimbursement or in-kind benefit may not be subject to liquidation or exchange for another benefit.

(e) For the avoidance of doubt, any payment due under this Plan within a period following the Participant’s termination of employment, death, or other event, shall be made on a date during such period as determined by the Company in its sole discretion.

(f) This Plan shall be interpreted in accordance with, and the Company and the Participant will use their best efforts to achieve timely compliance with, Code Section 409A and the Treasury Regulations and other interpretive guidance promulgated thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this Plan. By participating in the Plan, the Eligible Associate hereby agrees and acknowledges that the Company does not make any representations with respect to the application of Code Section 409A to any tax, economic or legal consequences of any payments payable to the Eligible Associate hereunder. The Company and the Participant shall cooperate in good faith to amend any documents and to take any actions as may be necessary or appropriate to comply with Code Section 409A.

4.15 Tax Effect

The Company does not represent or guarantee that any particular federal, state or local income, payroll, personal property or other tax consequence will result from the payment of any monies and/or provision of any benefits pursuant to the Plan. An Eligible Associate should consult with professional tax advisors to determine the tax consequences associated with such payment of monies and/or provision of benefits, if any.

4.16 Severability

If any provision of the Plan is held to be unenforceable, the unenforceability of such provision will not affect the validity or enforceability of the remaining provisions, which will be enforced as if the unenforceable provision had not been included.

4.17 ERISA Rights

Eligible Associates are entitled to certain rights and protections under ERISA. ERISA provides that Eligible Associates will be entitled to:

(a) Examine without charge at the Plan Administrator's office (and at other specified locations) all plan documents and copies of all documents filed by the Plan Administrator with the U.S. Department of Labor, such as detailed annual reports and plan descriptions, as applicable; and

(b) Obtain copies of all plan documents and other information about the Plan upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.

In addition to creating rights for Eligible Associates, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of all Eligible Associates. No one, including the Company or any other person, may fire an Eligible Associate or otherwise discriminate against an Eligible Associate in any way to prevent him or her from obtaining a benefit or exercising his or her rights under ERISA. If a Claimant's claim for plan benefits is denied, the Claimant must receive a written explanation of the reason for the denial. The Claimant has the right to have the Plan Administrator review and reconsider his or her claim.

Under ERISA, there are steps an Eligible Associate can take to enforce the above rights. For instance, if an Eligible Associate requests materials from the Plan Administrator and does not receive them within thirty (30) calendar days, the Eligible Associate may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and to pay the Eligible Associate up to $110 per day until he or she receives the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If a Claimant has a claim for benefits which is denied or ignored and the Claimant exhausts the claims and appeals procedure, he or she may file suit in a state or federal court.

If fiduciaries of the Plan misuse money belonging to the Plan (if any), or if an Eligible Associate is discriminated against for asserting his or her rights, he or she may seek assistance from the U.S. Department of Labor or may file suit in federal court. The court will decide who should pay court costs and legal fees. If the Eligible Associate is successful, the court may order the person the Eligible Associate sued to pay these costs and fees. If the Eligible Associate loses, the court may order him or her to pay these costs and fees, for instance, if it finds his or her claim to be frivolous.

If an Eligible Associate has any questions about the Plan, he or she should contact the Plan Administrator. If an Eligible Associate has questions about this statement or about his or her rights under ERISA, or if he or she needs assistance in obtaining documents from the Plan Administrator, the Eligible Associate should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210. An Eligible Associate may also obtain certain publications about rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

4.18 General Information about the Plan

Plan Name	United Natural Foods, Inc. Executive Severance Plan
Type of Plan	Unfunded severance pay plan maintained for a select group of management or highly compensated employees that is intended to satisfy the alternative reporting method of DOL Reg. § 2520.104-24
Plan Year	January 1 – December 31
Plan Sponsor	United Natural Foods, Inc. 15 Park Row W., Suite 302 Providence, RI 02903
Plan Sponsor's Employer Identification Number	05-0376157
Plan Administrator	United Natural Foods, Inc. Attn: Chief Human Resources Officer 15 Park Row W., Suite 302 Providence, RI 02903
Agent for Service of Legal Process	CT Corporation 1209 Orange Street Wilmington, DE 19801

EXHIBIT A
FORM OF WAIVER AND RELEASE

In consideration for the benefits to be provided to me under the terms of the United Natural Foods, Inc. Executive Severance Plan, I hereby acknowledge, understand and agree under this Waiver and Release Agreement (the “Release”) to the following:

1. **General Release**. In consideration of the foregoing, including, without limitation, payment to me of the determined amounts under the Agreement, I unconditionally release the United Natural Foods, Inc. (the “Company”) and all of its partners, affiliates, parents, predecessors, successors and assigns, and their respective officers, directors, trustees, employees, agents, administrators, representatives, attorneys, insurers or fiduciaries, past, present or future (collectively, the “Released Parties”) from any and all administrative claims, actions, suits, debts, demands, damages, claims, judgments, or liabilities of any nature, including costs and attorneys’ fees, whether known or unknown, including, but not limited to, all claims arising out of my employment with or separation from the Company and (by way of example only) any claims for bonus, severance, or other benefits apart from the benefits set forth in the Plan; claims for breach of contract, wrongful discharge, tort claims (e.g., infliction of emotional distress, defamation, negligence, privacy, fraud, misrepresentation); claims under federal, state and local wage and hour laws and wage payment laws; claims for reimbursements; claims for commissions; or claims under the following, in each case, as amended: 1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex and national origin discrimination); 2) 42 U.S.C. § 1981 (discrimination); 3) the Equal Pay Act of 1963, 29 U.S.C. § 206(d) (1) (equal pay); 4) Executive Order 11246 (race, color, religion, sex and national origin discrimination); 5) Age Discrimination in Employment Act and Executive Order 11,141 (age discrimination); (6) the Americans with Disabilities Act of 1990 (“ADA”), 42 U.S.C. § 12101, et seq.; 7) the Family and Medical Leave Act; 8) the Immigration Reform and Control Act; 9) the Sarbanes-Oxley Act; 10) the Dodd-Frank Wall Street and Consumer Protection Act; 11) the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.; 12) the Vietnam Era Veterans Readjustment Assistance Act; 13) §§ 503-504 of the Rehabilitation Act of 1973 (handicap discrimination); and 14) [applicable state employment laws] and all other state, federal, or local laws, statutes, regulations, common laws or claims at equity, relating to conduct or events occurring prior to the date of this Release.

2. **General Release Exclusions**. This Release shall not extend to or include the following: (a) any rights or obligations under applicable law which cannot be waived or released pursuant to an agreement, such as the right to file a charge with or participate in an investigation or proceeding by any governmental, law enforcement, or regulatory authority, such as the Equal Employment Opportunity Commission, the U.S. Securities and Exchange Commission, and the U.S. Department of Justice, that concerns suspected violations of law (although I waive any right to monetary

recovery should any agency pursue any claims on my behalf, except this Agreement does not impact my ability to receive and retain an award from a government-administered whistleblower award program for providing information directly to a government agency; (b) any rights or claims that arise after the date of this Release; (c) any rights I have under the Plan; (d) any rights I have pursuant to any plan, program or agreement subject to the Employee Retirement Security Act of 1974, as amended ("ERISA"); (e) any rights pursuant to any incentive or compensation plans of the Company or its affiliates, any equity plan maintained by the Company or any rights pursuant to any award agreements issued pursuant to any incentive or compensation plan of the Company or any equity plan maintained by the Company; (f) any rights I or my beneficiaries may have to continued medical coverage under the continuation coverage provisions of the Code, ERISA or applicable state law; (v) any rights I may have to indemnification under state or other law or the Certificate of Incorporation or by-laws of the Company and its affiliated companies, under any indemnification agreement with the Company or under any insurance policy providing directors' and officers' coverage for any lawsuit or claim relating to the period when I was a director or officer of the Company or any affiliated company; or (vi) any rights to make disclosures permitted under Section 3.2.2 of the Plan. I represent and warrant that, as of the Effective Date (as defined below) of this Release, I have not assigned or transferred any claims of any nature that I would otherwise have against the Company, its successors or assigns. I further agree to waive my rights under any other statute or regulation, state or federal, which provides that a general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor.

3. **Intent of Release; Covenant Not to Sue**. I intend this Release to be binding on my successors, and I specifically agree not to file or continue any claim in respect of matters covered by this Release. I further agree never to institute any suit, complaint, proceeding, grievance or action of any kind at law, in equity, or otherwise in any court of the United States or in any state, or in any administrative agency of the United States or any state, county or municipality, or before any other tribunal, public or private, against the Company arising from or relating to my employment with or my termination of employment from the Company and/or any other occurrences to the date of this Release, other than a claim challenging the validity of this Release under the ADEA. As described in Sections 2, 4 and 5 of this Release and Section 3.2.2 of the Plan, nothing in this Section 3 interferes with my right to bring or sustain a whistleblowing claim, receive an incentive from the U.S. Securities and Exchange Commission related to such whistleblower claim, and I further affirm nothing (including, without limitation, any action, statement or suggestion by the Company) has impeded my rights to do so.

4. **Whistleblowing**. I agree that (i) no one interfered with my ability to report within the Company possible violations of any law, and (ii) it was the Company's policy throughout my period of employment to encourage such reporting.

5. **Non-disparagement**. I agree to refrain from all conduct, verbal or otherwise (including but not limited to postings on the internet and/or on any social media outlet of any kind) that disparages or damages or could disparage or disparage the reputation, goodwill, or standing in the community of the Company, its past or current parents or subsidiaries, or any of its or their past or present officers, directors, or employees. Notwithstanding the foregoing, nothing in this Release shall prohibit or limit me from initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before, the U.S. Securities and Exchange Commission, the U.S. Department of Justice, or any other governmental, law enforcement, or regulatory authority, regarding this Release and its underlying facts and circumstances, or any reporting of, investigation into, or proceeding regarding suspected violations of law, and that I am not required to advise or seek permission from the Company before engaging in any such activity. Furthermore, no provision of this Release, including but not limited to this Section, prohibits me from making any statement regarding the terms or conditions of my employment or engaging in any activity protected by the National Labor Relations Act.

6 **Acknowledgments**. I further acknowledge and agree that:

A. My waiver of rights under this Release is knowing and voluntary and in compliance with the Older Workers Benefit Protection Act of 1990 ("OWBPA");
B. I understand the terms of this Release;
C. The consideration offered by the Company under the Plan in exchange for the signing of this Release represents consideration over and above that to which I would otherwise be entitled, and that the consideration would not have been provided had I not agreed to sign this Release and do not sign this Release;
D. The Company is hereby advising me in writing to consult with an attorney prior to executing this Release;
E. The Company is giving me a period of twenty-one (21) days within which to consider this Release;
F. Following my execution of this Release, I have seven (7) days in which to revoke this Release by written notice. An attempted revocation not actually received by the Company prior to the revocation deadline will not be effective;
G. This entire Release shall be void and of no force and effect if I choose to so revoke, and if I choose not to so revoke this Release shall then become effective and enforceable.

This Section does not waive rights or claims that may arise under the ADEA after the date I sign this Release. To the extent barred by the OWBPA, the covenant not to sue contained in Section 3 does not apply to claims under the ADEA that challenge the validity of this Release.

7. **Revocation**. To revoke this Release, I must send a written statement of revocation to:

United Natural Foods, Inc.
15 Park Row West, Suite 302
Providence, RI 029083
Attn: General Counsel

The revocation must be received no later than 5:00 p.m. on the seventh day following my execution of this Release. If I do not revoke, the eighth day following my acceptance will be the “Effective Date” of this Release.

I acknowledge that I remain bound by, and reaffirm my intention to comply with, continuing obligations under any agreements between myself and the Company, as presently in effect, including, but not limited to, my post-employment obligations set forth in Exhibit B to the Plan

BY SIGNING THIS RELEASE, I ACKNOWLEDGE THAT: I HAVE READ THIS RELEASE AND UNDERSTAND ITS TERMS; I HAVE HAD THE OPPORTUNITY TO REVIEW THIS RELEASE WITH LEGAL OR OTHER PERSONAL ADVISORS OF MY OWN CHOICE; I UNDERSTAND THAT BY SIGNING THIS RELEASE I AM RELEASING THE RELEASED PARTIES OF ALL CLAIMS AGAINST THEM; I HAVE BEEN GIVEN TWENTY-ONE DAYS TO CONSIDER THE TERMS AND EFFECT OF THIS RELEASE AND I VOLUNTARILY AGREE TO ITS TERMS.

SIGNED this _______ day of ________, 20___.

Exhibit 19

UNITED NATURAL FOODS, INC.

AMENDED AND RESTATED

POLICY REGARDING TRADING IN COMPANY SECURITIES

Adopted: September 26, 2019; Most Recently Amended March 5, 2025

I. INTRODUCTION

This Insider Trading Policy (this "***Policy***") provides guidelines with respect to transactions in the securities of United Natural Foods, Inc. (the "***Company***") and the handling of certain confidential information about the Company, its subsidiaries and third parties with which the Company does business.

This Policy is designed to help you comply with insider trading laws, handle confidential information properly, avoid potentially embarrassing public disclosures and avoid the appearance of impropriety in connection with your purchase and sale of Company Securities (as defined below). This Policy includes the following key elements:

- a prohibition of trading while aware of, and "tipping" others concerning, Material Nonpublic Information (as defined below);
- preclearance procedures that Insiders (as defined below) must follow before transacting in Company Securities;
- "blackout periods" during which Restricted Insiders (as defined below) may not transact in Company Securities;
- provisions relating to the reporting of acquisitions or dispositions of Company Securities by directors and Section 16 Officers;
- provisions relating to pre-arranged trading pursuant to Rule 10b5-1 Plans (as defined below); and
- penalties for violations.

The Company has adopted this Policy to promote compliance by Covered Persons (as defined below) with applicable laws that prohibit persons who are aware of Material Nonpublic Information about a company (i) trading in securities of that company, or (ii) providing Material Nonpublic Information to other persons who may trade on the basis of that information.

If you have any questions about the application of this Policy, or if you would like to make a request for an exception, please contact our General Counsel. Although our General Counsel generally is responsible for the implementation of this Policy, he or she may designate associates to carry out any of the duties described in this Policy. Please direct your questions and requests to *[email address]*.

II. WHO IS SUBJECT TO THIS POLICY?

This Policy applies to the following individuals (collectively, "***Covered Persons***"): (i) members of the Company's board of directors ("***directors***"), (ii) officers and associates of the Company and its subsidiaries and(iii) contractors, consultants and advisors of the Company and its subsidiaries who have Material Nonpublic Information concerning the Company or its subsidiaries. This Policy applies to all Covered Persons, permanent or temporary, salaried or hourly, both in and outside the United States. This Policy also applies to immediate family members of Covered Persons and persons who share the same household with a Covered Person, and any person or entity over which a Covered Person has control or influence with respect to a transaction in Company Securities (as defined below) (collectively, "***Related Persons***")). All Covered Persons are responsible for reading this Policy and ensuring they and their Related Parties comply with it.

This Policy also includes a section called "*Additional Policies and Procedures for Insiders*" (the "***Additional Policies***"), which applies to the Company's directors and executive officers, associates with a title of "Vice President" or higher, Internal Audit, Accounting/Finance, and Legal personnel with a title of "Director" or higher, and certain other associates <u>who may periodically</u> have access to Material Nonpublic Information (collectively, "***Insiders***"). The Additional Policies contain provisions applicable to all Insiders relating to the Company's preclearance and broker interface procedures.

The Additional Policies also contain provisions relating to "blackout periods" during which Restricted Insiders may not transact in Company Securities (other than pursuant to Rule 10b5-1 Plans). "***Restricted Insiders***" are a subset of Insiders consisting of the Company's directors and executive officers, associates with a title of "Vice President" or higher, Accounting/Finance department personnel with a title of "Director" or higher who are involved in financial reporting or financial planning & analysis, and certain other associates <u>who routinely</u> have access to Material Nonpublic Information.

The Additional Policies also contains provisions relating to the reporting of acquisitions or dispositions of Company Securities by directors and Section 16 Officers of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***").

Guidelines and requirements for adopting Rule 10b5-1 Plans applicable to all Covered Persons are attached to this Policy as <u>Exhibit A</u>.

The following table summarizes the applicability of certain portions of this Policy to certain Covered Persons:

	Policy Regarding Trading in Company Securities	**Additional Policies for Insiders**				**<u>Exhibit A</u>**
		Preclearance and Broker Interface Procedures	**Rules for Specific Transactions**	**Blackout Periods**	**Exchange Act Section 16 Reporting**	**Guidelines for Rule 10b5-1 Plans**
Covered Persons (1)	ü	û	û	û	û	ü

Insiders (2)	ü	ü	ü	û	û	ü
Restricted Insiders (3)	ü	ü	ü	ü	û	ü
Directors & Section 16 Officers	ü	ü	ü	ü	ü	ü

(1) Applies to Covered Persons who are not Insiders.
(2) Applies to Insiders who are not Restricted Insiders.
(3) Applies to Restricted Insiders who are not Directors or Section 16 Officers.

Even after you are no longer employed by or affiliated with the Company, you must maintain the confidentiality of any confidential or proprietary information obtained during your employment or affiliation with the Company. This Policy continues to apply to transactions in Company Securities even after your separation from the Company. If an individual is in possession of Material Nonpublic Information when his or her service terminates, that individual may not trade in Company Securities until that information has become public or is no longer material.

III. WHAT TRANSACTIONS ARE SUBJECT TO THIS POLICY?

This Policy applies to all transactions in the securities of the Company, including (but not limited to) common stock, preferred stock, options for the purchase of common stock, restricted stock, restricted stock units, and any other securities the Company may issue from time to time, such as debt securities, warrants and convertible debentures, and derivative securities relating to the Company's capital stock, such as puts, calls and futures contracts, whether or not issued by the Company (collectively, "***Company Securities***").

IV. YOU ARE INDIVIDUALLY RESPONSIBLE FOR COMPLYING WITH THIS POLICY AND APPLICABLE SECURITIES LAWS

Covered Persons have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of Material Nonpublic Information. Each individual is responsible for making sure that he or she complies with this Policy, and that Related Persons, as discussed below, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of Material Nonpublic Information rests with that individual, and any action on the part of the Company, the General Counsel or any other associate or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. **You could be subject to severe legal penalties (including criminal prosecution) and disciplinary action by the Company for any conduct prohibited by applicable securities laws or this Policy**, including as described in more detail in Section VII (Penalties) below.

V. POLICY AGAINST INSIDER TRADING

Section 10(b) of the Exchange Act and Rule 10b-5 promulgated pursuant to the Exchange Act ("***Rule 10b-5***") prohibit any Covered Person from (i) purchasing or selling any Company Securities if he or she has knowledge of any Material Nonpublic Information concerning the Company and (ii) disclosing to any other person any Material Nonpublic Information concerning the Company if it is reasonably foreseeable that such person may use that information in purchasing or selling Company Securities. Under this Policy, these same restrictions apply to Related Persons.

In addition, these same restrictions apply to Covered Persons and Related Persons with respect to Material Nonpublic Information concerning any other company that a Covered Person learns of in the course of his or her employment or affiliation with the Company. For example, you may not trade in the securities of other companies, such as vendors or suppliers of the Company or those companies with which the Company may be negotiating a major transaction, while in possession of Material Nonpublic Information about that company. Information that is not Material Nonpublic Information with respect to the Company may still be material to these other companies.

A. General Prohibition

Any Covered Person or any Related Persons who has Material Nonpublic Information relating to the Company may not, until the information becomes public, (i) buy or sell, directly or indirectly, Company Securities, (ii) engage in any other action to take personal advantage of that information, or (iii) pass that information on to others. In addition, any Covered Person or any Related Person who learns of Material Nonpublic Information about another entity with whom the Company does business may not trade in that entity's securities until the information becomes public. As a general rule, information should not be considered public until one trading day has elapsed since the day on which the information was released. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific Material Nonpublic Information. The only exceptions to this prohibition are those described in Section VI (*Specific Policies*).

You may, from time to time, have to forego a proposed transaction in Company Securities even if you had planned to make the transaction before learning of the Material Nonpublic Information and even though it might result in a financial loss. The appearance of impropriety must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

To ensure compliance with this Policy, all Covered Persons must:

- protect the confidentiality of Material Nonpublic Information by, for example, avoiding conversations about such information in public areas and by storing files containing Material Nonpublic Information in secure locations;
- not disclose ("tip") Material Nonpublic Information to any other person (including family members) if that information could be used by that person for his or her direct or indirect profit by trading in the securities of companies (including the Company) to which the information relates or make recommendations or express opinions concerning transactions in the Company's (or any other company's) securities on the basis of Material Nonpublic Information;

- not trade in a company's securities when they learn, in the course of working for the Company, some Material Nonpublic Information about that company with which the Company does business, including a customer or supplier of the Company;

- decline comment and refer all inquiries concerning the Company which may be received from the media to the principal leader of the Company's Communications Department or from the financial community to the principal leader of the Company's Investor Relations Department; and

- report any unauthorized disclosure of Material Nonpublic Information, whether inadvertent or otherwise, immediately to our General Counsel.

The prohibition on "tipping" set out above includes supposedly "anonymous" communications such as in Internet chat rooms, blogs, and bulletin or message boards. **Tipping may subject the tipper to criminal and civil penalties, even when the tipper does not profit by the prohibited disclosure.**

In addition, any Covered Person who is no longer employed by, or affiliated with, the Company, but who has Material Nonpublic Information must continue to comply with this Policy and may not trade in Company Securities until the Material Nonpublic Information in his or her possession has become public or is no longer material.

Because securities laws regarding insider trading are complex, you should contact our General Counsel if you have any questions about whether information in your possession is Material Nonpublic Information or if a proposed transaction or communication would violate the securities laws or the terms of this Policy. Our General Counsel will determine the appropriate action. Please direct your questions and requests to *[email address]*.

B. What is Material Nonpublic Information?

"Material Nonpublic Information" is information about a company that is both material and nonpublic.

For purposes of this Policy, information about a company is material if there is a substantial likelihood that a reasonable investor would consider the information important in deciding to buy, sell or hold a security of that company. Information may also be material if a reasonable investor would view the information as having significantly altered the "total mix" of information available about a particular investment or security. In other words, materiality may depend in part upon the context of other information that is available concerning the applicable company. Information that is not material in and of itself but which, when combined with other information, significantly alters the total mix of information available concerning a particular company, that seemingly unimportant piece of information may be material.

Information is "nonpublic" unless and until it has been broadly disseminated or made widely available to the investing public generally, such as by means of a press release carried over a major news service or a public filing with the U.S. Securities and Exchange Commission (the "**SEC**").

C. What Information is "Material"?

Although it is not possible to list all types of material information, the following are examples of the types of information that are particularly sensitive and should be treated as material:

- financial performance, especially quarterly or annual earnings information and guidance, including estimates or revisions;
- performance against or changes to externally communicated financial, sales or other performance targets;
- performance against or changes to financial, sales or other internal budgets forecasts;
- discussions, even if preliminary in nature, proposals or agreements for a merger, acquisition or divestiture or a tender offer for another company's securities;
- the loss or gain of a significant contract, sale, order or customer affiliation;
- liquidity problems or significant increases and decreases in total assets;
- management problems or any actual or potential change in control or changes in key members of management;
- judgments, threatened litigation, government investigations or administrative actions, or material developments in such matters;
- a major cybersecurity breach;
- significant food safety issues or major recalls;
- significant labor negotiations or disputes, including possible strikes;
- significant changes in business strategies, pricing strategies, sales volumes, mix of sales or market share, accounting or marketing;
- significant changes or developments in products or products lines;
- the public or private sale of additional securities;
- changes in debt ratings or analyst upgrades or downgrades of securities;
- the establishment, commencement or discontinuation of a program to repurchase securities; and
- stock splits or changes in dividend policies.

The list above does not include all of the information that could be deemed to be material. Further, the courts and the SEC have declined to identify all information that could be deemed to be material. If you are uncertain whether you are in possession of Material Nonpublic Information, you should consult with our General Counsel. All types of information can be considered material. It is only upon specific judgment, based on all the evidence available, as to whether the information does constitute Material Nonpublic Information.

D. What Information is "Nonpublic"?

Information is "nonpublic" unless and until it has been broadly disseminated or made widely available to the investing public generally, such as by means of a press release carried over a major news service or a public filing with the SEC.

There also must be adequate time after the release of a press release or the filing of a report with the SEC for the market, as a whole, to digest the information. As a general rule, information should not be considered public until one trading day has elapsed since the day on which the information is released. The distribution of information through narrower channels, such as postings on websites that are not widely viewed, may be insufficient to make it public. Also, the fact that nonpublic information is reflected in rumors in the marketplace or on the Internet does not mean that the information has been publicly disseminated. It is important to note that even after information becomes public, many aspects relating to a matter may remain nonpublic. Information that is available to the public is public information – one may need to know where to look or whom to ask for it, but information that is available to anyone is considered public information.

If you are uncertain whether certain information has been publicly disseminated, you should consult with our General Counsel or assume that the information is nonpublic and material and treat it as confidential. In general, it is better to be safe than sorry.

VI. SPECIFIC POLICIES

To clarify the Company's policies regarding certain frequently occurring situations in which the Covered Persons may trade in Company Securities, the Company has established the following policies. If you are not certain whether a proposed transaction complies with the policies described below, you should contact our General Counsel.

A. Employee Benefit Plans

Covered Persons who participate in the Company's employee benefit plans (including the Company's deferred compensation plan(s) and 401(k) retirement plan(s)) may not engage in any transactions under these plans to the extent the transactions involve (i) changes in contribution elections to a plan's Company stock fund, and (ii) intra-plan transfers into or out of Company stock funds, during either blackout periods (for Restricted Insiders who are subject to the Company's blackout periods, as described in the Additional Polices) or at any time while they possess Material Nonpublic Information. The mere receipt by a Covered Person of an equity award during any such period, would not, however, violate this Policy. In addition, the following transactions would not violate this Policy:

- automatic payroll deductions that (i) are used to purchase Company common stock under Company benefit plans (such as the Company's 401(k) retirement plan(s)) and (ii) are made in accordance with a contribution election made when you were not aware of Material Nonpublic Information; and

- elections to have the Company withhold shares to satisfy tax withholding requirements on the exercise or vesting of equity awards, provided that your award agreement or the underlying equity incentive or benefit plan permits shares to be withheld for this purpose.

B. Option Exercises

Restricted Insiders who have options or other rights granted by the Company to purchase Company Securities from the Company may exercise the options or purchase rights only during the established quarterly open trading window. Covered Persons may not effect a net exercise (or other exercise in which you deliver Company Securities to the Company in order to pay the exercise price) with respect to options to purchase shares of the Company's common stock during a blackout period (if you are a Restricted Insider who is subject to the Company's blackout periods, as described in the Additional Polices) or at any time while you possess Material Nonpublic Information. Please be aware that any subsequent sale of securities purchased in accordance with this Policy (including sales made pursuant to a broker-assisted cashless exercise of stock options) must be (i) made during an open trading window (if you are a Restricted Insider who is subject to the Company's blackout periods, as described in the Additional Policies), (ii) made pursuant to a Rule 10b5-l Plan or (iii) otherwise approved by our General Counsel.

C. Restricted Stock Awards

This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. This Policy does, however, apply to any market sale of restricted stock.

D. Employee Stock Purchase Plan

From time to time, the Company may adopt employee stock purchase plans. This Policy does not apply to purchases of Company Securities in such an employee stock purchase plan resulting from your periodic or lump sum contribution of money into the plan pursuant to the election you made at the time of your enrollment in the plan. This Policy does apply, however, to your initial election to participate in a Company employee stock purchase plan, changes to your election to participate in the plan for any enrollment period and to your sales of Company Securities purchased pursuant to the plan.

E. Dividend Reinvestment Plan

From time to time, the Company may adopt dividend reinvestment plans. This Policy does not apply to purchases of Company Securities under such a dividend reinvestment plan resulting from your reinvestment of dividends paid on Company Securities. This Policy does apply, however, to voluntary purchases of Company Securities resulting from additional contributions you choose to make in a Company dividend reinvestment plan, and to your election to participate in the plan or increase your level of participation in the plan.

F. Gifts

Covered Persons and Related Persons may at any time make bona fide gifts of Company Securities (such as charitable donations, family gifts or estate planning transfers). Charitable gifts that give rise to preferential tax outcomes, however, are prohibited while a Covered Person has Material Nonpublic Information. Depending on the circumstances, recipients of gifts may be subject to restrictions on subsequent sales of such securities. Gifts that are designed to circumvent the insider trading rules are not permitted. **Restricted Insiders must consult with, and obtain prior approval from, our General Counsel or a member of our securities laws group prior to making any gifts or contributions of Company Securities**.

Directors and Section 16 Officers (defined below) are required to report gifts on Form 4 within two days of such gift.

G. Approved Pre-Planned Trading Programs

Covered Persons and Related Persons may buy or sell Company Securities pursuant to certain pre-planned trading programs that comply with Rule 10b-5 and this Policy (including the "*10b5-1 Trading Plan Guidelines*" attached hereto as Exhibit A) (a "***Rule 10b5-1 Plan***"). Once a Rule 10b5-1 Plan has been put in place, purchases or sales of Company Securities may proceed in accordance with that plan even if you become aware of Material Nonpublic Information following the adoption of the Rule 10b5-1 Plan.

Additional Rule 10b5-1 Plan policies apply to Insiders (who are subject to the Company's preclearance procedures) and Restricted Insiders (who are subject to the Company's blackout periods), as described in the Additional Policies.

VII. PENALTIES

A. Criminal and Civil Penalties

A violation of the foregoing responsibilities may expose the Company and the individuals involved to severe adverse consequences, including jail terms, criminal fines of several times the amount of profits gained or losses avoided, disgorgement of profits, treble damages, imposition of an injunction, monetary damages and suspension of public trading in Company Securities. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

Federal criminal authorities may seek penalties that include fines of up to $5,000,000 and 20 years in prison. In addition, current law authorizes enforcement authorities to award substantial dollar "bounties" to persons who provide information leading to the imposition of an insider trading penalty.

The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, directly or indirectly controlled the person who committed such violation. SEC penalties include fines of up to three times the gains received or losses avoided and can be imposed upon the trader and the tipper (*i.e.*, the person who disclosed Material Nonpublic Information to the person who actually made the trade), even when the tipper did not profit from the transaction. The SEC has been granted broad authority to seek "any equitable relief that may be appropriate or necessary for the benefit of investors" for violations of any provisions of the securities laws. The SEC also may bar a violator from future service as a director or officer of a public company.

Finally, private lawsuits also may be brought against illegal traders by persons who traded without access to the Material Nonpublic Information and incurred losses.

B. Company Imposed Penalties

The Company reserves the right to penalize Covered Persons for violations of this Policy by the Covered Person or any Related Person, including termination of employment.

VIII. COMPANY ASSISTANCE

Compliance with this Policy is of the utmost importance both for the Covered Persons and the Company. Any person who has a question about this Policy, or its application to any proposed transaction, may obtain additional guidance from the General Counsel. A Covered Person shall not try to resolve uncertainties he or she encounters as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences. Please direct your questions and requests to *[email address]*.

* * * * *

ADDITIONAL POLICIES AND PROCEDURES FOR INSIDERS

I. INTRODUCTION

The Company has adopted these Additional Policies and Procedures for Insiders (these "***Additional Policies***") with respect to trading in Company Securities by Insiders and Restricted Insiders. These Additional Policies supplement the Company's "*Policy Regarding Trading in Company Securities*" (the "***Base Policy***" and together with the Additional Policies, collectively this "***Policy***"). Capitalized terms used in these Additional Policies and not otherwise defined have the meanings ascribed to such terms in the Base Policy.

These Additional Policies are designed to help Insiders transact in Company Securities in a manner that protects the Insiders and the Company because of the extra public scrutiny faced by Insiders as a result of their positions with the Company. These Additional Policies are also designed to help members of the Company's board of directors and Section 16 Officers (as defined below) comply with the requirements of the Exchange Act.

All persons subject to these Additional Policies are responsible for reading these policies and procedures and complying with them. You should direct any questions about the application of these Additional Policies, or requests for exceptions, to our General Counsel. Although our General Counsel generally is responsible for the implementation of these Additional Policies, he or she may designate associates to carry out any of the duties described below.

II. WHO IS SUBJECT TO THESE ADDITIONAL POLICIES?

Section III (*Preclearance and Broker Interface Procedures*) and Section IV (*Rules for Specific Transactions*) of these Additional Policies apply to all Insiders (*i.e.*, the Company's directors and executive officers, associates with a title of "Vice President" or higher, Internal Audit, Accounting/Finance, and Legal personnel with a title of "Director" or higher and certain other associates who may periodically have access to Material Nonpublic Information, including members of the corporate finance external reporting and internal audit departments).

Section V (*Blackout Periods*) of these Additional Policies applies to Insiders who are Restricted Insiders (*i.e.*, the Company's directors and executive officers, associates with a title of "Vice President" or higher, Accounting/Finance department personnel with a title of "Director" or higher who are involved in financial reporting or financial planning & analysis, and certain other associates who routinely have access to Material Nonpublic Information).

Section VI (*Reporting and Other Trading Restrictions Under Section 16 of the Exchange Act*) applies to the Company's directors and Section 16 Officers.

For purposes of these Additional Policies, the Company generally considers the following persons to be "***Section 16 Officers***":

- the Company's principal executive officer,
- the Company's principal financial officer,
- the Company's principal accounting officer,
- the Company's Chief Human Resources Officer,
- the Company's General Counsel,
- any vice president of the Company in charge of a principal business unit, division or function, and
- any other officer who performs a policy making function.

The Board of Directors determines the Company's Section 16 Officers from time to time. The General Counsel may also determine that certain associates are Insiders or Restricted Insiders from time to time. You are receiving these Additional Policies because you are an Insider for purposes of these Additional Policies.

III. PRECLEARANCE AND BROKER INTERFACE PROCEDURES

A. Preclearance Requirement

All Insiders and Related Persons must obtain preclearance from our General Counsel or a member of the Company's securities law group for any transaction involving Company Securities (including a securities plan transaction such as an option exercise, a gift, a loan or pledge, a contribution to a trust or any other transfer). This includes transactions by entities over which an Insider exercises control. The preclearance requirement applies regardless of whether a "blackout period" is in effect at the time of the intended transaction, but does not apply to trades pursuant to an approved Rule 10b5-l Plan.

B. Preclearance Procedure

A request for preclearance must be submitted to our General Counsel or a member of Company's securities law group prior to consummation of an intended transaction. It is recommended that associates request an interview at least 24 hours in advance of the intended transaction to allow time to schedule an interview. The request must be in writing and can be sent to *[email address]*. Following receipt of the request, the General Counsel, or his or her designee will conduct a preclearance interview with the Insider. **<u>You must speak to a member of the Company's securities law group to obtain preclearance authorization before trading in Company Securities</u>**.

The General Counsel will then advise the applicable Insider whether the transaction is permitted and whether he or she may proceed with the transaction. If preclearance is denied, the fact of such denial must be kept confidential by the person requesting such preclearance. Unless revoked, preclearance of a transaction is valid only for a two-trading day period. If the transaction order is not placed within that period, clearance of the transaction must be re-requested.

IV. RULES FOR SPECIFIC TRANSACTIONS

A. Prohibited Transactions

The Company considers it inappropriate for Insiders to engage in speculative transactions in Company Securities or in certain other transactions in Company Securities that may lead to inadvertent violations of insider trading laws or that create a conflict of interest for the Insider. Therefore, Insiders may not engage in any of the following transactions with respect to Company Securities:

- short sales;
- buying or selling options to purchase Company Securities (other than options granted pursuant to the Company's equity-based compensation plans), including puts or calls;
- holding Company Securities in margin accounts and/or pledging Company Securities as collateral;
- hedging transactions (including with respect to any Rule 10b5-1 Plan); and
- placing standing orders with a broker to buy or sell Company Securities that have a duration in excess of three business days (other than when such orders are made pursuant to a Rule 10b5-1 Plan).

- In addition, from time to time, the Company may determine that other types of transactions by Insiders in Company Securities shall be prohibited or shall be permitted only with the prior written consent of the General Counsel.

B. Awards Under Equity-Based Compensation Plans

The Company's policy is not to make equity awards during a blackout period. However, if the Company were to make an equity award to you during any such period, your receipt of that award would not be in violation of this Policy. In addition, the vesting, during a blackout period or at any other time in which the recipient has Material Nonpublic Information, of an equity award granted by the Company would not violate this Policy, provided that the vesting schedule for such equity award was determined in accordance with the applicable equity-based compensation plan and the recipient's award agreement and the recipient could not control when such vesting occurred. The exercise, during a blackout period or at any other time in which you have Material Nonpublic Information, of tax withholding rights pursuant to which you elect to have the Company withhold shares to satisfy tax withholding requirements also would not violate this Policy, provided that your award agreement or equity incentive plan pursuant to which the award was granted permits the shares to be withheld for this purpose.

You may not, however, do any of the following during a blackout period or at any other time in which you have Material Nonpublic Information:

- except as otherwise permitted under this Policy, enter into any transactions under the Company's deferred compensation plans, and any other benefit plans adopted by the Company from time to time, to the extent the transactions involve an investment in Company Securities; or

- elect to participate in a Company benefit plan if that election involves a decision to invest in Company Securities.

- Please be aware that, notwithstanding the foregoing, any subsequent sale of securities received under the Company's equity-based compensation plans in accordance with this section (including in connection with a broker-assisted cashless exercise of stock options) must be made in a manner that complies with these Additional Policies (*e.g.*, all Insiders must obtain preclearance and Restricted Insiders may not transact during "blackout periods").

V. BLACKOUT PERIODS

A. Blackout Periods

The Company prohibits Restricted Insiders from trading in Company Securities during the blackout periods described below. The prohibition from trading during these blackout periods does not apply to certain transactions described in Section VI (*Specific Policies*) in the Base Policy or certain transactions described above in Section IV.B (*Awards Under Equity-Based Compensation Plans*). **However, please be aware that you must consult our General Counsel before trading in Company Securities if you think you may have any Material Nonpublic Information, even during periods that are not blackout periods (except as provided under "Rule 10b5-1 Plan Trading" below).** Our General Counsel, in consultation with our outside legal counsel (as appropriate), will make the final determination as to whether you may trade in Company Securities given your knowledge of such information.

1. Quarterly Blackout Periods

The Company prohibits Restricted Insiders from trading in Company Securities during the quarterly "blackout periods" scheduled in advance and set out in a memorandum provided to such persons at the beginning of each quarterly open window period. Our scheduled quarterly blackout periods shall commence on the date set in advance by the Company's General Counsel, which will generally be no later than the fifteenth business day of the last accounting period during each fiscal quarter and end on the third full trading day following the public disclosure of our financial results for such fiscal quarter. During these periods, Restricted Insiders generally possess, or are presumed to possess, Material Nonpublic Information about the Company's financial results. If you have questions regarding the quarterly blackout periods for the current fiscal year, please contact *[email address]*.

The trading restrictions imposed in quarterly blackout periods do not apply to transactions made under an approved Rule 10b5-l Plan, although Rule 10b5-l Plans may not be adopted during a quarterly blackout period.

2. Special Event Blackout Periods

In addition, from time to time Material Nonpublic Information regarding the Company may be pending and not publicly disclosed, including but not limited to the gain or loss of a significant customer, entry into merger or asset purchase agreements, significant personnel changes, results of certain negotiations or interim earnings guidance. Prior to public disclosure of this Material Nonpublic Information, the Company may impose a special event blackout period during which Restricted Insiders, and any other individuals notified by the Company, will be prohibited from trading in Company Securities. These special event blackout periods will be announced orally, by email or by other appropriate communication. The existence of a special event blackout period will not be announced broadly within the Company; rather, the announcement will be made only to those individuals who are aware of the Material Nonpublic information which requires the trading blackout.

The trading restrictions imposed in special event blackout periods do not apply to transactions made under an approved Rule 10b5-l Plan, although Rule 10b5-l Plans may not be adopted during a special event blackout period.

3. Administrative Blackout Periods

The Company’s Restricted Insiders are prohibited from discretionary trading in Company Securities during administrative blackout periods under its 401(k) plan and other Company retirement plans that include Company Securities. Our General Counsel will advise you whenever an administrative blackout period is imposed with respect to the Company’s 401(k) and other retirement plans.

Limited exceptions apply to administrative blackout periods, and Restricted Insiders should consult with our General Counsel prior to attempting to trade in Company Securities during any such period. Please be aware that any profit realized from a transaction during an administrative blackout period is recoverable by the Company without regard to intent. In addition, unlike Section 16 of the Exchange Act, no matching transaction is required in order to impose the disgorgement penalty.

4. Applicability to Family Members

The Company also requires Related Persons of Restricted Insiders to refrain from trading in Company Securities during blackout periods. While there is no violation of insider trading rules if it can be shown that a family member or other person associated with a Restricted Insider acted independently when trading and without knowledge of Material Nonpublic Information, a strong presumption may arise that Material Nonpublic Information has been shared with such person by the Restricted Insider.

B. Open Trading Windows

Upon receiving preclearance from the General Counsel or a member of the Company’s securities law group (see Section III above), Restricted Insiders are permitted to trade in Company Securities when no blackout period is in effect. Generally, that means that Restricted Insiders may trade during the period beginning on the first day after a quarterly blackout period ends and ending on the day that the next quarterly blackout period begins (see Section V.A.1 above). However, even during this trading window, a Restricted Insider who is in possession of any Material Nonpublic Information should not trade in Company Securities until (a) the information has been made publicly available or is no longer material and (b) the General Counsel or a member of the securities law group has approved preclearance pursuant to Section III above. In addition, the Company may close this trading window if a special blackout period under Section V.A.2 or V.A.3 is imposed and will re-open the trading window once the special blackout period has ended.

VI. REPORTING AND OTHER TRADING RESTRICTIONS UNDER SECTION 16 OF THE EXCHANGE ACT

A. Section 16(a) Reporting Requirements

Section 16(a) of the Exchange Act requires the Company's directors, Section 16 Officers and 10% beneficial owners (collectively "***Section 16 Persons***") to file beneficial ownership reports in connection with their purchases and sales of Company Securities. SEC rules require that all filings be made with the SEC electronically and posted on the Company's website.

The consequences for failure to file a Form 3, 4 or 5 or failure to file on a timely basis could result in civil penalties, including substantial monetary penalties and cease and desist orders prohibiting the Section 16 Person from trading in Company Securities for a certain period of time. Criminal penalties could be imposed for a willful failure to comply with reporting provisions. Further, the Company is required to disclose in its annual proxy statement the names of all Section 16 Persons who have failed to timely file all required Section 16(a) reports.

1. Form 3

A Section 16 Person must file a Form 3 (entitled "*Initial Statement of Beneficial Ownership of Securities*") with the SEC to report that he or she is a Section 16 Person and his or her ownership interests in the Company. Anyone becoming a Section 16 Person must file a Form 3 within 10 days after becoming a Section 16 Person.

2. Forms 4 and 5

A Section 16 Person must file a Form 4 (entitled "*Statement of Changes in Beneficial Ownership*") with the SEC to report a transaction within two business days after the date of such transaction if it results in a change in his or her beneficial ownership of the Company's equity securities. Such transactions now include the disposition through a bona fide gift. There are three general exceptions to the two-business day reporting requirement.

First, the following types of transactions may be reported on a Form 4 within two business days following the date the Section 16 Person receives notice of the transaction (but in no event later than five business days following the transaction), rather than two business days following the date on which the transaction occurs:

- a transaction pursuant to a Rule 10b5-l plan under which the Section 16 Person does not select the date on which the purchases or sales take place; and

- a “discretionary transaction” (as defined in Rule 16b-3) pursuant to an employee benefit plan for which the Section 16 Person does not select the date on which transactions take place (such as transfers in or out of, or cash withdrawals from, a Company stock fund in a 401(k) plan or other employee benefit plan).

Second, certain transactions may, and in a few instances must, be reported on a yearend Form 5. A Form 5 must be filed with the SEC within 45 days after the end of such fiscal year by each person who was a Section 16 Person for any part of a company’s fiscal year (unless he or she has no transactions to report on the Form 5). Section 16 Persons also must report on a Form 5 all transactions that occurred during the fiscal year that should have been, but were not, reported earlier on Form 4.

Third, the following types of transactions do not trigger any Form 4 or Form 5 filing requirement:

- an acquisition under an employee stock purchase plan;
- a transaction (other than a “discretionary transaction”) under certain employee benefit plans, such as pension plans, 40l(k) plans or related excess benefit plans;
- an acquisition through a stock split, stock dividend or other pro rata distribution to stockholders of the Company;
- an acquisition under certain dividend or interest reinvestment plans; and
- an acquisition or disposition as a result of a domestic relations orders (such as a divorce decree).

Although these transactions do not require the filing of a Form 4 or Form 5, the next Form 4 or Form 5 filed after the occurrence of one of these transactions should reflect the effects of these transactions in the column reporting post-transaction security ownership.

3. Preparation of Forms 3, 4 and 5

Although the responsibility for the timely filing of reports and compliance with trading restrictions rests with each individual required to report or comply, the Company will prepare and file Forms 3, 4 and 5 on behalf of Section 16 Persons. All Forms 3, 4 and 5 prepared on behalf of a Section 16 Person will be based on information provided by the Section 16 Person. Accordingly, all Section 16 Persons must proactively communicate with the securities law group regarding any transaction or proposed transaction in Company securities.

In order to enable the Company to prepare and file the Forms 3, 4 and 5 on a timely basis, the securities law group must have on file an executed power of attorney authorizing the designated individuals to sign and file Section 16 reports on behalf of each Section 16 Person. Execution of this power of attorney will not preclude a Section 16 Person from preparing, filing and signing these Section 16 reports if he or she chooses to do so. However, having the form on file with the Company will enable the designated individuals to sign and timely file the Section 16 reports on behalf of a Section 16 Person if he or she is not available, thus preventing a violation of the securities laws. A Section 16 Person should contact *[email address]* to obtain a blank form of power of attorney if the securities law group does not already have an executed power of attorney on file.

B. Section 16(b) Short-Swing Profit Liability

Section16(b) of the Exchange Act allows a Company to recover any profit realized by one of its Section 16 Persons resulting from any combination of purchases and sales of the Company's equity securities within a period of less than six months. Such liability arises without regard to whether any such transactions occur outside of the blackout periods referred to above. Profits are determined for this purpose by matching the highest sales price during the period with the lowest purchase price and are to be recovered even if the Section 16 Person realized no actual profit for the period or he or she sustained a net loss. Although the purpose of the statute is to prevent trading on the basis of Material Nonpublic Information, the recovery provision operates without regard to the intent of the Section 16 Person or the actual possession of Material Nonpublic Information and may not be waived by the Company.

The restrictions on "short-swing" trading apply not only to trading in Company Securities but also to any "derivative security." Thus, for example, a grant or exercise of options (other than grants or exercises made under a plan that is exempt from Section 16(b)) would be considered to be a "purchase" or sale of Company Securities under Section 16. Other transactions not necessarily thought to involve purchases, such as corporate mergers, also may be covered. The SEC has exempted certain transactions, such as purchases under employee benefit plans that have been approved by stockholders or the board of directors, from the "short-swing" profit recovery provisions of Section 16 (but not the reporting provisions). The Company's 2020 Equity Incentive Plan, as may be amended and restated from time to time, has been approved by the Company's Board of Directors and stockholders. Section 16 Persons remain subject to these Section 16 requirements and restrictions for a period of up to six months after terminating their positions with the Company.

VII. INTERPRETATION AND AMENDMENT

The Company's General Counsel is authorized, empowered and directed to oversee the administration of this Policy, including rendering conclusive interpretations of the Policy and any modifications to the Policy that such officer deems necessary, appropriate and in the best interests of the Company (provided such modifications do not substantively change the Policy).

* * * * *

EXHIBIT A

GUIDELINES FOR RULE 10B5-1 PLANS

I. INTRODUCTION

To avoid potential liability for insider trading, a Covered Person may wish to rely upon the affirmative defenses established by Rule 10b5-l under the Exchange Act. Rule 10b5-l is available to an individual or entity who purchases or sells a security under a binding contract, specific instruction or written plan that the person or entity put into place before becoming aware of Material Nonpublic Information. This is referred to as a Rule 10b5-l Plan.

Rule 10b5-1 provides a defense from insider trading liability. In order to be eligible to rely on this defense, a person must enter into a Rule 10b5-1 Plan that meets the conditions specified in Rule 10b5-1. Rule 10b5-1 presents an opportunity for Covered Persons to establish plans to sell or purchase Company Securities even when in possession of Material Nonpublic Information concerning the Company. Rule 10b5-1 only provides an "affirmative defense" if there is an insider trading lawsuit. It does not prevent anyone from bringing a lawsuit, nor does it prevent the media from reporting on any transactions executed pursuant to a Rule 10b5-l Plan.

You have the ultimate and exclusive responsibility for adhering to these guidelines and the requirements set forth herein. Any action on the part of the Company, any member of the Company's legal department, or any other associate pursuant to these guidelines (or otherwise) does not in any way constitute legal advice or insulate you from liability under applicable securities laws. As such, if you violate these guidelines, the Company may take disciplinary action, including dismissal for cause. You must notify the General Counsel if you become aware of a breach of these guidelines, either by you or by another person subject to these guidelines.

II. CREATING A RULE 10B5-1 PLAN

Insiders who participate in a Company stock incentive plan have accounts maintained by *[broker]*. Covered Persons may also have accounts with other traditional brokers. Most traditional brokers offer a form of Rule 10b5-1 Plan that Covered Persons can use to establish arrangements to purchase or sell Company Securities. Insiders who wish to adopt such a Rule 10b5-1 Plan must submit the plan to the General Counsel or a member of the Company's securities law group for review and approval. The General Counsel or a member of the Company's securities law group may require that your broker modify its form of Rule 10b5-1 Plan to comply with these guidelines. Please direct your Rule 10b5-1 requests to *[email address]*.

To create a Rule 10b5-l Plan, you must enter into a written plan for trading securities that has the following attributes. The plan must:

- **Be entered into in good faith at a time when you do not possess Material Nonpublic Information concerning the Company**. Your Rule 10b5-1 Plan may not be entered into as part of a plan or scheme to otherwise trade on the basis of Material Nonpublic Information concerning the Company. To comply with these requirements, all Insiders must complete the preclearance process prior to entering into a Rule 10b5-1 Plan. Restricted Insiders may not enter into a Rule 10b5-1 Plan during a blackout period. Additionally, Directors and Section 16 Officers must personally certify pursuant to a representation in a Rule 10b5-1 plan that (i) they are not aware of any Material Nonpublic Information about the security or issuer and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions of this section. You must act in good faith for the duration of the plan. For example, you should not improperly influence the timing of a corporate disclosure to benefit a trade scheduled to occur under your Rule 10b5-1 Plan.

- **Be in writing and preapproved by the General Counsel or a member of the Company's securities law group**. The General Counsel or a member of the Company's securities law group must approve your written Rule 10b5-1 Plan before you may enter into it.

- **Include appropriate trading instructions**. You may either specify the price, number of shares and date of trades ahead of time or provide a formula or other instructions by which your broker can determine the price, amount and date of trades. Alternatively, you may simply authorize your broker to make purchase and sale decisions on your behalf without any control or influence by you.

- **Limitation on multiple plans.** Generally, multiple overlapping plans are prohibited. You may maintain two, separate Rule 10b5-1 plans, so long as trading under the later plan is not authorized to begin until after all trades under the earlier plan are completed or expire without execution, and provided that the later plan observes an "effective cooling-off period" (i.e., the applicable cooling-off period that would apply if the later plan were deemed to be put in place the day the earlier plan was terminated and the applicable cooling-off period were then observed).

- **Prohibit you from exercising any influence over the number of securities to be traded, the price at which they are to be traded, or the date of the trade**. You may delegate discretionary authority to your broker, but in no event may you consult with your broker regarding executing transactions, or otherwise disclose information to your broker concerning the Company that might influence the execution of transactions, under your Rule 10b5-1 Plan after it commences.

- **Include a 30-day cooling off period between your adoption or modification of your Rule 10b5-1 Plan and the first possible transactions thereunder**.

- **For Directors and Section 16 Officers, include a cooling off period between your adoption or modification of your Rule 10b5-1 Plan and the first possible transactions thereunder that lasts until the later of:**

  the 90th day following the plan adoption or modification, or

  two business days following the disclosure in Form 10-K or 10-Q of the Company's financial results for the first quarter in which the plan was adopted or modified,

  but in no case is the cooling-off period required to exceed 120 days.

The cooling off period is designed to minimize the risk that a claim will be made that you were aware of Material Nonpublic Information concerning the Company when you entered into the Rule 10b5-1 Plan and that the plan was not entered into in good faith.

- **Include an expiration date that is at least six months but not more than 18 months from the effective date of your Rule 10b5-1 Plan**. We will not approve plans with terms less than 6 months or in excess of 18 months. Shorter-term plans may be viewed as an attempt to make advantageous short-term trades, and longer-term plans are likely to have to be amended or terminated, which defeats the ultimate purpose of Rule 10b5-1 Plans.

III. TRADING OUTSIDE YOUR RULE 10B5-1 PLAN

You may only purchase or sell Company Securities outside of your Rule 10b5-1 Plan in accordance with the *Policy Regarding Trading in Company Securities*. In addition, you may not buy or sell Company Securities in an effort to use a hedging strategy to offset your plan trades while a plan is in effect. Any trading outside of your Rule 10b5-1 Plan will be subject to heightened scrutiny for potential hedging and, depending on the circumstances, it is generally advisable not to engage in any trading outside the plan.

IV. AMENDING, SUSPENDING OR TERMINATING YOUR RULE 10B5-1 PLAN

Amendments, including suspensions, and terminations will be viewed in hindsight and could call into question whether the Rule 10b5-1 Plan was entered into in good faith. As a result, amendments and terminations of Rule 10b5-1 Plans require preapproval of the General Counsel or a member of the Company's securities law group following a preclearance interview, which will inquire into the change in circumstances that has occurred since the inception of the Rule 10b5-1 Plan that is giving rise to the requested amendment or termination. Scheduled sales or purchases of Company Securities pursuant to your Rule 10b5-1 Plan will not be halted during the pendency of your amendment or termination request. The Company has the right at any time to require additional and/or different requirements in connection with the amendment or termination of a trading plan in order to protect you and the Company from potential liability. Further, your Rule 10b5-1 Plan may be terminated or suspended by the Company at any time and for any reason. In addition, you may voluntarily amend or terminate your Rule 10b5-1 Plan, subject to the following conditions:

- You may not amend or terminate your Rule 10b5-1 Plan while in possession of Material Nonpublic Information;
- You must sign a certificate in favor of the Company and your broker affirmatively stating you do not possess Material Nonpublic Information concerning the Company at the time of the amendment or termination;
- Restricted Insiders may not amend or terminate Rule 10b5-1 Plans during blackout periods;
- Your amendment must include a cooling off period consistent with those required of a new plan as outlined above between your commitment to such amendment and any trades under the amended plan; and
- You will be limited to one amendment or suspension of your Rule 10b5-1 Plan during its term.

V. ADDITIONAL COMPANY GUIDELINES

None of the requirements or plan terms currently contemplated by these guidelines are exhaustive or limiting on the Company. The Company has the right to require the inclusion of additional provisions in your Rule 10b5-1 Plan designed to protect you and/or the Company, whether before or after the Rule 10b5-1 Plan has been approved by the General Counsel, or to delete or amend existing provisions.

* * * * *

Exhibit 21

SUBSIDIARIES OF THE REGISTRANT

NAME	JURISDICTION OF INCORPORATION/FORMATION
Advantage Logistics Southwest, Inc.	Arizona
Advantage Logistics USA East L.L.C.	Delaware
Advantage Logistics USA West L.L.C.	Delaware
Albert's Organics, Inc.	California
Arden Hills 2003 LLC	Delaware
Aries Portfolio 2025, LLC (1)	Delaware
Associated Grocers of Florida, Inc.	Florida
Blaine North 1996 L.L.C. (1)	Delaware
Bloomington 1998 L.L.C. (2)	Delaware
Blue Marble Brands, LLC	Delaware
Burnsville 1998 L.L.C.	Delaware
Cambridge 2006 L.L.C.	Delaware
Centralia Holdings, LLC	Delaware
Champlin 2005 L.L.C.	Delaware
Coon Rapids 2002 L.L.C. (1)	Delaware
Cub Foods, Inc.	Delaware
Cub Stores, LLC	Delaware
Cub Stores Holdings, LLC	Delaware
DS & DJ Realty, LLC	Florida
Eagan 2008 L.L.C. (1)	Delaware
Eagan 2014 L.L.C. (1)	Delaware
Eastern Beverages, Inc. (1)	Maryland
FF Acquisition, L.L.C.	Virginia
Foodarama LLC	Delaware
Forest Lake 2000 L.L.C. (1)	Delaware
Fridley 1998 L.L.C. (1)	Delaware
Green Eagle Solar X, LLC (1)	Delaware
Hastings 2002 L.L.C.	Delaware
Hazelwood Distribution Company, Inc.	Delaware
Hazelwood Distribution Holdings, Inc.	Delaware
Hopkins Distribution Company, LLC	Delaware
Hornbacher's, Inc.	Delaware
International Distributors Grand Bahama Limited (1)	Bahamas
Inver Grove Heights 2001 L.L.C.	Delaware
Iron Valley Logistic Services, LLC	Delaware
Lakeville 2014 L.L.C.	Delaware
Maplewood East 1996 L.L.C.	Delaware
Monticello 1998 L.L.C.	Delaware
NAFTA Industries, LTD (1)	Texas
Natural Retail Group, Inc.	Delaware
Nevada Bond Investment Corp.	Nevada
Nor-Cal Produce, Inc.	California
Northfield 2002 L.L.C. (1)	Delaware
Plymouth 1998 L.L.C.	Delaware

Savage 2002 L.L.C. (1)	Delaware
SFW Holding Corp.	Delaware
Shakopee 1997 L.L.C. (2)	Delaware
Shop ‘N Save East, LLC	Delaware
Shop ‘N Save East Prop, LLC	Delaware
Shop ‘N Save Prop, LLC	Delaware
Shop 'N Save St. Louis, Inc.	Missouri
Shop 'N Save Warehouse Foods, Inc.	Missouri
Shoppers Food Warehouse Corp.	Ohio
Shorewood 2001 L.L.C. (1)	Delaware
Silver Lake 1996 L.L.C. (1)	Delaware
SUPERVALU Gold, LLC	Delaware
SUPERVALU INC.	Delaware
SUPERVALU India, Inc.	Minnesota
SUPERVALU Licensing, LLC	Delaware
SUPERVALU Pharmacies, Inc.	Minnesota
SUPERVALU Receivables Funding Corporation	Delaware
SUPERVALU Transportation, Inc.	Minnesota
SVU Legacy, LLC	Delaware
Tony’s Fine Foods	California
Trent River Solar Mile Fund, LLC	Delaware
Trent River Solar Mile Lessee, LLC (1)	North Carolina
UNFI Canada, Inc.	Canada
UNFI Distribution Company, LLC	Delaware
UNFI Nexamp Solar Fund, LLC	Delaware
UNFI Nexamp Solar Fund 2, LLC	Delaware
UNFI Operations, LLC	Delaware
UNFI Transport, LLC	Delaware
UNFI Grocers Distribution, Inc.	California
UNFI Wholesale, Inc.	Delaware
United Natural Foods West, Inc.	California
United Natural Trading, LLC	Delaware
W. Newell & Co., LLC	Delaware
Wetterau Insurance Co. Ltd.	Bermuda
Woodford Square Associates Limited Partnership (2)	Virginia

(1) Majority interest owned by a wholly owned subsidiary
(2) Minority interest owned by a wholly owned subsidiary

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-230570) on Form S-3 and (Nos. 333-235583, 333-252407, 333-276167, and 333-283920) on Form S-8 of our report dated September 30, 2025, with respect to the consolidated financial statements of United Natural Foods, Inc. and subsidiaries and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Minneapolis, Minnesota
September 30, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, J. Alexander Miller Douglas, certify that:

1. I have reviewed this annual report on Form 10-K of United Natural Foods, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 30, 2025

/s/ J. ALEXANDER MILLER DOUGLAS

J. Alexander Miller Douglas
Chief Executive Officer

Note: A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Giorgio Matteo Tarditi, certify that:

1. I have reviewed this annual report on Form 10-K of United Natural Foods, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 30, 2025

/s/ GIORGIO MATTEO TARDITI

Giorgio Matteo Tarditi
President and Chief Financial Officer

Note: A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.1

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, in his capacity as the Chief Executive Officer of United Natural Foods, Inc., a Delaware corporation (the "Company"), hereby certifies that the Annual Report of the Company on Form 10-K for the fiscal year ended August 2, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. ALEXANDER MILLER DOUGLAS

J. Alexander Miller Douglas
Chief Executive Officer

September 30, 2025

Note: A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, in his capacity as the President and Chief Financial Officer of United Natural Foods, Inc., a Delaware corporation (the "Company"), hereby certifies that the Annual Report of the Company on Form 10-K for the fiscal year ended August 2, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ GIORGIO MATTEO TARDITI

Giorgio Matteo Tarditi
President and Chief Financial Officer
September 30, 2025

Note: A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.