

Modern Slavery Act Transparency Statement

INTRODUCTION

Sysco Corporation ("Sysco" or the "Company") is a global company reliant upon global supply chains and considers modern slavery – in any of its forms – to be unacceptable within the enterprise and through Sysco's supply chains. Sysco strives to act ethically and with integrity in all enterprise dealings and relationships, and to implement and enforce effective systems and controls to ensure modern slavery is not taking place in the Company or throughout the Company's supply chains.

Sysco is committed to ensuring there is transparency across the enterprise and in the Company's approach to tackling modern slavery in its supply chains, consistent with Sysco's disclosure obligations under the Modern Slavery Act 2015.

Organization and Business Structure

Sysco is the global leader in marketing and distributing food products and related foodservice supplies to restaurants, health care and educational facilities, hotels, and other foodservice and hospitality businesses. Sysco markets quality Sysco brands, major national, regional, and ethnic brands as well as locally sourced foods. We serve customers through a network of local operating companies complemented by specialty companies. This structure provides an effective blend of local knowledge, wide product selection, and broad service capabilities.

Sysco is a growing global company with primary operations in the U.S., Canada, Mexico, Costa Rica, Panama, Bahamas, U.K., France, Sweden, and Ireland; and serving customers in an additional 81 countries. With more than 69,000 associates, the Company operates more than 320 facilities worldwide and serves more than 650,000 customer locations.

Sysco Supply Chain

Sysco purchases from thousands of suppliers, both domestic and international, none of which individually accounts for more than 10 percent of the Company's purchases. These suppliers consist generally of large corporations selling brand name and private label merchandise, as well as independent regional brand and private label processors and packers.

Purchasing is generally carried out through both centrally developed purchasing programs, domestically and internationally, and direct purchasing programs established by Sysco's various operating companies. The purchasing programs cover the purchasing and marketing of branded merchandise, as well as products from a number of national brand suppliers, encompassing substantially all product lines. Some of Sysco's products are purchased internationally within global procurement centers to build strategic relationships with international suppliers and to optimize the Company's supply chain network.



POLICIES

Supplier Code of Conduct

As a global leader in foodservice distribution, Sysco takes active responsibility to follow industry best practices and distribute products from suppliers that meet high standards of safety, quality, traceability and social and environmental stewardship. To ensure Sysco meets these high standards and follows industry best practices, Sysco's Ethics and Compliance Office is responsible for administering and promoting Sysco's policies and practices, which includes the <u>Supplier Code of Conduct</u> (the "Code"). A key part of this social responsibility is working to respect the rights of the people working in our supply chains. Sysco recognizes the risk of modern slavery and knows it can be present in any country or sector.

The Code contains the strict legal, moral and ethical standards Sysco expects of suppliers, including the protection of human rights. Sysco expects its suppliers to uphold the rights of individuals as outlined in the United Nation Declaration of Human Rights (UNDHR), the Core Conventions of the International Labour Organization (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work. Any act of human trafficking, slavery or child labor within Sysco's supply chain is unacceptable and is specifically prohibited by the Code. The Code also includes sections pertaining to anti-corruption, foreign or migrant workers and conflicts of interest, as well as Sysco's monitoring rights with third parties beyond Sysco brand (private label) products and provides clear reporting requirements for any violation or potential violations.

Sysco requires each of its suppliers and their facilities to operate in full compliance with the Code and with all applicable national, state, provincial, regional, local and other laws and regulations. The Code also applies to affiliates and subcontractors of suppliers and to their respective facilities to the extent those facilities supply goods for ultimate sale to Sysco. The Code specifically states that Sysco will only initiate and renew contractual relationships with suppliers that do not violate basic human rights.

Whistleblowing policy

Sysco has a whistleblowing policy in place under its Global Code of Conduct, which applies to all associates, contractors, subcontractors, agents, sponsors, suppliers, processors or any other person associated with the enterprise. Any associate who has concerns about any aspect of the Company is able to disclose their concerns through the Ethics Line, in which associates and third parties are encouraged to report any concerns. Any concerns are investigated thoroughly.



DUE DILIGENCE PROCESSES AND RISK ASSESSMENT

As part of Sysco's ongoing strategy to identify and mitigate risk, Sysco has systems in place to:

- Identify and assess potential risk areas in the Company's supply chains.
- Mitigate the risk of slavery and human trafficking occurring in the Company's supply chains.
- Monitor potential risk areas in the Company's supply chains.
- Protect whistleblowers.

All Sysco Brand approved suppliers in high-risk Latin American and Asian countries must undergo third party assessments to identify potential risks relating to wages, working hours, discrimination, worker safety, living conditions, and child and forced labor. Based on the results of these audits, Sysco works with its Sysco Brand suppliers and processors that do not achieve perfect scores to develop improvement plans and then conduct follow-up assessments to ensure that plans have been implemented. If a supplier or processor is unable or unwilling to introduce improvements, or if a supplier or processor has committed a critical violation of its standards, Sysco terminates the relationship.

During FY2019, Sysco's Corporate Social Responsibility (CSR) team formed an internal Human Rights project team, consisting of subject matter experts and the CSR team. The Human Rights project team is currently exploring enhancements to the Company's longstanding supplier audit program, including consideration of an updated risk assessment tool and expansion of supplier audits beyond Sysco Brand suppliers. This project team will also be updating the compliance program for the first-tier high risk suppliers and evaluating Sysco's current social audit approach and processes for all first-tier high risk suppliers to agree and comply with the Code by 2025.

Spotlight on Seafood

Sysco is committed to conducting business with entities that follow international laws to ensure an appropriate, safe, ethical and sustainable food supply chain. The Company continues its membership with the National Fisheries Institute (NFI) and the Seafood Supply Chain Task Force. Through its membership in NFI, Sysco actively participates with other stakeholders to support actions needed to end human rights violations for Sysco to be more vigilant in enforcing fair, moral and ethical labor practices. Also, the Company continues to collaborate with World Wildlife Fund to enhance seafood traceability within its supply chain and globally by participating in the Global Dialogue for Seafood Traceability.

Sysco believes ongoing engagement and monitoring of suppliers is necessary to drive continuous improvement. By continuing to participate in the international seafood market, Sysco believes it can contribute to the type of successful reforms that have



taken place in land-based industries with different supply chains, such as textiles, technology and other food products.

LOOKING AHEAD

Sysco is committed to playing a constructive role in addressing the serious issue of modern slavery and will engage with interested stakeholders to develop and implement meaningful, practical and effective solutions.

Looking at the years ahead, there are three development areas:

- 1. Sysco will continue to increase awareness and expand training of modern slavery and human rights in the Company's supply chains and the enterprise.
- 2. Sysco will keep exploring the appropriate key performance indicators to assess the Company's efforts to tackle modern slavery and broader human rights concerns.
- 3. Sysco will draw from best practices across its global operations to develop a more consistent global risk assessment process.

This statement has been published in accordance with section 54 of the UK Modern Slavery Act 2015. Sysco's Transparency Statement for the UK Modern Slavery Act 2015 applies to the fiscal year ending June 27, 2020. This statement has been approved by the Corporate Social Responsibility Committee of the Board of Directors of Sysco Corporation.

Daniel J. Brutto

Chair of the Corporate Social Responsibility Committee