



Sysco Seafood Sustainability Report

2009 – 2020





DELIVERING A BETTER TOMORROW

Working Together to Protect Our Oceans

History of the Partnership

The collapse of fisheries around the globe within the last 50 years has made clear the precarious position of the world's fish stocks. Decades of overfishing have taken a significant toll on ocean health, human livelihoods and global food security, and demand continues to increase. As one of the world's largest multinational foodservice distributors, Sysco Corporation partnered with World Wildlife Fund (WWF) in 2009 to address this problem, becoming the largest US foodservice distributor to publicly commit to sourcing more sustainable seafood.

Sysco and WWF began working together to assess Sysco Brand seafood sourcing and develop ways to improve the sustainability of their seafood-buying practices and standards by 2015. In 2011, Sysco took an industry-leading position on sustainability by committing to procure its top ten Portico Brand wild-caught seafood species from fisheries that were either certified by the Marine Stewardship Council (MSC), in full assessment for MSC certification, or involved in a comprehensive Fishery Improvement Project (FIP). Since then, Sysco has continued to expand the scope of its commitment to include additional species and volumes, covering both its wild-caught and farmed Sysco Portico Brand seafood offerings. To improve global management practices of tuna fisheries, Sysco also has engaged its canned or pouched tuna suppliers to ensure participation and compliance with the International Seafood Sustainability Association (ISSA). Sysco has actively worked with its suppliers and their source fisheries to transition these fisheries to FIPs and MSC certification. Across its global sourcing, Sysco has actively engaged with 20

comprehensive FIPs around the world to encourage continuous improvement to meet the MSC standard, which WWF recognizes as the leading global standard for wild-caught seafood.

Improving Sustainability in Global Operations

Sysco continues to work to improve sustainable seafood sourcing for its multinational foodservice operations. In France, Sysco France (formerly Davigel) and WWF have partnered since 2014 to promote more sustainable sourcing of Sysco's top 15 wild-caught and top 5 farmed seafood species. As part of this partnership, WWF and Sysco France are working with internal purchasing and quality teams in order to raise their awareness of resource issues for fisheries and farms. Sysco France has also worked with its suppliers to support fishery improvement projects for Canadian Atlantic cod, Peru jumbo flying squid, and Argentine red shrimp fisheries.

Sysco's 2020 Seafood Sustainability Commitment

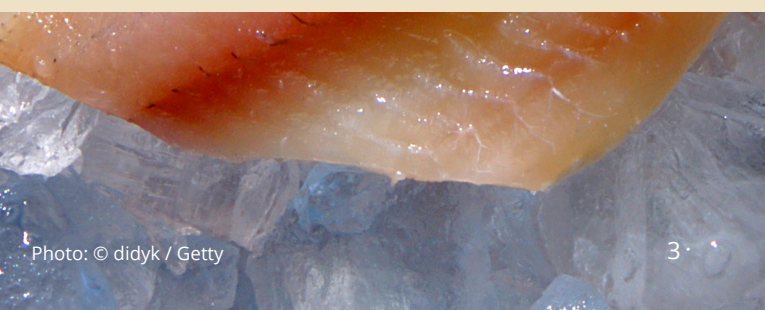
By the end of 2020, Sysco has publicly committed to:

- Source 100% of its top 15 wild-caught Sysco Portico Brand seafood species from fisheries that are MSC certified, in MSC full assessment, or in a comprehensive FIP, and source at least 75% of this volume from fisheries that are MSC certified.
- Source 100% of its top five Sysco Portico Brand aquaculture species from farms that are certified by the Aquaculture Stewardship Council (ASC), in ASC full assessment, in a comprehensive Aquaculture Improvement Project (AIP), and/or at a minimum Best Aquaculture Practices (BAP) two star certified.
- Source 100% of Sysco Portico Brand canned and pouched tuna from fisheries that are MSC certified, in MSC full assessment, in comprehensive FIP, or are members of the ISSA.
- Work with WWF to improve seafood traceability globally by participating in the Global Dialogue on Seafood Traceability and supporting WWF's Traceability Principles.



"As the world's leading foodservice distributor, Sysco strives to deliver excellent products and services to our customers in a way that balances the needs of people, products, and planet. Together with World Wildlife Fund, we are working to implement sustainable sourcing practices that advance the health of fisheries and fishing communities around the world."

— Neil Russell, Vice President of Corporate Affairs at Sysco



SYSCO'S ACHIEVEMENTS

Photo: © Antonio Busiello / WWF-US

Driving Change on the Water

Since the beginning of the partnership with WWF, Sysco demonstrated its commitment to working towards the increased sustainable management and performance of their source fisheries and farms as a core part of its corporate social responsibility strategy. Through sourcing, funding or both, Sysco has actively engaged in 20 comprehensive FIPs around the world to improve fishing practices and management and move fisheries towards MSC certification. Over the course of the partnership, Sysco's direct involvement has supported several fisheries in reaching MSC certification, including the first ever MSC certified squid fishery. Cumulatively, Sysco has sourced more than 42 million pounds of seafood from comprehensive fishery improvement projects, supporting efforts to transition those fisheries towards greater sustainability.

Sysco's commitment to supporting fisheries in transition drives change through the supply chain not only by working towards environmental sustainability, but also by supporting hundreds of thousands of people in fishing communities around the world who depend on fish for their livelihood.

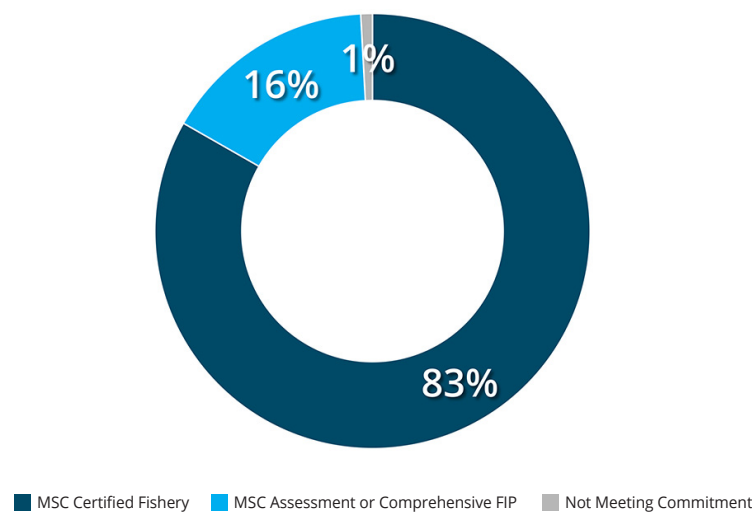
In addition to supporting fishery improvement projects, Sysco supports FisheryProgress.org, a global website that provides third-party verification of FIP progress, ensuring continuous improvement of FIPs against time-bound workplans. This ensures that the fisheries that Sysco sources from are making progress to achieve their identified objectives, and helps Sysco measure their own progress in reaching their overall sustainable seafood sourcing targets.

Sysco's Commitment Progress

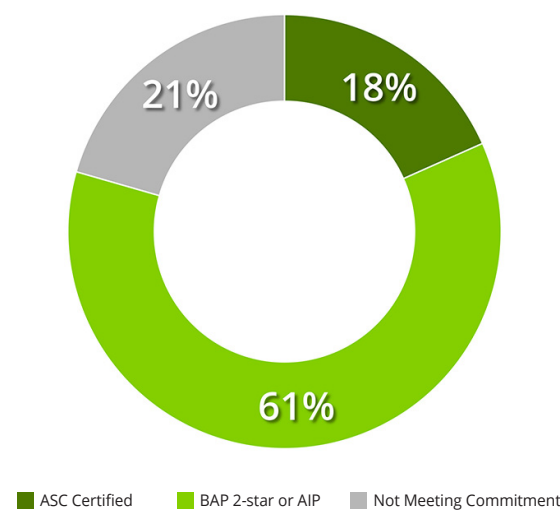
At the close of 2019, Sysco sourced approximately 99% of its top 15 wild-caught Sysco Portico Brand seafood products from fisheries that are either MSC certified, in MSC full assessment, or engaged in a comprehensive FIP. Sysco sourced 83% of this volume, around 42 million pounds, from MSC certified fisheries. For several species – including cod, clam, haddock, salmon, whiting, flounder, and halibut – 100% of the volume was meeting the MSC commitment. For wild-caught canned or pouched tuna, 100% of Sysco's suppliers were ISSA participating companies following best practices for tuna conservation and management.

Sysco also made headway towards its 2020 responsible aquaculture goals, sourcing 79% of the company's top five Sysco Portico Brand farmed species by the close of 2019 from farms that are either ASC certified, in ASC full assessment, in a comprehensive AIP, or certified at a minimum BAP two star rating. Sysco Portico Brand sourced over 13.8 million pounds of seafood products from farms that are ASC certified. 100% of Sysco Portico Brand pangasius volume came from ASC certified farms, and 100% of salmon and 95% of tilapia were meeting Sysco's commitment. Sysco will continue to build on this early success to advance the sustainability performance of its remaining top aquaculture species, including farmed shrimp and catfish.

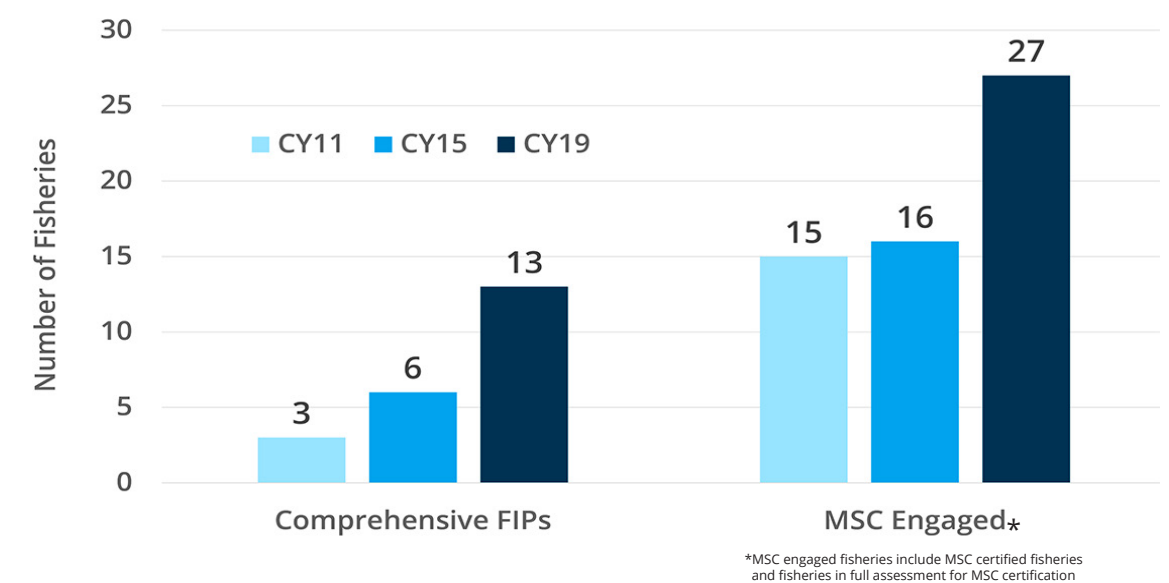
Wild-caught Seafood Commitment Status as of CY 2019



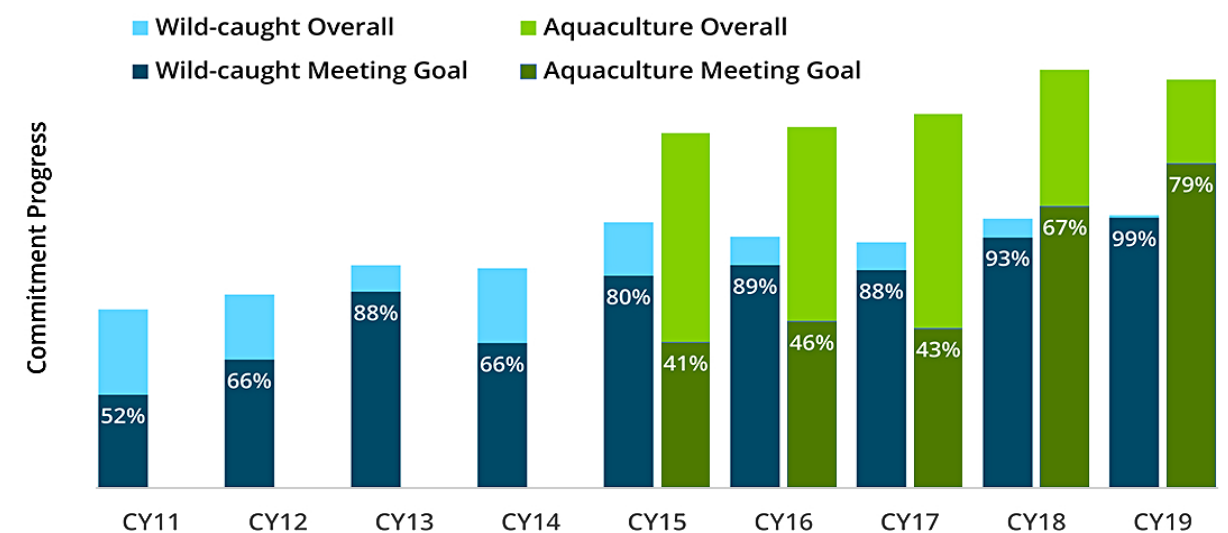
Farmed Seafood Commitment Status as of CY 2019



Sysco Increasing the Number of Fisheries Working Towards Sustainability



Sysco Increasing the Volume of Seafood Towards Sustainability





OVER 700 MILLION pounds of seafood were covered by Sysco's seafood commitment since the start of the partnership

Sysco® KEY MILESTONES

Commitments
 Fishery Transition

- 2009**

 - Sysco partners with WWF to engage in its Sustainable Seafood Initiative, focused on making the trade and harvesting of seafood more sustainable.
- 2010**

 - Sysco and WWF work together to launch the Ecuador mahi and Bahamas lobster FIPs.
- 2011**

 - Sysco announces commitment to source top 10 Sysco Portico Brand seafood species from fisheries that are either MSC certified, in full assessment for MSC certification, or engaged in a comprehensive FIP. This commitment represents more than half of the brand's seafood product line.
- 2012**

 - Sysco and WWF collaborate to launch Caribbean spiny lobster FIPs in Nicaragua and Honduras, the two largest lobster producers in Central America.
- 2013**

 - Sysco and WWF work together to launch the Peru mahi FIP.
- 2016**

 - All of Sysco's canned/pouched tuna suppliers join the International Seafood Sustainability Association.
 - Sysco's support helps the Texas and Louisiana wild-caught shrimp fisheries become comprehensive FIPs.
 - Sysco expands its seafood commitment to include its top 15 Sysco Portico Brand wild-caught seafood species and its top 5 aquaculture species, more than doubling the volume of seafood under commitment.
 - Sysco's support helps the Atlantic surf clam and ocean quahog fisheries become MSC certified.
- 2017**

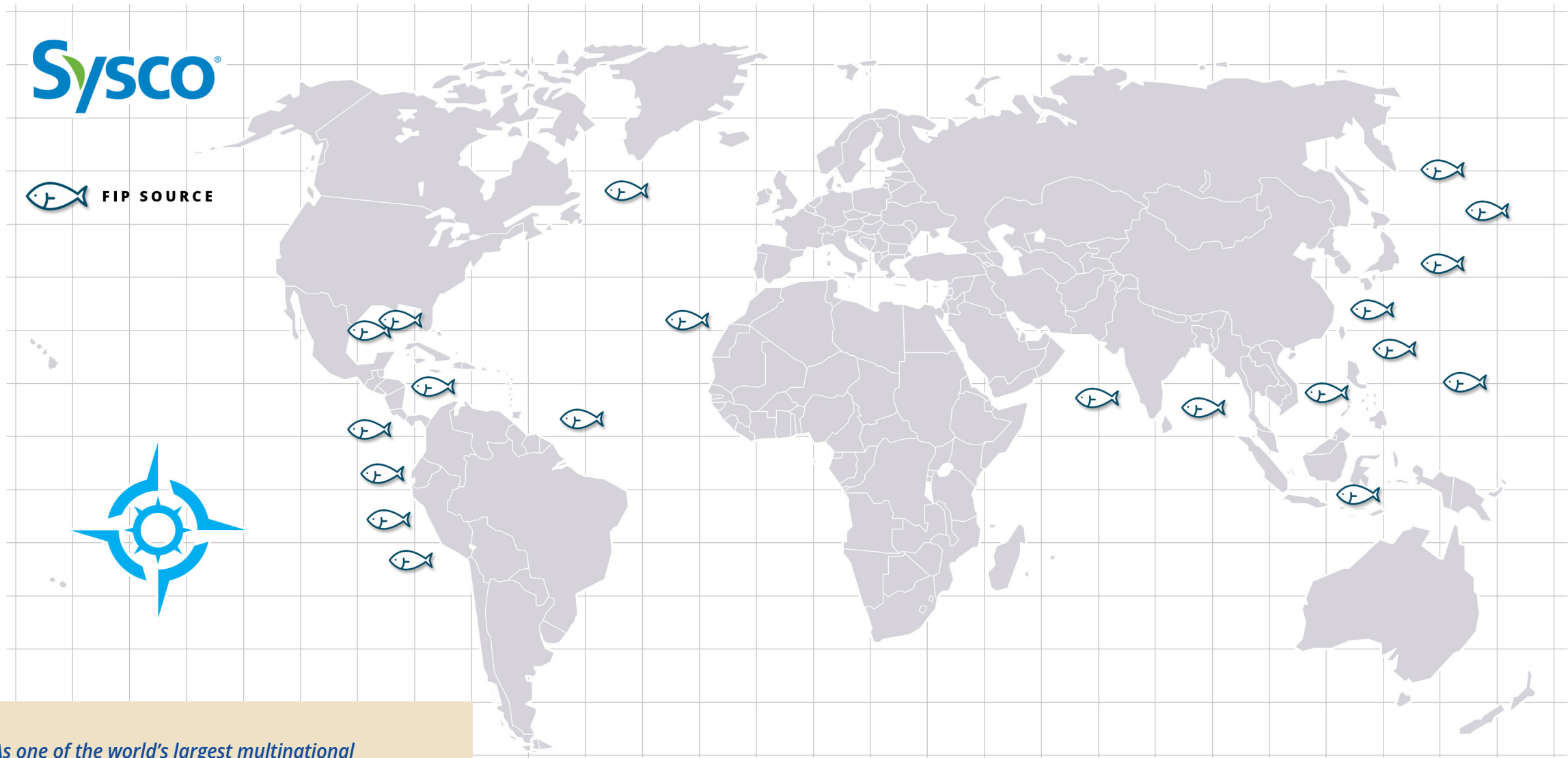
 - Sysco sources more than 33 million pounds of seafood from MSC certified fisheries. All of Sysco's Portico Brand wild-caught frozen cod, haddock, salmon, halibut, and flounder originate from MSC certified fisheries.
- 2018**

 - Sysco's support helps the US Northeast longfin squid fishery become the first squid fishery in the world to become MSC certified. Sysco supports the establishment of several squid FIPs, including Peru jumbo flying squid, Japanese flying squid, and Chinese common squid.
 - Active engagement by Sysco and other companies helps drive improvements in the Bahamas lobster fishery, leading it to become MSC certified.
- 2019**

 - Sysco's support helps the Guyana seabob fishery in the Western Central Atlantic become MSC certified. The certification is highlighted as a success story for Caribbean states working together towards regional fisheries management.



SUPPORTING FISHERY IMPROVEMENT PROJECTS (FIPs)



“As one of the world’s largest multinational foodservice distributors with robust sustainability commitments, Sysco has been one of our most impactful partners, directly driving the transition of seafood supply chains towards more sustainable, responsible sources. Not only has Sysco influenced global supply chains and markets to engage in this journey towards sourcing more responsible seafood, we have also seen a number of fisheries transitioning towards certification thanks to Sysco’s direct engagement. These efforts help safeguard marine wildlife, the natural environment, and the livelihoods of people who depend on these resources.”

— Caroline Tippett, Sr Director of Seafood Markets at WWF

20 Comprehensive FIPs supported by Sysco through funding, sourcing, or both

100,000+ fishers and other local people are employed within the communities associated with FIPs supported by Sysco

45 MSC Engaged Fisheries that are either MSC certified or in full assessment for MSC certification are supported by Sysco sourcing

42 MILLION pounds of seafood sourced from fishery improvement projects supported by Sysco

Advancing Traceability for Peru’s Jumbo Squid Fishery

Sysco is working to advance the sustainability of its calamari products. One area of focus is Peru’s jumbo squid fishery, which is one of Peru’s most important fisheries, both as an export product and a source of livelihood for thousands of artisanal fishers and their families. To ensure the continued health of this fishery for current and future generations, the Peruvian jumbo squid FIP became the first comprehensive squid FIP in the world in 2018.

With Sysco’s support, WWF has worked closely with NGOs, the Peruvian government, and the private sector to develop a comprehensive plan to help the fishery meet the MSC standard. Thanks to the support of Sysco and other international buyers of squid, the main Peruvian squid exporters recently formed an independent industry association that promotes the conservation and management of giant squid in Peru and leads the implementation of the FIP through political advocacy efforts, funding, and FIP activity support.

The Peruvian squid FIP has focused on improving traceability – a critical component of good fisheries management – through implementation of a mobile electronic catch documentation system known as TrazApp, developed by WWF in collaboration with three of Peru’s fishing cooperatives which represent approximately 20% of Peru’s jumbo squid fleet. Around 30% of these fishermen are currently using the app to record their catches and WWF is training the rest. The Peru government is testing the integration of the app with a traceability system that tracks products from the processing plant to export, which would allow products to be digitally traced along the entire supply chain.

At the international level, industry, NGOs, and governments are working collaboratively to ensure squid are fished at sustainable levels, increase the number of onboard observers in the international fleets, and address illegal fishing in Peru’s waters. Thanks to these efforts and the support from Sysco and others, the fishery continues to improve fishing practices and management to increase its performance and help it meet the requirements of the MSC standard. This type of long-term investment in the future health of fisheries is just one way that Sysco is working to deliver a better tomorrow.





THE WAY FORWARD

There is a clear opportunity for Sysco and WWF to continue working together and build on the work of over a decade of partnership to affect global change for both wild-capture and farmed seafood. WWF and Sysco remain dedicated to improving outcomes on the water and transitioning our planet's seafood production to more sustainable, responsible, and traceable sources to preserve seafood resources for future generations.

To help conserve natural ecosystems and protect the livelihoods of millions of people who depend on them, WWF and Sysco will continue to work to identify opportunities to transition fisheries to more sustainable means through Fishery Improvement Projects (FIPs) and Aquaculture Improvement Projects (AIPs) and provide tools needed for change. We will also seek to involve the entire value chain in supporting FIPs and AIPs to increase fishery and farm performance and decrease negative impacts on the natural environment.

As aquaculture continues to grow, the demand for farm-raised seafood is also expected to rise. We will work together to ensure continued progress towards sourcing seafood that is farmed responsibly, traceable, and free of negative impacts such as conversion or deforestation of natural ecosystems. WWF and Sysco will also continue to communicate with Sysco's internal and external stakeholders on the importance of sustainable seafood and actions that can be taken by all parties to support and sustain healthy oceans.

Seafood sustainability continues to evolve and there are additional areas that Sysco can lend their influence to affect global change. WWF and Sysco will continue to encourage the broader seafood sector to improve the sustainability of the seafood landscape and use market leverage to influence consumer behavior. We look ahead to address important seafood sustainability issues to strengthen aquaculture practices and ultimately protect and conserve oceans and other vital ecosystems impacted by seafood production. Together, we're working across seafood supply chains and with industry stakeholders to address some of the biggest threats to nature in a way that's good for both people and the planet.

"Sysco's longstanding commitment to seafood sustainability is good for the oceans and good for business, too. In working with their global supply chains to transition fisheries and aquaculture farms to more sustainable, responsible sources, Sysco has increased both the quality and quantity of sustainable fisheries and farms around the world. Sysco has demonstrated their leadership with transparency by communicating the value of sustainable seafood across their business operations and to their customers, publicly sharing their sustainability goals, and reporting progress to date."

— Mark Richardson, Senior Program Officer, Seafood Markets at WWF





Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

www.seafoodsustainability.org