

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Sysco Corporation (“Sysco” or the “Company”) is the global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities, lodging establishments and other customers who prepare meals away from home. We market our own quality Sysco Brand products in addition to major national, regional and ethnic brands, as well as local foods.

While our trucks are a familiar sight in cities across the U.S. and in Canada, many people are surprised to learn the full range of our products and services. We provide a wide spectrum of quality-assured food products, from basic fare to hard-to-find and imported gourmet items. Our restaurant products range from kitchen equipment, dishes and glassware to eco-friendly disposables. Our services include restaurant design, menu consultation, marketing support, employee training and more. For hotels, we offer supplies from bedding to guest soaps.

Our success comes from a commitment to partner with our customers to understand and meet their needs. We take the same hands-on approach with the growers, ranchers and processors who supply Sysco Brand products to make sure that everything we market represents our promise to make the experience of working with Sysco satisfying.

We serve approximately 600,000 customers around the world through a network of local operating companies complemented by specialty businesses. This structure gives us an effective blend of local knowledge, wide product selection and broad service capabilities. Our operations primarily exist in the United States and Canada, but also include operations in Ireland, the UK, France, Sweden, Spain, Belgium, Luxembourg, Costa Rica, Panama, Mexico and the Bahamas.

Our Broadline operating companies serve a wide spectrum of foodservice operators, from single-location, chef-driven restaurants to multi-unit restaurant groups, hotels, hospitals, educational facilities and entertainment venues including cruise ships and sports arenas. Our marketing associates know their customers and local market characteristics well, helping to create strong and lasting customer relationships.

SYGMA operating locations provide multi-unit customers with logistics and operational expertise.

Our network also includes various specialty companies that enhance our ability to provide our customers with niche and exclusive products. These include our meat-processing locations that provide our customers unique and fresh cuts of meat and seafood. Our specialty produce companies address customers’ needs for fresh, unique and local produce items. European Imports provides customers with high-quality, specialty and imported food products.

Our Guest Supply company distributes equipment, textiles, accessories and personal care amenities to hotels and other lodging facilities. Our International Food Group distributes both food and non-food products to international customers in more than 90 countries.

Due to costs required to collect and report on data, we have chosen not to report on operations related to our international Broadline companies located in Ireland, France, Sweden, Spain, Belgium, Luxembourg, Costa Rica, Mexico, Panama and the Bahamas; European Imports (a foodservice import specialty company); Guest Supply (a hotel amenities company); and International Food Group (a foodservice company that exports products to international customers). Collecting information for excluded operations may be evaluated in the future.

Note:

Certain statements made herein that look forward in time or express management’s expectations or beliefs with respect to the occurrence of future events are forward-looking statements under the Private Securities Litigation Reform Act of 1995.

These statements are based on management’s current expectations and estimates; actual results may differ materially due in part to the risk factors discussed at Item 1.A. in the Annual Report on Form 10-K and elsewhere.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Canada
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	No

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

C-AC0.6g/C-FB0.6g/C-PF0.6g

(C-AC0.6g/C-FB0.6g/C-PF0.6g) Why are emissions from the consumption of your products not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Evaluated but judged to be unimportant

Please explain

As Sysco is primarily a foodservice company, consumption of our products does not produce emissions. The production, distribution, and preparation of our products do produce emissions, and, therefore, are of higher priority for Sysco in terms of potential future evaluation.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Cattle products

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

As described in our Annual Report, fresh and frozen meats, of which cattle products are a subset, is a principal product category that comprised 20% of our sales mix in FY2018.

Agricultural commodity

Other, please specify (Poultry)

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

As described in our Annual Report, fresh and frozen meats, of which poultry products are a subset, is a principal product category that comprised 20% of our sales mix in FY2018.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	i. Description: The Corporate Social Responsibility Committee of Sysco's Board of Directors (the "Committee") provides review for, and acts in an advisory capacity to, the Board of Directors (the "Board") and management of Sysco Corporation (the "Corporation" or "Sysco") with respect to those policies and strategies of the Corporation that affect the Corporation's long-term sustainability and its role as a socially and environmentally responsible organization. In addition, the Committee annually reviews, evaluates and provides input on Sysco's strategy, direction and policies related to sustainability, CSR, and social and environmental issues. ii. Rationale: Sysco's Board recognizes climate-related issues are important under the broad scope of CSR. As CSR is a priority for Sysco, director-level oversight of climate-related issues is ensured by assigning responsibility to the Corporate Social Responsibility Committee, allowing dedicated time and expertise to address these issues.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies	The Corporate Social Responsibility Committee of Sysco's Board of Directors (the "Committee") provides review for, and acts in an advisory capacity to, the Board of Directors (the "Board") and management of Sysco Corporation (the "Corporation" or "Sysco") with respect to those policies and strategies of the Corporation that affect the Corporation's long-term sustainability and its role as a socially and environmentally responsible organization. In addition, the Committee annually reviews, evaluates and provides input on Sysco's strategy, direction and policies related to sustainability, corporate social responsibility, and social and environmental issues. The Committee meets at least three times a year.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities <i>Reporting to the board occurs three times a year; selection dropdowns does not allow for this response.</i>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1. VP of Corporate Affairs:

- i. Sysco's corporate social responsibility department is headed by the VP of Corporate Affairs, supported by the Senior Director of Sustainability. The VP of Corporate Affairs reports to the EVP of Human Resources, who reports to the Chairman, President and CEO.
- ii. Sysco recognizes the value to be gained from a strong sustainability strategy that maintains our achievements and identifies new ways of becoming more sustainable in ways that are most relevant to our business. As a result, in the Fall of 2015, Sysco established our first Corporate Social Responsibility department with full time resources. As head of the department, the VP of Corporate Affairs is assigned the responsibility of leading the company's approach to topics relating to People, Products and Planet whereby climate-related issues are integrated.
- iii. The VP of Corporate Affairs monitors climate-related issues by evaluating issues relating to People, Products and Planet. The Senior Director of Sustainability reports to the VP and leads the company's strategy, policy development and external engagement relating to environmental and social issues. The CSR analyst supports the CSR team and reports to Senior Director, and is responsible for conducting research and quantitative analysis on topics as well as supporting with internal and external CSR communications/engagement. In these roles, the VP is supported in order to assess and manage climate-related issues focused on three key areas for CSR. We believe that these areas are where we have the greatest impact and that they offer the greatest opportunities to improve CSR within our company.
 - People: Sysco will care for people by giving back, doing good and changing lives in our communities; creating a diverse and inclusive work environment; and empowering associates, customers and the next generation to make healthy choices about lifestyles and diet.
 - Products: Sysco will supply products responsibly by improving animal welfare in the foodservice industry; minimizing negative environmental, social or ethical impacts when sourcing products; and ensuring that human rights are respected in the company's operations, as well as the global supply chain.
 - Planet: Sysco will respect the planet by advancing sustainable agriculture practices, reducing the company's carbon footprint and diverting waste from landfills, in order to protect and preserve the environment for future generations.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Other, please specify (All eligible employees)

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Incentives are available for all employees eligible to receive an annual incentive award, including Corporate executive team, officers, operating company leadership, and other mid-level positions. Annual incentive awards directly link a portion of employees' and officers' compensation to the achievement of certain planned consolidated financial targets of Sysco. Savings related to our energy management program are now included in the company's annual financial plan and, as such, contribute to the company's achievement of planned financial targets and, in turn, potential payment of incentive compensation.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	5	
Long-term	5	10	

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	3 to 6 years	Monitoring may occur more frequently if escalation triggers are met or a new risk starts escalating. Specifically, the business owner/officer receives results, and risks are considered 5 years into the future.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

i. Company level: Sysco Corporation ("Sysco or "Company") utilizes an Enterprise Risk Management (ERM) process to identify and evaluate risks to the Company at an enterprise-wide level, which simultaneously addresses both the company and asset levels. These can include strategic, operational, people, financial, reputational, and regulatory/external risks. Sysco does not isolate 'climate change risk' into any one of these categories or as a separate category; rather the effects of climate change are captured in the Company's Risk Universe. For example, an increase in costs due to shortages of food or fuel or any business interruption event, both potentially caused by climate change, are captured in the Operational risk category. Non-compliance with climate change regulations is captured in the Regulatory risk category. Each risk in Sysco's Risk Universe has an assigned Risk Owner. Sysco's continuous ERM framework process includes six interrelated components; gathering information, identifying and assessing, assigning ownership, prioritizing, responding with risk management, and monitoring and reporting.

ii. Asset level: As described above, Sysco's ERM process simultaneously addresses both the company and asset levels.

iii. Process for assessing potential size and scope of risks: Management and risk owners are responsible for identifying, managing and mitigating risks, and report directly to the Audit Committee and the Board on a regular basis with respect to risk management. The Audit Committee reviews Sysco's process by which management assesses and manages the Company's exposure to risk. The Audit Committee also makes recommendations to the Board of Directors with respect to the process by which members of the Board and relevant committees will be made aware of the Company's significant risks, including recommendations regarding what committee of the Board would be most appropriate to take responsibility for oversight of management with respect to the most material risks faced by the company. On an annual basis, management reviews with the Board the key enterprise risks identified in the process, such as strategic, operational, financial, compliance, reputation, and regulatory/external risks, as well as management's process for addressing and mitigating the potential effects of such risks.

iv. Process for assessing relative significance of risks: Sysco's ERM procedures include frequent discussion and periodic prioritization of Board and senior leadership-level risk issues by the executive management team, tracking and monitoring of risk information, and identification of particular risks for which management intends to develop or enhance Sysco's management and mitigation plans. Sysco uses a risk rating criteria matrix to aid in assessing relative significance of risks. This assessment involves rating impact (financial EBITDA impact, and reputational impact), risk management effectiveness, vulnerability and speed of onset. The Company reassesses and reprioritizes risks on an ongoing basis at the business and executive levels.

v. The definitions applicable to our risk terminologies are as described.

vi. Substantive change in our direct operations is measured primarily by financial impact. In most cases, substantive impact is defined as "High" (>\$250MM) financial EBITDA impact. Sysco prioritizes risks that could result in a "High" or "Very High" financial impact based on EBITDA and a "highly likely/imminent" or "frequently" likelihood as defined in Sysco's proprietary Risk Rating Criteria.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As described in C2.2b/i, current regulatory risks is a key enterprise risk that is consistently evaluated and may be informed by climate-related issues. As Sysco operates in several regions and has expanded our global presence, we must stay aware of climate-related local, state or national governmental regulations in various markets. Non-compliance with climate change regulations is captured in the Regulatory risk category.
Emerging regulation	Relevant, always included	As described in C2.2b/i, emerging regulations is a key enterprise risk that is consistently evaluated and may be informed by climate-related issues. As Sysco operates in several regions and has expanded our global presence, we must stay aware of climate-related local, state or national governmental regulations in various markets. Non-compliance with climate change regulations is captured in the Regulatory risk category.
Technology	Relevant, always included	For Sysco, technology may impact our operations and strategic risks evaluated per C2.2b/i. For example, technology is a contributing risk related to sustainability, as it may contribute to our inability to obtain, store and report on detailed product supply chain data, which is vital for our operations. Technological resilience is necessary for us to manage the impacts of extreme weather events.
Legal	Relevant, always included	As described in C2.2b/i, regulatory – and thereby legal - risks is a key enterprise risk that is consistently evaluated and may be informed by climate-related issues. As Sysco operates in several regions and has expanded our global presence, we must stay aware of climate-related local, state or national governmental regulations in various markets. Non-compliance with climate change laws and regulations is captured in the Regulatory risk category.
Market	Relevant, always included	Related to the key enterprise risks described in C2.2b/i, financial markets are evaluated as a leading or current indicator, providing trend information that may inform investor and stakeholder levels of interest in our sustainability-related work. Changing customer behavior is also evaluated as a market risk.
Reputation	Relevant, always included	For Sysco, reputation as described in C2.2b/i is an overarching key enterprise risk that informs several other risks. In terms of sustainability, failure to consider impacts of our operations in terms of environmental, social, political stakeholders may result in missed opportunities to gain support in these areas and increase corporate vulnerability to reputational damage.
Acute physical	Relevant, always included	As described in C2.2b/i, acute physical risks are captured in the operational risk category. Sysco facilities and our supply chain have a high potential of being affected by weather-related events such as hurricanes, tornadoes, floods, and droughts, which may impair production capabilities, disrupt our supply chain or impact demand for our product. We must consistently evaluate these potential risks to determine impact and resiliency strategies.
Chronic physical	Relevant, always included	As described in C2.2b/i, chronic physical risks are captured in the operational risk category. Sysco's supply chain has a high potential of being affected by longer-term weather-related events such as droughts, which may impair production capabilities, disrupt our supply chain or impact demand for our product. We must consistently evaluate these potential risks to determine impact and resiliency strategies.
Upstream	Relevant, always included	Several risks previously described, such as regulation, reputation and physical risks, may impact Sysco's upstream business processes. We obtain our foodservice and related products from third-party suppliers. Our inability to obtain adequate supplies of foodservice and related products as a result of any of factors including short-term weather events and more prolonged climate change could impair production capabilities, disrupt our supply chain, limit our ability to fulfill obligations to our customers, or impact demand for our product. We consistently evaluate potential impacts on our supply chain to ensure smooth operations and reliable delivery to our customers.
Downstream	Relevant, always included	Several risks previously described, such as technology, reputation, and physical risks, may have an impact on Sysco's downstream stakeholders – in particular, we must ensure smooth and reliable service for our large and diverse customer base. Our inability to obtain adequate supplies of foodservice and related products as a result of any of factors including short-term weather events and more prolonged climate change could impair production capabilities, disrupt our supply chain, limit our ability to fulfill obligations to our customers, or impact demand for our product. We consistently evaluate potential impacts on our supply chain to ensure smooth operations and reliable delivery to our customers. Sysco also utilizes customer statements and commitments as a risk indicator, informing our management response to other risks as appropriate.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

i. Management is responsible for identifying, managing and mitigating risks, and reports directly to the Audit Committee and the Board on a regular basis with respect to risk management. The Audit Committee reviews Sysco's process by which management assesses and manages the Company's exposure to risk. The Audit Committee also makes recommendations to the Board of Directors with respect to the process by which members of the Board and relevant committees will be made aware of the company's significant risks, including recommendations regarding what committee of the Board would be most appropriate to take responsibility for oversight of management with respect to the most material risks faced by the Company. On an annual basis, management reviews with the Board the board level enterprise risks identified in the process, such as strategic, operational, financial, compliance, reputational, and regulatory/external risks, as well as management's process for addressing and mitigating the potential effects of such risks. After a risk is identified as having the potential to be an enterprise risk, Sysco consults with outside support for specialist insight and involves the operational risk and compliance committee for further evaluation. Risks are then transferred into the management phase to identify an Executive Risk Sponsor, Business Risk Owners and Subject Matter Experts, whereby three different levels of people who have responsibility for managing the risk. Once owners are assigned, a risk management plan is put into place along with a cadence for reporting to senior management and the board committee or full board to which oversight has been assigned.

ii. Physical risk case study: Sysco's robust business continuity program addresses physical risks by consistently evaluating risk at over 190 operational sites, which all have a Sysco emergency preparedness plan tailored to their site. As severe weather is also considered a risk, emergency preparedness procedures and resources are in place to ensure swift action, including response action checklists (tornado, flooding, winter storms, hurricane),. Toward this end, Sysco works with a commercial weather service to help identify risks, including specific details of the risks, how they impact specific companies' operations, and extended long range forecasting. In addition, a corporate crisis management plan identifies the tactical and strategic teams that respond to an operating company crisis. The 2018 Atlantic Hurricane Season produced hurricanes Florence and Michael, and tropical storm Alberto; each making landfall on the US mainland. For each storm Sysco activated crisis management response teams and hurricane plans at the operating locations in the storms' path, well in advance of storm landfall. Ultimately, 27 Sysco locations activated response teams and plans. The corporate crisis management teams were also activated during these storm events to provide any support needed in the field. Due to Sysco's extensive preparations and planning, none of these tropical weather events – as well as the more severe events that occurred in 2017 – resulted in a significant business interruption. Sysco was able to service customers that were open for business as well as provide support to relief efforts.

iii. Transitional risk case study: The U.S. Environmental Protection Agency (EPA) enacted National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE NESHAP) and every Sysco Operating Company throughout the enterprise has regulatory applicability to RICE NESHAP for our emergency engines. Specifically, Sysco Operating Companies use emergency engines to provide electrical power or mechanical work during emergency situations, and has set guidance within our Environmental Policy to achieve this commitment. Intrinsically, Sysco's Environmental Policy ensures governance with State and Federal environmental legislation via its standard operating procedures and guidance documents for the organization's operations and activities. Additionally, Sysco's Environmental Policy describes processes for identifying, interpreting, and effectively communicating environmental requirements to affected personal, onsite service providers, and contractors, as well as helping ensure that all facility activities confirm to State and Federal environmental legislation. The Fleet and Facilities department within each Sysco Operating company is responsible for managing all emergency engines to ensure regulatory compliance. Our efforts ensure that our emergency engines are compliant with regulation.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Sysco may not be able to fully compensate for increases in fuel costs. Volatile fuel prices have a direct impact on our industry. We require significant quantities of fuel for our delivery vehicles and are exposed to the risk associated with fluctuations in the market price for fuel. The price and supply of fuel can fluctuate significantly based on international, political and economic circumstances, as well as other factors including weather conditions and environmental concerns. The cost of fuel affects the price paid by us for products, as well as the costs we incur to deliver products to our customers. Although we have been able to pass along a portion of increased fuel costs to our customers in the past, there is no guarantee that we will be able to do so in the future. If fuel costs increase in the future, we may experience difficulties in passing all or a portion of these costs along to our customers, which may have a negative impact on our results of operations. In addition, forward fuel purchase commitments, which are intended to contain fuel costs, could result in above market fuel costs. Volatile fuel prices have a direct impact on our business and our industry.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The cost of fuel affects the cost to transport products to our warehouses, as well as the costs incurred by us to deliver products to our customers. Sysco's fuel expense, which reflects fuel used to deliver products to our customers, in fiscal 2018 was approximately 0.5% of sales, which equated to approximately \$294 million. As demonstrated by this example, new regulations that impact the cost of fuel could also have an impact on our operating costs. Using current, published quarterly market price projections for diesel and estimates of fuel consumption, a 10% unfavorable change in diesel prices from the market price would result in a potential increase of approximately \$10.0 million in our fuel costs on our non-contracted volumes.

Management method

i. Our activities to mitigate this risk include initiatives aimed at improving fuel efficiency, such as reducing fleet miles via improved routing techniques and improving fleet efficiency (via speed governors, fleet renewal, use of alternative fuel vehicles, etc.). In addition, we routinely enter into forward purchase commitments for a portion of our projected monthly diesel fuel requirements with a goal of mitigating the volatility in fuel prices. ii. For example, we use diesel fuel swap contracts to fix the price of a portion of our projected monthly diesel fuel requirements. As of June 30, 2018, we had diesel fuel swaps with a total notional amount of approximately 46 million gallons through June 2019. These swaps will lock in the price of approximately 55% to 60% of our projected fuel purchase needs for fiscal 2019. Our remaining fuel purchase needs will occur at market rates unless contracted for a fixed price or hedged at a later date. iii. Cost of management: Managing fuel costs, including taxes, is part of our normal course of business. There is zero (\$0) additional cost for this activity.

Cost of management

0

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Since Sysco operates as a distributor, short-term weather conditions such as natural disasters or other catastrophic events, have the potential to create disruptions at our operational sites and transport of products. To keep food products fresh, meet the high expectations of our customers, and keep our employees safe, these events require proactive preparedness mitigation and quick response to ensure continuity of operations.

Time horizon

Current

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

200000

Potential financial impact figure – maximum (currency)

6800000

Explanation of financial impact figure

Short-term weather conditions such as natural disasters or other catastrophic events, have the potential to create disruptions at our operational sites and transport of products. Since Sysco operates as a distributor, market conditions are reflected in our cost of goods and are generally passed through to customers. The financial impacts of historical business continuity events have ranged from <\$200,000 (Hurricane Matthew in 2016) to over \$6.8 million (2017 hurricane season), demonstrating costs from an event could range from \$0 into the millions of dollars depending upon the nature, location, and duration of the event, including recovery. Example costs were within Sysco's insurance deductibles so these represent direct financial implications. The average of the \$200,000-\$6.8 million range is provided. In 2018, hurricane costs estimated for Michael \$713,000 and Florence \$3,600,000, which are within this range.

Management method

i. Sysco's robust business continuity program consistently evaluates risk at over 190 operational sites, which all have a Sysco emergency preparedness plan tailored to their site. As severe weather is also considered a risk, emergency preparedness procedures and resources are in place to ensure swift action, including response action checklists (tornado, flooding, winter storms, hurricane). To this end, Sysco works with a commercial weather service, to help identify risks, including specific details of the risks, how they impact specific companies' operations, and extended long range forecasting. In addition, a corporate crisis management plan identifies the technical and strategic teams that respond to an operating company crisis. ii. As an example of this management method, Sysco's response to Hurricanes Florence and Michael and tropical storm Alberto led to the activation of crisis management response teams and hurricane plans at the operating locations in the storms' path, well in advance of storm landfall. Due to Sysco's extensive preparations and planning, none of these weather events resulted in a significant business interruption. Sysco was able to service customers that were open for business as well as provide support to relief efforts. These results demonstrate the resiliency of Sysco's operations and response to such extreme conditions. iii. Managing this risk is part of our normal business practices; zero (\$0) additional costs are incurred.

Cost of management

0

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact

Increased costs and/or reduced demand for products and services resulting from fines and judgments

Company- specific description

Potential new regulatory requirements - at the federal and state level - could increase our operating costs. The cost of compliance, or the consequences of non-compliance, could have a material adverse effect on our business and results of operations. This is particularly true in areas where regulations are more stringent or are rapidly evolving, such as European countries, Canada, and California – all locations where Sysco operates. In addition, governmental units may make changes in the regulatory frameworks within which we operate that may require either the corporation as a whole or individual businesses to incur substantial increases in costs in order to comply with such laws and regulations.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Uncertainty around proposed or future environmental and/or energy regulations has the potential to increase operational cost, for example, through emissions reporting requirements, increased taxes for fuel or other energy, or required cap-and-trade schemes.

Management method

i. Regulatory risk is an identified category within the Enterprise Risk Management system. As new or additional information emerges about energy or emissions regulations, or as a risk profile changes, the specific risk is reevaluated and reprioritized. This risk has an executive champion and receives regular monitoring and reporting to the Board. Additionally, our Indirect tax group under the Global Head of Tax monitors carbon taxes and/or schemes that may impact Sysco. We utilize a monitoring service, work closely with several leading accounting firms, and collaborate with the Government Relations team (mainly US) to stay informed. Once potential taxes are identified, execution falls to the team/jurisdiction where the tax applies. Subsequently, the Tax group is responsible for continued advice, monitoring, and audits as needed. ii. For example, our Canadian operations are potentially subject to emissions tax schemes. Specifically, the federal government's Pan-Canadian Framework on Clean Growth and Climate Change has established a carbon tax benchmark. To plan for carbon taxes associated with the Framework, Sysco's regional teams are coordinating to understand the implications on expenses and COGS that tie to outbound fuel costs. With this information, the regional teams, with input from the Tax group, can determine how to address potential cost implications. iii. Managing this risk is part of our normal business practices; zero (\$0) additional costs are incurred.

Cost of management0

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Conditions beyond our control can interrupt our supplies and increase our product costs. We are also subject to delays caused by interruption in production and increases in product costs based on conditions outside of our control. As a distributor of primarily food products, conditions that may affect Sysco's operations and transportation capabilities include short-term weather conditions or more prolonged climate change, crop conditions, water shortages, transportation interruptions, unavailability of fuel or increases in fuel costs, competitive demands and natural disasters or other catastrophic events.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Short-term weather conditions or more prolonged climate change, crop conditions, water shortages, transportation interruptions, and natural disasters or other catastrophic events, as well as increased frequency or duration of extreme weather conditions, have the potential to reduce or disrupt product availability within our supply chain and increase our product costs. However, Sysco operates as a distributor, and as a result, market conditions are reflected in our cost of goods and are generally passed through to customers. Because every situation is unique, it is not possible to estimate financial implications.

Management method

i. Sysco Corporation utilizes an Enterprise Risk Management (ERM) process to identify and evaluate risks to the company at an enterprise-wide level. These can include strategic, operational, people, financial, reputational, and regulatory/external risks. Sysco does not isolate climate change risk, including changes in precipitation patterns, into any one of these categories; rather the effects of climate change are captured in the Company's Risk Universe. ii. For example, an increase in costs due to shortages of food or fuel or any business interruption event, both potentially caused by climate change, are captured in the Operational risk category. As a specific matter, changes in product costs occur frequently in our business and significant changes in product costs due to a unique or extreme event occur less frequently. In both cases, changes in product costs are managed in our day-to-day business in various ways, including increasing or decreasing our sales price for a product as necessary, finding a new supplier, or working with our customers to find appropriate product substitutions. iii. Managing this risk is part of our normal business practices; zero (\$0) additional costs are incurred.

Cost of management

0

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Food service operators and their customers are demanding more local and sustainably-sourced food products, which influences our product offerings. Additionally, recognition as the industry leader in sustainability is a brand enhancement, with consumers intentionally choosing to work with businesses that demonstrate a commitment to responsible and sustainable operations. We believe we have an opportunity to further enhance customer loyalty and potentially gain new customers by increasing our offerings of local and sustainable products and continuing to enhance our operational efficiency.

Time horizon

Current

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1680000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial implications depend upon the volume of increased business specifically related to our customers' desire for sustainably-sourced products. Sales from Freshpoint produce locations, selling produce that exceeds the industry's best standards and is grown, packed, processed and shipped from the source, have totaled over \$1.68 billion during the 2018 reporting year.

Strategy to realize opportunity

i. Our vision is to be our customers' most valued and trusted business partner. We believe advancing our sustainability initiatives enhances our relationship with our customers either by elevating their trust in Sysco as an environmentally and socially responsible business, or by enabling us to provide more sustainable products to help them reach their own business goals. ii. For example,

Sysco recently established new, ambitious targets that would mitigate our impacts on the environment and demonstrate our commitment to sustainability. We released these new targets in our 2018 Corporate Social Responsibility Report, and look forward to communicating progress to our customers and other stakeholders. Additionally, we continue to work with small and midsized specialty producers to provide customers with locally-produced items. Our FreshPoint locations have implemented technology that enables the tracking of local purchases from farm to customer, and our Broadline companies have various local food programs. iii. Costs to manage the benefits identified were recently increased mainly to invest in full time personnel to support a more robust approach to sustainability. Specific pay and benefits related to this investment is proprietary.

Cost to realize opportunity

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description

Sysco continuously look for ways to make the delivery of products to our customers more energy efficient by focusing on fleet improvements. We replace approximately 10 percent of our fleet annually and have a policy of ensuring replacements are more fuel efficient.

Time horizon

Current

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The estimated financial implications have not been evaluated, however the decrease in fuel use will lead to a decrease in operating costs for those vehicles.

Strategy to realize opportunity

i. For years Sysco has explored a variety of alternative fuel technologies to mitigate the impacts of transportation and distribution of our products. ii. For example, we replace approximately 10 percent of our fleet annually and have a policy of ensuring replacements are more fuel efficient. Since January 2010 we have purchased more than 6,300 EPA-approved diesel trucks with low emission engines. Our fleet of hybrid/electric single-axle trucks represents 1 percent of our total fleet. Each of these vehicles consumes 40 percent less diesel than a standard engine. We also use biodiesel for trucks at 25 operating companies. We also see vehicle electrification as a potentially viable option as we move toward our goal to power 20 percent of Sysco's tractor fleet with alternative fuels. In Fiscal Year 2018, we announced that Sysco had submitted a reservation for 50 of Tesla's new fully electric Semi tractors. The vehicles are expected to have a range of up to 500 miles on a single charge while generating no tailpipe emissions. iii. Managing this opportunity is part of our normal business practices; zero (\$0) additional costs are incurred.

Cost to realize opportunity

Comment**Identifier**

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Type of financial impact

Other, please specify (Reduced operating costs)

Company-specific description

The operation of forklift and pallet trucks, lighting, air conditioning and refrigeration units that store food in our warehouses and redistribution centers requires considerable energy. Refrigeration, lighting and battery charging operations provide our biggest energy savings potential. Refrigeration units typically account for half of our total energy consumption, with lighting and battery charging constituting the majority of the remaining load. To reduce our energy consumption, Sysco implements energy efficiency measures and renewable energy.

Time horizon

Current

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

At the end of FY2018, 124 facilities were included in the program, representing approximately 85% of our warehouse footprint. In Fiscal Year 2018, we identified nearly 600 emissions-reduction improvements at 23 facilities, representing nearly \$700,000 in energy savings annually. Our EMP initiatives had generated cumulative energy savings of more than 40 percent since our baseline year of 2006. Since the inception of our EM program, we calculate that we have avoided \$270 million in costs over a 12-year period.

Strategy to realize opportunity

i. Sysco continually evaluates energy efficiency and renewable energy opportunities to improve resilience of our operations and reduce operating costs. ii. For example, in 2006, we launched an Energy Management program (EMP) at the Sysco Broadline, SYGMA and redistribution facilities to improve energy efficiency primarily by identifying and implementing more efficient processes and equipment upgrades. At the end of FY2018, 124 facilities were included in the program, representing approximately 85% of our warehouse footprint, and our EMP initiatives had generated cumulative energy savings of more than 40 percent since our baseline year of 2006, achieving more than \$270 million in total avoided energy costs. We have also installed MW solar systems at our Los Angeles and Riverside facilities, which contribute to annual energy and cost savings of more than 3.6 million kilowatt hours and ~\$350,000, respectively. In June 2018 we launched the Texas Solar Energy Project, entering into a 10-year agreement with NRG energy to construct three solar energy sites in the Houston and Dallas metro areas. These sites, comprised of 201,792 solar panels on 224 acres, are anticipated to eliminate 37,000 tons of CO2 emissions annually by supporting about 10 percent of Sysco's total US electricity usage. The project is on course to achieve half of Sysco's 2025 Corporate Responsibility Goal of 20 percent renewable energy by 2025. iii. Specific costs related to these investments are proprietary.

Cost to realize opportunity

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	i) Both transitional and physical climate risks/opportunities as described in 2.3a/2.4a have affected our products and services in several ways. Our supply chain activities are affected, particularly with regard to identifying and engaging vendors that can support our progress toward achieving sustainability goals while saving on operational costs. Meanwhile our direct operations are affected by changing consumer preferences. FreshPoint, our specialty produce company, addresses customers' needs for fresh, unique, organic and local produce items. European Imports provides customers with high quality, specialty and imported food products. Financial implications depend upon the volume of increased business specifically related to our customers' desire for sustainably-sourced products. Toward this end, we work with small and mid-sized specialty producers to provide customers with locally-produced items. Our FreshPoint locations have implemented technology that enables the tracking of local purchases from farm to customer, and our Broadline companies have various local food programs. Sales from FreshPoint produce locations have totaled over \$1.68 billion during the 2018 reporting year. ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.
Supply chain and/or value chain	Impacted	i) Physical climate risks as described in 2.3a have affected our supply chain, as we obtain our foodservice and related products from third-party suppliers. Our inability to obtain adequate supplies of foodservice and related products as a result of factors including short-term weather events and more prolonged climate change could impair production capabilities, disrupt our supply chain or impact demand for our product. We consistently evaluate potential impacts on our supply chain to ensure smooth operations and reliable delivery to our customers. ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.
Adaptation and mitigation activities	Impacted	i) Physical climate risks as described in 2.3a have affected our facility operations due to the mitigation efforts needed to respond to extreme weather events. As a result of our 2017 Hurricane Season Post Incident Review a number of improvements have been made to our Crisis Management planning and response processes, including the following: We have developed additional processes to communicate details about critical incident and operational delays to our corporate teams. This information is used to make necessary adjustments to internal functional processes and systems, ultimately providing better service to our customers. We have also improved on our Emergency Business Transfer processes, created or updated numerous Standard Operating Procedures that support our crisis response, and updated a pre and post hurricane customer communications plan to clarify delivery strategies, inventory levels, and operational and late delivery schedules. We are also taking steps to increase our awareness and understanding of the impact climate changes have on our operations. One approach to address these risks includes the implementation of extended weather forecasting tools across all 190 of our operating locations. ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.
Investment in R&D	Not impacted	R&D is not a core function of Sysco, as we rely on third-party vendors for product R&D and developments related to our fleet. Therefore this category is not directly relevant to our business in terms of climate-related impacts.
Operations	Impacted	i) Physical climate risks as described in 2.3a have affected our facility operations, due to the mitigation efforts needed to respond to extreme weather events. The impacts vary from year to year; during the 2017 hurricane Season, Sysco experienced a series of 5 back-to-back hurricanes that threatened operations at 68 Sysco locations, some more than once, and activated over 350 associate responders across the US Gulf Coast, East Coast, and the Caribbean. Impacts in 2018 were less severe, with hurricanes Florence and Michael and tropical storm Alberto impacting operations at 27 Sysco locations. In addition, Sysco consistently evaluates business efficiency opportunities such as those described in 2.4a. At our domestic facilities, we continue to administer our Energy Management program with an objective of reducing the energy intensity for Broadline locations over a three-year period from July 2015 through June 2018. This program was renewed for another three years in FY2018. We also continue to implement our fleet replacement strategy, which enables us to continually add newer, more efficient vehicles into our fleet. ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.
Other, please specify	Please select	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	i) Physical climate opportunities as described in 2.4a have affected Sysco's revenues in terms of changing consumer preference. Financial implications depend upon the volume of increased business specifically related to our customers' desire for sustainably-sourced products. The development and expansion of our FreshPoint business is strategically considered to meet these customers' needs, therefore increase Sysco's revenues. ii) The magnitude of this impact in terms of increased revenues is high. Sales from FreshPoint produce locations have totaled over \$1.68 billion during the 2018 reporting year.
Operating costs	Impacted	i) Physical climate risks as described in 2.3a have affected our operating costs related to mitigation activities, particularly with regard to our Business Continuity functions. Sysco must consider the size and scale of impacts, as business risk owners often must use allocated day-to-date operating costs to manage events (e.g. hurricane seasons) when they occur. In 2017, \$6.8 million in impacts related to the 2017 hurricane season were identified, while in 2018, hurricane costs estimated for Michael and Florence totaled \$4.3 million. ii) The magnitude of this impact in terms of costs is low, as business continuity activities are undertaken during the course of regular business.
Capital expenditures / capital allocation	Impacted	i) Physical climate risks and opportunities as described in 2.3a have affected our capital expenditures, such as our efforts to replace our fleet with new electric vehicles to reduce fuel consumption. We replace approximately 10 percent of our fleet annually and have a policy of ensuring replacements are more fuel efficient. ii) The magnitude of this impact over the years is high. Since January 2010 we have purchased more than 6,300 EPA-approved diesel trucks with low emission engines. Our fleet of hybrid/electric single-axle trucks represents 1 percent of our total fleet. Each of these vehicles consumes 40 percent less diesel than a standard engine. We also use biodiesel for trucks at 25 operating companies. Additionally, we see vehicle electrification as a potentially viable option as we move toward our goal to power 20 percent of Sysco's tractor fleet with alternative fuels. In FY2018, we announced that Sysco had submitted a reservation for 50 of Tesla's new fully electric Semi tractors. The vehicles are expected to have a range of up to 500 miles on a single charge while generating no tailpipe emissions.
Acquisitions and divestments	Not impacted	i) The risks and opportunities described in 2.3a/2.4a have not impacted our acquisitions and divestments planning. We regularly consider and enter into strategic transactions to increase our market expansion and sales, achieve cost savings, and realize various other benefits. However, at this time climate-related risks and opportunities have not played a part in these decisions.
Access to capital	Impacted	i) Sysco's investors have shown interest in Sysco's climate-related activities, requesting information on our broader climate-related strategy, including our CDP response performance, emissions reduction targets, Integrated Pest Management program, management of supply chain risks, etc. These shareholders may make investment decisions based on our responses to their inquiries. ii) Magnitude of impact: Sysco has seen an increasing number of stakeholder inquiries related to our climate-related strategies.
Assets	Impacted	i) Physical climate risks and opportunities as described in 2.3a have affected our facility assets, due to the energy and emissions reduction initiatives as well as capital improvements that may increase the value of owned sites. ii) The magnitude of this impact in terms of costs is low but has high returns in terms of increasing the value of our facility assets. Our domestic site energy efficiency program has invested more than \$2 million in building efficiency improvements since CY2015.
Liabilities	Impacted	i) Physical climate risks and opportunities as described in 2.3a have affected our liabilities, due to the contractual vendor support Sysco procures to implement energy efficiency measures in our domestic facilities, and progress against our overall sustainability strategy. ii) The magnitude of this impact in terms of costs is currently low as this type of third-party sustainability support represents less than 0.01% of our expenses. Liabilities may change as we explore opportunities to achieve newly implemented environmental targets.
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, and we do not anticipate doing so in the next two years

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b)
Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

No, we do not have a low-carbon transition plan

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

i) Though potential material risk related to climate change had historically been effectively managed and mitigated via Sysco's Enterprise Risk Management process, we recognize the value to be gained from a strong sustainability strategy that maintains our achievements and identifies new opportunities to become more sustainable in ways that are most relevant to our business. Sustainability efforts have been a significant focus throughout our history, beginning with long-standing commitments to continuous improvements in food safety and operational and supply chain efficiency. Over the last decade, we have added efforts to enhance agricultural sustainability in our supply chain and energy efficiency in our operations. However, our increasing awareness around climate-related opportunities has led to a robust effort during the reporting year to formalize our policies and set environmental targets. We believe that our newly launched corporate social responsibility strategy focusing on the following three key areas for sustainability will allow us to achieve the greatest impact, and that they offer the greatest opportunities to improve sustainability within our company:

- People: Sysco will care for people by giving back, doing good and changing lives in our communities; creating a diverse and inclusive work environment; and empowering associates, customers and the next generation to make healthy choices about lifestyles and diet.
- Products: Sysco will supply products responsibly by improving animal welfare in the foodservice industry; minimizing negative environmental, social or ethical impacts when sourcing products; and ensuring that human rights are respected in the company's operations, as well as the global supply chain.
- Planet: Sysco will respect the planet by advancing sustainable agriculture practices, reducing the company's carbon footprint and diverting waste from landfills, in order to protect and preserve the environment for future generations.

ii) Sysco's business strategy is linked to our energy reduction targets as we continued to administer our Energy Management program with an objective of reducing the energy intensity for Broadline locations over a three-year period from July 2015 through June 2018. Sysco expected the reduction in energy intensity to be achieved by conducting energy "recommissionings" (audit and review) at more than 60 Broadline operating locations over this period; we exceeded our FY2019 goal by ~0.3 percentage points, achieving a 12.8% reduction in energy intensity vs. the 12.5% reduction target. While we added specialty sites to the scope for CY2017, these reductions are not reported as they do not have the same baseline year data to allow inclusion in these target calculations. In FY2018, we entered into a new three-year year contract with Cascade focusing on maintaining our savings and driving continued improvement. Our goal is to further reduce the energy intensity of locations in the program by 1.6 percent by the end of Fiscal Year 2021.

iii) The most substantial climate-related business decision Sysco made in 2018 was our launch of the Texas Solar Energy Project. Renewable power is an important part of Sysco's business strategy and presents an opportunity to address our carbon footprint while affirming our commitment to corporate responsibility. In June 2018 we entered into a 10-year renewable energy agreement with NRG energy to construct three solar energy sites in the Houston and Dallas metro areas, comprised of 201,792 solar panels on 224 acres. These sites are anticipated to eliminate 37,000 tons of CO2 emissions annually by supporting about 10 percent of Sysco's total US electricity usage, including the majority of our electricity usage in Texas. The project was fully-constructed and operational in February 2019 and is now on course to achieve half of Sysco's 2025 Corporate Responsibility Goal of 20 percent renewable energy by 2025. Additionally, we see vehicle electrification as a potentially viable option as we move toward our goal to power 20 percent of Sysco's tractor fleet with alternative fuels. In Fiscal Year 2018, we announced that Sysco had submitted a reservation for 50 of Tesla's new fully electric Semi tractors. The vehicles are expected to have a range of up to 500 miles on a single charge while generating no tailpipe emissions.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

In our recent undertaking to develop a comprehensive, long-term sustainability strategy and continued pursuit of renewable energy procurement, we have set a new corporate social responsibility strategy with specific goals to measure our performance and strategies to achieve our goals. This process included consideration of material risks and opportunities to our business, including climate change. While we plan to stay aware of developments around climate-related scenario analysis, it has not yet posed a strategic priority for our business based on this recent work.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 2 (location-based)

% emissions in Scope

65

Targeted % reduction from base year

12.5

Metric

Other, please specify (Energy intensity)

Base year

2014

Start year

2014

Normalized base year emissions covered by target (metric tons CO2e)

281981

Target year

2018

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% of target achieved

100

Target status

Underway

Please explain

% reduction from base year refers to a 12.5% reduction in energy intensity in FY18 vs. the 2014 baseline. Energy intensity is determined using a regression model that accounts for temperature and production throughput impacts on electric energy use. Sysco exceeded our FY2018 goal by -0.3 percentage points, achieving an 12.8% reduction in energy intensity vs. the 12.5% reduction target. Note: This reported target does not include consumption or emissions reductions from specialty sites. Specialty sites were added to the scope for CY 2017 and Sysco does not have the same baseline year data to allow inclusion in these target calculations.

% change anticipated in absolute Scope 1+2 emissions

-4.1

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Renewable electricity consumption

KPI – Metric numerator

KwH of renewable energy

KPI – Metric denominator (intensity targets only)

Total KwH of energy

Base year

2017

Start year

2018

Target year

2025

KPI in baseline year

1

KPI in target year

20

% achieved in reporting year

1

Target Status

Underway

Please explain**Part of emissions target**

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Target

Zero/low-carbon vehicle

KPI – Metric numerator

Number of alternative fuel vehicles

KPI – Metric denominator (intensity targets only)

Total number of vehicles

Base year

2017

Start year

2018

Target year

2025

KPI in baseline year

0

KPI in target year

20

% achieved in reporting year**Target Status**

Underway

Please explain

Discussions are currently underway with manufacturers to develop and test zero-emission and near-zero-emission technology in order to meet our goal.

Part of emissions target

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	30	4805
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Energy efficiency: Building services

Description of initiative

Building controls

Estimated annual CO2e savings (metric tonnes CO2e)

4805

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

860662

Investment required (unit currency – as specified in C0.4)

677703

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Recommissioning for 30 sites in CY2018 - operations & maintenance energy efficiency improvements including 1) Refrigeration Optimization 2) HVAC Control, and 3) Lighting.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Financial optimization is a critical component of operating our business. Since many projects aim to cut costs by increasing efficiency and reducing energy use, this practice often leads to the initiation of emissions reduction activities given the connection between energy use and emissions. A low carbon option or project will be chosen to move forward, provided the cost-benefit analysis meets a targeted return on investment threshold.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

763847

Comment

Scope 2 (location-based)

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

348011

Comment

Scope 2 (market-based)

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

348011

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1138283

Start date

January 1 2018

End date

December 31 2018

Comment

Please note that emissions totals do not exactly correspond to energy disclosures. Emission totals represent tracked emissions at our US, Canada and UK sites, as well as estimated emissions for our Specialty sites. Due to reporting constraints, Scope 1 energy totals reported in Section 8 represent tracked energy consumption at our US and Canada facilities. Scope 1 energy totals do not include our UK and estimated Specialty sites.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Please note that emissions totals do not exactly correspond to energy disclosures. Emission totals represent tracked emissions at our US, Canada and UK sites, as well as estimated emissions for our Specialty sites. Due to reporting constraints, electricity totals reported in Section 8 represent tracked electricity consumption at our US and Canada facilities. Electricity totals do not include our estimated Specialty sites.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

317849

Scope 2, market-based (if applicable)

313181

Start date

January 1 2018

End date

December 31 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Significant operations not evaluated include our international Broadline companies' facilities located in Ireland, France, Sweden, Spain, Belgium, Luxembourg, Costa Rica, Mexico, Panama and the Bahamas; European Imports (a foodservice import specialty company); Guest Supply (a hotel amenities company); and International Food Group (a foodservice company that exports products to international customers).

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

Due to technological constraints in collecting and reporting on data, we have chosen to report on operations related to our U.S. and Canadian Broadline segment, our SYGMA segment, two RDC locations, our Corporate office, our Shared Business Service facility, our Specialty companies, and the UK facilities of our Brakes operations, which represent approximately 95% of our US and Canada footprint. Collecting information for excluded operations may be evaluated in the future.

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business. We have not yet measured these emissions due to our primary focus on Scope 1 and 2 emissions.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business, especially as related to newly acquired capital goods including owned transport, equipment and technologies for our distribution centers. We have not yet measured these emissions due our primary focus on Scope 1 and 2 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business, such as transmission & distribution losses. We have not yet measured these emissions due our primary focus on Scope 1 and 2 emissions but expect we will measure these emissions in the future.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business, as approximately half of our transportation and distribution is managed by suppliers. The other half is managed by us, but purchased from and executed by third parties. We have not yet measured these emissions due to our primary focus on Scope 1 and 2 emissions and because it is difficult to obtain information about fuel related to the transportation of all our goods to our warehouses.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business. We are beginning to track specific components of our physical waste, however, we have not yet measured these emissions due our primary focus on Scope 1 and 2 emissions.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

14629

Emissions calculation methodology

Air mileage, type of flight, and associated emissions are tracked by our travel agency. Hotel stays and associated emissions are tracked by our hotel vendor. Data covers the US and Canada; UK business travel is not included.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business. We have not yet measured these emissions due our primary focus on Scope 1 and 2 emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Sysco does not have upstream leased assets.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

The indirect emissions in this category are relevant because certain food products sold by Sysco undergo further processing prior to final distribution, which is undertaken by the customer. We have not measured these emissions due our primary focus on Scope 1 and 2 emissions.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

The indirect emissions in this category are relevant because certain food products sold by Sysco are further processed prior to distribution. We have not measured these emissions due our primary focus on Scope 1 and 2 emissions.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

The indirect emissions from Sysco's product usage phase are likely large, including those associated with energy use related to customer transport, storage and preparation of food products. We have not measured these emissions due our primary focus on Scope 1 and 2 emissions.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

The indirect emissions associated with food waste and packaging of our sold products are relevant to our business. We have not yet measured these emissions due our primary focus on Scope 1 and 2 emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Sysco does not have downstream leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Sysco does not operate franchises.

Investments

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We are aware that this source of Scope 3 emissions is relevant to our business, such as our joint venture operations in Costa Rica and Mexico. We do not measure these emissions due to the high cost of obtaining this data compared to the relative proportion of emissions represented.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?

No

C-AC6.6b/C-FB6.6b/C-PF6.6b

(C-AC6.6b/C-FB6.6b/C-PF6.6b) Why can you not report your Scope 3 emissions by business activity area?

Row 1

Primary reason

Not an immediate business priority

Please explain

Sysco recently undertook development of a comprehensive, long-term sustainability strategy. We evaluated areas of opportunity, with a focus on our key competencies, and prioritized nine areas for further development toward our strategy. In addition, we established a new corporate social responsibility strategy with specific goals, metrics to measure our performance and strategies to achieve our goals. This process included consideration of material risks and opportunities to our business, for which this topic did not pose a potential substantive impact on our business.

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Cattle products

Do you collect or calculate GHG emissions for this commodity?

No

Please explain

Since Sysco primarily obtains our foodservice and related products from third-party suppliers through a complex supply chain, the data collection required to evaluate emissions for our significant commodities will require significant investment in time and resources. This is not an immediate business priority as we continue to evaluate the impacts of our direct operations and other material focus areas resulting from our newly developed sustainability strategy.

Agricultural commodities

Other (Poultry)

Do you collect or calculate GHG emissions for this commodity?

No

Please explain

Since Sysco primarily obtains our foodservice and related products from third-party suppliers through a complex supply chain, the data collection required to evaluate emissions for our significant commodities will require significant investment in time and resources. This is not an immediate business priority as we continue to evaluate the impacts of our direct operations and other material focus areas resulting from our newly developed sustainability strategy.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000263

Metric numerator (Gross global combined Scope 1 and 2 emissions)

1456132

Metric denominator

unit total revenue

Metric denominator: Unit total

55320257074

Scope 2 figure used

Location-based

% change from previous year

6.1

Direction of change

Increased

Reason for change

For 2018, our tracked emissions increased by 14.7%, in part due to a change in boundary as we are newly reporting emissions for our UK operations. Emissions in the US and Canada alone increased 6.4% from 2017 to 2018, mitigated by emissions reduction initiatives such as recommissioning implemented at select sites. The revenue denominator covers just the US, Canada, and UK to align with the scope of our inventory. Though this increased by 8.2% (due in part to the addition of the UK), the increase is not as proportionally large compared to the increase in emissions, leading to an overall increase in this intensity metric.

Intensity figure

25.46

Metric numerator (Gross global combined Scope 1 and 2 emissions)

1456132

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

57200

Scope 2 figure used

Location-based

% change from previous year

2.1

Direction of change

Decreased

Reason for change

For 2018, our tracked emissions increased by 14.7%, in part due to a change in boundary as we are newly reporting emissions for our UK operations. Emissions in the US and Canada alone increased 6.4% from 2017 to 2018, mitigated by emissions reduction initiatives such as recommissioning implemented at select sites. The FTE denominator covers just the US, Canada, and UK to align with the scope of our inventory. This increased by 17.2% (due in part to the addition of the UK), at a rate faster than the increase in emissions, leading to an overall decrease in this intensity metric.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	975879	IPCC Fifth Assessment Report (AR5 – 100 year) <i>This total does not include CO2 for the UK, as emissions were calculated in terms of CO2e and HFCs for these sites. Total CO2e emissions (other than HFCs) for the UK totaled 78,091 mt.</i>
CH4	56	IPCC Fifth Assessment Report (AR5 – 100 year) <i>This total does not include CH4 for the UK, as emissions were calculated in terms of CO2e and HFCs for these sites.</i>
N2O	121	IPCC Fifth Assessment Report (AR5 – 100 year) <i>This total does not include N2O for the UK, as emissions were calculated in terms of CO2e and HFCs for these sites.</i>
HFCs	84136	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	974461
Canada	79263
United Kingdom of Great Britain and Northern Ireland	84560

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Broadline	772537
Corporate	534
RDC	627
SYGMA	193700
Specialty	86327
Brakes	84560

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Processing/Manufacturing

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

14160

Methodology

Default emissions factor

Please explain

Emissions reported include Scope 1 emissions (excluding on-road diesel) at Sysco specialty meat and produce companies.

Activity

Distribution

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

1124123

Methodology

Default emissions factor

Please explain

Emissions reported include Scope 1 emissions at Broadline, SYGMA, RDC, Corporate, and Brakes facilities, as well as on-road diesel at Sysco specialty meat and produce companies.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America <i>Energy totals represent actual tracked electricity consumption at our facilities. The emissions totals represent both the actual emissions as well as estimated emissions from our remaining Specialty sites, for which electricity consumption data is unavailable.</i>	275448	275448	541720	0
Canada <i>Energy totals represent actual tracked electricity consumption at our facilities. The emissions totals represent both the actual emissions as well as estimated emissions from our remaining Specialty sites, for which electricity consumption data is unavailable.</i>	21942	21942	57239	0
United Kingdom of Great Britain and Northern Ireland	20459	15791	72274	16489

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Broadline	201506	201506
Corporate	9581	9581
RDC	7811	7811
SYGMA	24890	24890
Specialty	53602	53602
Brakes	20459	15791

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	2403	Decreased	0.2	Sysco estimates that reduction initiatives have led to a decrease in total scope 1 and 2 emissions of 2403 MTCO2e during the year, calculated using the an assumed estimated savings of 50% of annual savings from initiatives implemented in CY2018. The percentage change due to emissions reduction activities was therefore identified by the following formula, dividing the savings by 2017 total emissions: $(2403/(1269831))*100 = 0.2\%$.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	54431	Increased	4.3	Sysco updated our diesel sourcing methodology to provide a more comprehensive accounting of diesel consumption. Applying that new methodology to 2017 emissions would have resulted in an increase of 54431 MT. Using this as a proxy for 2018 increase in emissions due to using this methodology, we calculated % change using the following formula, dividing the estimated increase by 2017 total emissions: $(54431/(1269831))*100 = 4.3\%$.
Change in boundary	150728	Increased	11.9	Emissions increased by 105019 MT due to a change in boundary as we included Brakes UK sites in our emissions total for the first time in our 2018 inventory totals.. Additionally, 2017 emissions totals did not include estimates for US and CA Broadline companies not in the Energy Management program; we have since expanded the boundary to include these Broadline companies in 2018, accounting for 45,709 MT CO2e. The % change was calculated using the following formula, dividing the UK emissions+estimated Broadline emissions by 2017 total emissions: $(150728/(1269831))*100 = 11.9\%$.
Change in physical operating conditions		<Not Applicable>		
Unidentified	16455	Decreased	1.3	Taking into consideration the emissions reduction from initiatives, change in boundary, and change in methodology, emissions decreased by 16,455 MT for unidentified reasons. The % change was calculated using the following formula: $(-16455/(1269831))*100 = 1.3\%$.
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	3518618	3518618
Consumption of purchased or acquired electricity	<Not Applicable>	16489	671233	687722
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	4483	<Not Applicable>	4483
Total energy consumption	<Not Applicable>	20972	4189851	4210823

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3310146

MWh fuel consumed for self-generation of electricity

6868

MWh fuel consumed for self-generation of heat

3303279

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

130374

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

130374

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Liquefied Natural Gas (LNG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

47168

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

47168

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

14714

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

14714

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Hydrogen

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

7776

MWh fuel consumed for self-generation of electricity

7776

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Propane Liquid

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4120

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

4120

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Acetylene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

8

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

8

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

3

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Lubricants

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3002

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

3002

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

843

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

843

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Other, please specify (Used Oil)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

8

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

8

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Compressed Natural Gas (CNG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

457

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

457

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Acetylene

Emission factor

0.25

Unit

metric tons CO₂e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Compressed Natural Gas (CNG)

Emission factor

0.186

Unit

metric tons CO₂e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Diesel

Emission factor

0.256

Unit

metric tons CO₂e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Fuel Oil Number 1

Emission factor

0.26321

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Hydrogen

Emission factor

0

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

No CO2 or CO2e emissions from Hydrogen

Kerosene

Emission factor

0.33333

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Liquefied Natural Gas (LNG)

Emission factor

0.11277

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Lubricants

Emission factor

0.40845

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Motor Gasoline

Emission factor

0.24207

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Natural Gas

Emission factor

0.242

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Propane Liquid

Emission factor

0.20415

Unit

metric tons CO2e per MWh

Emission factor source

The Climate Registry Default Emissions Factors, April 2017

Comment

Other

Emission factor

Unit

Please select

Emission factor source

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	5028	4483	5028	4483
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), supported by energy attribute certificates

Low-carbon technology type

Wind
Hydropower

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

16489

Emission factor (in units of metric tons CO2e per MWh)

0

Comment

Energy reported here is for the UK sites. The guaranteed origin certificates for the contract states that the renewable electricity is generated through a combination of wind and hydro. Sysco owns 3 solar panels in San Diego, LA, and Riverside. This generation and consumption is reported in 8.2e.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CY18 Sysco GHG Assurance Statement-ASRauthorized.pdf

Page/ section reference

2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

93

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CY18 Sysco GHG Assurance Statement-ASRauthorized.pdf

Page/ section reference

2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

94

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CY18 Sysco GHG Assurance Statement-ASRauthorized.pdf

Page/ section reference

2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

95

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

CY18 Sysco GHG Assurance Statement-ASRauthorized.pdf

Page/section reference

2

Relevant standard

ISO14064-3

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Other carbon tax, please specify (UK Carbon Reduction Commitment)

C11.1c

(C11.1c) Complete the following table for each of the tax systems in which you participate.

Other carbon tax, please specify

Period start date

January 1 2018

Period end date

December 31 2018

% of emissions covered by tax

0.1

Total cost of tax paid

40600

Comment

The CRC tax is the Carbon Reduction Commitment which is a similar program for different types of businesses. Here, sites need to monitor and report gas/electricity use and buy allowances to cover them. The CRC tax applies to 2% of the emissions for UK Brake Brothers sites, acquired by Sysco in 2016. This is equivalent to 0.1% of the total emissions reported in this CDP response. Actual cost was £32,537.40. Converted to estimated USD for the purposes of CDP submission.

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

Sysco's Global Head of Tax leads all tax monitoring and compliance. Our Indirect tax group under the Global Head of Tax monitors carbon taxes and/or schemes that may impact Sysco. We utilize a monitoring service that sends updates on potential systems, work closely with several leading accounting firms to stay up to date, and collaborate with the Government Relations team brings things to our attention (mainly US). Once they are identified the real work of executing and making sure they apply locally falls to the team/jurisdiction where the tax applies. Since they are on the ground, they are a better source of making sure we comply and then paying taxes correctly. Subsequently, the Tax group is responsible for continued advice, monitoring, and audits as needed.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

0

% total procurement spend (direct and indirect)

0

% Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Sysco engages our carrier, processor, and farmer partners as these supplier stakeholders represent the greatest opportunity for our company to have a positive impact on the most critical components of our business.

Impact of engagement, including measures of success

Sysco Logistics reviews opportunities with our carrier partners to attain fuel efficiencies by moving over-the-road trucks to railroad or intermodal whenever possible. We also strive to increase the use of SmartWay-certified providers, as ~50% of our inbound product is transported using third party carriers. SmartWay is an Environmental Protection Agency (EPA) program that creates incentives to improve supply chain fuel efficiency and reduce associated emissions. Also, Sysco's Integrated Pest Management (IPM) program promotes the responsible use of agricultural inputs - fertilizers, pesticides, energy and water - by growers of Sysco Brand canned and frozen fruits, vegetables and potatoes. Managing these inputs has a direct cumulative effect on greenhouse gas reduction and climate change. Participating processors and farmers identify and protect environmentally sensitive areas, build soil health and preserve water quality by using cover crops, crop rotation and natural pest control methods. In crop year 2017, the program covered the full range of crops we purchase, representing 77 Sysco Brand suppliers, 181 processing locations and over 1 million acres under cultivation. Suppliers reported numerous successes including a 56 million kWh reduction in electricity use, a 5 million pound reduction in pesticide use, a 22.4 million pound reduction in fertilizer use, and a 22,000 ton reduction in landfilled materials. Our suppliers often find it cost-effective to apply the sustainable and IPM practices Sysco requires on acreage throughout their operation, elevating the standards in the industry. This also results in suppliers reporting performance metrics to us for their entire operation, including input and waste reduction, and water and energy conservation. These have improved dramatically from prior reported numbers as we engage new suppliers and as metrics reported to us on a voluntary basis increase - a key indicator of program success. We also hold a triennial conference where our suppliers share best practices and innovative methods in applying sustainable and IPM practices to their operations. Finally, we engage with strategic suppliers in our Joint Business Planning program, providing a structured process of collaborating with these suppliers by aligning objectives, identifying efficiencies and encouraging innovation. % of suppliers & spend are proprietary.

Comment

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Sysco's employees are a key partner to achieve success toward our climate-related efforts. In FY2014, Sysco implemented a comprehensive recycling program across our U.S. Broadline facilities to remove recyclables from our solid waste stream, lower disposal costs and increase our recycling tonnage and revenues. We have designed a program that is "recycling-led" - meaning we consider recycling options first before discarding into landfills or incinerators. The success of this program depends greatly on key employees within each region to drive the process within their region/facility.

Specifically, employees can volunteer to join our national employee-driven "Green Team" to drive the success of the recycling program and ensure that Standard Operating Procedures are implemented across the organization. We completed the full rollout of the program to all SYGMA, FreshPoint and meat companies by the end of 2017 and anticipate 100 percent rollout to all facilities in 2019. Our recycling program continues to gain traction, as evidenced by results from numerous Sysco facilities. Sysco's Eastern Maryland Operating Company increased recycling revenues by 155 percent and decreased solid waste costs by 12 percent. Sysco Atlanta has raised recycling tonnage more than three-fold, while Sysco Boston increased recycling revenues by one-third and tonnage by 74 percent. The cumulative benefits of the recycling initiative are already considerable, including more than 40,000 tons of waste recycled to date, 520,236 trees saved, an annual reduction in disposal costs of \$850,000, and \$1.4 million generated in annual recycling revenues.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Integrated pest management

Description of management practice

Sysco's Integrated Pest Management (IPM) program promotes the responsible use of agricultural inputs - fertilizers, pesticides, energy and water - by growers of Sysco Brand canned and frozen fruits, vegetables and potatoes. Managing these inputs has a direct cumulative effect on greenhouse gas reduction and climate change. Participating processors and farmers work to identify and protect environmentally sensitive areas, build soil health and preserve water quality by using cover crops, crop rotation and natural pest control methods. In crop year 2017, the program covered the full range of crops we purchase, representing 77 Sysco Brand suppliers, 181 processing locations and over 1 million acres under cultivation. Suppliers reported numerous successes including a 56 million kWh reduction in electricity use, a 5 million pound reduction in pesticide use, a 22.4 million pound reduction in fertilizer use, and a 22,000 ton reduction in landfilled materials. Our suppliers often find it cost-effective to apply the sustainable and IPM practices Sysco requires on acreage throughout their operation, elevating the standards and practices in the industry. This also results in suppliers reporting performance metrics to us for their entire operation, including input and waste reduction, and water and energy conservation. These have improved dramatically since inception of the program, as we engage new suppliers and as metrics reported to us on a voluntary basis increase - a key indicator of program success.

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

As participants in our IPM program, suppliers are asked to:

- track their pesticide and fertilizer use, with the goal of limiting the quantity applied or using lower toxicity level products when possible.
- report how much vegetative waste they reuse via returning it to fields, composting, feeding cattle or other methods
- report material recycling rates for glass, metal, paper, plastics, and oils
- measure all water used in irrigating and processing fruit and vegetables. (optional)
- report fuel conservation from in-field and processing operations. (optional)
- report reductions in energy usage and methods for achieving efficiency. (optional)
- Related success stories. (optional)

We also hold a triennial conference where our suppliers share best practices and innovative methods in applying sustainable and IPM practices to their operations.

Climate change related benefit

Emissions reductions (mitigation)
Reduced demand for fertilizers (adaptation)
Reduced demand for pesticides (adaptation)

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations
Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

International Foodservice Distributors Association (IFDA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

IFDA does not promote a specific position regarding climate change.

How have you influenced, or are you attempting to influence their position?

We have not recently attempted to influence the IFDA Board's position on climate change, although we generally support alternative fuel policies that may be operationally beneficial to our business.

Trade association

National Council of Chain Restaurants (NCCR)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

NCCR does not promote a specific position regarding climate change, but does lobby for repeal of the Renewable Fuel Standard.

How have you influenced, or are you attempting to influence their position?

We have not recently attempted to influence the NCCR Board's position on climate change. While we generally support alternative fuel policies that may be operationally beneficial to our business, we support the elimination or modification of the corn ethanol mandate to mitigate its market distorting effects.

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Sysco has been active in lobbying against the Renewable Fuel Standard both directly and through trade associations, including the National Council of Chain Restaurants. Sysco supports further development of renewable fuels, while seeking the elimination or modification of the corn ethanol mandate to mitigate its market distorting effects.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

At Sysco, the VP, Corporate Affairs is responsible for Corporate Social Responsibility, Government Relations, and Investor Relations & Communications. Ensuring that the company's direct and indirect activities that influence policy are consistent with overall climate change strategy would be fostered through existing organizational structure as well as routine and ongoing meetings among the leadership of the Corporate Affairs group, including CSR, Government Relations, and Communications.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Sysco_2018-annual-report.pdf

Page/Section reference

2, 5, 8, 11

Content elements

Strategy

Risks & opportunities

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Sysco_2018_CSR.pdf

Page/Section reference

Content elements

Governance

Strategy

Other metrics

Other, please specify (Emissions reduction)

Comment

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Soil

Water

Other, please specify (Waste Management)

Description of impacts

Participating processors and farmers work to identify and protect environmentally sensitive areas, build soil health and preserve water quality by using cover crops, crop rotation and natural pest control methods. In crop year 2016, the program covered the full range of crops we purchase, representing 68 Sysco Brand suppliers, 183 processing locations and over 2 million acres under cultivation. In crop year 2017, the program covered the full range of crops we purchase, representing 77 Sysco Brand suppliers, 181 processing locations and over 1 million acres under cultivation. Suppliers reported numerous successes including a 56 million kWh reduction in electricity use, a 5 million pound reduction in pesticide use, a 22.4 million pound reduction in fertilizer use, and a 22,000 ton reduction in landfilled materials. Our suppliers often find it cost-effective to apply the sustainable and IPM practices Sysco requires on acreage throughout their operation, elevating the standards and practices in the industry. This also results in suppliers reporting performance metrics to us for their entire operation, including input and waste reduction, and water and energy conservation.

Have any response to these impacts been implemented?

No

Description of the response(s)

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	VP Corporate Affairs	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Sysco Corporation (“Sysco” or the “Company”) is the global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities, lodging establishments and other customers who prepare meals away from home. We market our own quality Sysco Brand products in addition to major national, regional and ethnic brands, as well as local foods.

While our trucks are a familiar sight in cities across the U.S. and in Canada, many people are surprised to learn the full range of our products and services. We provide a wide spectrum of quality-assured food products, from basic fare to hard-to-find and imported gourmet items. Our restaurant products range from kitchen equipment, dishes and glassware to eco-friendly disposables. Our services include restaurant design, menu consultation, marketing support, employee training and more. For hotels, we offer supplies from bedding to guest soaps.

Our success comes from a commitment to partner with our customers to understand and meet their needs. We take the same hands-on approach with the growers, ranchers and processors who supply Sysco Brand products to make sure that everything we market represents our promise to make the experience of working with Sysco satisfying.

We serve approximately 600,000 customers around the world through a network of local operating companies complemented by specialty businesses. This structure gives us an effective blend of local knowledge, wide product selection and broad service capabilities. Our operations primarily exist in the United States and Canada, but also include operations in Ireland, the UK, France, Sweden, Spain, Belgium, Luxembourg, Costa Rica, Panama, Mexico and the Bahamas.

Our Broadline operating companies serve a wide spectrum of foodservice operators, from single-location, chef-driven restaurants to multi-unit restaurant groups, hotels, hospitals, educational facilities and entertainment venues including cruise ships and sports arenas. Our marketing associates know their customers and local market characteristics well, helping to create strong and lasting customer relationships.

SYGMA operating locations provide multi-unit customers with logistics and operational expertise.

Our network also includes various specialty companies that enhance our ability to provide our customers with niche and exclusive products. These include our meat-processing locations that provide our customers unique and fresh cuts of meat and seafood. Our specialty produce companies address customers’ needs for fresh, unique and local produce items. European Imports provides customers with high-quality, specialty and imported food products.

Our Guest Supply company distributes equipment, textiles, accessories and personal care amenities to hotels and other lodging facilities. Our International Food Group distributes both food and non-food products to international customers in more than 90 countries.

Due to costs required to collect and report on data, we have chosen not to report on operations related to our international Broadline companies located in Ireland, France, Sweden, Spain, Belgium, Luxembourg, Costa Rica, Mexico, Panama and the Bahamas; European Imports (a foodservice import specialty company); Guest Supply (a hotel amenities company); and International Food Group (a foodservice company that exports products to international customers). Collecting information for excluded operations may be evaluated in the future.

Note:

Certain statements made herein that look forward in time or express management’s expectations or beliefs with respect to the occurrence of future events are forward-looking statements under the Private Securities Litigation Reform Act of 1995.

These statements are based on management’s current expectations and estimates; actual results may differ materially due in part to the risk factors discussed at Item 1.A. in the Annual Report on Form 10-K and elsewhere.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	55320257074

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

376

Uncertainty (±%)

10

Major sources of emissions

Stationary, mobile, and fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 1 emissions reported as part of our corporate inventory.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

105

Uncertainty (±%)

10

Major sources of emissions

Purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 2 emissions reported as part of our corporate inventory.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

5

Uncertainty (±%)

10

Major sources of emissions

Business travel

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 3 business travel emissions reported as part of our corporate inventory.

Requesting member

California Department of General Services (DGS)

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

14

Uncertainty (±%)

Major sources of emissions

Stationary, mobile, and fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 1 emissions reported as part of our corporate inventory.

Requesting member

California Department of General Services (DGS)

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

4

Uncertainty (±%)

10

Major sources of emissions

Purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 2 emissions reported as part of our corporate inventory.

Requesting member

California Department of General Services (DGS)

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0.2

Uncertainty (±%)

10

Major sources of emissions

Business travel

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 3 business travel emissions reported as part of our corporate inventory.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

10

Major sources of emissions

Stationary, mobile, and fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilizes sales figures for our customers divided by revenue to estimate an allocation percentage. Sales for GSA are tracked locally at each facility, therefore we are unable to provide estimated sales data at this time to estimate allocation of emissions.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

10

Major sources of emissions

Purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilizes sales figures for our customers divided by revenue to estimate an allocation percentage. Sales for GSA are tracked

locally at each facility, therefore we are unable to provide estimated sales data at this time to estimate allocation of emissions.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

10

Major sources of emissions

Business travel

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilizes sales figures for our customers divided by revenue to estimate an allocation percentage. Sales for GSA are tracked locally at each facility, therefore we are unable to provide estimated sales data at this time to estimate allocation of emissions.

Requesting member

LinkedIn Corp.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

10

Uncertainty (±%)

10

Major sources of emissions

Stationary, mobile, and fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 1 emissions reported as part of our corporate inventory.

Requesting member

LinkedIn Corp.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

3

Uncertainty (±%)

10

Major sources of emissions

Purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 2 emissions reported as part of our corporate inventory.

Requesting member

LinkedIn Corp.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0.13

Uncertainty (±%)

10

Major sources of emissions

Business travel

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Sysco utilized the sales figures for our customers divided by revenue to estimate an allocation percentage. This percentage was then applied to the Scope 3 business travel emissions reported as part of our corporate inventory.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

N/A

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Sysco is comfortable with our current allocation methodologies, however we will stay informed of potential improvement opportunities for future reporting.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms