

January 5th, 2024

The Honorable Jared Huffman
United States House of Representatives
2445 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Huffman:

I am writing today in response to your recent letter dated December 14, 2023. Sysco shares your goal of improving and upholding human rights in the food supply chain. We believe all people deserve to work in a safe environment with fair treatment and equal opportunities to succeed; this is an integral part of our company values. Any act of human trafficking, slavery, forced labor, or child labor within Sysco's supply chain is unacceptable and, if identified, will be promptly addressed in compliance with our policies and procedures.

Sysco has demonstrated a longstanding commitment to improving practices throughout the food supply chain to reduce the risk of safety and human rights violations. First and foremost, we expect all our suppliers to uphold the highest standards of human rights as outlined in [Sysco's Supplier Code of Conduct](#) (SCOC) and described in the United Nations Declaration of Human Rights, the Conventions and Recommendations of the International Labor Organization ("ILO"), and the ILO Declaration on Fundamental Principles and Rights at Work.

The SCOC requires all suppliers, regardless of location, to allow Sysco (and its representatives and agents) unrestricted access to their facilities and to all relevant records at any time, without advance notice. This is designed to monitor compliance with our SCOC.

In addition, for nearly 15 years, Sysco has implemented an industry-leading Social Responsibility Program. This program is required for all suppliers that produce Sysco Brand products in high-risk countries, including China, and aims to verify Sysco Brand suppliers operate ethically while also driving change within the global supply chain. The program includes:

- **Sysco staff** to administer the program. Audits cover several areas including environmental, health and safety, and labor standards. Within the review of labor standards, our auditors aim to identify potential risks related to child and forced labor, wages, working hours, discrimination, worker safety, and living conditions.
- **Audits conducted by a third-party provider** that has global expertise assessing human rights practices, and is knowledgeable in ILO conventions, and country and local laws.

The third-party auditor conducts annual audits that include reviewing documentation, holding private interviews with employees away from their managers, and

completing other facility inspections. Our agreement with our auditing partner is that critical findings, such as child or forced labor, will be escalated to Sysco personnel directly.

- **Serious consequences to suppliers** if an audit finds critical issues, including suspending or cancelling an agreement to pack Sysco-branded products.

This program of routine audits, which includes the implementation of corrective actions, has minimized human rights risks and improved working conditions in facilities that act as Sysco brand suppliers.

In fiscal year 2023, our third-party audit provider conducted 184 audits in 21 countries, including 32 initial audits of new and approved supplier facilities. Sysco's third-party audit firm conducted three audits at the Shandong Haidu facility between 2021 and 2023.

While our dedication to responsible sourcing is unwavering, we will make continuous process improvements to eliminate gaps where we find them. Strengthening our dedication to responsible sourcing is a continuous journey at Sysco. We are actively engaged in comprehensive audits of our compliance program and will soon be implementing a strategy to increase the proportion of unannounced audits, demonstrating our unwavering commitment to ethical procurement practices.

As indicated in previous discussions, Sysco terminated its business relationship with Shangdong Haidu on December 14, 2023. Sysco does not have a direct relationship to produce Sysco Brand products with Rongcheng Haibo or the other processors mentioned in Outlaw Ocean's reporting.

Sysco is surveying its non-Sysco Brand seafood suppliers to identify whether they have relationships with the Chishan Group or other processors named in the Ocean Outlaw report. Sysco will cease purchasing any items traced back to the Chishan Group.

Sysco welcomes the opportunity to work with government and non-government entities to help identify solutions and take action to address human rights violations within the global supply chain. We stand ready to collaborate with others in our industry and beyond. Achieving traceability and improving transparency in the highly complex seafood supply chain can be extraordinarily difficult to achieve. Solutions require a shared responsibility, including industry and NGO partnerships, regulatory oversight, and access to affordable technology and reporting platforms throughout the global supply chain.

We can all agree that human rights violations, wherever they may occur in the world or as part of any supply chain, are abhorrent and unacceptable. Sysco recognizes that addressing these issues is critically important to promoting consumer trust in the products they purchase. Knowing that this is a broad-based supply chain concern, Sysco will continue to do our part by leading our industry in upholding human rights.

We are available to answer any additional questions you may have.

Sincerely,



Kevin Hourican
President & Chief Executive Officer