

# Sysco Sustainability Supplier Rollout Plan

## Introduction

Sysco has long been a leader in sustainability and has sought to bring our suppliers along as collaborators.

Sysco aims to move the needle on sustainability by helping our produce suppliers achieve Sustainability Standard certification, a third-party audited certification that addresses a variety of sustainability topics, among them soil health, air quality, worker welfare, pesticide use, greenhouse gas emissions and pollinator protection. The Sustainability Standard is not unique to Sysco: it is already accepted by Walmart, Kroger, Whole Foods Market, Meijer, Sprouts and Giant Eagle. It is available to any interested organization that grows, processes or distributes food. Participation will put Sysco suppliers ahead of the industry's increasing sustainability expectations. It will set suppliers up for success by providing guidelines for best practices and incentivizing continuous improvement.

## Expectations for Sysco Suppliers

Sysco expects all suppliers of Sysco brand produce to create a two-year certification rollout plan for review and approval. The purpose of the plan is to outline how your organization will achieve Sustainability Standard certification over the next two years for all your Sysco brand crops currently in the Sysco sustainability program. Sysco is asking you to create this plan because you are in the best position to determine how to roll out the sustainability program in a way that works for your organization.

By the end of the two years outlined in the plan, the following must be achieved:

1. Certification for all facilities handling (washing, packing, processing, etc.) Sysco brand product
2. Certification for all acres producing Sysco brand product

The Sustainable Food Group, a long-time Sysco partner on sustainability in produce, will review the submitted plans, annually evaluate progress, and provide an end-of-year report card outlining how actual progress aligns with the approved plan and Sysco's expectations. Sysco's expectations in addition to the plan include attendance at Sysco supplier meetings and completion of the annual Environmental Indicator Report (EIR).

## Choosing an Approach

When choosing which farms to certify, there are two approaches:

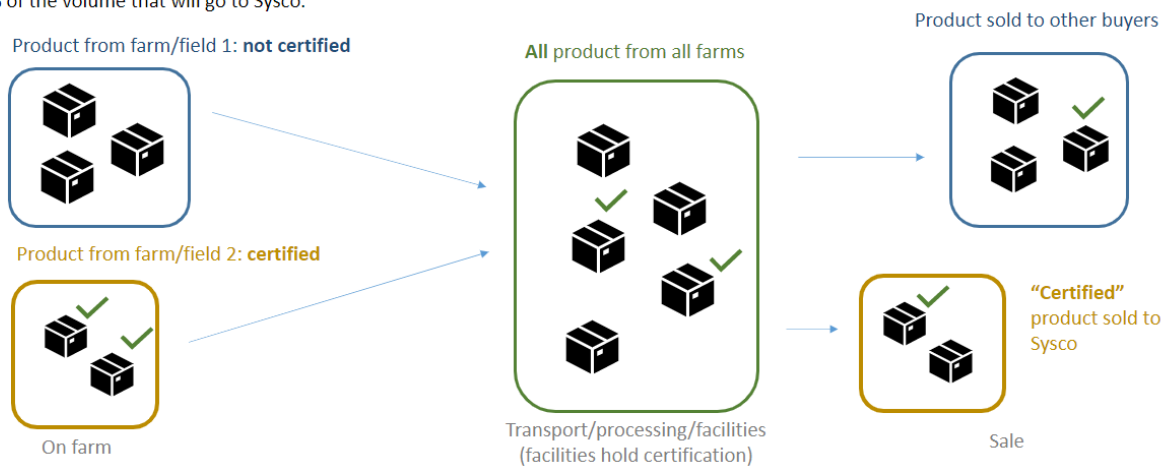
1. **Certify only farm operations/acres needed to supply Sysco.** This requires an estimation, for each year, of 1) how much volume will be sold to Sysco and 2) how many acres are needed to produce that volume. Once you have made both estimates, ensure that this quantity of acres is certified.
2. **Certify all farm operations/acres.** This means that, at the end of the third year, all product will be certified and can be sold to Sysco and other buyers as Sustainability Standard certified product. Certifying all product will simplify the rollout process, reducing the amount of

estimation and tracking needed. It will also allow this product to be sold to other buyers with sustainability expectations similar to Sysco.

For the first option, it is **not** necessary to segregate certified product from uncertified product during processing and distribution. Sysco is taking an approach known as “mass balance” in which the only requirement is that the total amount of certified product is equal to (“balances” with) the amount of product sold to Sysco (Figure 1).

You are only required to have at least enough certified product to supply Sysco. Despite this, it may be easiest to certify most or all operations/acreage – this will reduce the amount of tracking and planning required on your part.

Total compliance for one crop: Supplier X has an agreement to sell two boxes of certified product to Sysco. Supplier X ensures that there is enough product coming from farms/fields that have been certified to fill 100% of the volume that will go to Sysco.



**Figure 1.** Mass balance approach