



**Sysco Canada, Inc.**  
7055 Kennedy Rd  
Mississauga, ON  
L5S 1Y7

[sysco.ca](http://sysco.ca)

## **Fighting Against Forced Labour and Child Labour in Supply Chains Act**

### **Reporting Period - Fiscal Year 2024**

### **INTRODUCTION**

This is a Joint Report, as defined under the Act, made by the following entities: Sysco Canada, Inc., FreshPoint Vancouver, Ltd., Sysco Canada Financial Services LP, Sysco Guest Supply Canada Inc., and Sysco Merchandising and Supply Chain Services Canada, Inc. (collectively referred to as “Sysco Canada” or “the Company”).

As a leader in foodservice distribution, Sysco Canada takes an active responsibility to lead industry practices and distribute products from suppliers that meet high standards of safety, quality, traceability, and social and environmental stewardship. 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. Sysco Canada is dedicated to upholding human rights as a fundamental principle in our operations and supply chain. Sysco Canada considers child labour and forced labour – in any form – to be unacceptable within the Company and throughout its supply chains. Any act of human trafficking, slavery, forced labour, or child labour within Sysco Canada’s supply chain is unacceptable and, if identified, will be promptly addressed in compliance with our policies and procedures.

Sysco Canada is committed to ensuring there is transparency in the Company’s approach to tackling child labour and forced labour in its supply chains, consistent with Sysco Canada’s disclosure obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“The Act”).

The Sysco Canada Board of Directors for the aforementioned entities have approved this report.

This Report relates to Sysco Canada’s Fiscal Year 2024, from July 1, 2023 to June 29, 2024.

#### **1. Sysco Canada’s Structure, Activities, and Supply Chain**

Sysco Canada is the leader in selling, marketing, and distributing food and non-food products to restaurants, healthcare facilities, educational facilities, lodging establishments, and other customers who prepare meals away from home. With more than 5,000 colleagues across Canada, Sysco Canada operates over 20 distribution and/or manufacturing facilities which serve numerous customers and customer locations.

Sysco Canada purchases from numerous suppliers, consisting of large corporations selling brand name and private label merchandise, as well as independent regional brand and private label processors and packers.

## **2. Sysco Canada’s Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour**

Sysco Canada has demonstrated a longstanding commitment to improving practices throughout its supply chain to reduce the risk of safety and human rights violations. To this end, we expect all our suppliers to comply with the law and uphold the highest standards of human rights, as outlined in [Sysco’s Supplier Code of Conduct \(“Supplier Code”\)](#). Similarly, [Sysco’s Global Code of Conduct \(“Code of Conduct”\)](#) outlines the expectations for all colleagues to understand how our Code of Conduct and applicable laws relate to their work, and uphold the highest standards of conduct, respect in the workplace, and awareness about human rights including forced labour and child labour.

Both the Supplier Code and the Global Code affirm the Company’s Purpose: “*Connecting the World to Share Food and Care for One Another*”. As such, the Company expects its suppliers and colleagues to deliver exceptional service with the highest degree of integrity.

### **a. Sysco Supplier Code of Conduct**

The Supplier Code applies to suppliers and their subcontractors. Sysco expects suppliers to hold their supply chain—including sub suppliers and their respective facilities, to the extent those facilities supply goods and services for ultimate sale to Sysco Canada—to the standards outlined in the Supplier Code.

Additionally, suppliers must comply with all applicable international, national, provincial, regional, local, and other laws and regulations.

The Supplier Code contains the strict legal, moral, and ethical standards Sysco expects of its suppliers, including the protection of human rights. Specifically, the Supplier Code makes clear that all suppliers, regardless of their geography or position in the Company’s supply chain, must respect their workers’ human rights within the context of the supplier’s business operations, as encompassed 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](#) . It highlights that special attention be given to ensure these rights are recognized for those who are at heightened risk for vulnerability or marginalization such as women, young people, Indigenous people, minorities, people with disabilities, and migrant or foreign workers.

The Supplier Code also contains an absolute prohibition against child labour, forced labour, and human trafficking, anywhere in the supply chain. Any act of forced or child labour within Sysco Canada’s supply chain is unacceptable and will not be tolerated. Suppliers found violating the Supplier Code can face serious consequences, including temporary suspension or termination of the business relationship.

Not only does the Supplier Code call out these principles, it also specifically calls out the Company's right to verify compliance with the Supplier Code through internal and external assessment mechanisms such as: self-assessment questionnaires, facility inspections (announced, or unannounced), confidential worker interviews, and review of supplier records and business practices. The Company expects that every supplier uphold these principles and will not knowingly work with suppliers who engage in any activity that violates the Supplier Code.

#### **b. Sysco Code of Conduct**

While the Supplier Code is outward-facing and directed at suppliers, the [Code of Conduct](#) outlines the ethical and behavioral standards to guide all employees' conduct and decision-making and is directed to Sysco colleagues.

Just as with the Supplier Code, the Code of Conduct contains an absolute prohibition against the use of child labour, forced labour, or human trafficking, anywhere in the Company's supply chain. Among other things, the Code of Conduct also reminds colleagues that:

- The Company expects its suppliers to uphold the UN Global Compact and the Universal Declaration of Human Rights;
- The Company refuses to knowingly work with business partners who violate these standards; and
- The Company expects actual or suspected human rights abuses to be reported to any of the resources in the "Speak Up" section of the Code of Conduct.

#### **c. Reporting Processes**

Suppliers are responsible for prompt reporting of actual or suspected violations of the law and/or the Supplier Code, including regulatory compliance failures or other events that may put Sysco or our customers at risk. Suppliers are expected to have an effective grievance management system in place for grievances raised by workers within their operations or by third parties, in order to elevate potential violations to management.

Violations or suspected violations by any worker or agent acting on behalf of either the supplier or Sysco may also be reported to a Sysco representative or through Sysco's Ethics Line, a third-party monitored, independent service available 24/7 in multiple languages via:

Phone: Sysco's Ethics Line 1.877.777.4020

Web: [ethicsline.sysco.com](http://ethicsline.sysco.com)

The Ethics Line is also open to workers at Sysco Suppliers to report any violations of this Supplier Code of Conduct and all reporting will be treated confidentially. Sysco will maintain confidentiality to the extent permitted by law and will not tolerate any retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behavior or a possible violation of this Supplier Code.

Sysco Canada employees can also submit reports of violations or suspected violations via various open-door channels (including reporting to Human Resources, their immediate leaders, Sysco's Ethics & Compliance Global Support Center, or the Company's Legal Department).

### **3. Parts of its business and supply chains that carry a risk of forced labour or child labour, and the steps the Company has taken to assess and manage that risk.**

For nearly 15 years, Sysco Canada has implemented a Social Responsibility Program ("the Program"). This Program is required for all suppliers that produce Sysco-brand products in high-risk geographies (identified as countries in Asia, Latin America, and Africa) and aims to verify Sysco-brand suppliers operate ethically while also driving change within the global supply chain.

The Program includes the following parameters:

- A requirement that Sysco Brand Suppliers in high-risk geographies undergo audits that cover several areas including environmental, health and safety, and labour standards. Within the review of labour standards, our third-party auditors aim to identify potential risks related to child and forced labour, wages, working hours, discrimination, worker safety, and living conditions.
- Audits are conducted by a third-party provider that has global expertise in assessing human rights practices, and is knowledgeable about ILO conventions, federal, state, provincial, 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 partners is that critical findings, such as child or forced labour, will be escalated to Sysco personnel directly.
- Conduct on-site audits where possible and use a virtual audit approach when travel to our supplier locations is deemed unsafe.
- Serious consequences for suppliers if an audit finds critical issues, for example the suspension or cancellation of agreements 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. Specifically, the Supplier Code states that "if instances of noncompliance are identified, the supplier will be required to develop and implement corrective actions. If [the supplier is] unable or unwilling to make measurable improvements, appropriate follow-up actions will be determined. Such actions may include temporary suspension of business or, if warranted, termination of the business relationship in addition to any other rights or remedies available to [the Company]".

### **4. Measures taken to remediate any forced labour or child labour.**

Our dedication to responsible sourcing is unwavering. In Fiscal Year 2024, we took the following actions to further mitigate the risk of forced labour or child labour in our supply chain:

- In the United Kingdom, Sysco has used for several years a software platform called Sedex that allows companies to review and analyze supplier audits.
- Sysco is currently exploring an expansion of its use of Sedex in Canada and other countries. The expansion of Sedex across Sysco’s business will provide greater transparency and visibility into our supply chain.
- Sysco launched a webpage to increase transparency into our human rights policies, statements and actions to help ensure all stakeholders have easy access to the information. You can access the webpage [here](#).
- Sysco conducted an in-depth reassessment of our existing approaches to ensuring human rights compliance globally and, as a result, developed a long-term strategy to further enhance our Social Responsibility Program.
- Within our Sysco Brand Social Responsibility audit program, we expanded the period of time during which unannounced audits may occur from 30 days to 90 days. Auditors arrive unannounced at a facility to complete an audit during the 90-day timeframe.

Strengthening our dedication to responsible sourcing is a continuous journey at Sysco. We are actively engaged in comprehensive audits of our compliance program and further enhancements will be made to better respond to new and emerging global supply chain challenges.

In direct response to the recent reports published by Outlaw Ocean and others, 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 also instructed suppliers in January 2024 to suspend production of Sysco Brand products at all facilities associated with Dalian Haiqing Food following allegations of forced labour in those facilities. Sysco also surveyed suppliers to identify and cease purchasing from entities mentioned in the Ocean Outlaw reports, including any indirect relationships that may exist.

Sysco Canada follows and adheres to the Supplier Code of Conduct and Sysco Brand Social Responsibility Program to manage its supplier relationships and assortments. Sysco Canada continues to take seriously any allegations of human or labour rights violations and hold suppliers accountable to our high standards.

**5. Measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.**

In Fiscal Year 2024, the Company is not aware of any loss of income to the most vulnerable families as a result of any measures taken regarding instances of forced labour or child labour in its activities or supply chain.

**6. Training provided to employees on forced labour and child labour.**

The Company’s commitment to human rights as a fundamental principle is reflected in and reinforced through its onboarding and computer-based training programs. At the start of their employment, every employee of the Company is required to review and attest to their understanding of—and commitment to—Sysco’s Code of Conduct.

During Fiscal Year 2024, every networked Sysco Canada employee (including professionals in the merchandising and procurement functions) was required to take a mandatory annual training course regarding the Code of Conduct, to improve their understanding of Sysco's core ethical and behavioral standards.

Every new employee is also required to take the course and review the Code of Conduct as part of their onboarding process.

Both the Code and the Supplier Code are available to all colleagues through Sysco Canada's website: Sysco.ca.

In addition, the Company rolled out mandatory training modules focused on the topic of human rights, child labour, and forced labour. Sysco employees involved in procurement of goods that enter the Canadian market were required to complete the training by June 30, 2024.

#### **7. How the Company assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.**

Sysco Canada regularly conducts reviews of various aspects of its business operations to identify opportunities for enhancements and is specifically focused on assessing the effectiveness of its business practices in relation to forced labour and child labour. The Company reviews its policies concerning forced labour and child labour, guided by changes in law, business conditions, supplier input, and the input of key stakeholders such as customers and industry groups. Ongoing dialogue between employees, customers, and suppliers, alike, reinforces a consistent understanding of the Company's ethical stance.

The rollout of the updated Supplier Code to suppliers marks one more step toward ensuring that suppliers are aware that the Company **will not** tolerate the use of forced labour or child labour in its business and supply chains.

Furthermore, the longstanding social responsibility program of conducting routine audits, which includes the implementation of corrective actions, has minimized human rights risks, and ensured good working conditions in facilities that supply Sysco brand products. Sysco Canada's dedication to responsible sourcing is unwavering, and we will make continuous process improvements to eliminate gaps where we find them.

As mentioned above, the Ethics Line is also available for workers at Sysco suppliers to report any violations of this Supplier Code of Conduct. All reporting is treated confidentially. Sysco Canada employees can also submit reports of violations or suspected violations via various open-door channels (including reporting to Human Resources, their immediate leaders, Sysco's Ethics & Compliance Global Support Center, or the Company's Legal Department).

Lastly, Sysco welcomes the opportunity to work with government and non-governmental 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. 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.

## Posting

This Report will be made available at:

- [Sysco's Products Sustainability Webpage \(sysco.ca\)](#)
- Public Safety Canada website at [www.publicsafety.gc.ca](http://www.publicsafety.gc.ca) in a searchable catalogue; and
- All other locations, as required by law

The Report will also be provided to shareholders along with the Company's annual financial statements. This Report will not be mailed to shareholders, but rather shareholders will be provided with notice indicating where to find this Report online or how to request a paper copy.

## BOARD APPROVAL

The contents and delivery of this Report were approved by the Board of Directors of Sysco Canada, Inc., FreshPoint Vancouver, Ltd., Sysco Canada Financial Services LP, Sysco Guest Supply Canada Inc., Sysco Merchandising, and Supply Chain Services Canada, Inc., being the governing body of each entity included in this Report, on **May 19, 2025**.

## ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Chris Jasper

Senior Vice President, International Americas

Sysco Corporation

**May 19, 2025**

*I have the authority to bind Sysco Canada, Inc., FreshPoint Vancouver, Ltd., Sysco Canada Financial Services LP, Sysco Guest Supply Canada Inc., Sysco Merchandising, and Supply Chain Services Canada, Inc.*

## Disclaimers

This Report has not been prepared as financial or investment advice or to provide any guidance in relation to our future performance. This Report does not constitute or form part of any offer or

invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities.

**Forward-Looking Statements.** 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. These statements are based on management’s current expectations and estimates. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements can also be identified by words such as “future,” “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “will,” “would,” “could,” “can,” “may,” and similar terms. Forward-looking statements are not guarantees of future performance and the Company’s actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in Part I, Item 1A of Sysco Corporation’s Annual Report on Form 10-K for the fiscal year ended June 29, 2024, as filed with the Securities and Exchange Commission, and Sysco Corporation’s subsequent filings with the SEC. Sysco Corporation does not undertake to update its forward-looking statements, except as required by applicable law.