



Sysco Locations: Texas (HQ) Industries: Food and Staples Retailing

RISK LEVEL:

Medium Risk

DESCRIPTION:

By complying with the HRC's controversial demands, Sysco increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children. It also uses sex and gender ideology criteria in vendor selection and marketing. Sysco forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. Sysco supports the Equality Act and is a corporate partner of the National LGBT Chamber of Commerce. The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. Sysco does not discriminate against charitable organizations based on views or beliefs and has not used its PAC contributions for ideological purposes. For these reasons, Sysco receives a Medium Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious Medium Risk beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.

Sysco vets vendors according to LGBTQ policies. However, it has not publicly terminated business relationships based on views or beliefs (<u>1</u>).

Charitable giving (including employee matching programs) policies or practices discriminate Lower Risk against charitable organizations based on views or religious beliefs.

Sysco does not discriminate against charitable organizations based on views or beliefs. Sysco's charitable giving is aimed at preventing hunger through food security, and there is no language about preventing donations to religious organizations (<u>1</u>).

Employment policies fail to protect against discrimination based on political affiliation/views High Risk and/or religion.

Sysco's does not protect its employees against viewpoint discrimination (1).

Corporate Governance and Public Policy



Uses corporate reputation to support ideological causes and/or organizations hostile to freedom High Risk of expression.

Syscong indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (<u>1</u>)(<u>2</u>). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Sysco<u>3</u>). The company resisted pressure to issue a comment on the Texas election security law (<u>4</u>). CEO Kevin Hourican is a member of the Business Roundtable but has not supported ideological initiatives (<u>56</u>).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom High Risk of expression.

indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. Sysco is a corporate partner of the National LGBT Chamber of Commerce (<u>3</u>).

Uses corporate political contributions for ideological, non-business purposes.

High Risk

Syscoindicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (<u>1</u>)(<u>2</u>). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Sysco has not used its PAC donations for ideological purposes (<u>3</u>)(<u>4</u>).

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