



Driving greater corporate ambition and action on tackling nature loss and biodiversity decline.

Nature Action 100

Engagement rationale

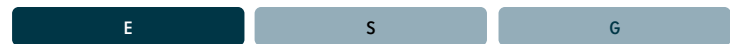
The unprecedented levels of nature and biodiversity loss pose a systemic risk to companies. Failure to mitigate nature-related risks will exacerbate impacts on businesses, which could impact long-term shareholder value and lead to macroeconomic instability. Sysco is included based on its market capitalization within the sector and high potential impacts on nature, among other criteria.

Background

In December 2022, governments around the world agreed to a global set of targets and goals to halt and reverse nature loss by 2030. Set forth in the Global Biodiversity Framework, a key pillar is to shift finances away from environmentally harmful investments towards nature-positive ones. Recognising the financial risk posed by nature and biodiversity loss, investors have come together as participants in the Nature Action 100 (NA100) initiative as part of our efforts to drive companies in taking steps to reverse nature loss and help achieve the goals of the Global Biodiversity Framework.

Theme for engagement

Biodiversity



Development

Neutral

Milestone



Engagement objectives

- Ambition: Publicly commit to minimise contributions to key drivers of nature loss and to conserve and restore ecosystems at the operational level and throughout value chains by 2030.
- Assessment: Assess and publicly disclose nature-related dependencies, impacts, risks, and opportunities at the operational level and throughout value chains.
- Targets: Set time-bound, context-specific, science-based targets informed by risk assessments on nature-related dependencies, impacts, risks, and opportunities. Disclose annual progress against targets.
- Implementation: Develop a company-wide plan on how to achieve targets. The design and implementation of the plan should prioritise rights-based approaches and be developed in collaboration with Indigenous Peoples and local communities when they are affected. Disclose annual progress against the plan.
- Governance: Establish Board oversight and disclose management’s role in assessing and managing nature-related risks, impacts, dependencies, and opportunities.
- Engagement: Engage with external parties including actors throughout value chains, trade associations, policy makers, and other stakeholders to create an enabling environment for implementing the plan and achieving targets.

Engagement results

- Sent initial engagement letter, received a response from the company and conducted a first NA100 call.

Next steps

- NA100 will use third party data sources to track company responses to this letter and progress to meet the expectations.
- An annual benchmark will be published in 2024 on the actions taken by companies covered under the Nature Action 100 initiative.



Company

Sysco

Country

USA

Sector

Food distributors

Market cap

US\$ 40 billion

Materiality

Sysco is the market leading food distributor in the USA

ESG Research

MSCI ESG rating: A
Sustainalytics score: 15,9 (low risk)

Engagement initiated

Q4 2023

Latest update

Q1 2024

Kempen Fund

Global High Dividend
Global Value
Global Sustainable Equity

