

Integrating Risk Appetite into Risk Management

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COMPLIANCE WEEK 2012

Integrating Risk Appetite into Risk Management

Agenda

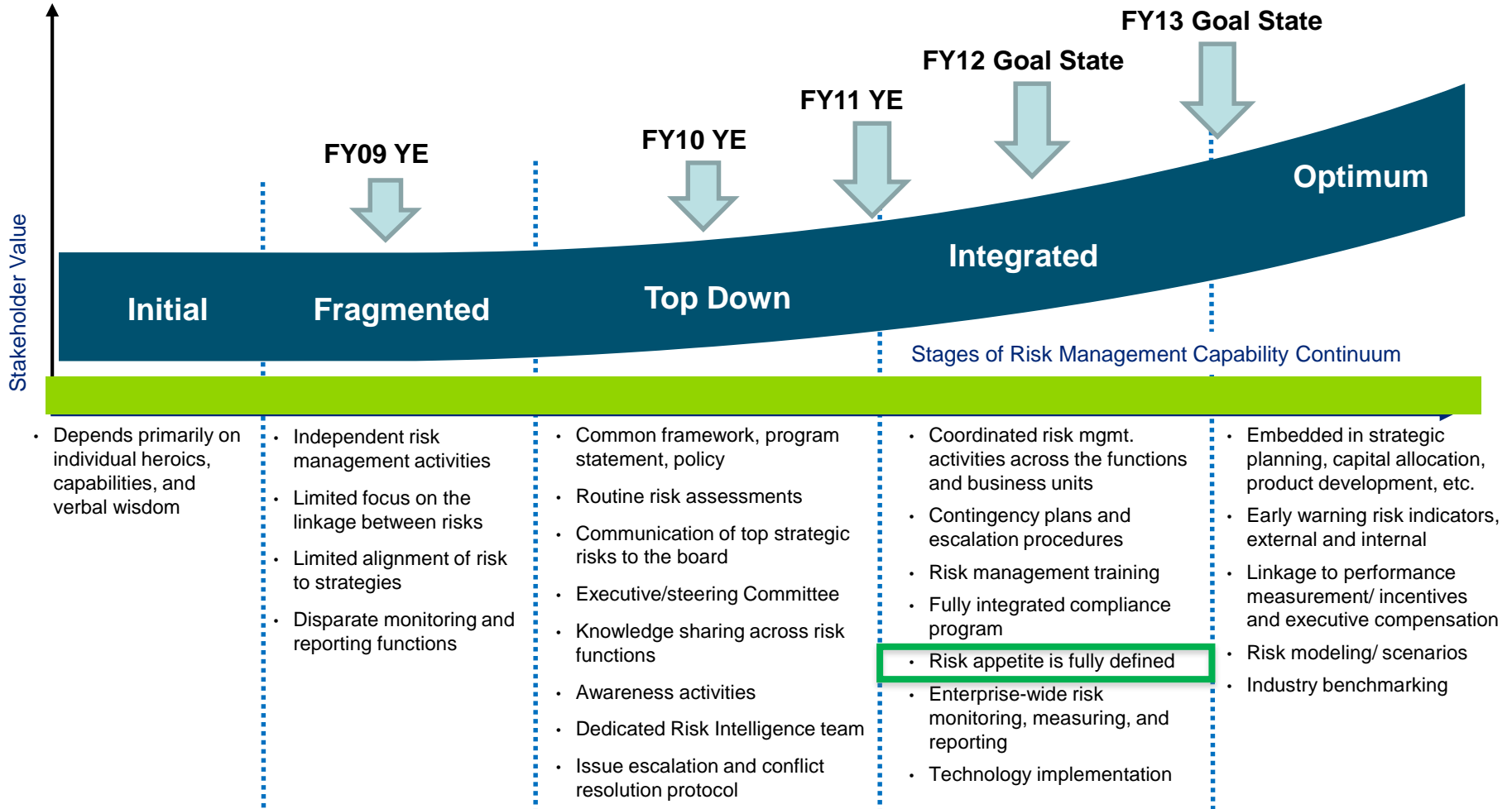
- Welcome & Introductions
- Overview of Sysco
- Sysco's Integration of Risk Appetite into ERM
- Panel Discussion
- Questions & Answers

Overview of Sysco

- The global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities, lodging establishments and other customers who prepare meals away from home
- Products also include equipment and supplies for the food service and hospitality industries
- Operates from more than 180 locations throughout the U.S., Canada, and Ireland
- 45,000 employees

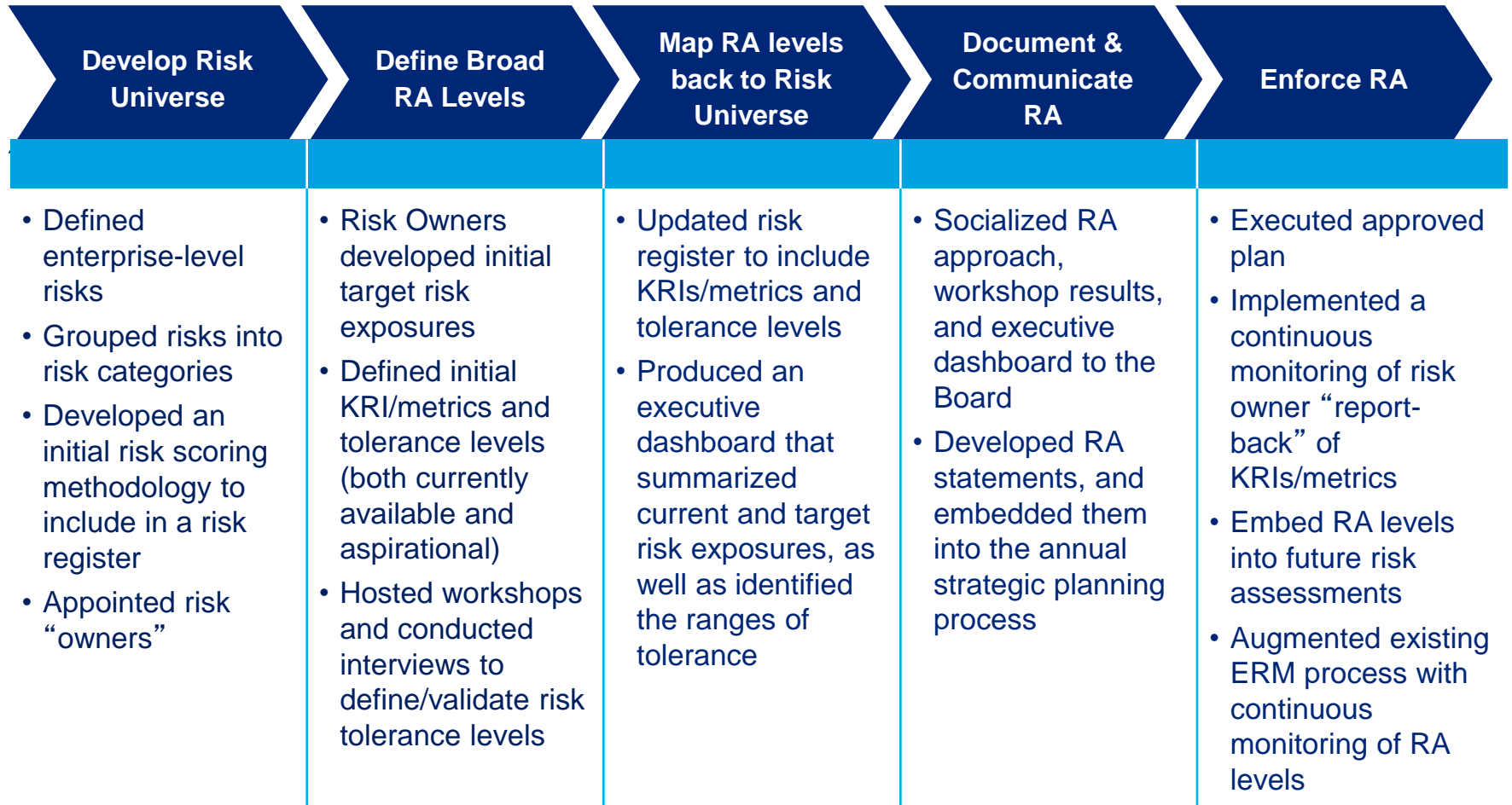
Sysco's Integration of Risk Appetite into ERM

By investing time and resources into Sysco's ERM Program, we have been able to continually advance Sysco's state of maturity.



Sysco's Integration of Risk Appetite into ERM

Approach to developing risk appetite ("RA")



Sysco's Integration of Risk Appetite into ERM

Monitoring Appetite Levels by Risk Owners



Risk Name

Risk definition and description.

State of Risk Exposure	Metrics & Trends	Risk Management Governance						
<p>Exposure</p> <p>VH H M L VL</p> <p>Initial Current Target</p> <p>Tolerance</p>	<table border="1"> <tr> <td>Metric 1</td> <td>↓</td> </tr> <tr> <td>Metric 2</td> <td>N/A</td> </tr> <tr> <td>Metric 3</td> <td>↓</td> </tr> </table>	Metric 1	↓	Metric 2	N/A	Metric 3	↓	<p>Board Committee X Committee</p> <p>Executive Sponsor(s): Name</p> <p>Business Owner: Name</p>
Metric 1	↓							
Metric 2	N/A							
Metric 3	↓							
	Anticipated Implementation of RM Plan	Q2 FY13						
	Expected Date of Decrease in Exposure Due to RM Implementation	Q1 FY13						
	Expected Exposure after Implementation							

Update on Risk Management Plan	
Key Activities	Timeframe Status
Activity 1	Completed
Activity 2	Completed
Activity 3	Completed
Activity 4	Completed
Activity 5	Q3 FY12
Activity 6	Q3 FY12

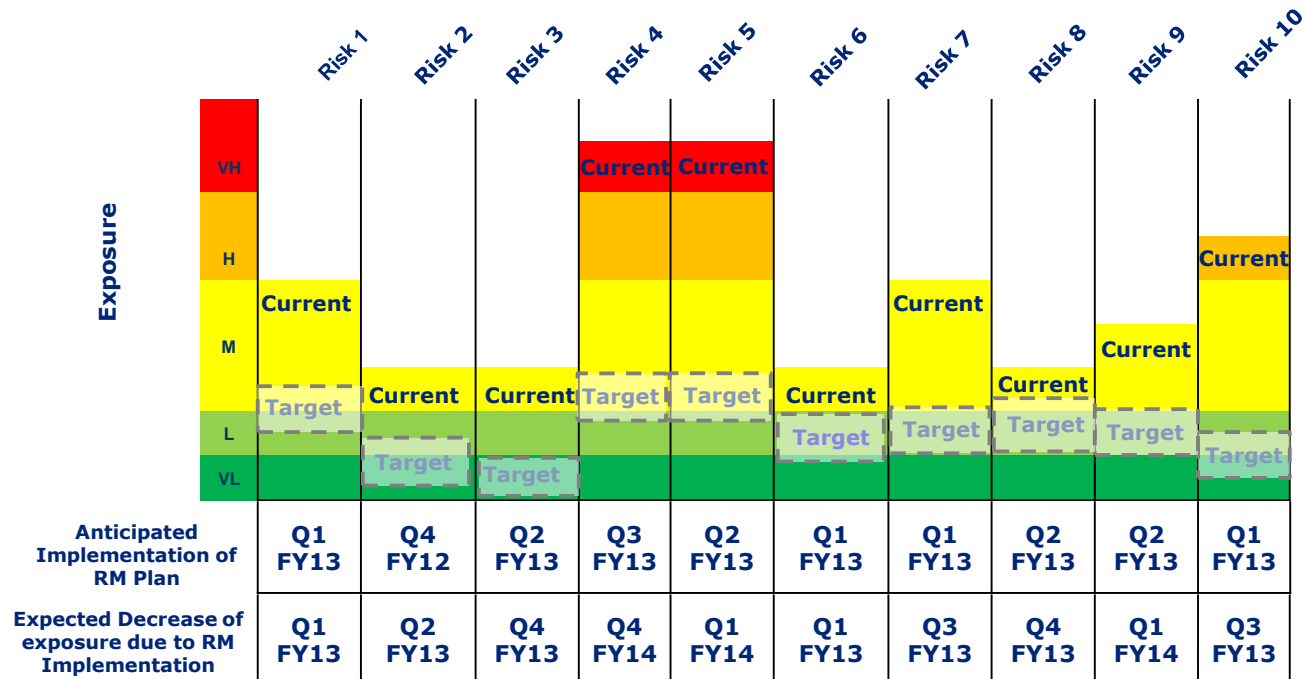
Sysco's Integration of Risk Appetite into ERM

Reporting Appetite Levels to Executives & Board



Key Enterprise Risks - Targeted Exposure, RM Plan Implementation

This summary shows the current exposure, targeted exposure range, and when implementation of risk management (RM) plan key milestones are expected to be reached.



Sysco' s Integration of Risk Appetite into ERM

Lessons Learned

- Take time to educate
- Socialize your drafts
- Obtain buy-in along the way
- Develop Risk Appetite statements that are flexible enough to be realistic, yet firm enough to be taken seriously
- Obtain messaging from the top
- Leverage what you already have so that this isn' t seen as “additive”
- Include metrics that are aspirational

Moderated Panel Discussion

Questions & Answers