

Sysco[®]
At the heart of
food and service

Investor Day

May 22, 2024 | NYSE





KEVIN KIM

VICE PRESIDENT OF INVESTOR RELATIONS

Forward-Looking Statements

Statements made in this presentation that look forward in time or that express management's beliefs, expectations or hopes are forward-looking statements under the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the views of management at the time such statements are made and are subject to a number of risks, uncertainties, estimates, and assumptions that may cause actual results to differ materially from current expectations. These statements include statements concerning: our expectations regarding future improvements in productivity; our belief that improvements in our organizational capabilities will deliver compelling outcomes in future periods; our expectations regarding improvements in international volume; our expectations that our transformational agenda will drive long-term growth; our expectations regarding the continuation of an inflationary environment; our expectations regarding improvements in the efficiency of our supply chain; our expectations regarding the impact of our Recipe for Growth strategy and the pace of progress in implementing the initiatives under that strategy; our expectations regarding Sysco's ability to outperform the market in future periods; our expectations that our strategic priorities will enable us to grow faster than the market; our expectations regarding our efforts to reduce overtime rates and the incremental investments in hiring; our expectations regarding the expansion of our Sysco Driver Academy and our belief that the academy will enable us to provide upward career path mobility for our warehouse colleagues and improve colleague retention; our expectations regarding the benefits of the six-day delivery and last mile distribution models; our plans to improve the capabilities of our sales team; our plans to refine our engineering labor standards; our expectations regarding the impact of our growth initiatives and their ability to enable Sysco to consistently outperform the market; our expectations to exceed our growth target by the end of fiscal 2024; our ability to deliver against our strategic priorities; economic trends in the United States and abroad; our belief that there is further opportunity for profit in the future; our future growth, including growth in sales and earnings per share; the pace of implementation of our business transformation initiatives; our expectations regarding our balanced approach to capital allocation and rewarding our shareholders; our plans to improve colleague retention, training and productivity; our belief that our Recipe for Growth transformation is creating capabilities that will help us profitably grow for the long term; our expectations regarding our long-term financial outlook; our expectations of the effects labor harmony will have on sales and case volume, as well as mitigation expenses; our expectations for customer acquisition in the local/street space; our expectations regarding the effectiveness of our Global Support Center expense control measures; and our expectations regarding the growth and resilience of our food away from home market.

It is important to note that actual results could differ materially from those projected in such forward-looking statements based on numerous factors, including those outside of Sysco's control. For more information concerning factors that could cause actual results to differ from those expressed or forecasted, see our Annual Report on Form 10-K for the year ended July 1, 2023, as filed with the SEC, and our subsequent filings with the SEC. We do not undertake to update our forward-looking statements, except as required by applicable law.



Agenda



Time	Event
9:00 AM – 12:00 PM E.T.	Investor Day Presentation & Q&A <ul style="list-style-type: none">• Kevin Hourican, Chair of the Board and Chief Executive Officer• Greg Bertrand, EVP, Global Chief Operating Officer• Neil Russell, Chief Administrative Officer• Victoria Gutierrez, Chief Merchandising Officer• Kenny Cheung, EVP, Chief Financial Officer
12:00 PM – 1:30 PM E.T.	Lunch - Sysco Branded Showcase



KEVIN HOURICAN

CHAIR OF THE BOARD AND CHIEF EXECUTIVE OFFICER



Executive Summary



We are a purpose driven corporation, with tangible differentiating assets, and a clearly defined strategy



Sysco operates within a large and growing Total Addressable Market: \$371billion. We are growing, profitably, faster than the overall market



Sysco has an industry leadership position in the following

- Total market-share
- Specialty market-share
- EBIT (as percentage of sales)
- Salesforce (measured in size and Net Promoter Score)
- Supply chain (as measured by # of DCs, # of trucks, and cost to serve efficiency)



We have identified actions to improve our core business performance

- Local sales and case growth
- Logistics cost per piece

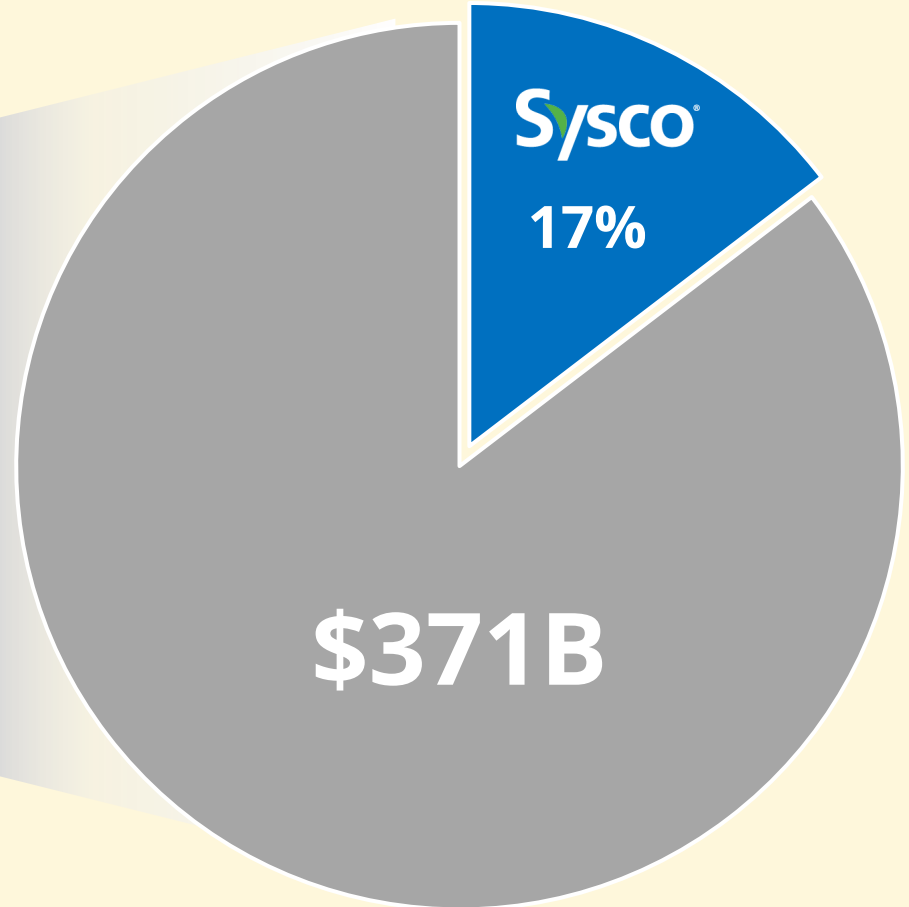
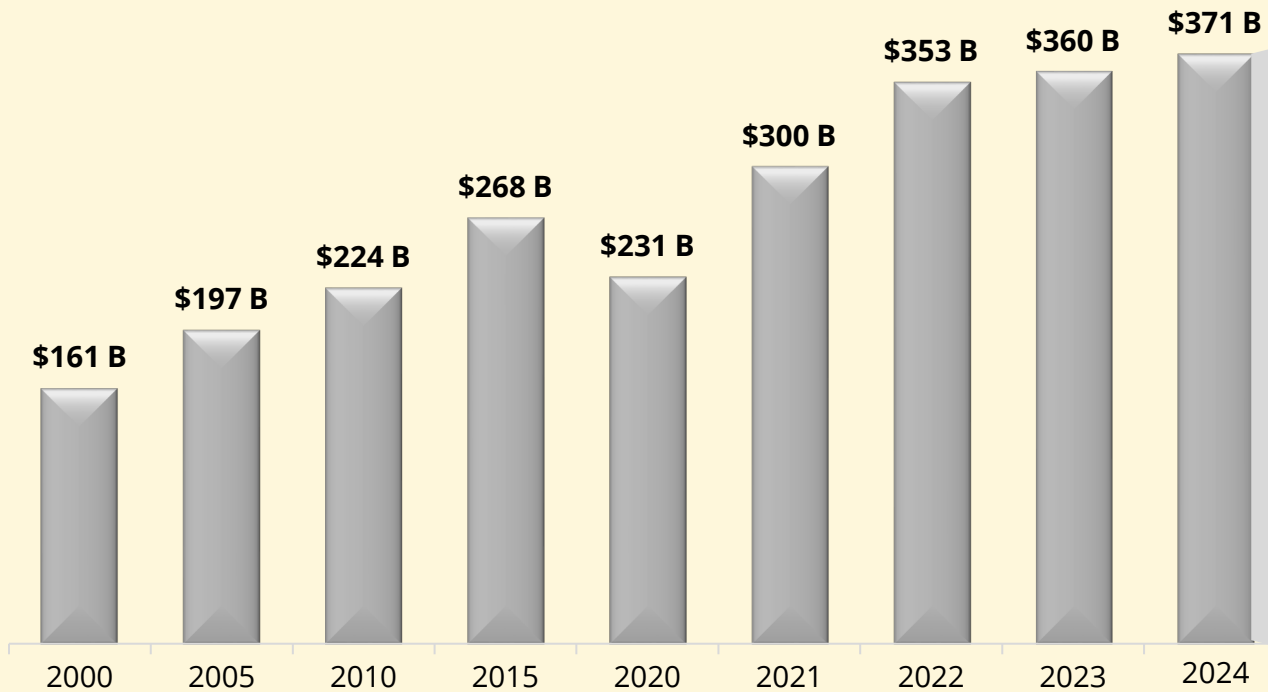


Our Recipe For Growth strategy accelerates profitable growth and improves how we serve our customers

- Digital experience
- Products and solutions
- Supply chain
- Customer teams
- New: Specialty/International – both will grow top and bottom line faster than the US broadline business

Market Leader in the Highly Fragmented and Growing Foodservice Distribution Industry

Total Addressable Market Since 2000



Source: Technomic U.S. Foodservice Industry Wallchart for Calendar Year, updated February 2024

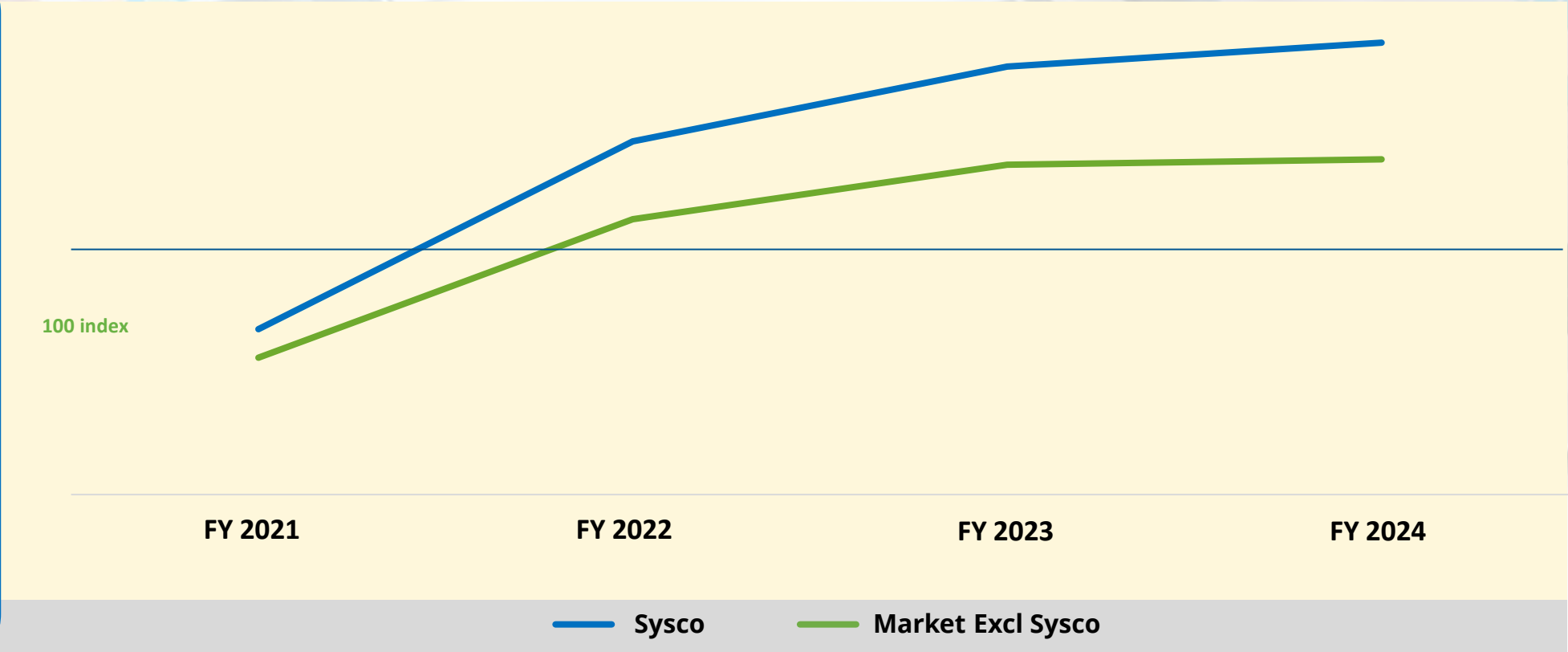


Sysco is Winning in the Marketplace

Sysco has Outperformed the Total Foodservice Market



U.S. Foodservice Operations Revenue Indexed to 2019 vs Technomic Market Estimated Indexed to 2019



Source: Sysco U.S. Ops Revenue Forecast; Technomic Custom Wall Chart Market February 2024 – Sysco Broadline growth in Q3 FY 2024

Sysco Business at a Glance

~\$79 billion
in Annual Sales

334
Distribution
Facilities

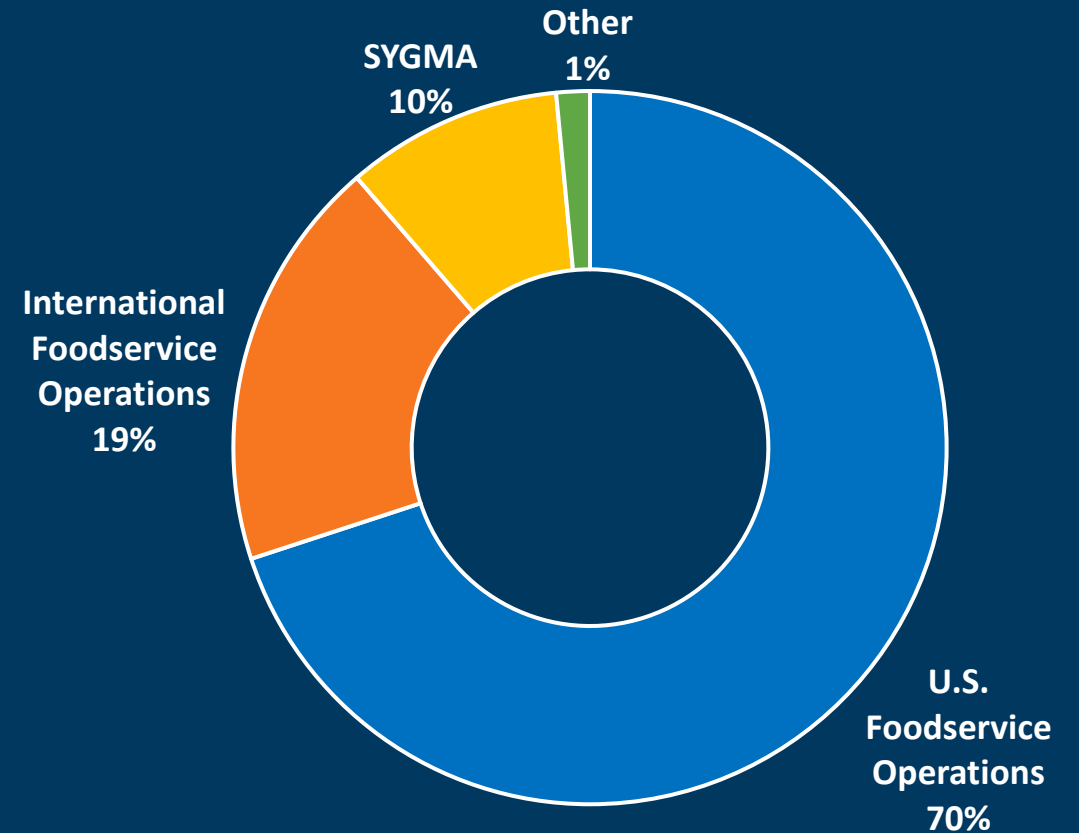
>74,000
Global
Colleagues

~7,500
Sales
Professionals

**#1 Market
Share¹**

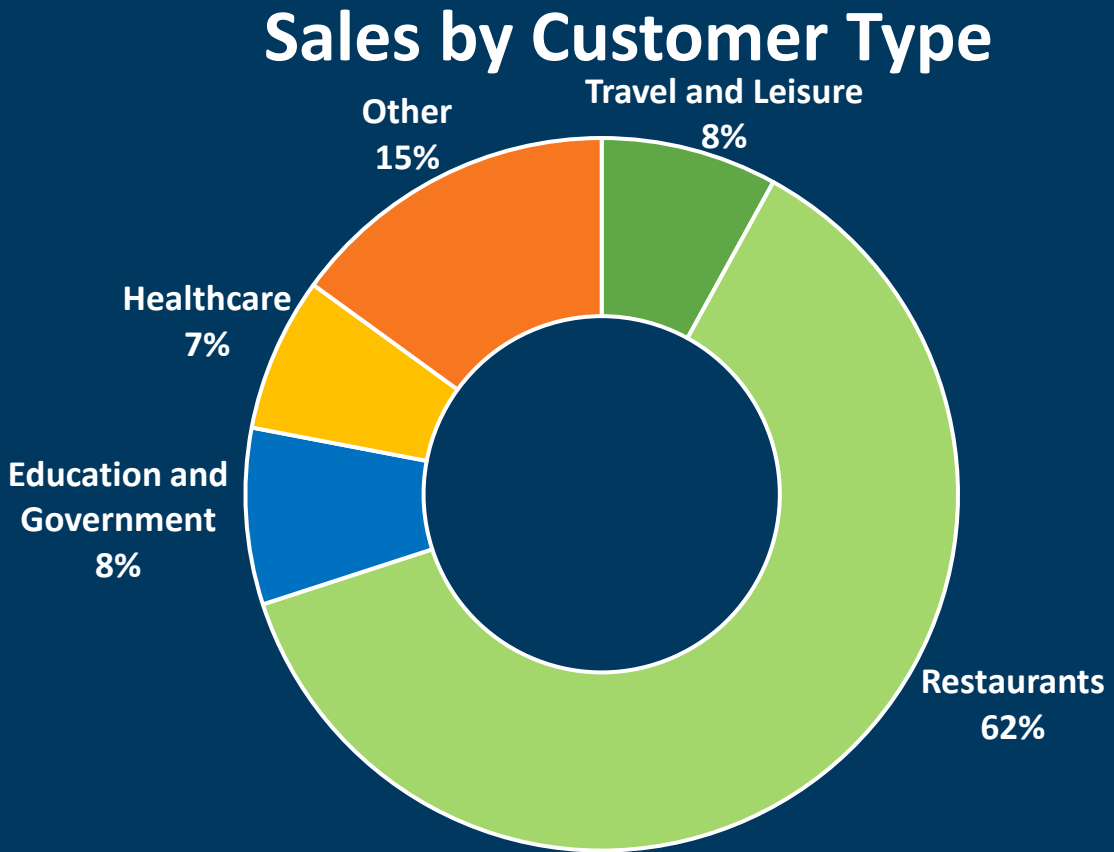
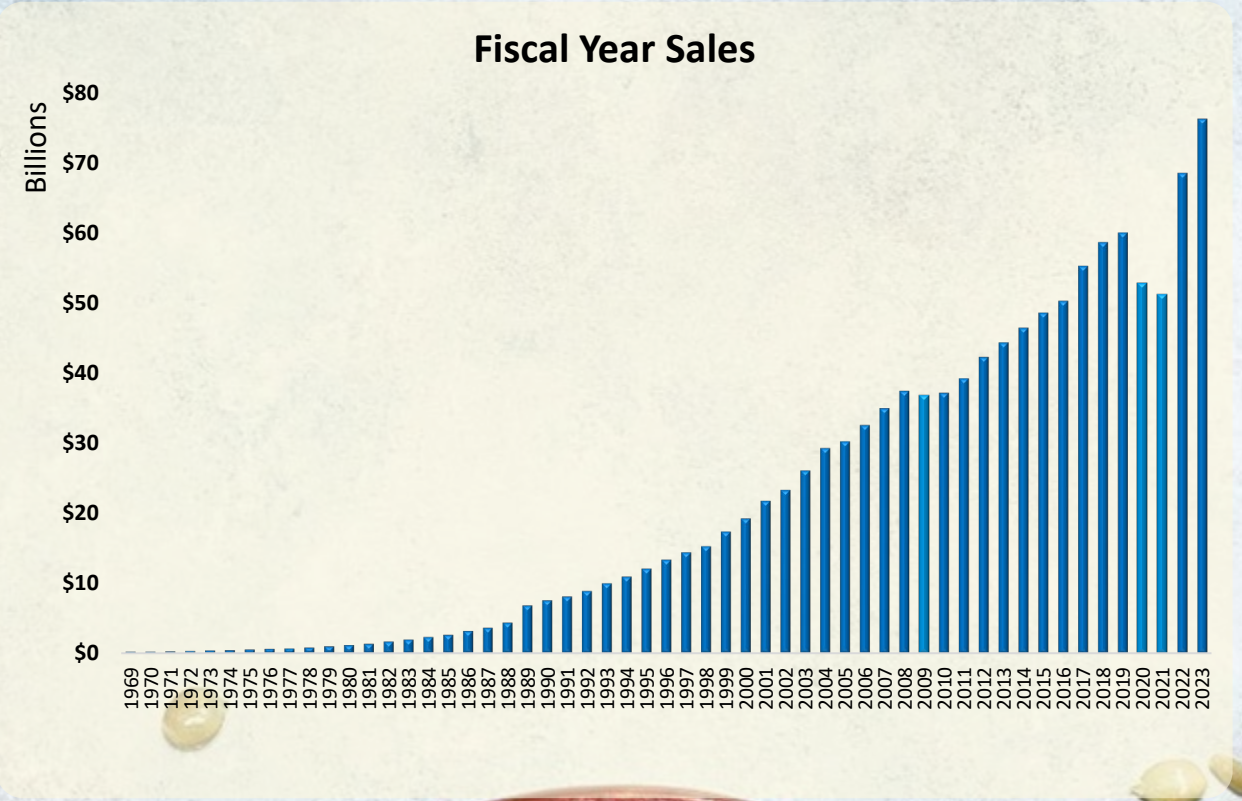
~725K
Customer
Locations

Sales by Segment



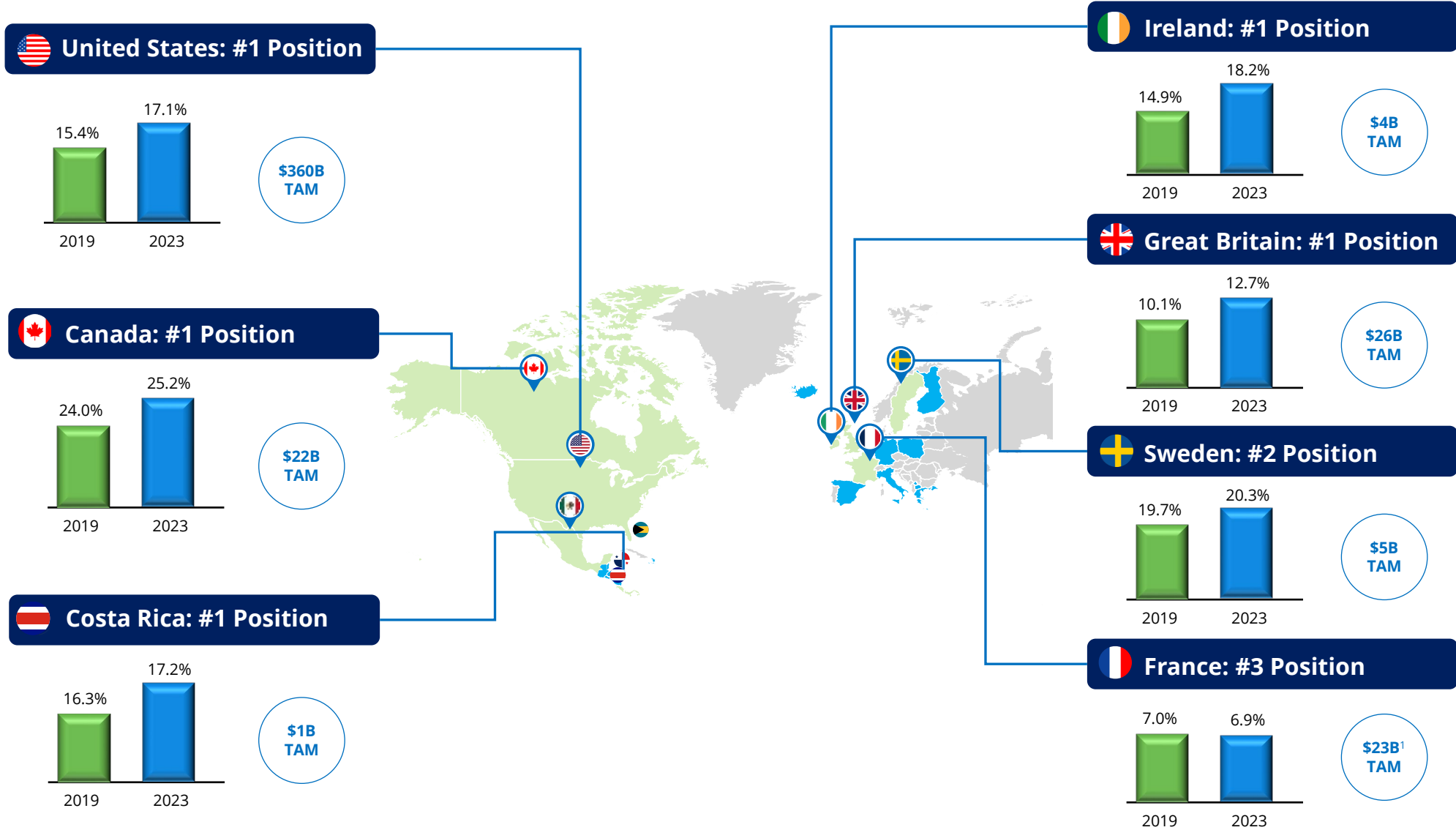
¹ Leading market share in U.S., Canada, U.K., Ireland, Costa Rica, Bahamas

Sysco Has Consistently Grown Sales for 50+ Years



- Consistent Growth, Anchored by Strong Portfolio
- Recession Resistant Customer Mix (e.g., govt., healthcare, education)

We Have Gained Share Domestically and Internationally

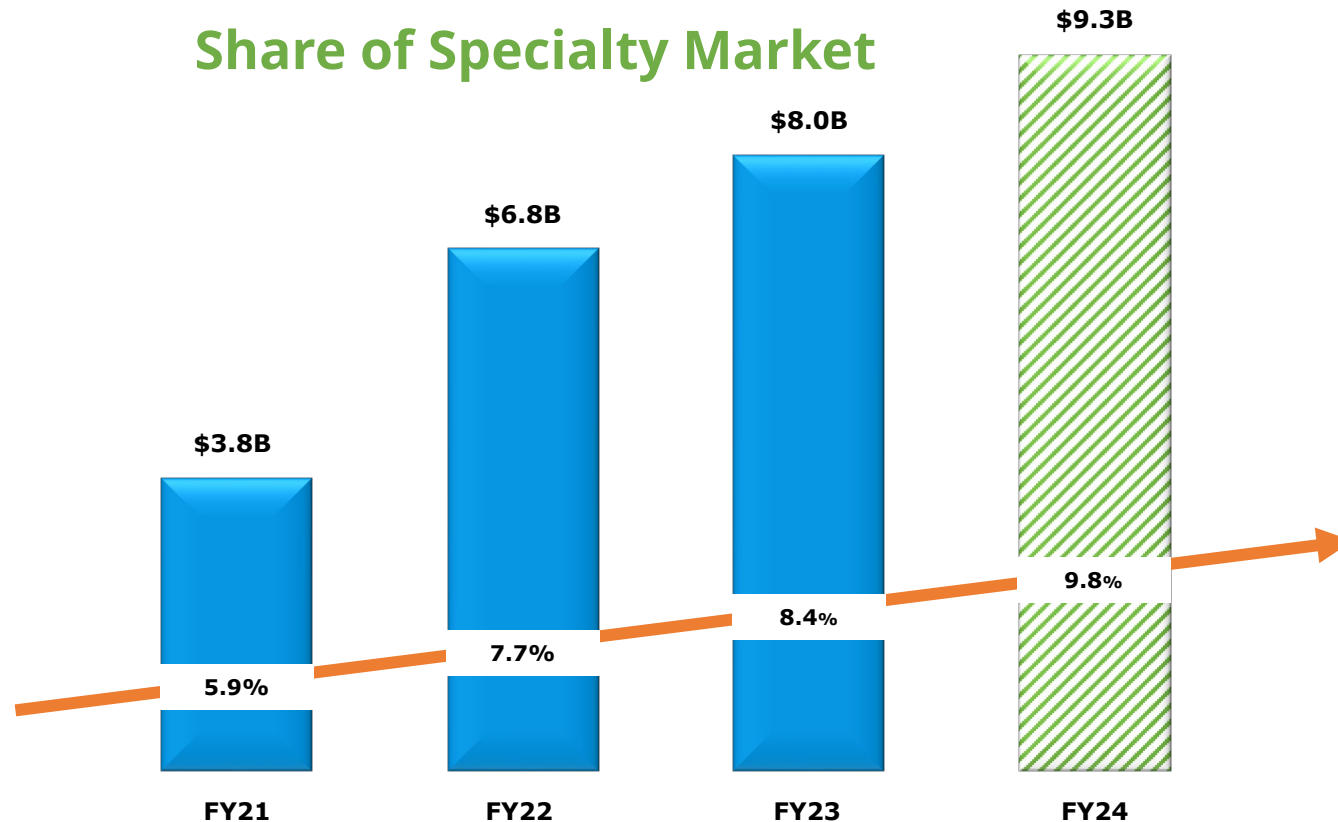


Source: U.S. – Technomic (adjusted estimate); Canada – Restaurants Canada; GB, Ireland, Sweden, France, Costa Rica – Global Data; market share information compares calendar year 2019 to fiscal year 2023, excluding the United States. ¹ Food excluding Beverages



We Have Substantially Grown Our Specialty Portfolio.
We Believe Specialty Will Continue to Deliver Strong Top
and Bottom-Line Growth Over the Next Three Years.

Share of Specialty Market



Anticipate expansion in Volume Growth and Share Gains

Sysco is Led by a Capable & Experienced Management Team



Kevin P. Hourican

Chair of the Board and Chief Executive Officer

Tenure 4 years



Greg D. Bertrand

Executive Vice President and Global Chief Operating Officer

Tenure 33 years



Kenny Cheung

Executive Vice President and Chief Financial Officer

Tenure 1 year



Victoria L. Gutierrez

Senior Vice President and Chief Merchandising Officer

Tenure 3 years



Stephen Higgs

Senior Vice President, Global Operations

Tenure 27 years



J. Chris Jasper

Senior Vice and President, U.S. Broadline Foodservice Operations

Tenure 29 years



Jenny Johnson

Senior Vice President and Chief Accounting Officer

Tenure 1 year



Gregory S. Keller

Senior Vice President, National Accounts, Sysco and SYGMA

Tenure 24 years



Greg Keyes

Senior Vice President, Finance and Treasurer

Tenure 9 years



Eve M. McFadden

Senior Vice President, Legal, General Counsel and Corporate Secretary

Tenure 15 years



Thomas R. Peck, Jr.

Executive Vice President, Chief Information and Digital Officer

Tenure 3 years



Ronald L. Phillips

Executive Vice President and Chief Human Resources Officer

Tenure 3 years



Daniel T. Purefoy

Senior Vice President and Chief Supply Chain Officer

Tenure 2 years



Ryan Rumbarger

Senior Vice President and President, U.S. Specialty Foodservice Operations

Tenure 2 years



Neil A. Russell, II

Senior Vice President and Chief Administrative Officer

Tenure 15 years



Elizabeth Ubell

Senior Vice President and International Chief Commercial Officer

Tenure 6 years



Anita Zielinski

Senior Vice President, Chief Financial Officer, U.S. Foodservice Operations

Tenure 7 years

Sysco's Purpose Motivates our Colleagues, Fuels our Customer Engagements, and Prioritizes our Work Focus

**CONNECTING THE WORLD TO SHARE FOOD
AND CARE FOR ONE ANOTHER**

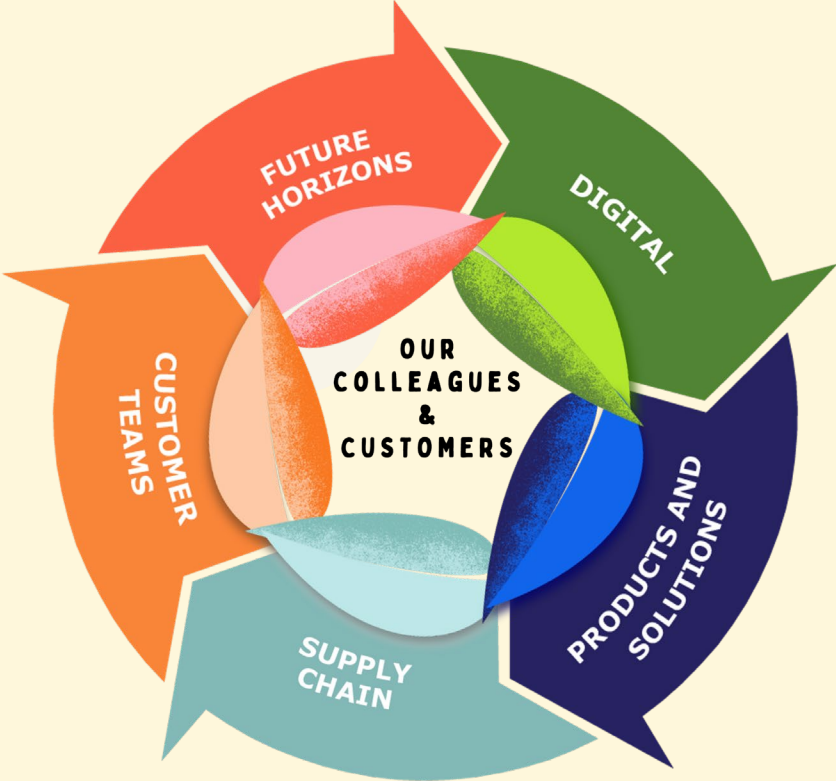


Our Leadership Team is Focused on Improving Today, While Transforming for Tomorrow

Improving Our Core Business



Continue to Advance Our Recipe For Growth



Improving Our Core Business Performance

Local Case Growth



Merchandising Leverage



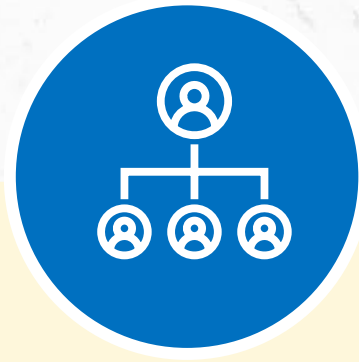
Supply Chain Efficiency and Cost



Actions Being Taken to Drive Local Sales / Volume Growth



Incremental
Sales
Headcount



Sales Consultant
Performance
Management
– CRM tools



Total Team
Selling – Driving
Specialty



Optimize Sales
Consultant
Compensation

Actions Being Taken to Improve Merchandising Leverage



Strategic
Sourcing



Sysco Brand –
New Architecture,
International
Expansion & CMU
focus



Price Optimization –
Relevant & Agile
Pricing



Italian and Asian
Expansion

Actions Being Taken to Improve Supply Chain Efficiency and Cost



Employee Retention



Supply Chain Productivity



Colleague Safety



Product Shrink

Longer-term, we are focused on key items that improve operating expense

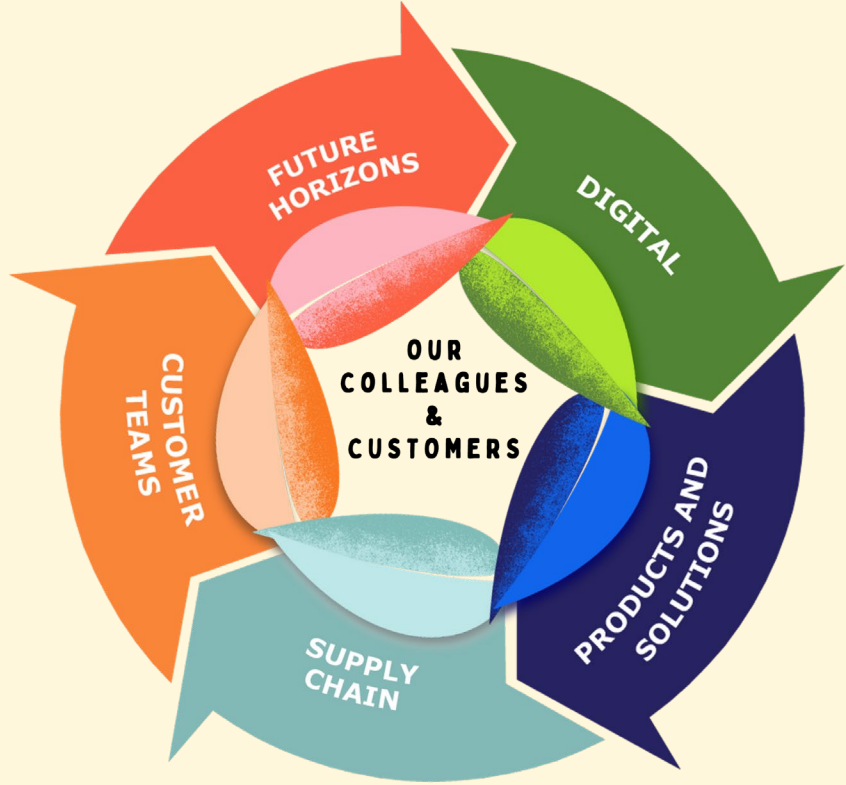
- Routing Technology
- Omni-channel
- DC Automation

Our Leadership Team is Focused on Improving Today, While Transforming for Tomorrow

Improving Our Core Business

- Local Case Growth
- Merchandising Leverage
- Supply Chain Efficiency and Costs

Continue to Advance Our Recipe For Growth



Our Recipe For Growth

STRATEGY | How We Win

We will grow, profitably, faster than the overall market



DIGITAL

NPS Improvement
Personalization Engine & Website Improvement
Pricing Automation

PRODUCTS AND SOLUTIONS

Italian & Asian Expansion
Sysco Brand Acceleration
Strategic Sourcing

SUPPLY CHAIN

Improved Productivity & Fill Rates
10 NEW Global Distribution Projects
Omni-channel
Upgraded Routing

CUSTOMER TEAMS

400 to 500 incremental sales professionals per year
Sysco Your Way
Sysco Perks!
Total Team Selling

FUTURE HORIZONS

M&A
Specialty Acceleration
International & IFG growth
Structural Cost Out

Digital



Deals For You Tab

Improved Product Recommendations

Improved Suggested Order

Improved Pricing Agility



Products and Solutions



**Italian
Expansion**

**Asian
Expansion**

**Strategic
Sourcing**

**Sysco Brand
Acceleration**



Supply Chain



Improved Productivity

Improved Fill Rates

Improved NPS

Future:
Omni-channel
Upgraded routing
10 new DCs globally
(capacity expansion)



Customer Teams



Adding 'net'
~400-500 Sales
Professionals Per
Year

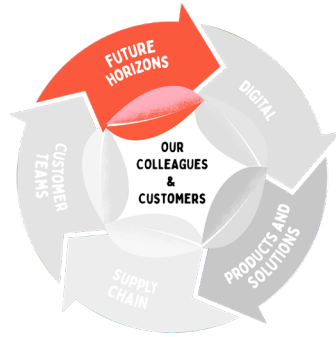
Sysco Your Way

Sysco Perks!

Total Team
Selling



Future Horizons



Structural
Cost-Out

Continued M&A
(Focus on
Specialty)

Specialty
Acceleration


















IFG and
International



**We Have Evolved
Sysco's Business Model
and Operational
Approach,
Complementing Our
Growth Strategy**



We Have Meaningfully Transformed Our Business Over Past Four Years

 FUNCTION	 CURRENT STATE	 % DONE
Merchandising 	<p>Strategic sourcing & product innovation</p> <hr/> <p>Hybrid approach, with commodity products managed centrally and fresh products managed locally</p>	 
Sales 	<p>31 Regional leaders; consistent selling approach</p> <hr/> <p>CRM platform that guides a selling process Performance Management</p>	 
Operations 	<p>Local leadership accountability for operations</p> <hr/> <p>Consistent service experience</p>	<p>N/C</p> 
Technology 	<p>Modern digital platform One common app and systems infrastructure</p> <hr/> <p>Centralized pricing strategy and execution guided by best-in-class technology</p>	 
Finance 	<p>Common tools and technology that has been centralized</p> <hr/> <p>Global project prioritization, managed with disciplined ROIC</p>	 



Desired End State Achieved



Early Progress

N/C No Change


Delivering Many Wins & Identifying Areas for Focus & Improvement


Highlights of Wins

 **Global Operating Model**

 **Digital Capabilities**

 **International Growth and Profitability**

 **Capacity Investments For Future Growth**

 **Meaningful, Strategic M&A**

 **\$3B+ of Net New National Sales Wins With Improved Profitability**

Opportunities to Improve

Pricing Agility



Supply Chain Fill Rate



Supply Chain Retention and Productivity



Salesforce Size and Effectiveness



Further Expand Specialty Platforms



International Profit Rate



Why Sysco?

Sysco will Deliver Strong Financial Results in the Backdrop of a Resilient Industry

- ✓ **Food Away from Home is a Stable and Growing Sector**
- ✓ **Sysco is Gaining Market Share with Industry Leading Profitability Metrics**
- ✓ **Strong Balance Sheet and Robust Free Cash Flow**
- ✓ **A Highly Skilled and Purpose-Driven Leadership Team Focused on Long-Term Value Creation**
- ✓ **Achievable Financial Targets**





GREG BERTRAND

EVP, GLOBAL CHIEF OPERATING OFFICER



Sysco Has an Opportunity to Significantly Grow Local Sales Globally

Accelerating Growth Vectors



U.S. Local Sales



Specialty

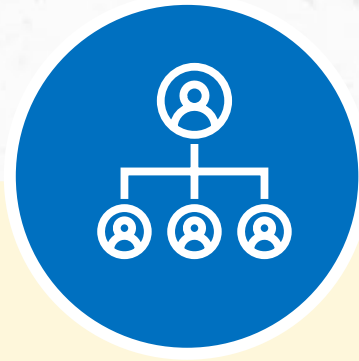


International

Local Sales Excellence Globally: The Core Four



Incremental
Sales
Headcount



Sales Consultant
Performance
Management
– CRM tools



Total Team
Selling – Driving
Specialty

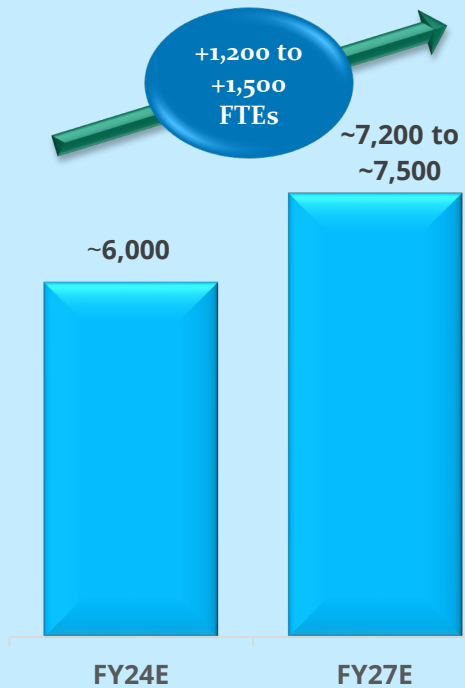


Optimize Sales
Consultant
Compensation

Incremental Sales Headcount

Our Salespeople Remain a Differentiating Asset and Core to Sysco's Growth Strategy

USBL Local Sales Headcount



Competitive Advantage of Local Salespeople

Attribute	Score (0 - 10 Scale)	Gap vs. Other Broadliners
Sales rep relationship		90 bps
Digital experience		85 bps

What Is Total Team Selling?



Fosters collaboration to sell together,

Broadline + Specialty Sales Teams work together to increase penetration of produce and protein



Positions the Product Specialist to be an **Agnostic Seller** of USBL & Specialty products



Customer first, by broadening our service and assortment offerings



Compensates the Total Team when we're successful, no matter which truck the products are delivered on



Integration of disparate systems **into a single CRM system**, which provides leads and fosters easier collaboration

What Is New?

Collaboration is evolving beyond produce and protein to a strategy to displace competitors and gain market share in all categories

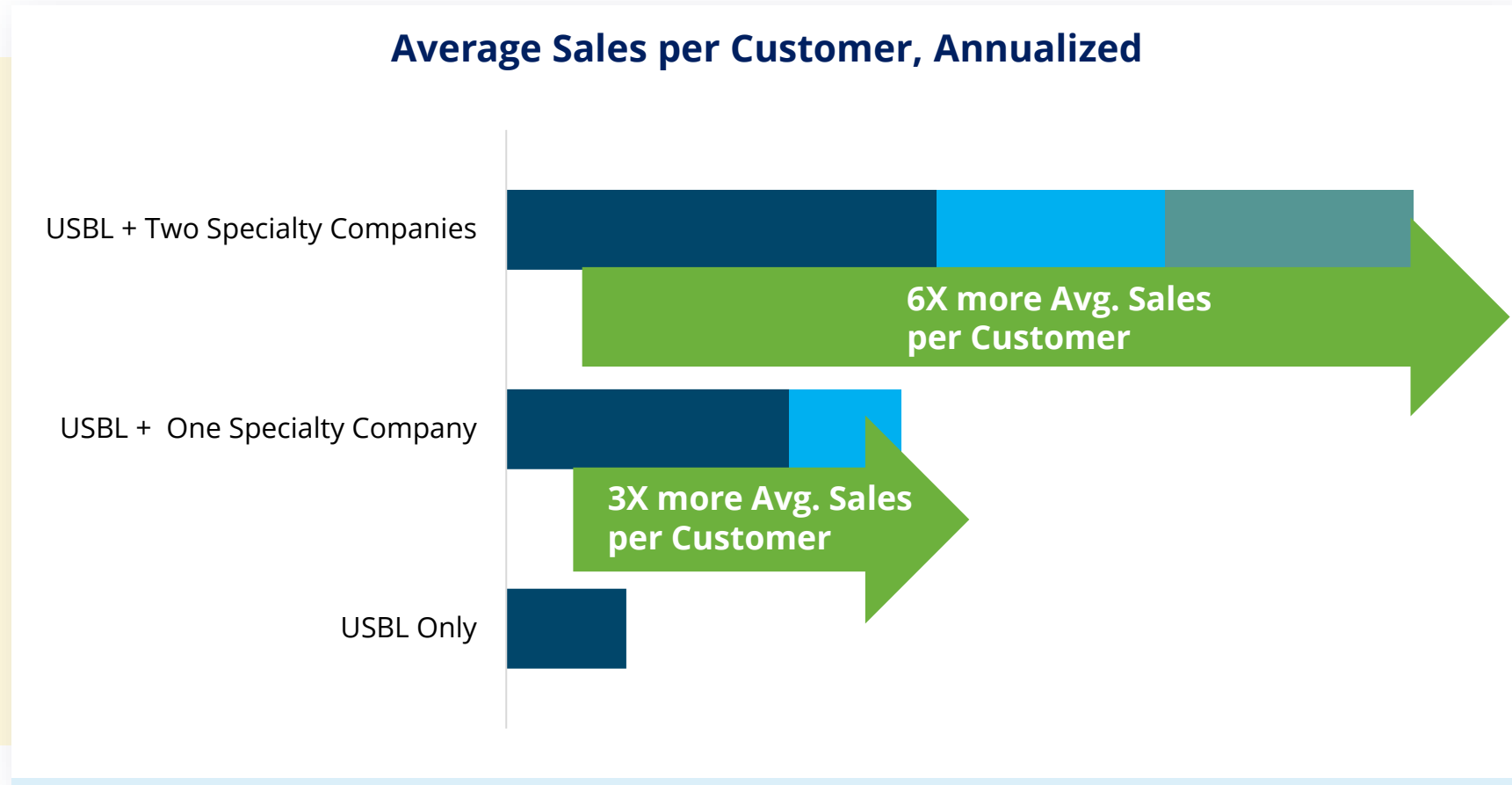
In addition to Product Specialists, we have launched Total Team Selling for New Business Developers to focus on new customer acquisition

Recent expansions due to M&A activity and increased Specialty distribution

Enhanced compensation for Total Team Selling success through commissions and incentives

Ability to generate enterprise-level insights, next best actions and visibility across business into shared customers and products

Accelerated Growth When We Leverage Total Team Selling



Sales Compensation Journey

Post Covid: FY21

- Shift from commissions to Base + Bonus
- Bonus based largely on initiative adoption and leading indicators

FY24

- Established YOY growth as central element of bonus
- Uncapped a portion of bonus
- Incentivize Total Team Selling

FY25

- Remix pay from base → bonus
- Increase importance of profit growth in YOY bonus
- Further emphasize and reward growth in Local customer type, Sysco Brand, Total Team Selling and New Business
- Increase earnings potential commensurate with results

Shifting Compensation Mix from Base Pay to Bonus

Increased Emphasis on Growth Results

Increased Emphasis on *Profitable* Growth

Specialty Growth Vectors



- Leading U.S. specialty Italian platform
- Over 60% growth since acquisition



- Leading U.S. specialty foodservice equipment and supplies platform



- Leading U.S. fresh produce platform
- Expanding Grab-n-Go capabilities



- Leading U.S. specialty meat platform
- Expanding capabilities across Center of Plate categories



- High-growth Asian platform
- Planned U.S. expansion beyond Midwest Region

Four \$1B+ Platforms

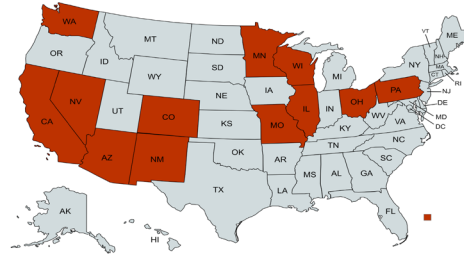
Driving Accelerated Growth Through Total Team Selling

Winning with Specialty

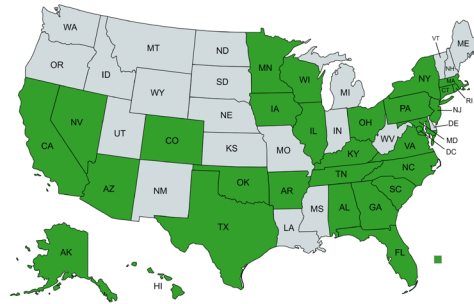
Specialty Company



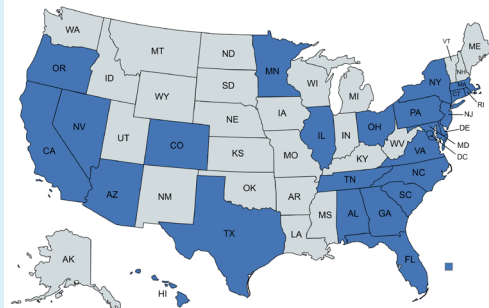
Current Footprint



- Recent expansion in Southern California through acquisition of Jacmar Foodservice
- Future expansions will be a mix of standalone and campus facilities



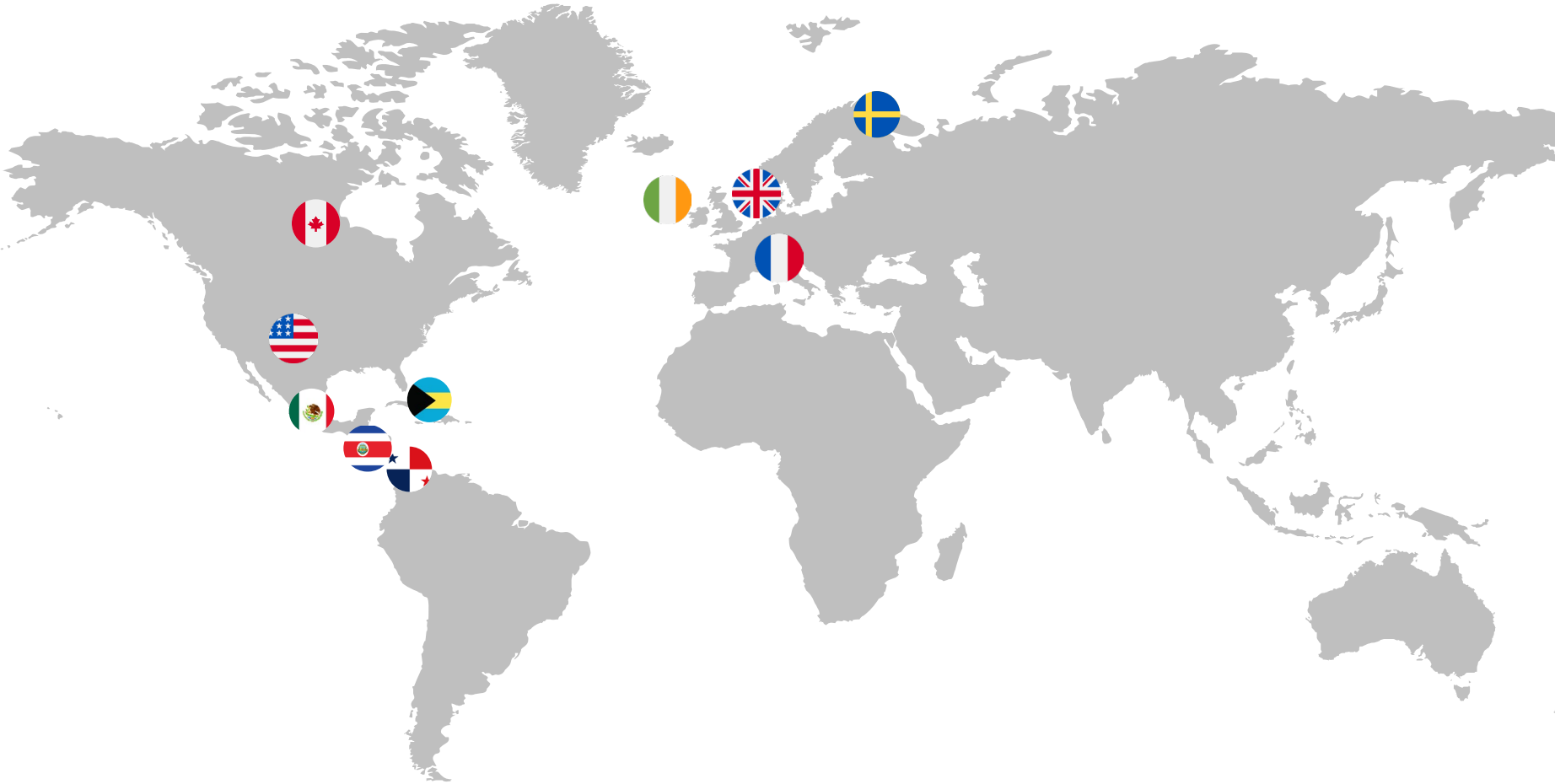
- Recent expansion into North Central U.S. through acquisition of BIX in Minnesota and RFD in Chicago
- Continue to pursue acquisition opportunities within white space



- Full grinding capabilities now available throughout the network
- Creating standard capabilities in poultry, pork and seafood

Today, 50% of Total Sysco Customers have quick access to Specialty capabilities, products and experts due to our many locations

Sysco's Go-to-Market Strategy is Global



From FY19 to LTM, International grew Top and Bottom Line by 25% and 33%, respectively

Building on #1 Market Positions

Sysco Your Way

Strategic Sourcing

Sysco Perks!

Sysco Brand Penetration

Sales Center of Excellence – Canada & US

Total Team Selling

Operations Best Business Practices & Tools

Talent Development and Succession Planning



46.8%
USBL Local Case Mix



40.1%
Canada Local Sales Mix



36.0%
Europe Local Sales Mix



12.0%
LatAm/ Caribbean/
Exports Local Sales Mix

Global Operating Model - Increased Penetration of Sysco Brand Globally



Accelerating Sysco Brand Mix Globally to Improve Profitability and Customer Retention

Leveraging U.S. Broadline-native brand strategies and programs

- Bring scale to smaller markets
- Multi-lingual packaging
- Manufacturer consistency
- Rooted in FSQA standards



Europe Example

- Brand architecture standardization unlocks a common assortment:
 - **10 Sysco Brands launched across region**
- Creating differentiation: **1,500+ Sysco Universal Product Codes (SUPC's) converted**





Supply Chain Productivity

Operational Excellence:
Improved Operations Execution
and Leveraging Technology



Our Five Global Supply Chain Levers Are Derived From Being Brilliant at the Basics and Layering in Technology to Go Further

Retention Improvement

- Improved Quality of Candidates
- Operations Academies
- New Hire Reviews
- Retention Playbook

Productivity Efficiency

- Staffing to Volume
- Observation and Accountability
- Performance Management
- Leader Standard Work targets

Safety Excellence

- Observations and Coaching
- Hypercare Program
- Technology to Support Safety (e.g., Driver Alertness Monitoring)

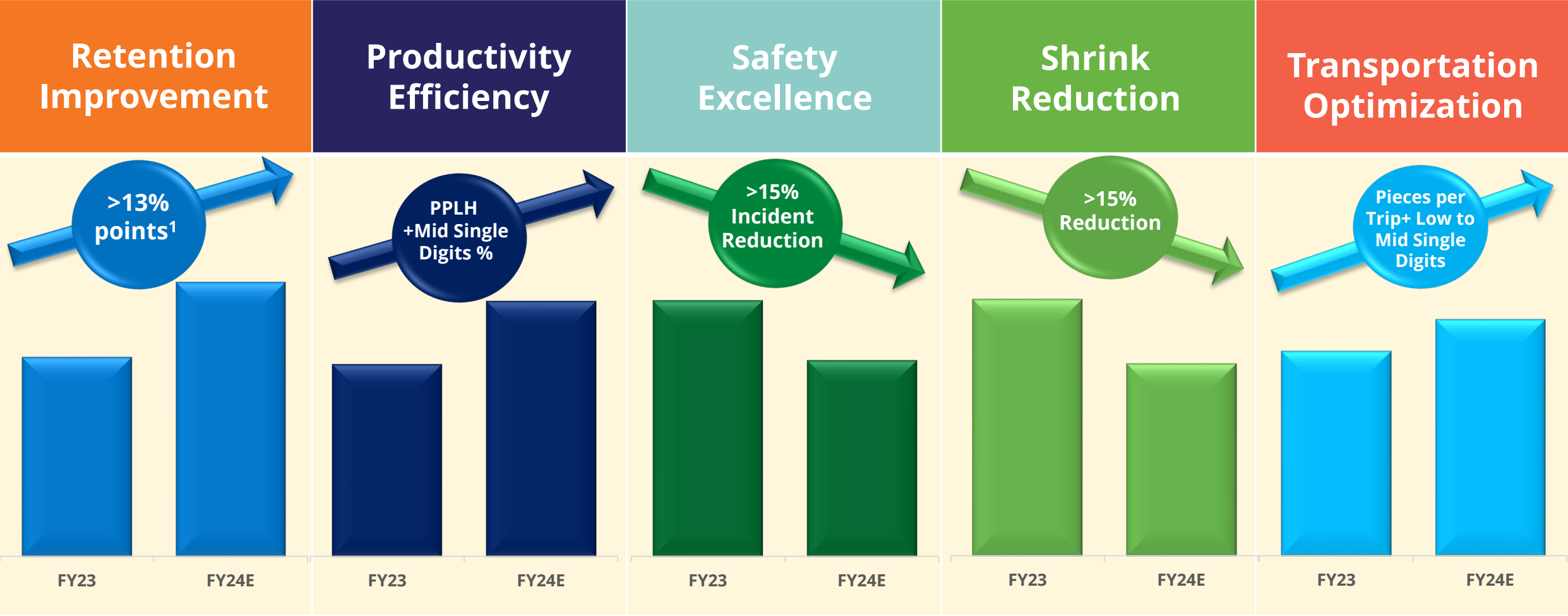
Shrink Reduction

- Improve Retention
- Shrink Playbook
- Market Directors of Shrink

Transportation Optimization

- Pieces per Trip Maximization
- Driver Academy
- Routing Optimization
- On-Time Delivery Incentives

Our Five Global Supply Chain Levers Are Derived From Being Brilliant at the Basics and Layering in Technology to Go Further



¹ Represents selector and driver retention

In Summary

- Commitment to **grow Local Sales globally**
 - Continue to **accelerate growth in our Specialty Business** through new acquisitions and expanded capabilities
 - Leverage our **global footprint to fuel our growth** and execute our strategy the Sysco Way
 - Reduce cost by improving retention and being **Brilliant at the Basics**
-

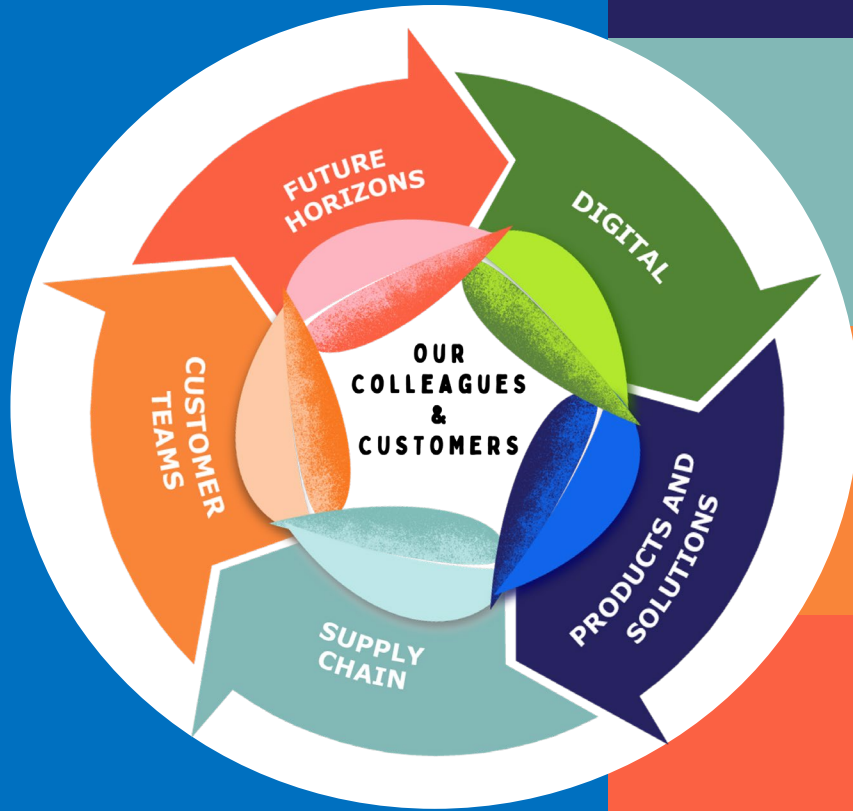




NEIL RUSSELL

CHIEF ADMINISTRATIVE OFFICER

Sysco's Recipe For Growth is Creating Multiple Vectors to Drive Long-term, Profitable Growth



DIGITAL

Enrich the customer experience through personalized digital tools that reduce friction in the purchase experience and introduce innovation to our customers

Highlights today: Personalization, Marketplace

PRODUCTS AND SOLUTIONS

Customer focused marketing and merchandising solutions that inspire increased sales of our broad assortment of fair priced products and services

SUPPLY CHAIN

Efficiently and consistently serve our customers with the products they need, when and how they need them, through a flexible delivery framework

CUSTOMER TEAMS

Our greatest strength is our people. People who are passionate about food and food service. Our diverse team delivers expertise and differentiates services designed to help our customers grow their business

Highlights today: Sysco Your Way, Sysco Perks!

FUTURE HORIZONS

We are committed to responsible growth. We will cultivate new channels, segments, and capabilities while being stewards of our company and our planet for the long-term. We will fund our journey through cost-out and efficiency improvements

Highlights today: Sustainability



is a Game-changer – Providing a Unique Service and Delivery Model for ‘Restaurant-dense’ Neighborhoods



SUPERIOR DELIVERY FLEXIBILITY TO NEIGHBORHOOD

- 6 day/week delivery
- Late order cutoff (9 PM)
- Consistent delivery windows
- No order minimums for qualified customers



FOCUSED TEAM-SELLING WITH DEDICATED SUPPORT

- Dedicated sales team
- Partner support team: Specialists, Chefs, etc.
- Consistent delivery drivers



North End - Boston

TARGET NEIGHBORHOODS ARE:

- ★ Operator-dense
- ★ Small, walkable geography
- ★ Close to operating site
- ★ High growth opportunity

Customer Teams

Your Way Sysco

\$400M+

INCREMENTAL SALES GROWTH IN SYW NEIGHBORHOODS TO DATE

20%

FY24 – FY27E SALES CAGR

\$1B+

PROJECTED SALES GROWTH AT MATURITY

is Live Globally in 500+ Neighborhoods Driving Double-digit Top and Bottom-line Growth

Global program, driving growth with new and existing customers

At scale in U.S. and expanding within international countries



	Pre-SYW	Current
Share of wallet	34%	44%
Unit share	25%	33%

"programs like Sysco Your Way have manifested to be invaluable...they take care of us"

Owner | Citrone
Neighborhood: Redlands (Riverside, CA)

Additional SYW growth opportunities exist

Grow in existing neighborhoods:

Double down on prospecting and increase penetration of current customers through customer engagement and sales capacity

Expand the SYW footprint globally:

Continue to scale the SYW program to more customers and neighborhoods

"...we get unexpected peaks in service...Sysco Your Way offers me delivery service and expertise I need to run my kitchen"

Executive Chef | The Temple Bar Hotel
Neighborhood: 6 Temple (Dublin, Ireland)

Customer Teams



12K

Current Members

OUR LARGEST, MOST PROFITABLE
INDEPENDENT CUSTOMERS



is a Pioneering Customer Loyalty Program for Our Top Independent Customers

Benefits Include:

- Flexible Delivery up to 6 days per week
- Exclusive Offers and Monthly Promotions
- Restaurant Solutions
(e.g. Marketing Services, Menu Design)
- Surprise & Delight: chances to win
monthly prizes and more!

Sysco Perks! Customers are...



2X the size of the
average Independent
customer



50%+ less likely
to churn



Highly engaged with
70%+ using benefits and
digital marketing

Customer Teams

\$200M+

INCREMENTAL SALES GROWTH
TO DATE

11%

FY24 – FY27E SALES CAGR

\$500M+

PROJECTED SALES GROWTH
AT MATURITY

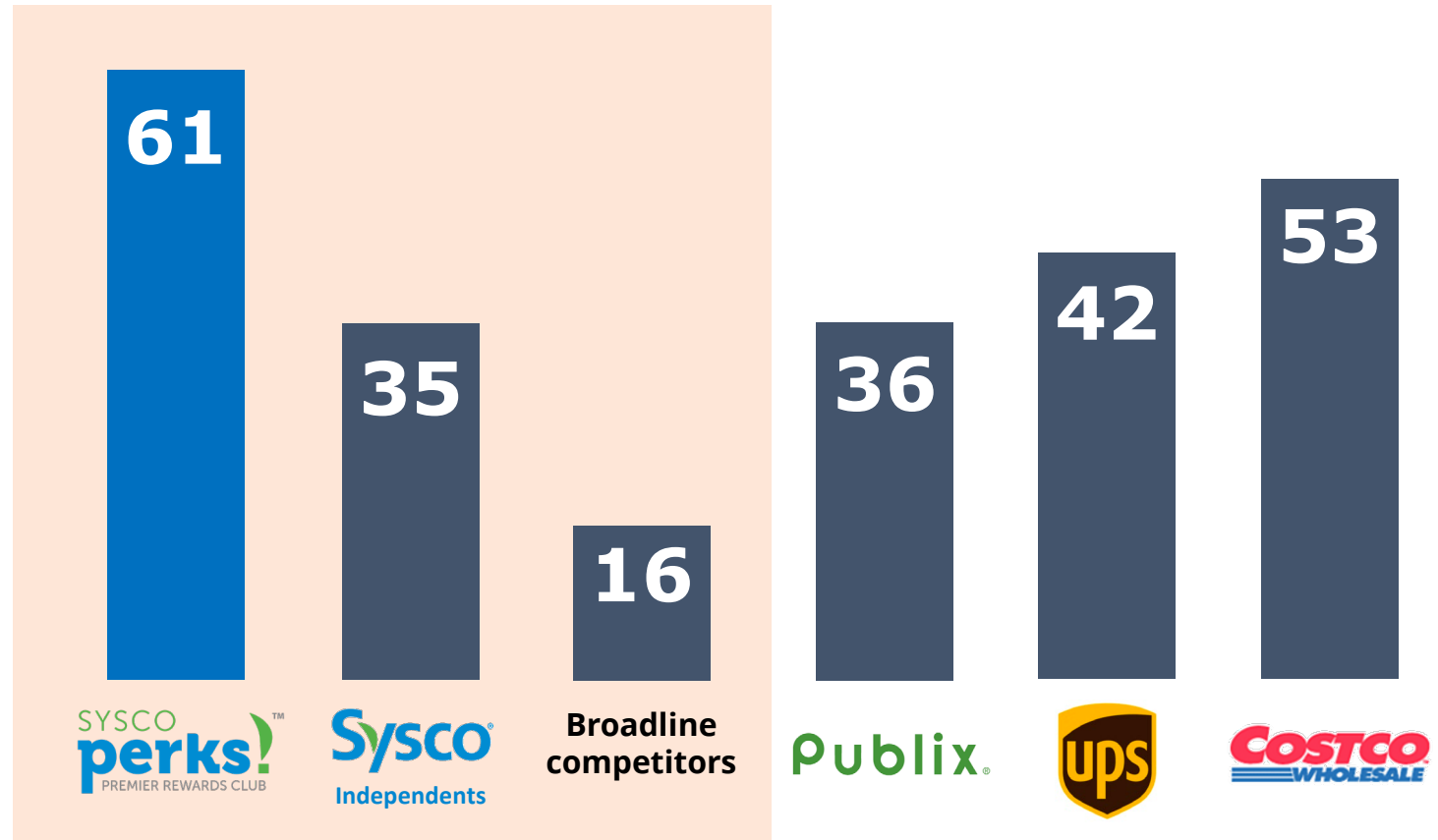
Sysco Perks! will continue to grow

- Increased member enrollment
- Enhanced engagement with new offerings, including additional loyalty tiers
- Expanded into specialty companies and globally



Customers are Highly Satisfied and Loyal to Sysco

NPS Scores



Source: Customer NPS survey & company research

Personalization is Bringing Data-informed, Unique Offers to Foodservice That Drive Profitable Growth



Leveraging Our Data and Relationships...

- Customer Data
- Supplier Joint Investments
- Product Attributes
- Purchase History
- Engagement Tendencies



...to Deliver Relevant and Value Adding Experiences...

- eCommerce
- Email Journeys
- CRM Tools to Support Sales Consultants' Interactions



...by a Team Using B2C Tactics to Drive Engagement and Growth

- Personalized Promotions
- Product Recommendations
- Content
- Insights to Sales Consultants

\$450M

INCREMENTAL SALES GROWTH TO DATE

15%

FY24 – FY27E SALES CAGR

\$1B+

PROJECTED SALES GROWTH AT MATURITY

Let's Look at How We Deliver Personalized Experiences to Different Customers¹

Amara
TRATTORIA



High end Italian restaurant in Brooklyn, NY

Newly established in 2024

New to Sysco

GOLDEN DYNASTY



High end Chinese restaurant in Los Angeles, CA

Family owned and operated since 1999

New to Sysco

DEL FRANZ
STEAKHOUSE



High end Burgers & Steak restaurant in Miami, FL

Newly established in 2024

New to Sysco

Golden Buns



Mid-level Burger restaurant in Houston, TX

Fast growing, going from 1 to 3 units in 3 years

High affinity for Sysco Brand products

BURGER TOWN



Budget-friendly Burger restaurant in Lincoln, NE

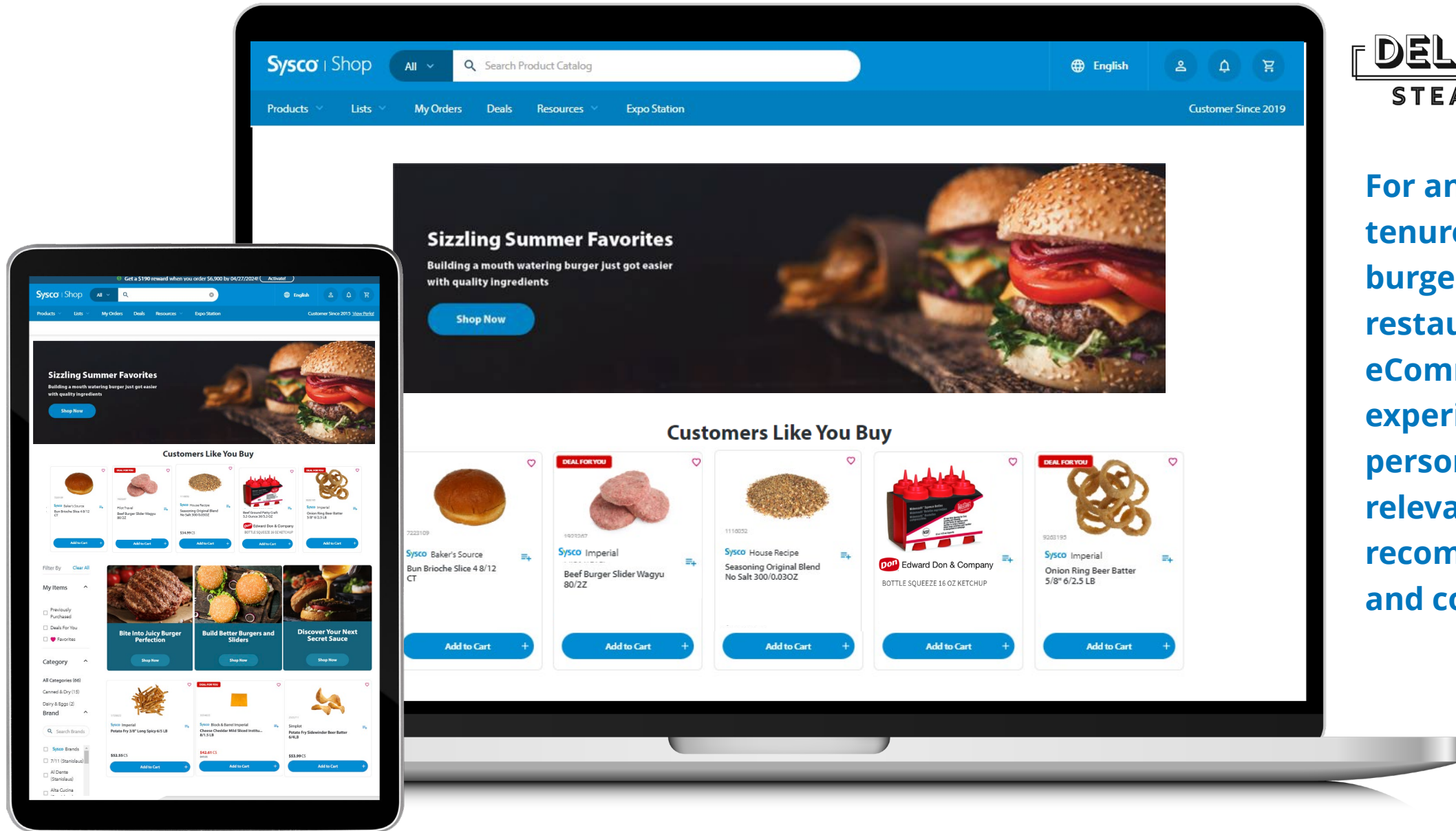
College town location with student friendly prices

Moderately price conscious and shops on deals

¹ Customer scenarios are illustrative

DEL FRANZ
STEAKHOUSE

For an early tenure high end burger/steak restaurant, our eCommerce experience is personalized with relevant recommendations and content





Sysco | Shop

All Search Product Catalog English

Products Lists My Orders Deals Resources Expo Station Customer Since 2019

Item Details	Last Ordered (Qty)	Order Qty.	Price (\$)	Total (\$)
<input type="checkbox"/> 1347400 2/5 LB	04/17/2024 (1 CS) Weekly Average (0 CS)	0 CS		\$0.00
<input type="checkbox"/> Pan Coating Aerosol Hi Heat Baking 7964133 6/17 OZ	04/17/2024 (1 CS) Weekly Average (1 CS)	0 CS		\$0.00
<input type="checkbox"/> Sauce Mix Hollandaise Gluten Free 5279403 4/1.89LB	04/17/2024 Weekly Average (0 CS 1 EA)	0 CS 0 EA		\$0.00
Swap & Save \$2.05/LB Hide Savings				
<input type="checkbox"/> Beef Patty 2353237 80/4 OZ		0 CS		\$0.00
<input type="checkbox"/> Beef Patty 75/25 Round Individual Quic... 2417410 80/4 OZ FIRE RIVER FARMS ...		0 CS		\$0.00
<input type="checkbox"/> Strawberry Sliced 4x1 1024363 6/6.5 LB SYSCO CLASSIC	04/17/2024 Weekly Average (2 EA)	0 CS 0 EA		\$0.00
<input type="checkbox"/> Bag Paper Brown 1/6 Bbl 57 Pound 2228623 1/500 CT	04/15/2024 (1 CS) Weekly Average (0 CS)	0 CS		\$0.00

Swap & Save on 27 Items

Swappable Items In Your Cart @
12 / 27

Savings Amount In Your Cart @
\$299.99

Annual Savings Potential @
\$15,599.48

For more mature customers with affinity to Sysco Brand, we currently provide them with opportunities to swap to Sysco Brand while they are ordering

Sysco | Shop All Search Product Catalog English

Products Lists My Orders Deals Resources Expo Station Customer Since 2019

Sizzle Into Spring & \$190

Celebrate grilling season when you spend \$6,900 by 04/27/2024

[Activate Offer](#)

Welcome

Your Previous Orders
Quickly add items from your previous orders
[View Orders](#)

Deals and Limited Time Offers
5682 Deals available
[See All Deals](#)

Sysco Pay
[Go To Sysco Pay](#)

Buy It Again

DEAL FOR YOU



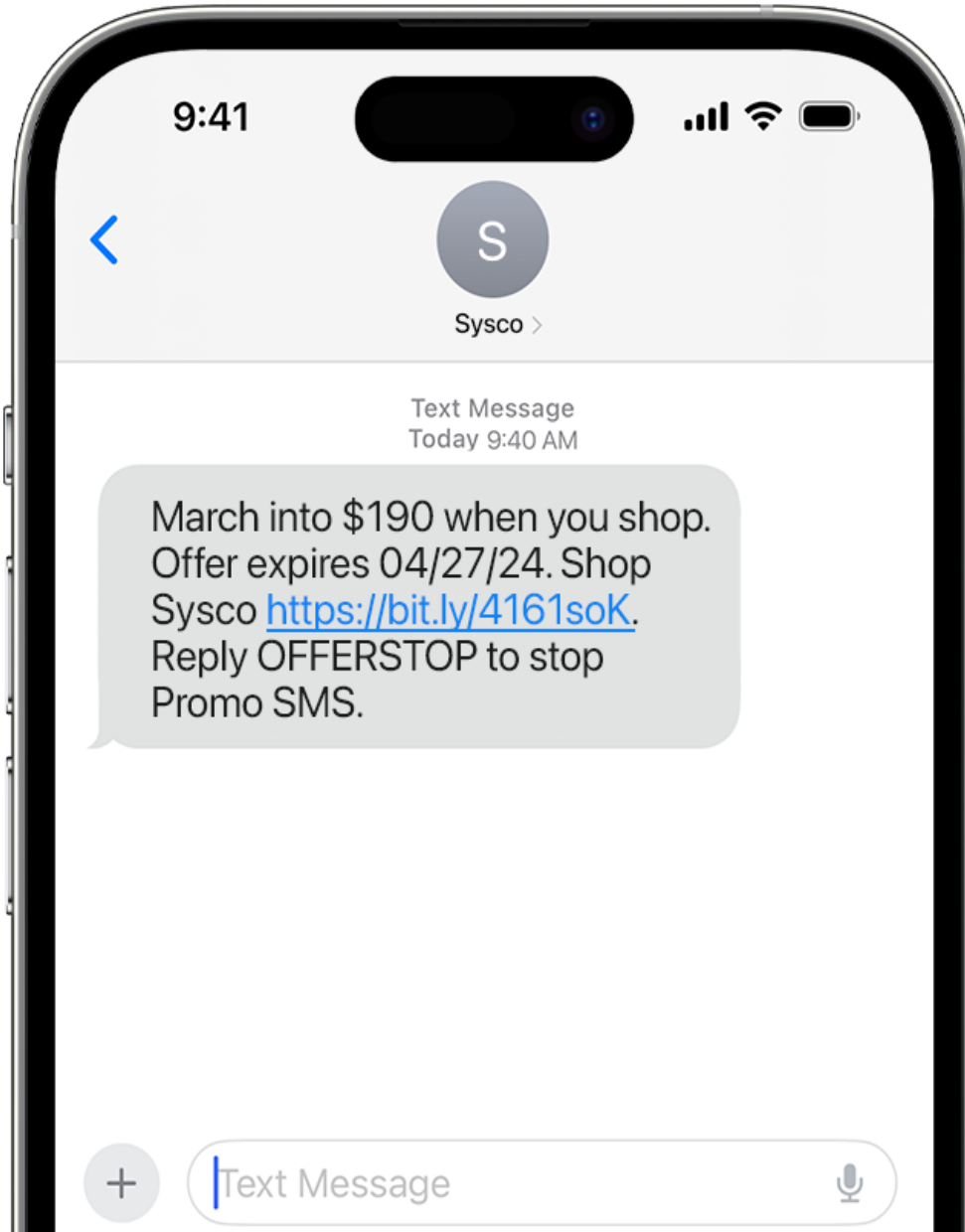
Today, customers who are price sensitive receive deals and offers to grow their share of wallet with us with content and deals personalized to them and campaign themes

Get a \$190 reward when you order \$6,900 by 04/27/2024! [Activate!](#)

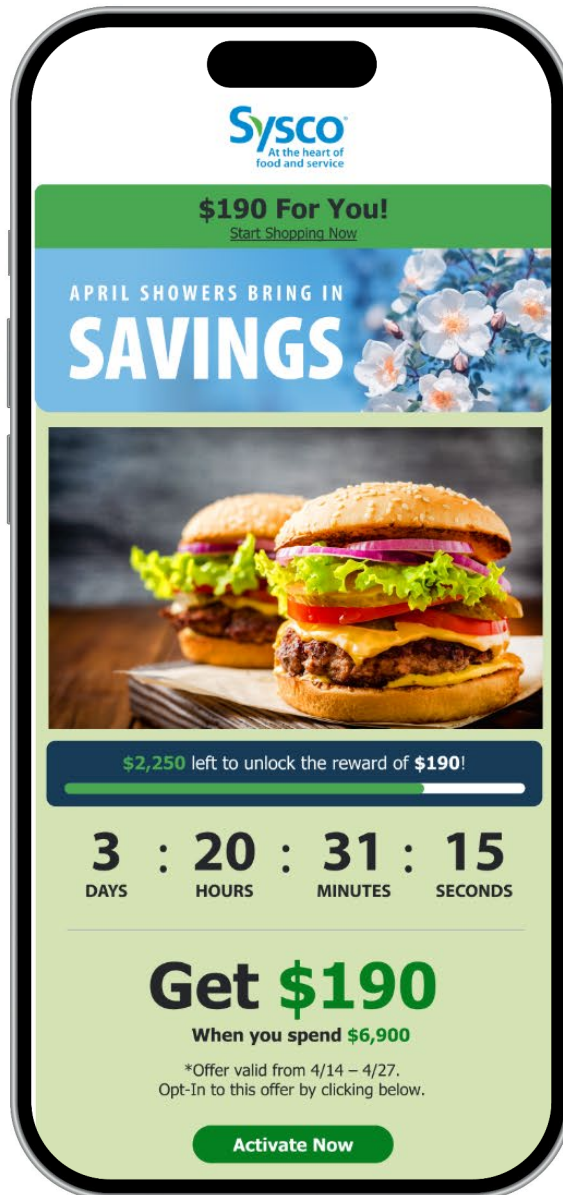


Banners, Popups, and Eyebrows help draw customers' attention to promotions and deals that are most relevant to them

The screenshot shows the Sysco Shop website interface. At the top, a blue navigation bar contains the Sysco logo, a search bar, and utility icons for language, user profile, notifications, and cart. Below the navigation bar, a green banner promotes a "Sizzle Into Spring & Celebrate grilling season when you spend \$6,900 by 04/27/2024" with an "Activate Offer" button. A white popup window is overlaid on the page, featuring a blue piggy bank icon with money falling into it. The popup text reads: "Don't Miss Out! Get a \$190 reward when you order \$6,900 by 04/27/2024! 10 days, 9h 31m 49s. By participating in this limited time offer, you agree to our Terms and Conditions." A progress bar shows the user has spent \$2,580 as of 04/16/2024. The popup also includes an "Activate Offer" button and a link to "Terms and Conditions".



Customers' personalized experience goes beyond Shop and is multi-channel, including email, SMS, and even their trusted sales consultants



Customers' personalized experience goes beyond Shop and is multi-channel, including email, SMS, and even their trusted sales consultants

We Are Making Our Sales Team More Effective Through Customer-level Personalized Insights



Personalized Opportunity

- Purchases beef patties, buns, and cheeses
- Does not purchase fries



Targeted SC Action

- Vendor-funded promotional offer for fries



Desired Outcome

- SC wins Fries, growing account by 15%

We Recently Started to Offer Third Party Products on Our E-commerce Platform Shop

Broadline Assortment

Products directly available from our DCs



Sysco Marketplace

Third Party products available to customers

Specialty Products to Broadline

Specialty Company products (e.g., E&S) available to broadline customers

Sysco Marketplace: Third party suppliers list incremental products on Sysco Shop and dropship directly to customers. Business model is commission based.



Sysco Customers Will Have Increased Breadth and Depth of Products They Need

\$25M+

PROJECTED PROFIT (EBIT)
POTENTIAL AT MATURITY



Broader Assortment

10,000+ new products

- Niche (e.g., organic)
- Adjacent (e.g., furniture)
- Non-alcoholic beverages



Higher Scalability

with no extra capacity

- Fill assortment gaps and accelerate growth quickly – no capital, no space required



Increased Profitability

- Minimal OpEx
- Items shipped directly



Seamless Shopping

Fully integrated CX

- Easy checkout via Shop
- Fully engaged sales team

Our Approach to Responsible Growth...



PEOPLE

Global Good donations and volunteerism to fight hunger



PRODUCTS

Drive business growth through the sustainability of our products



PLANET

Enable customers to achieve their goals as a sustainable supply chain leader



**One planet.
One table.**





Values driving value

Our Values & Targets Drive Trust and Alignment with Our Stakeholders

- Driving sales growth through our One Planet. One Table. product assortment – the largest in foodservice with +3,500 products
- Gaining advantage with customers through sourcing sustainable and low-carbon products that help them meet their goals
- Optimized our path to our targets by executing the lowest cost levers that build resilience into our supply chain (*highest ROIC*)
- Avoided millions in operating expenses by diverting excess inventory to donations (*landfill fees avoided*)
- Delivered over \$300M of global good to our communities by feeding, serving and giving (*2025 target: \$500M*)
- First foodservice distributor to release sustainable packaging guidelines to suppliers focused on avoiding regulatory (EPR) fees
- Exceeded our 2025 goal of 62% U.S. workforce diversity by 2.6% pts



RECIPE FOR GROWTH

Our Winning Recipe

- ✓ A strong core business that we continue to invest in meaningfully
- ✓ Game-changing growth programs
- ✓ Continued differentiation (expanding our moat)
- ✓ Values creating value





VICTORIA GUTIERREZ
CHIEF MERCHANDISING OFFICER

Merchandising is a Key Lever to Delivering Industry-leading Gross Margins and Growth



Sysco Brand

Accelerating Sysco Brand growth globally to improve profitability and customer retention

Portfolio Reach



Strategic Sourcing

Leveraging Sysco's size and scale to drive COGS benefits and growth in new ways

Cost leadership



Digital

Leading the industry in bringing our portfolio to life through digital channels

Activation



Cuisine Expansion

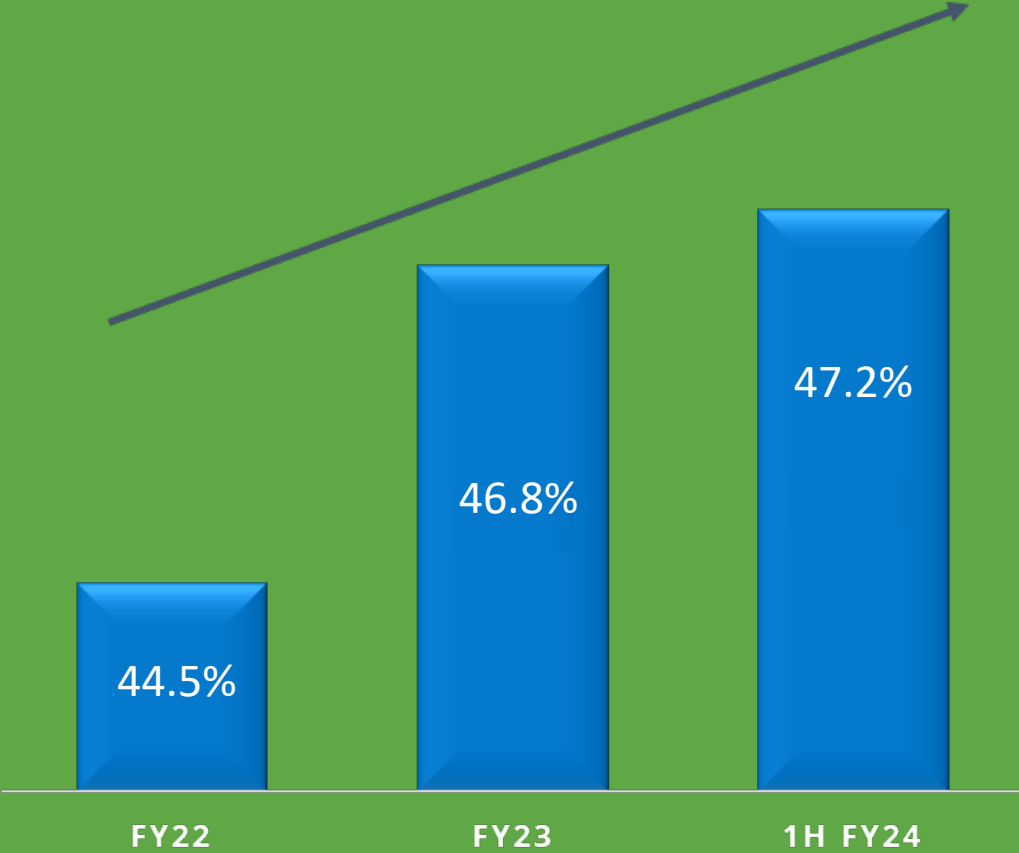
Expanding offerings for key cuisines through product and sales strategies

Assortment

Sysco Brand Products Represent a \$22 Billion Global Portfolio



Sysco Brand Sales as a % of Local Cases²



1 - US Foodservice Sales. 2 - U.S. Broadline

Investing in New Capabilities to Continue to Grow Sysco Brand Globally

- *Focusing where it matters: top-performing items and new innovation*
- *Partnering with National Customers to continue to drive Sysco Brand adoption*
- *Accelerating international expansion of our global brands*

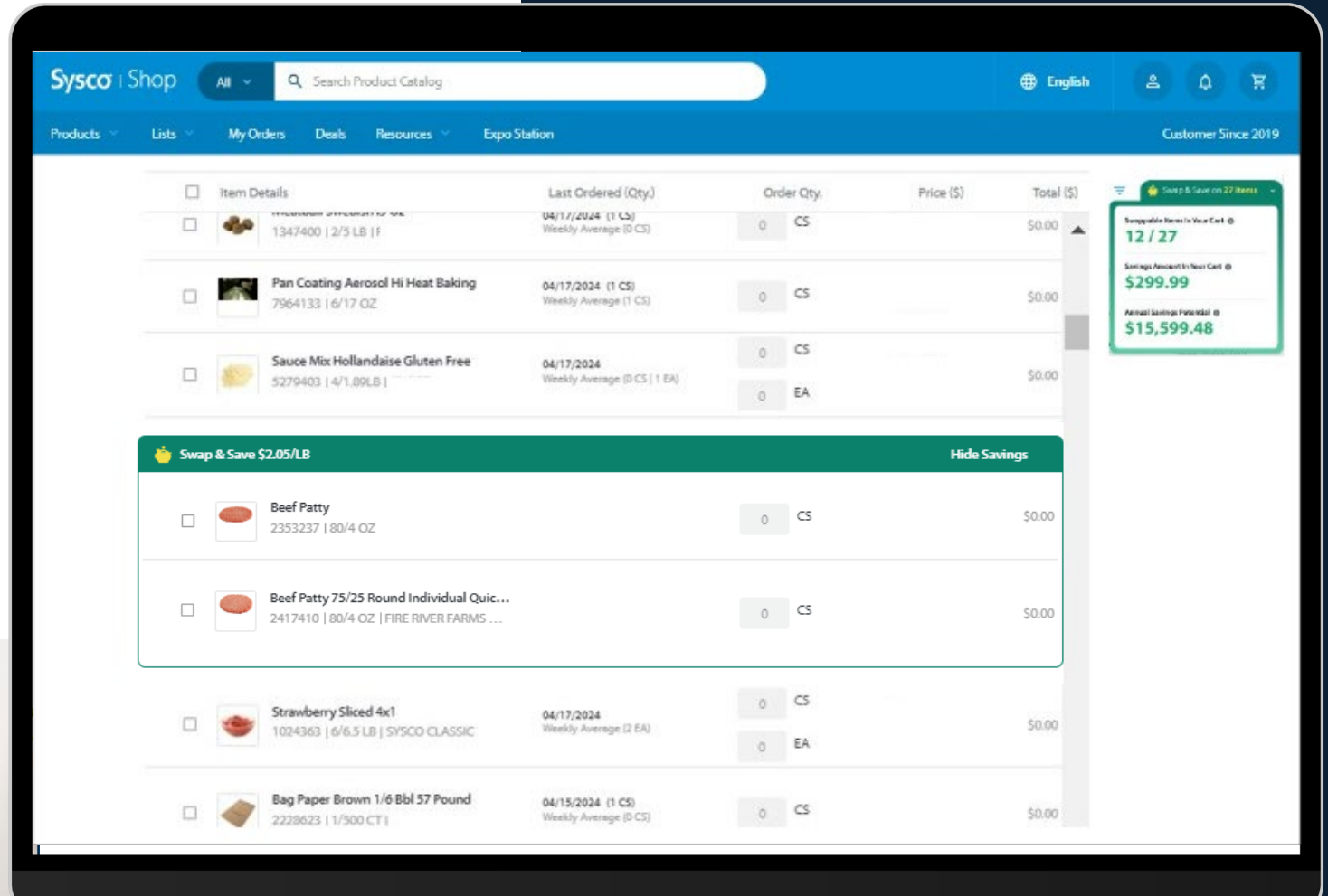


Sysco Brand will grow
> \$1 Billion
incremental revenue each
of the next three years

Introducing Sysco Brand Alternatives in The Moments That Matter

Swap & Save:
45k+ local customers have engaged

Customer Savings:
>10% average



Sysco Brand

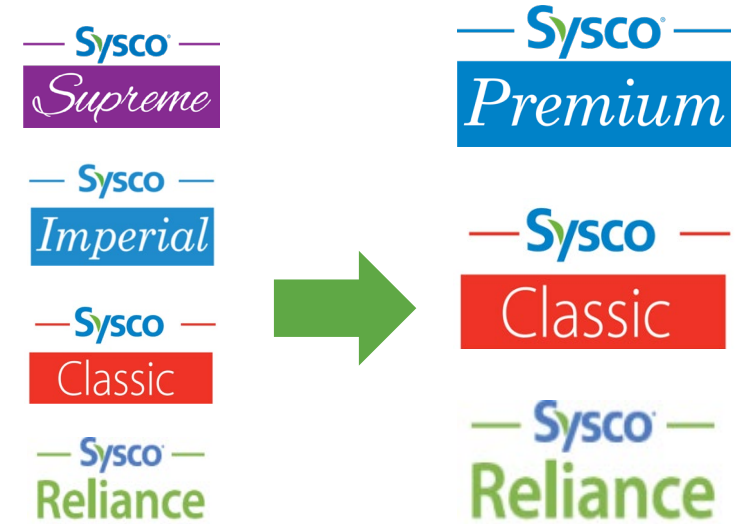


Evolving Brand Visuals to Better Meet The Needs and Expectations of Our Customers

Use Less, Pay Less



Good, Better, Best



Transitioning packaging from white to kraft on 270M boxes¹, using **17% less material**, **~30% less energy²**, and delivering cost savings.

Revisiting portfolio, brand positioning and visual identity to meet the needs of today's and tomorrow's customer.

1 - Includes cases, bulk bags, lids and trays. 2 - Supplier input and benchmarking; energy reduction specific to linerboards

Strategic Sourcing

Continuing to Evolve Strategic Sourcing

- Increasing overall Supply Chain resilience and supplier fill rates by introducing new Suppliers to Sysco
- Finding ways to stay nimble: optimizing at a global level for key items, while ensuring we take advantage of local opportunities
- Working with strategic suppliers in new ways to co-invest in growth, leveraging new capabilities

3%

Cost Savings

**TARGETED ANNUALLY
for items in scope**

Leveraging New Cost Management Tool

Item Cost Model built based on raw materials

Models run for 10k products and 500+ indices

Negotiations for proactive reductions ahead of market

Choice of margin expansion vs. passing savings on



Running the Play Internationally: Strategic Sourcing Levers Continuing to Expand



Cost savings			
5.3%	4.7%	3.6%	3.1%
Canada	Great Britain	Ireland	France

Imported Shrimp global sourcing savings		
+1%	+9%	+8%
U.S.	Europe	Canada

Leveraging New Digital Capabilities to Commercialize Supplier Investments

- Tailoring personalized offers to customers via Shop, E-mail Campaigns, and compelling online offers
- Driving engagement and growth through more breadth and depth of products, including specialty, 3rd party, local...
- Accelerating collaboration with key Supplier Partners to fund promotional pricing activations for profitable growth
- Coordinating digital activations with field via tools and on-the-ground support, leveraging retail best practices

Recent Campaign

(Nov 2023 - Feb 2024)

1.5X

SUPPLIER ROI

Up to 25% Off Cleaning Solutions

Start Shopping Now



STOCK UP WITH RED HOT DEALS &

SAVE BIG

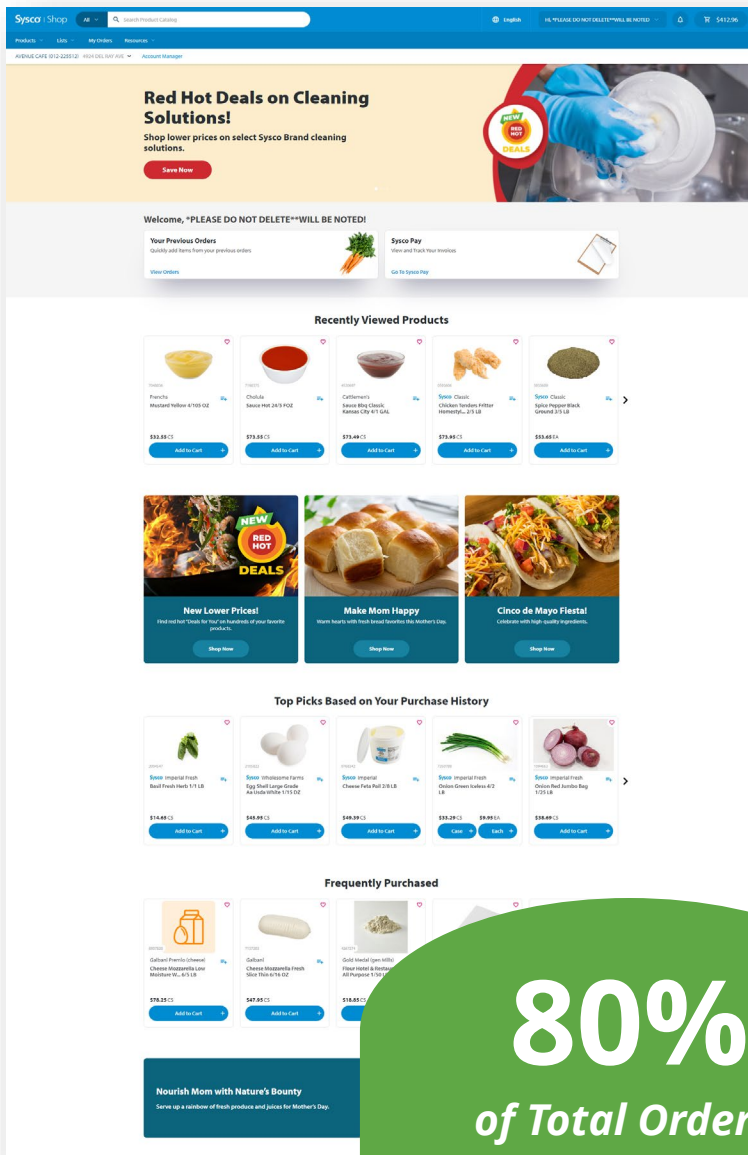


**Red Hot Deals on
Cleaning Solutions!**

**Save up to 25% on select
Sysco Brand cleaning solutions.**

*Promotion pricing valid from X/XX - X/XX.

Shop Now



Digital

Shop Priorities Improving Customer Engagement

- Investing in ways to make Shop easier and more practical to use weekly; e.g. Shop en Español
- Continuously refining navigation, deals, banners, and cuisine pages to drive shopping behaviors
- Enriching product detail pages and add-to-list experience to grow order size and frequency
- Widening our competitive moat for Sysco's sales force as part of total team selling strategies



+6%
Weekly Customer Visits



+2%
Number of Customer Orders



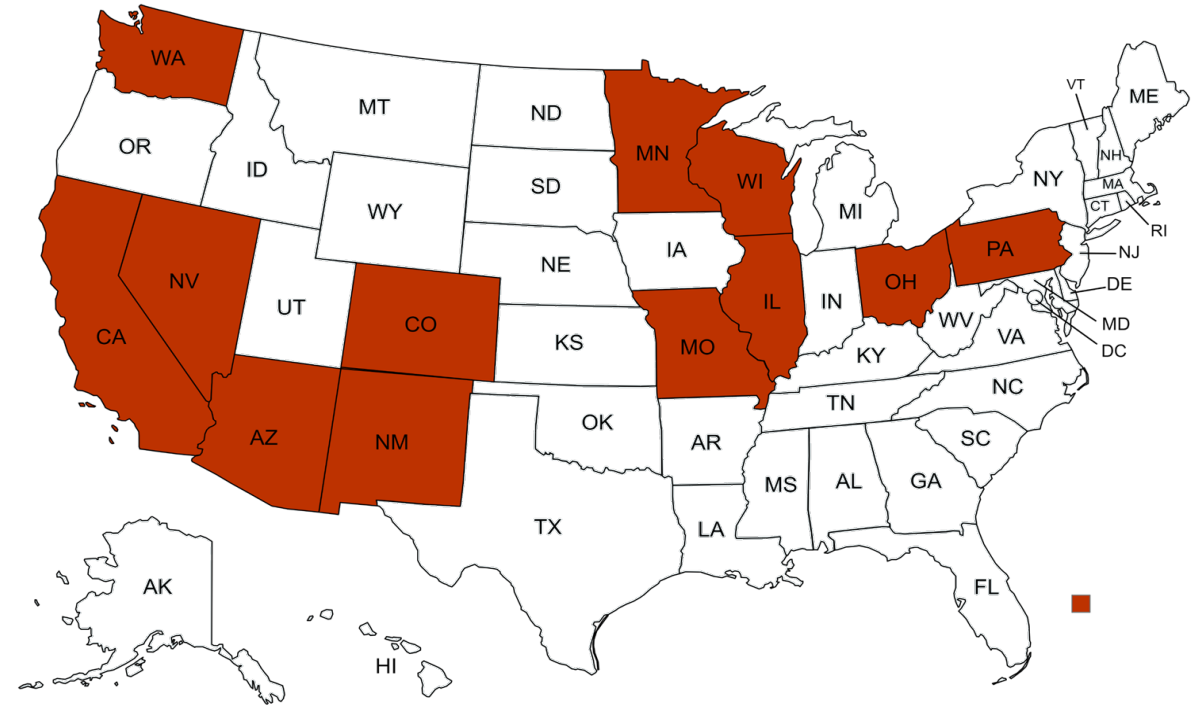
+6%
Product search activity



+14%
Products added to list

Expanding Sysco's Italian Cuisine Capabilities

- Pursuing \$11.3B opportunity with expansion of Italian assortment
- Focusing on key pizza ingredients encompassing critical national brands, with a healthy mix of Sysco Brand
- Leveraging both Greco's and Sysco's resources to capture market share at a reduced cost and to better serve our customers



Greco St. Louis Campus Model

Same warehouse with Sysco owning and procuring product, and selecting for Greco trucks

Continuing to Transform Merchandising to Support Industry-leading Margins and Fund Growth



Sysco Brand

Accelerating Sysco Brand growth globally to improve profitability and customer retention

Portfolio Reach



Strategic Sourcing

Leveraging Sysco's size and scale to drive COGS benefits and growth in new ways

Cost Leadership



Digital

Leading the industry in bringing our portfolio to life through digital channels

Activation



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Assortment



KENNY CHEUNG

EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Investor Feedback



Deliver consistent performance and sustainability of earnings



Set achievable targets and expectations



Improve local case growth



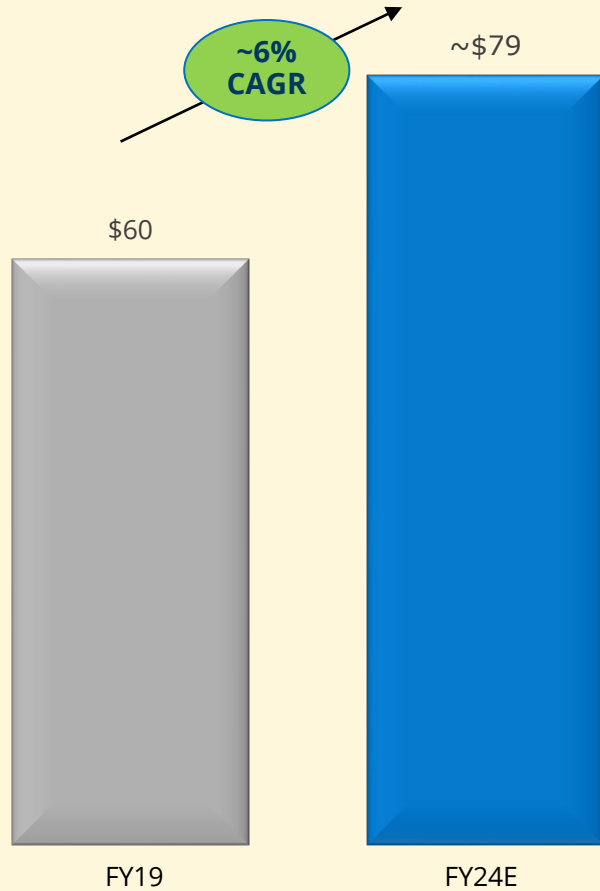
Provide more clarity around execution priorities



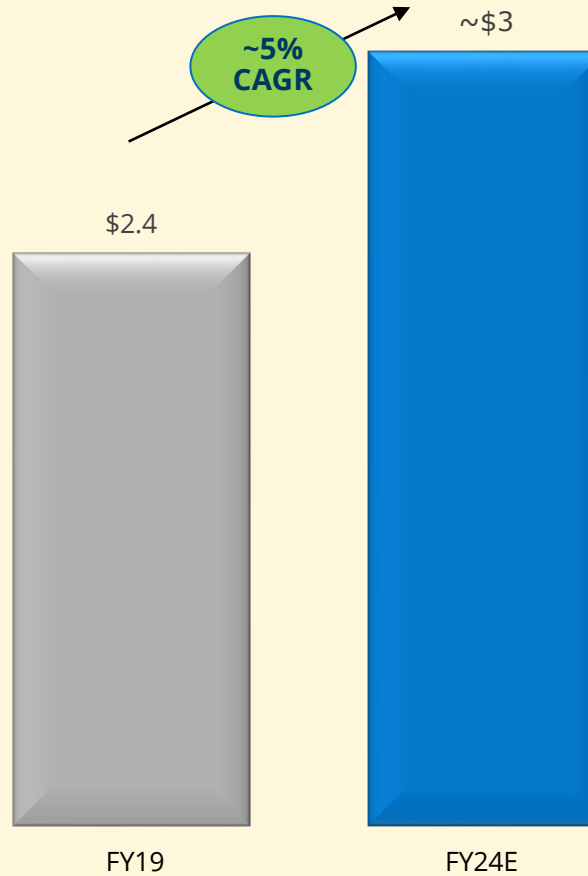
Drive profitability through cost improvements and productivity

Achievements – Advancing Our #1 Position

Net Sales (\$B)



Operating Cash Flow (\$B)



Attractive Return Profile

#1 Market Share + Industry Leading

- Gross Margins
- EBITDA Margins
- Free Cash Flow
- ROIC
- Investment Grade Balance Sheet

Framing Our Algorithm for Growth



Sustainable Growth

- Leverage competitive advantages to drive volume growth in our core business
- Continue to focus on value-enhancing bolt-on M&A

Focusing on the Core

Recipe For Growth



Operational Excellence

- Optimize gross profit dollars
- Realize positive operating leverage
- Continued focus on cost-out program globally

Merchandising Capabilities

Supply Chain Efficiency



Balanced Capital Return

- Balanced capital allocation between investing, capital return, and investment grade balance sheet
- Continue track record of capital return via repurchases and growing dividend

= Compelling Total Shareholder Return

Sysco's Financial Growth Algorithm

Sales Growth



Adj. EPS Growth^{1,3}



**Total Shareholder
Return²**



Algorithm for growth is based on 3-Year plan. ¹ Includes impact of global minimum tax headwinds to EPS growth in FY25. ² Assumes no change in P/E multiple in order to isolate impact of net income growth and dividend yield. ³ See Non-GAAP reconciliations at the end of the presentation.



Driving Sustainable Sales Growth

Top-line Growth Assumptions

+ 1.5% - 3.5% Volume

+ 2% Inflation

+ 0.5% M&A

4% - 6% Total

Accelerating Growth Vectors

90% Core Drivers

Local/Chain (+Low to Mid-Single Digit Sales Growth)

Specialty¹ (+High-Single Digit Sales Growth)

International (+Mid to High-Single Digit Sales Growth)

10% Initiatives

Sysco Your Way/ Sysco Perks!/ Perso
(+ Double-Digit Sales Growth)

¹ Reflected in USFS local/chain assumptions

Customer Mix Benefits

National Customers

Advantages

Route Density

Steady, Contract Driven FCF

Portfolio Diversification

&

Local Customers

Advantages

Higher Margin Customer

Sysco Brand Penetration

Efficient Spot Pass Through of Cost Inflation

Scaling Fixed Costs

+Low to +Mid
Single Digit
Sales Growth



TARGET CONTRIBUTION
LOCAL/NATIONAL CUSTOMERS

Accretive Specialty Growth

\$9B+
FY24E Net Sales

+11%
FY19-24E Net Sales CAGR

**Enhanced Margin
Profile**

**Significant Cross Selling
Opportunities**



**+High Single
Digit Sales
Growth**

TARGET CONTRIBUTION
SPECIALTY

- **Largest specialty meat business** in the U.S.
- **Largest fresh produce business** in the U.S.
- Driving accelerated growth through **total team selling**
- Enabled through **sophisticated digital consumer interface**

High Growth Specialty Platforms

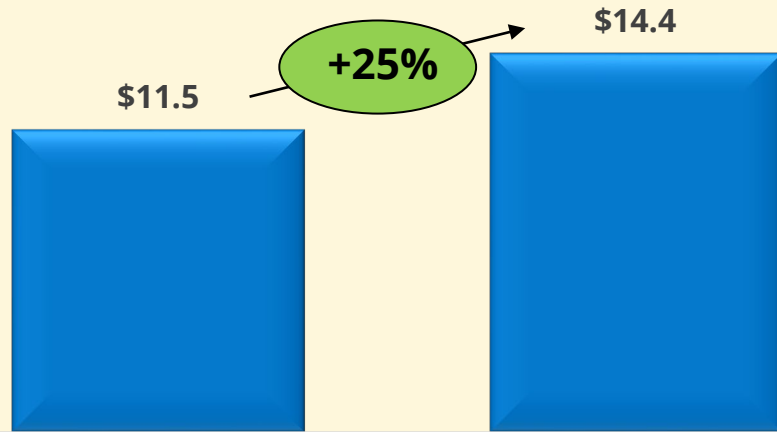
Each Generates \$1B+ sales



Significant Opportunities



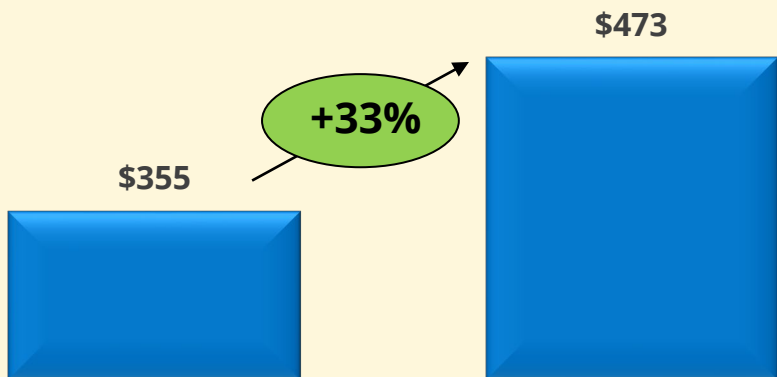
International Net Sales (\$B)



FY19

LTM

International Adj. Operating Income¹ (\$M)



FY19

LTM



Case Study: Ireland

Recipe for Growth Benefits from Global Operating Model

- Contributing high growth with #1 market share
- Local penetration opportunity
- Cross-selling with recent Ready Chef M&A (fresh produce)
- Applying Sysco Your Way



+Mid to +High
Single Digit
Sales Growth

TARGET CONTRIBUTION
INTERNATIONAL

~40%

NET SALES GROWTH
FROM FY19 TO FY23

~2X

ADJ. OPERATING MARGIN¹
PROFILE vs INTERNATIONAL

¹ See Non-GAAP reconciliations at the end of the presentation.

Enable Growth with Investments



Technology

Advancements in B2B tech stack enhances the ordering experience, increases transactions, and back-office efficiencies

<1 yr. payback



Fleet

Investments in modern fleet allows world class delivery and reduced operating costs

~1-2 yr. payback



Buildings

10 new facilities delivering long-term capacity increase, focused on high potential markets and segments

~5-7 yr. payback

**Target Capital Expenditures
(~1% of sales)**

Total capital includes growth and maintenance over the next three years

Systematic and Disciplined Approach to M&A



0.5%
Sales Growth

TARGET CONTRIBUTION M&A

M&A Philosophy

- Enhance Sysco's customer proposition
- Retain competitive advantages
- Deliver strong ROI
- Focus on strong integration – drive value from synergies
- Drive long-term value

Framework & Objective

- Businesses that benefit from and enhance our strategic advantages
- Synergy potential & ability to drive long-term value creation
- Targeting 'bolt-on' acquisitions
- Focus on filling in footprint and margin accretive businesses

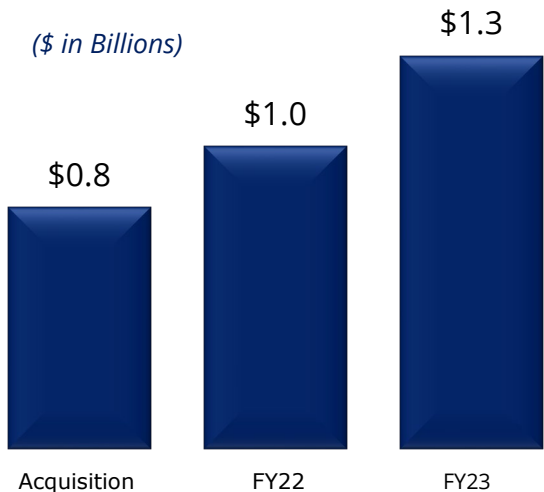
Sysco M&A Focus:
Enhance Our Product Portfolio, Capabilities, and Footprint





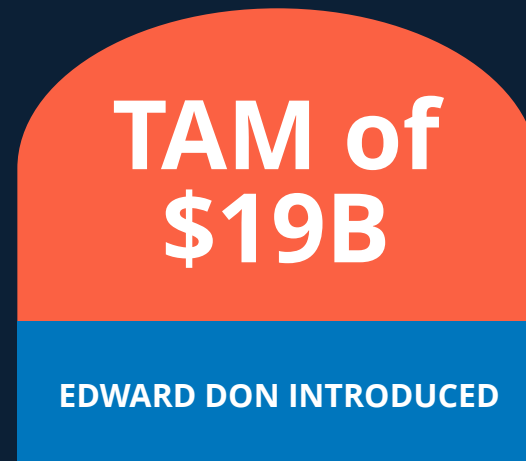
Strategic Rationale

- Leading Independent Italian Specialty Distributor
- Key Owned and Exclusive Brands
- Cross-selling Opportunity with Sysco Business
- Successfully Grown Greco in New Geographies (leveraging Italian assortment)

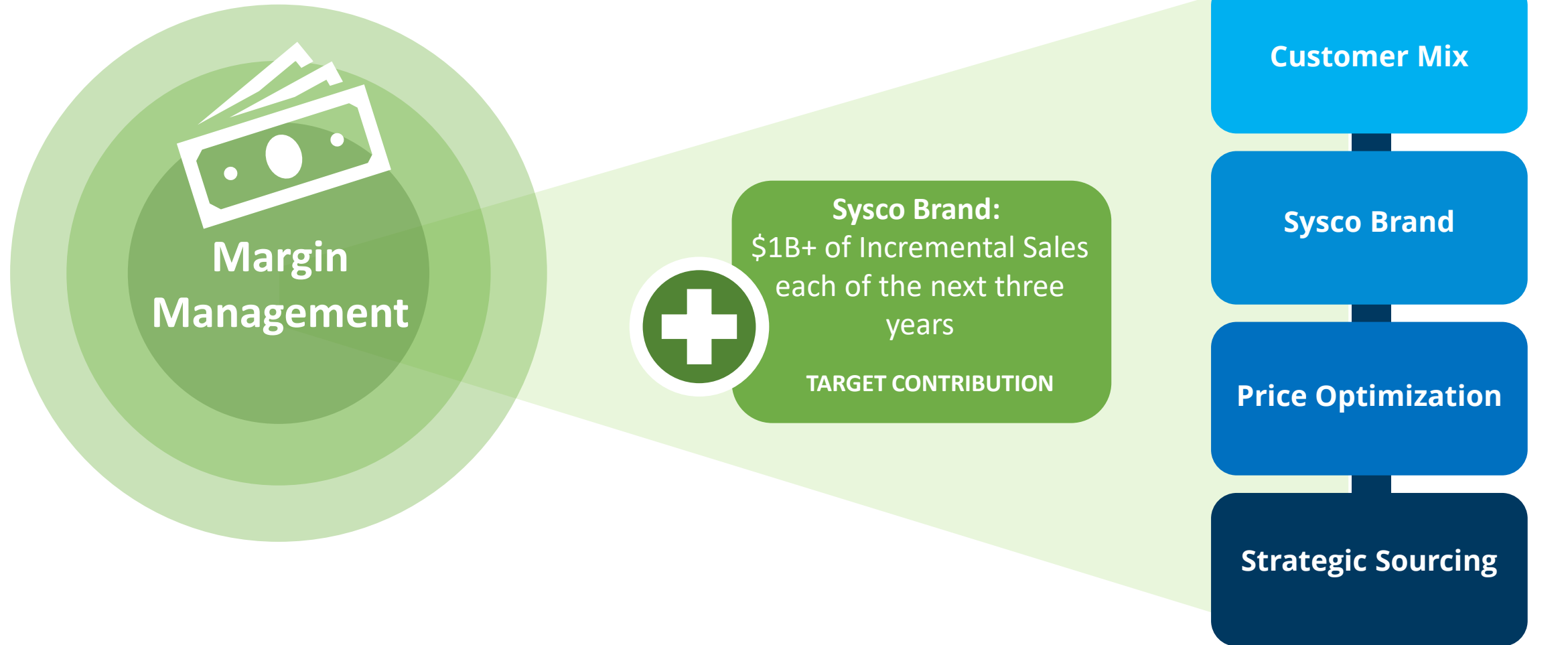


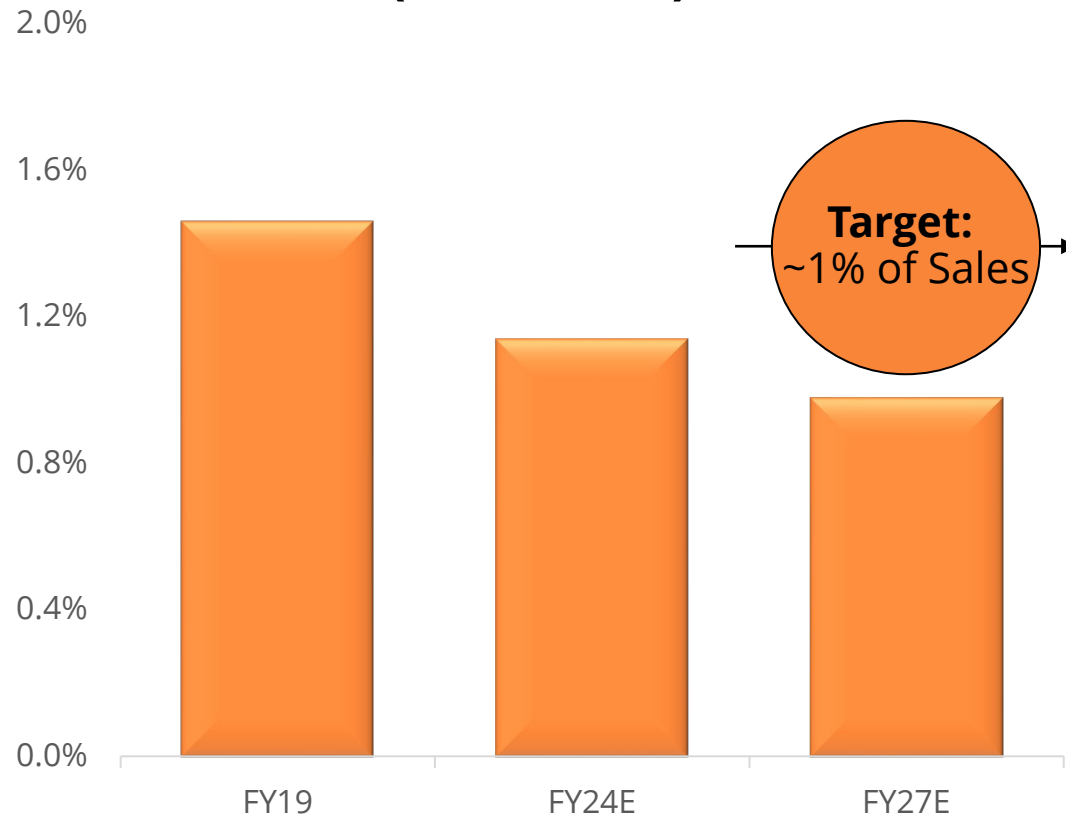
Strategic Rationale

- Leading Distributor of Foodservice Equipment, Supplies and Disposables
- Adds Strategic New Capabilities to Sysco
- Ability to Better Serve Our Customers
- Cross-selling Opportunities



Optimizing Gross Profit Dollars



GSC Expenses
(% of Sales)

GSC Corporate Expenses

- **Target:** ~1% of sales by FY27E, and GSC (HQ) costs improving each year
- **Cost out opportunities:** GSC cost discipline, refine professional fees and contractors, offshore flexibility, technology, automation, AI, and organizational efficiency
- Wage inflation will be offset by continued cost out flexibility

Supply Chain Drivers

Retention

Productivity Efficiency

Transportation Optimization

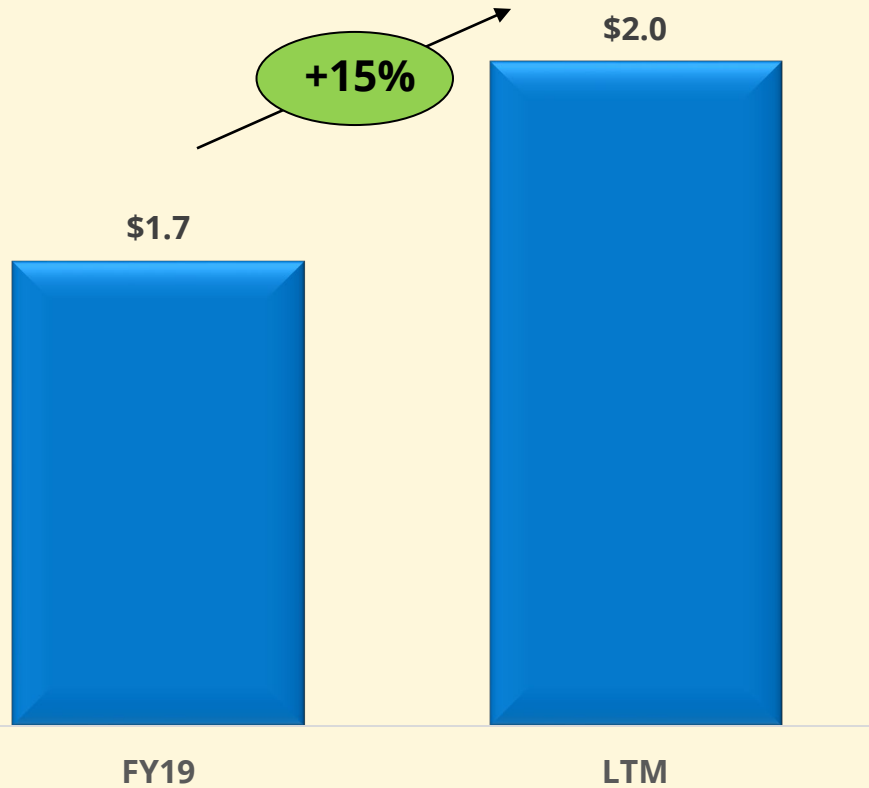
Safety Excellence

Leveraging Our Scale to Achieve Positive Operating Leverage

- Expected to return to 2019 productivity levels through **basket of supply chain improvements**
- **Efficient and Scaled Network:** 334 distribution centers globally and large fleet with ability to increase capacity
- **Productivity:** Improving productivity in USFS, International and SYGMA

Solid FCF Growth & Conversion Rates Expected

Free Cash Flow¹ (\$B)



Adj. EBITDA/FCF¹ Conversion Rates

Target FY25E-FY27E

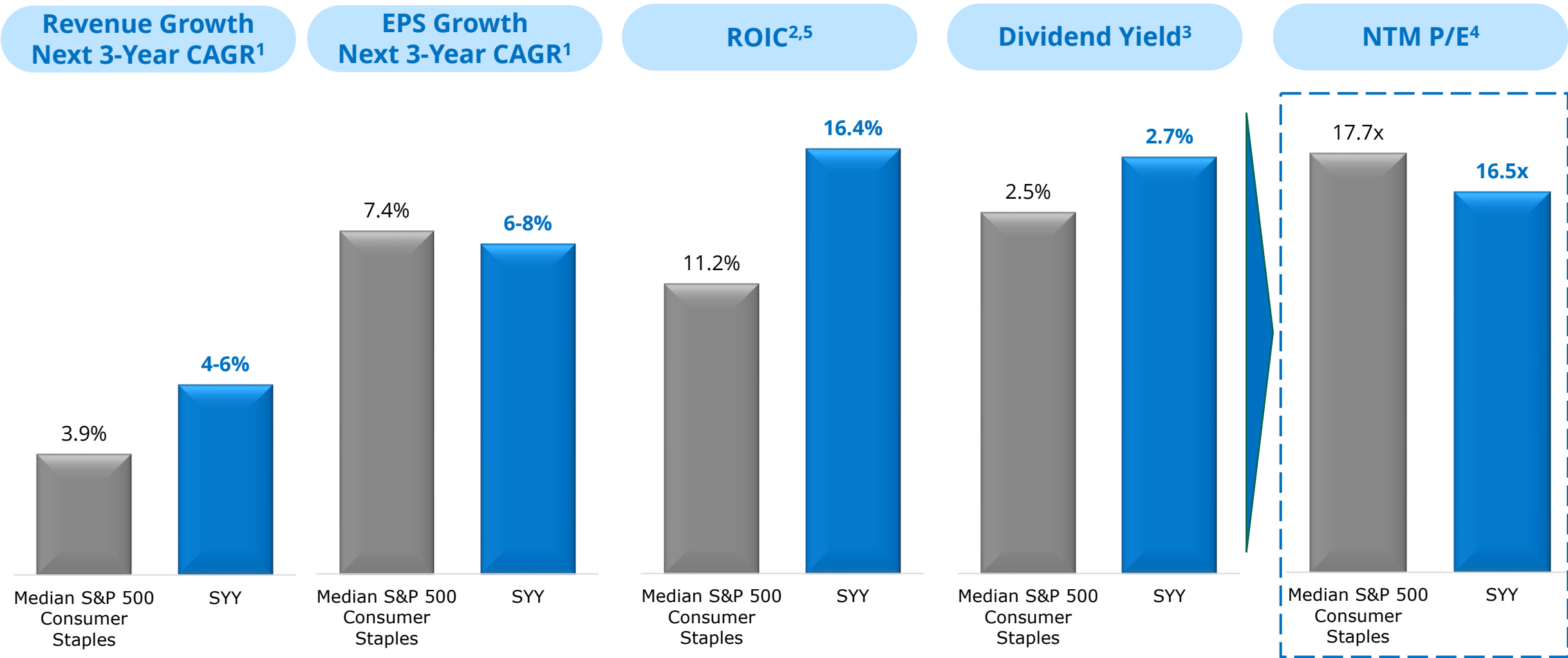


- FCF will fuel capital allocation priorities of investing in the business and returning cash back to shareholders

¹ See Non-GAAP reconciliations at the end of the presentation.

Attractive Performance and Return Profile

Sysco delivers better performance and returns relative to Consumer Staples peers, providing attractive value opportunity for potential investors



¹Next 3-year CAGR compares SYY fiscal year FY25E-FY27E and Median S&P 500 Consumer Staples FY24E-FY26E due to differing fiscal year ends. ² For peers, ROIC calculation reflects Adj Net Income divided by Average Invested Capital for trailing 5 quarters, adjusted for excess cash (assumed to be average cash balance for FY19, 22 and 23). For Sysco, ROIC calculation reflects Adj Net Income divided by Average Invested Capital for trailing 5 quarters, adjusted for excess cash (above \$500mm) and M&A. ³ Based on annualized dividend and current share price as of 16-May-2024. ⁴ Based on Factset consensus estimates and share price as of 16-May-2024. ⁵ See Non-GAAP reconciliations at the end of the presentation.

Underpinned by Balanced Capital Allocation

1

Capex
Investments ~1%
of Annual Sales

**Invest for
Growth**

2

Commitment to
IG with Leverage
Target of
2.5 – 2.75x¹

**Maintain
a Strong
Balance Sheet**

3

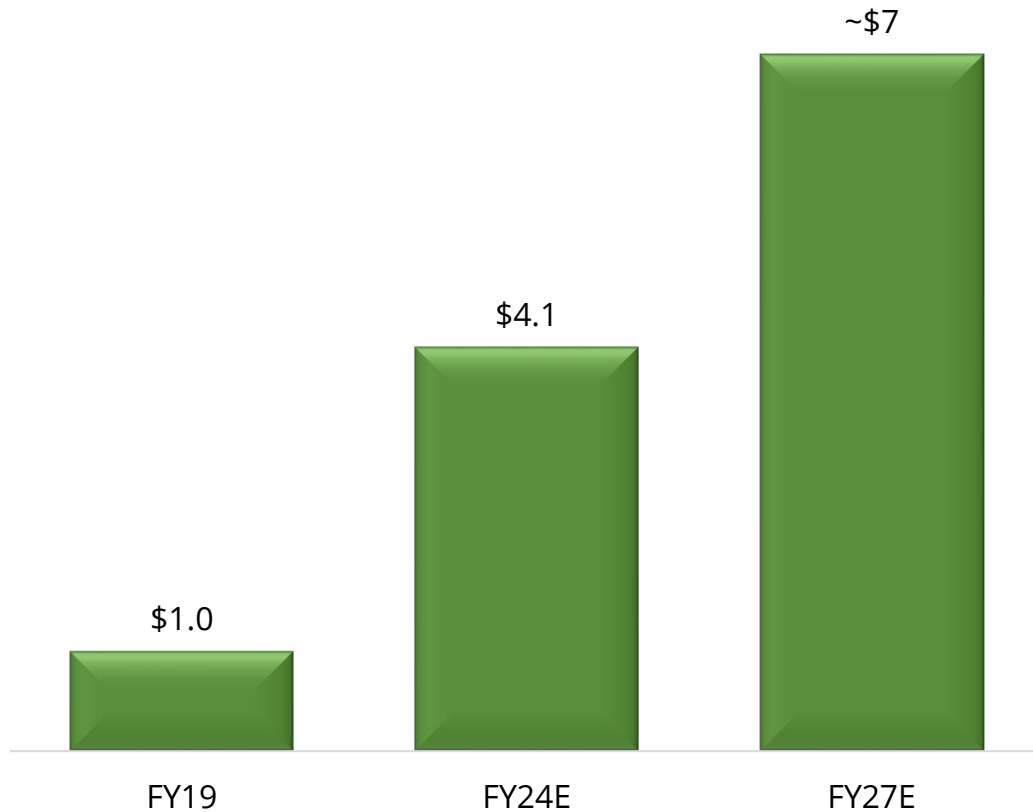
Balanced
Shareholder
Return with
Growing Dividend

**Return Cash to
Shareholders**

¹In arriving at Adjusted EBITDA, Sysco does not adjust out interest income or non-cash stock compensation expense. Definition of Net Debt excludes Capital Leases.

Over \$4.1 Billion in Share Repurchases Over 5 years

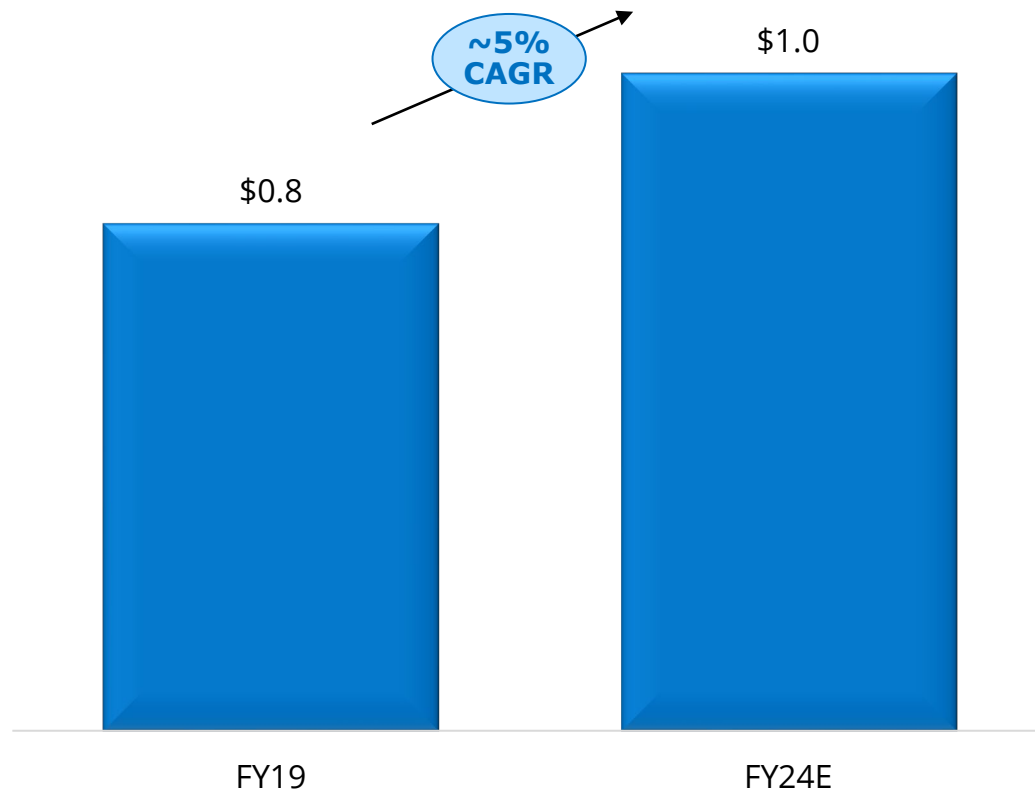
Cumulative Share Repurchase (\$ B)



Share Repurchase Approach

- **Target:** Share repurchases of ~\$1 Billion per year will **fluctuate based on level of capital expenditures and M&A**
- Contributes to **shareholder return algorithm**
- Strong **track record of capital return** via share repurchase
- Currently **\$3.3B remaining under authorization** under current share repurchase program

Annual Dividend (\$ B)



Dividend Approach

- Expected to return over \$3 billion of cumulative dividends in the next 3 years
- **Target:** Operate within a healthy payout ratio of 40%-50% of Adj. EPS
- Dividend aristocrat with consistent track record of dividend growth for 54 years
- 1 of only 4 Consumer Staples companies¹ that has grown dividend for 25+ years and increased by 35%+ in the last 5 years

¹ In the S&P500.

Compelling Investment Opportunity

1

Market leader in foodservice with key strategic advantages and significant scale, **benefitting from food away from home trends**

2

Resilient business model, balanced across end geographies, channels and product mixes

3

Multiple vectors of growth in core volumes and through M&A across local, chain, specialty and international business

4

Strong operational excellence and deliver **industry leading margins and strong return on capital** through disciplined approach

5

Balanced growth and capital allocation strategy targeting compelling **9-11% total shareholder return**

6

Track record of dividend growth and share repurchases while maintaining an investment grade balance sheet

Sysco®
At the heart of
food and service

NON-GAAP RECONCILIATIONS



Impact of Certain Items

The discussion of our results includes certain non-GAAP financial measures, including EBITDA and adjusted EBITDA, that we believe provide important perspective with respect to underlying business trends. Other than EBITDA and free cash flow, any non-GAAP financial measures will be denoted as adjusted measures to remove (1) restructuring charges; (2) expenses associated with our various transformation initiatives; (3) severance charges; and (4) acquisition-related costs consisting of: (a) intangible amortization expense and (b) acquisition costs and due diligence costs related to our acquisitions.

Management believes that adjusting its operating expenses, operating income, EBITDA, and net earnings to remove these Certain Items provides an important perspective with respect to our underlying business trends and results. Additionally, it provides meaningful supplemental information to both management and investors that (1) is indicative of the performance of the company's underlying operations, (2) facilitates comparisons on a year-over-year basis, and (3) removes those items that are difficult to predict and are often unanticipated and that, as a result, are difficult to include in analysts' financial models and our investors' expectations with any degree of specificity.

Sysco uses these non-GAAP measures when evaluating its financial results as well as for internal planning and forecasting purposes. These financial measures should not be used as a substitute for GAAP measures in assessing the Company's results of operations for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. Any metric within this section referred to as "adjusted" will reflect the applicable impact of Certain Items.

Sysco has a history of growth through acquisitions and excludes from its non-GAAP financial measures the impact of acquisition-related intangible amortization, acquisition costs and due-diligence costs for those acquisitions. We believe this approach significantly enhances the comparability of Sysco's results.

Set forth below is a reconciliation of sales, operating expenses, operating income, and net earnings to adjusted results for these measures for the periods presented.

International Foodservice Operations
Non-GAAP Reconciliation (Unaudited)
Impact of Certain Items
(In Thousands)

	Last Twelve Months Ended Mar. 30, 2024	52-Week Period Ended Jun. 29, 2019	Change in Dollars	%/bps Change
Sales (GAAP)	\$ 14,422,243	\$ 11,493,040	\$ 2,929,203	25.5%
Gross Profit (GAAP)	2,884,177	2,392,179	491,998	20.6%
Gross Margin (GAAP)	20.00%	20.81%		-81 bps
Operating expenses (GAAP)	\$ 2,503,362	\$ 2,266,736	\$ 236,626	10.4%
Impact of restructuring and transformational project costs (1)	(22,604)	(152,852)	130,248	85.2%
Impact of acquisition-related costs (2)	(69,407)	(76,530)	7,123	9.3%
Operating expenses adjusted for certain items (Non-GAAP)	\$ 2,411,351	\$ 2,037,354	\$ 373,997	18.4%
Operating income (GAAP)	\$ 380,815	\$ 125,443	\$ 255,372	NM
Impact of restructuring and transformational project costs (1)	22,604	152,852	(130,248)	-85.2%
Impact of acquisition-related costs (2)	69,407	76,530	(7,123)	-9.3%
Operating income adjusted for Certain Items (Non-GAAP)	\$ 472,826	\$ 354,825	\$ 118,001	33.3%

(1) Last Twelve Months include restructuring and severance costs, primarily in Europe. Fiscal 2019 includes \$61 million of restructuring charges in France and other restructuring and severance costs in Europe and Canada.

(2) The amounts for both periods primarily relate to intangible amortization expense.

Sysco Corporation and its Consolidated Subsidiaries

Non-GAAP Reconciliation (Unaudited)

Free Cash Flow

(In Thousands)

Free cash flow represents net cash provided from operating activities less purchases of plant and equipment and includes proceeds from sales of plant and equipment. Sysco considers free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business after the purchases and sales of buildings, fleet, equipment and technology, which may potentially be used to pay for, among other things, strategic uses of cash including dividend payments, share repurchases and acquisitions. However, free cash flow may not be available for discretionary expenditures, as it may be necessary that we use it to make mandatory debt service or other payments. Free cash flow should not be used as a substitute for the most comparable GAAP measure in assessing the company's liquidity for the periods presented. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. In the table that follows, free cash flow for each period presented is reconciled to net cash provided by operating activities.

	Last Twelve Months Ended Mar. 30, 2024	52-Week Period Ended Jun. 29, 2019	Change in Dollars	% Change
Net cash provided by operating activities (GAAP)	\$ 2,815,014	\$ 2,411,207	\$ 403,807	16.7%
Additions to plant and equipment	(849,030)	(692,391)	(156,639)	-22.6%
Proceeds from sales of plant and equipment	34,542	20,941	13,601	64.9%
Free Cash Flow (Non-GAAP)	<u>\$ 2,000,526</u>	<u>\$ 1,739,757</u>	<u>\$ 260,769</u>	<u>15.0%</u>

EBITDA represents net earnings (loss) plus (i) interest expense, (ii) income tax expense and benefit, (iii) depreciation and (iv) amortization. The net earnings (loss) component of our EBITDA calculation is impacted by Certain Items that we do not consider representative of our underlying performance. As a result, adjusted EBITDA is computed as EBITDA plus the impact of Certain Items, excluding certain items related to interest expense, income taxes, depreciation and amortization. Sysco's management considers growth in this metric to be a measure of overall financial performance that provides useful information to management and investors about the profitability of the business, as it facilitates comparison of performance on a consistent basis from period to period by providing a measurement of recurring factors and trends affecting our business. Additionally, it is a commonly used component metric used to inform on capital structure decisions. Adjusted EBITDA should not be used as a substitute for the most comparable GAAP financial measure in assessing the company's financial performance. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP.

Adjusted EBITDA to Free Cash Flow Conversion is a non-GAAP financial measure frequently used by investors and credit rating agencies. Our Adjusted EBITDA to Free Cash Flow Conversion is calculated using a numerator of Free Cash Flow divided by EBITDA Adjusted for Certain Items. We expect to achieve our Adjusted EBITDA to Free Cash Flow Conversion forecasts. We cannot predict with certainty when we will achieve these results or whether the calculation of our EBITDA will be on an adjusted basis in future periods to exclude the effect of certain items. Due to these uncertainties, we cannot provide a quantitative reconciliation of these potentially non-GAAP measures to the most directly comparable GAAP measure without unreasonable effort. However, we expect to calculate these adjusted results, if applicable, in the same manner as reconciliations previously provided for historical periods.

Adjusted operating income and adjusted earnings per share (EPS) are non-GAAP financial measures; however, we cannot predict with certainty the particular Certain Items that would be excluded from the calculations of these measures for future periods. Due to these uncertainties, we cannot provide quantitative reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures without unreasonable effort. However, we expect to calculate adjusted operating income and adjusted EPS for future periods in the same manner as the reconciliations we have historically provided within our routine, quarterly reporting.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Adjusted Return on Invested Capital
(In Thousands)

Although adjusted return on invested capital (ROIC) is considered a non-GAAP financial measure, Sysco management considers adjusted ROIC to be a measure that provides useful information to management and investors in evaluating the efficiency and effectiveness of the company's long-term capital investments. We calculate adjusted ROIC as adjusted net earnings divided by the sum of: (1) stockholders' equity, computed as the average of adjusted stockholders' equity at the beginning of the year and at the end of each fiscal quarter during the year; and (2) long-term debt, computed as the average of the long-term debt at the beginning of the year and at the end of each fiscal quarter during the year. Trends in ROIC can fluctuate over time as management balances long-term strategic initiatives with possible short-term impacts.

	52-Week Period Ended Jul. 1, 2023	52-Week Period Ended Jul. 2, 2022	53-Week Period Ended Jul. 3, 2021	52-Week Period Ended Jun. 27, 2020	52-Week Period Ended Jun. 29, 2019	FY 2019 to FY 2022 Average
Net earnings (GAAP)	\$ 1,770,124	\$ 1,358,768	\$ 524,209	\$ 215,475	\$ 1,674,271	
Impact of Certain Items on net earnings	274,124	314,292	216,228	816,550	182,580	
Adjusted net earnings (Non-GAAP)	<u>\$ 2,044,248</u>	<u>\$ 1,673,060</u>	<u>\$ 740,437</u>	<u>\$ 1,032,025</u>	<u>\$ 1,856,851</u>	
Invested capital (GAAP)	\$ 12,285,832	\$ 12,446,411	\$ 14,531,518	\$ 12,315,971	\$ 10,987,033	
Impact of Certain Items on invested capital	342,489	341,074	580,088	338,472	233,428	
Foreign currency impact on equity accounts	24,710	88,917	(74,485)	28,470	70,942	
Excess cash adjustment	(174,099)	(1,138,499)	(4,642,968)	(1,442,650)	(118,186)	
Adjusted invested capital (Non-GAAP)	<u>\$ 12,478,932</u>	<u>\$ 11,737,903</u>	<u>\$ 10,394,153</u>	<u>\$ 11,240,263</u>	<u>\$ 11,173,216</u>	
Return on investment capital (GAAP)	14.4%	10.9%	3.6%	1.7%	15.2%	7.9%
Adjusted return on investment capital (Non-GAAP)	16.4%	14.3%	7.1%	9.2%	16.6%	11.8%

Net Debt to Adjusted EBITDA Leverage Ratio Targets

We expect to achieve our net debt to adjusted EBITDA leverage ratio forecasts. We cannot predict with certainty when we will achieve these results or whether the calculation of our EBITDA will be on an adjusted basis in future periods to exclude the effect of certain items. Due to these uncertainties, we cannot provide a quantitative reconciliation of these potentially non-GAAP measures to the most directly comparable GAAP measure without unreasonable effort. However, we expect to calculate these adjusted results, if applicable, in the same manner as reconciliations previously provided for historical periods.

Form of calculation:

Current maturities of long-term debt

Long term debt

Total Debt (GAAP)

Less cash and cash equivalents

Net Debt

Net earnings (GAAP)

Interest (GAAP)

Income taxes (GAAP)

Depreciation and amortization (GAAP)

EBITDA (Non-GAAP)

Certain Item adjustments:

Impact of restructuring and transformational project costs

Impact of acquisition-related intangible amortization

EBITDA adjusted for Certain Items (Non-GAAP)

Net Debt to Adjusted EBITDA Ratio