Sysco®

At the heart of food and service

# Barclays Global Consumer Staples Conference 2025

September 3, 2025

# 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. These statements concern, among other things, our future financial performance and results, business strategy, plans, goals and objectives, including certain outlook, business trends, our dividend and share repurchase programs, our expectation of future macroeconomic conditions and other statements that are not historical facts, including our expectations regarding foot traffic and volume growth and benefits to gross margins; our expectations regarding the incremental investments in hiring; our plans to improve the capabilities of our sales team; and our future growth, including growth in sales and earnings per share. Forward-looking statements can also be identified by words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "will," "would," "could," "can," "may," "projected," "continues," "continuously," variations of such terms, and similar terms and phrases denoting anticipated or expected occurrences or results.

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, including those outside of Sysco's control. Risks and uncertainties include without limitation: the impact of geopolitical, economic and market conditions and developments, including changes in global trade policies and tariffs; risks related to our business initiatives; periods of significant or prolonged inflation or deflation and their impact on our product costs and profitability generally; risks related to our efforts to implement our transformation initiatives and meet our other long-term strategic objectives; risk of interruption of supplies and increase in product costs; risks related to changes in consumer eating habits; and impact of natural disasters or adverse weather conditions, public health crises, adverse publicity or lack of confidence in our products, and product liability claims. Should one or more of these risks or uncertainties materialize, or underlying assumptions prove incorrect, actual results may vary materially from those indicated in our forward-looking statements. Therefore, you should not place undue reliance on any of the forward-looking statements contained herein. For more information on these risks and other concerning factors that could cause actual results to differ from those expressed or forecasted, see our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the SEC. We do not undertake to update our forward-looking statements, except as required by applicable law.

This presentation also includes non-GAAP financial measures, please refer to non-GAAP reconciliations at the end of this presentation for definitions and the reconciliation from GAAP to Non-GAAP.

# Kevin Hourican

**CHAIR OF THE BOARD AND CHIEF EXECUTIVE OFFICER**

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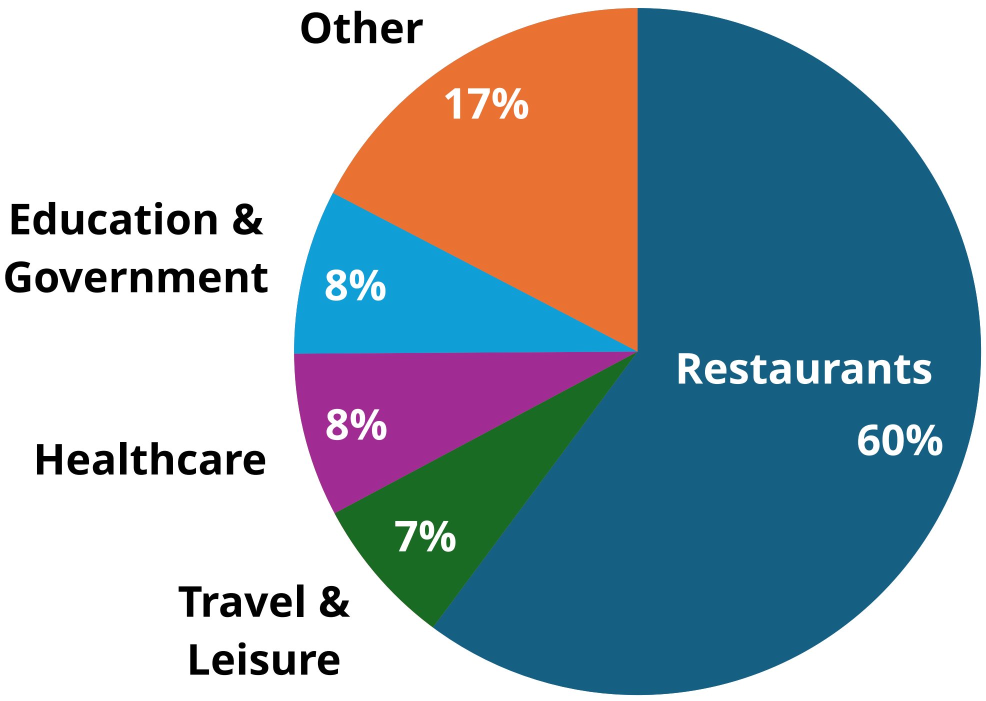
# Sysco Business at a Glance

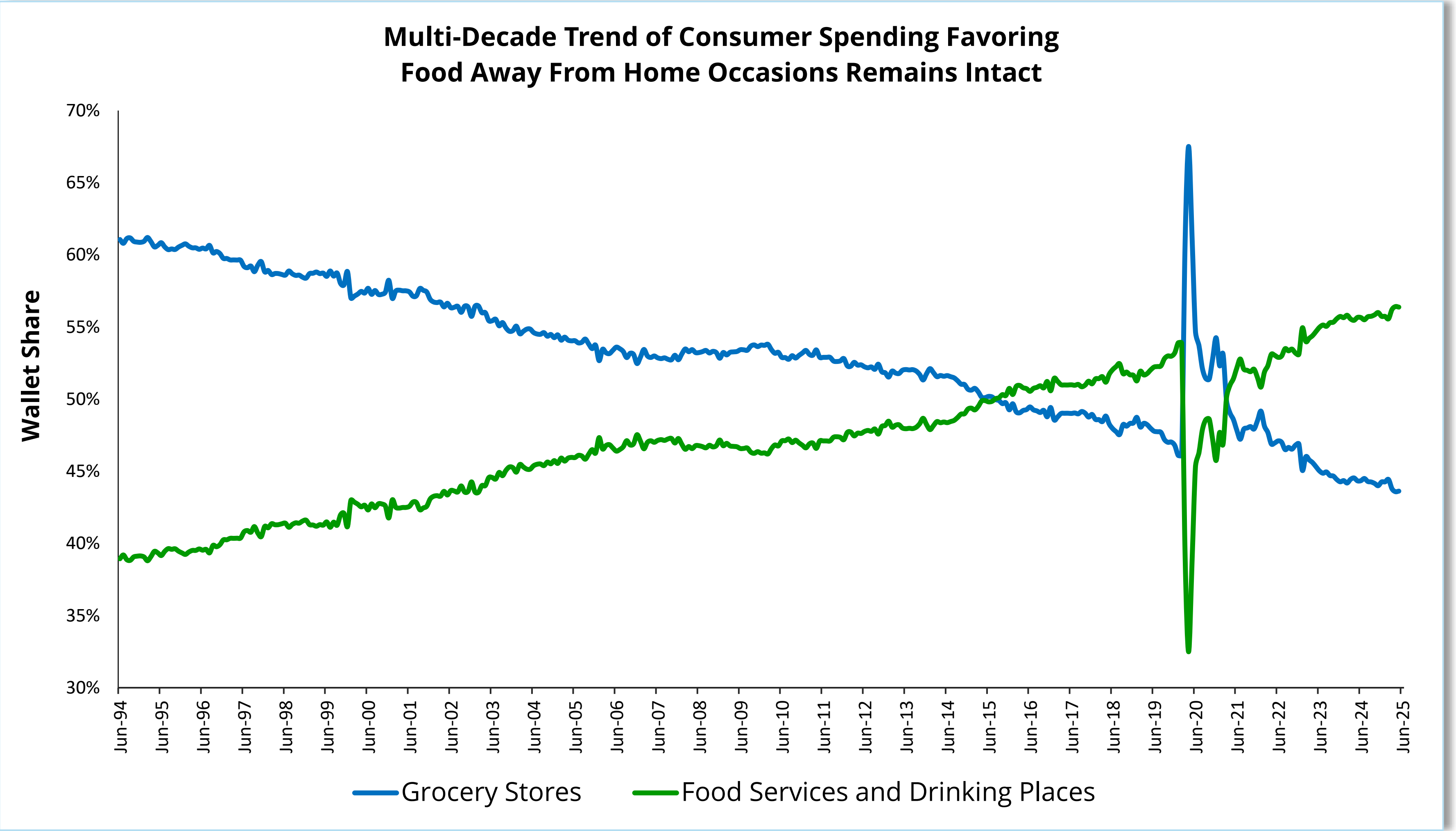
| Only Global Player<br>Leading[1] Market Share + Best-in-Class Food Export Business | | |
|---|---|---|
| **$81+ billion**<br>in FY25 Sales | **75,000**<br>Global Colleagues | **337**<br>Distribution Facilities |
| **#1 Market Share[1]** | **$9+ billion**<br>Specialty Platform | **~730K**<br>Customer Locations |




## Sales by Customer Type

[1] #1 market share in U.S., Canada, U.K., Ireland, Costa Rica, Panama, Bahamas; Leading market share in Sweden and France

# Food Away From Home Continues to Gain Share

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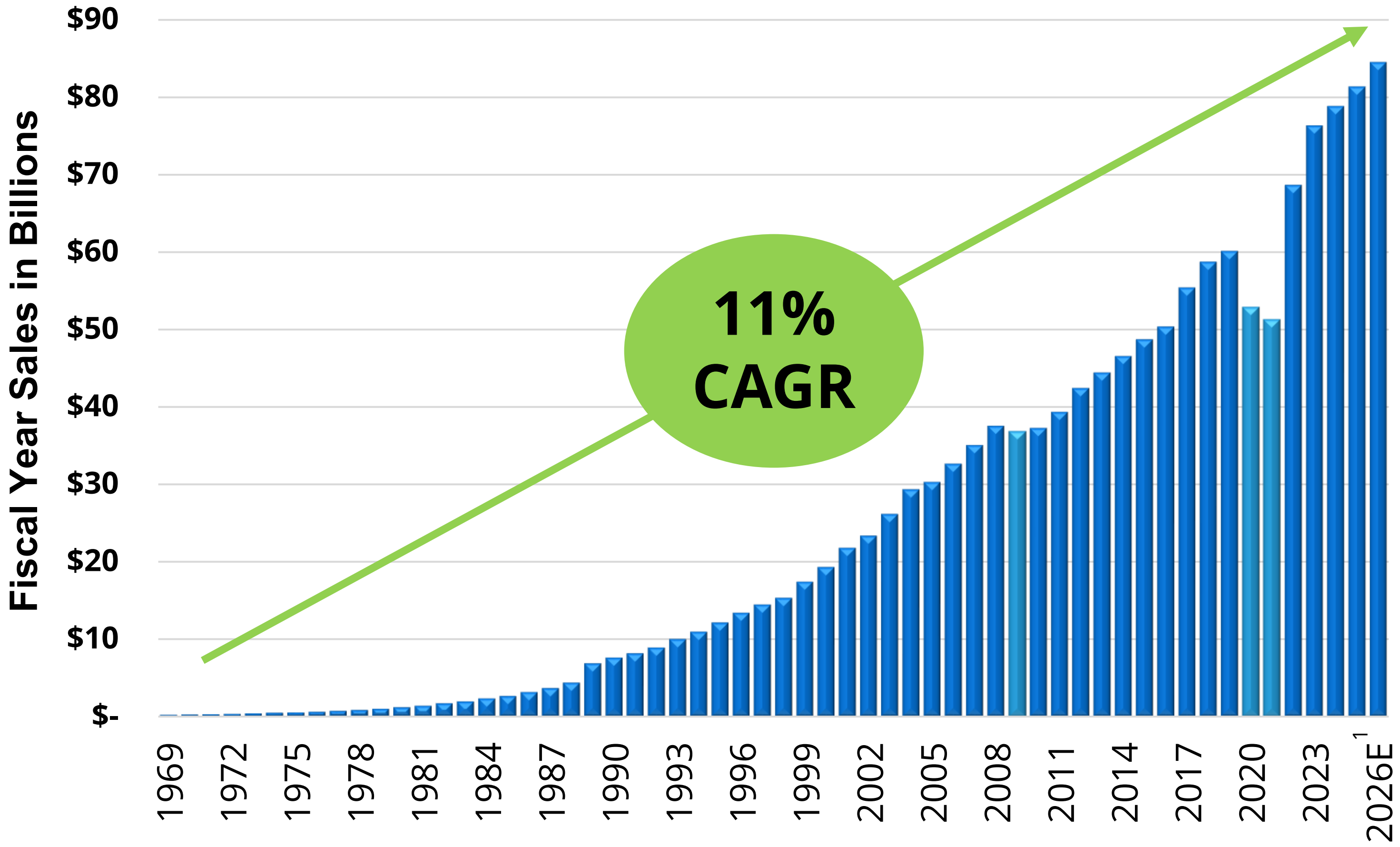
Source: The United States Census Bureau Advance Monthly Sales for Retail and Food Services

# Growing Sales in 54 Out of 57 Years



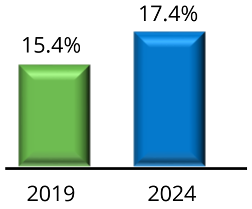

## POSITIONED TO WIN

- #1 position across **National, Local, and Specialty**
  - Robust **cross-selling opportunities** with Broadline scale & specialty expansion to fuel future sales growth
- **International** segment continues to drive strong **growth**
- Strong **M&A** track record

[1] Expected sales for FY26 based on midpoint of Sysco 3%-5% guidance range equating to ~$84.5 billion

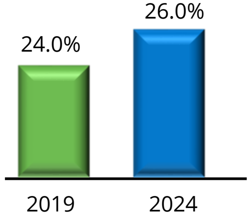
# Sysco Has A Compelling Global Foodservice Model

## United States: #1 Position



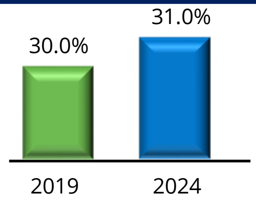

$370B TAM

## Canada: #1 Position



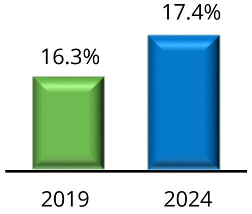

$23B TAM

## Bahamas: #1 Position

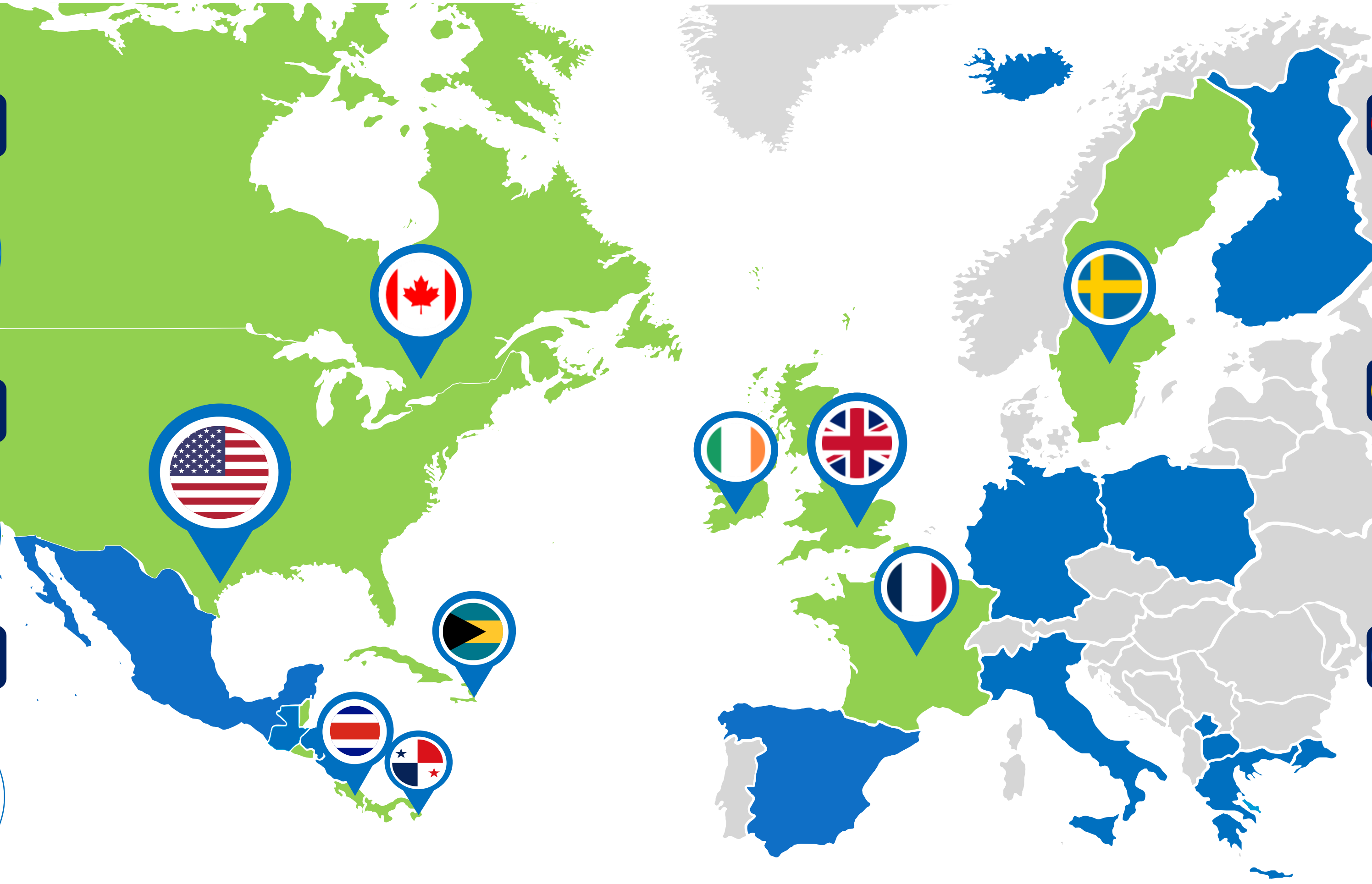



$1B TAM

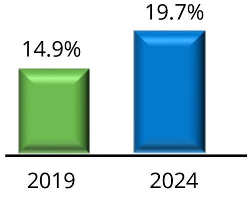
## Costa Rica: #1 Position




$1B TAM

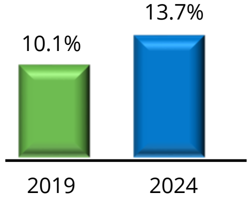


## Ireland: #1 Position



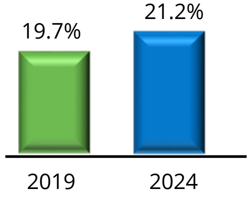

$4B TAM

## Great Britain: #1 Position



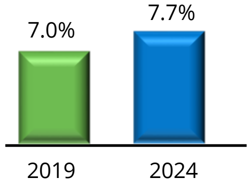

$27B TAM

## Sweden: #2 Position




$5B TAM

## France: #3 Position




$23B[1] TAM

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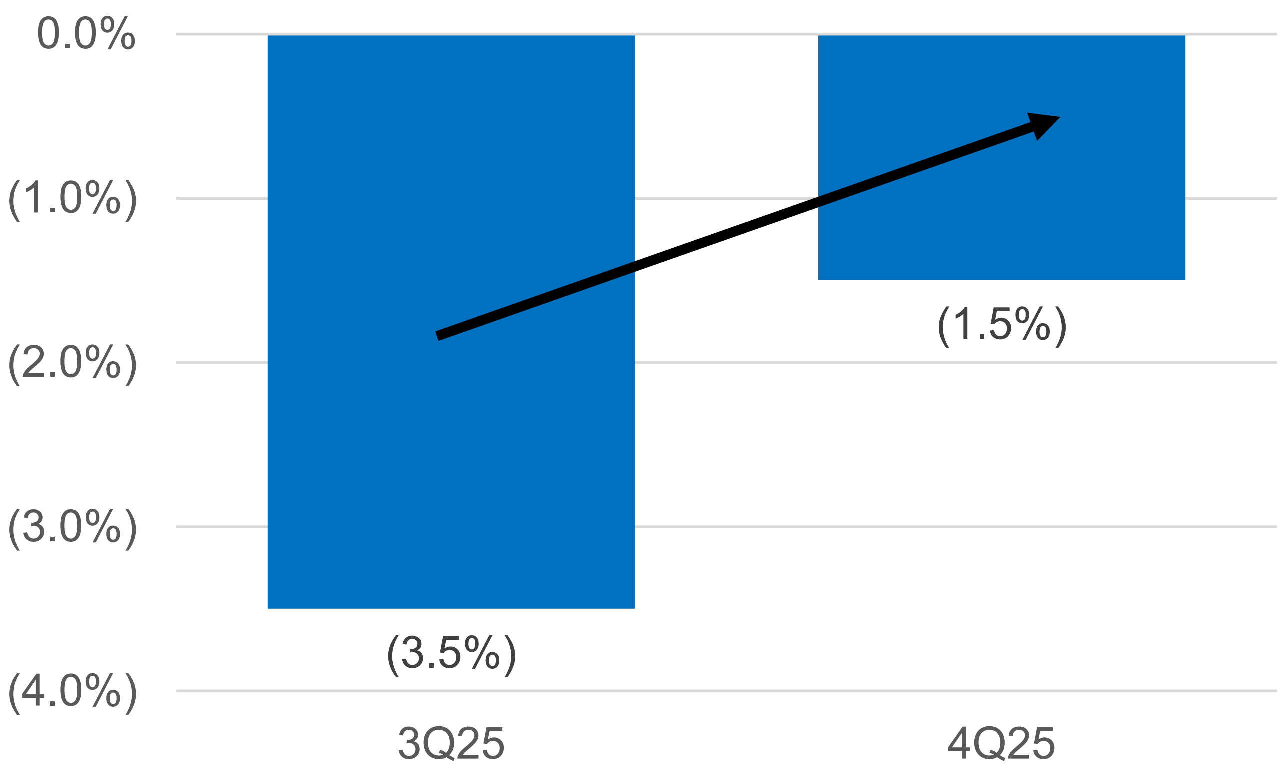
Source: U.S. – Technomic (adjusted estimate); Canada – Restaurants Canada; GB, Ireland, Sweden, France, Costa Rica, Panama, Bahamas – Global Data; market share information compares calendar year 2019 to calendar year 2024, excluding the United States. [1] Food excluding Beverages; Green countries represent domiciled operations, blue countries represent IFG export operations

# Local Performance Inflecting Positive




Local Performance **Improved +200 bps** in 4Q25 vs 3Q25

Data represents USFS local case growth.

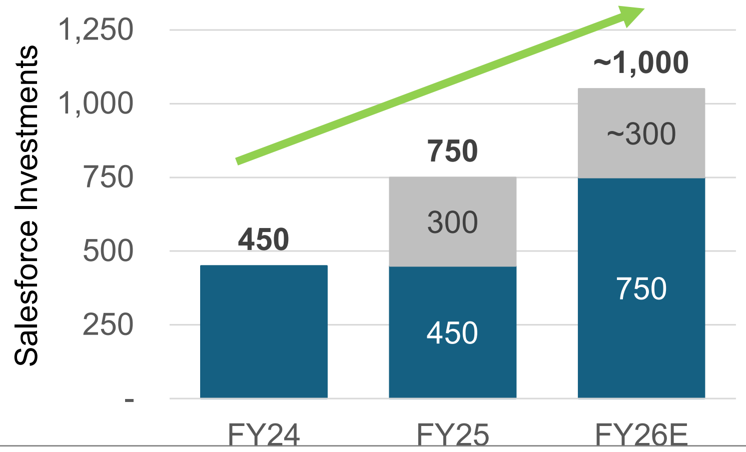


## Q1 MOMENTUM CONTINUING

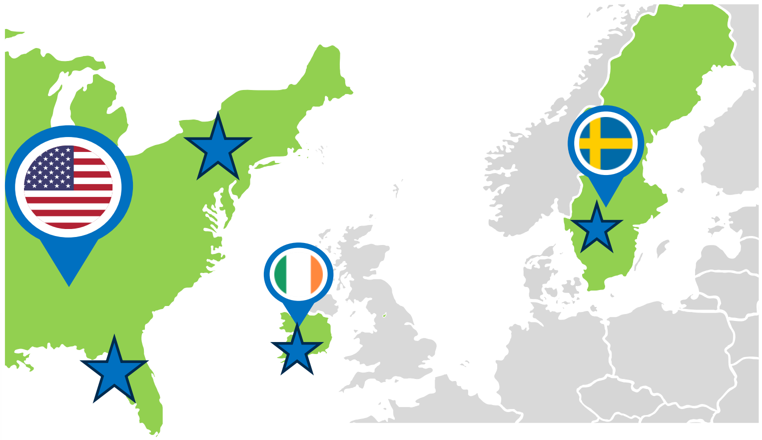
- **Positive USBL Local** expected in Q1
- Continued **Sequential Improvement in USFS Local** expected in Q1
- **QTD Volume Improvement:**
  - Sales Professional **Retention**
  - **Expanding New/Lost Spread** vs Q4 and Prior Period
  - Implementing **Growth Initiatives**
- On-Track For **Positive Local Case Growth in FY26**

# Actions Driving Compelling Local Case Momentum

## Salesforce Investment




## Capacity & Cuisine Expansion

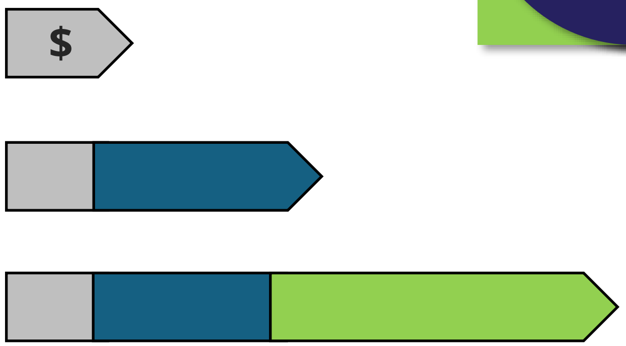


Greco & Sons

ASIAN FOODS a Sysco company

**Drivers of Local Case Growth**

## Total Team Selling




**US Broadline Only**

**US Broadline + One Specialty**
3x Higher Sales/Customer

**US Broadline + Two Specialty**
6x Higher Sales/Customer

## Selling Initiatives

SYSCO perks!™ PREMIER REWARDS CLUB

AI360

PRICING Agility

# Kenny Cheung

**EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER**

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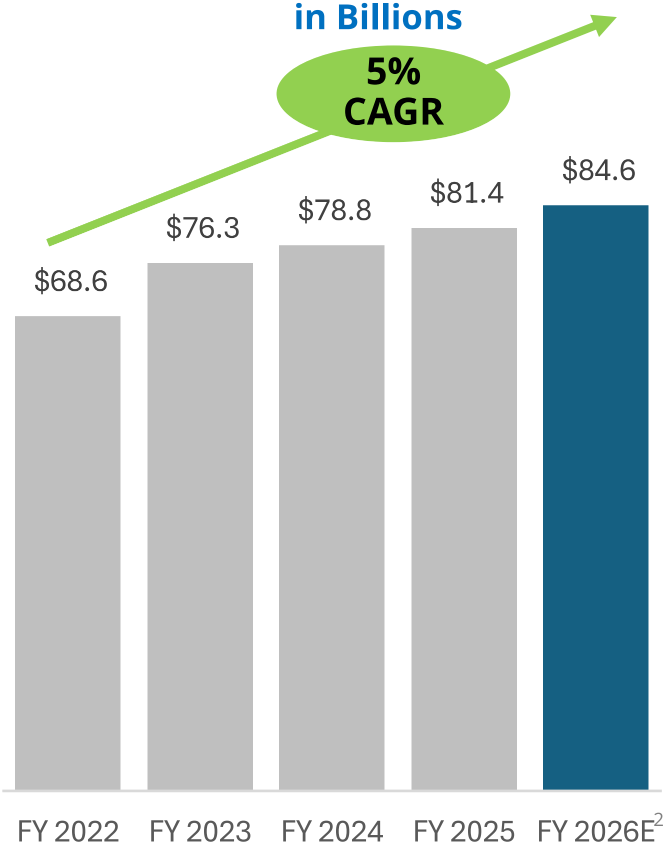
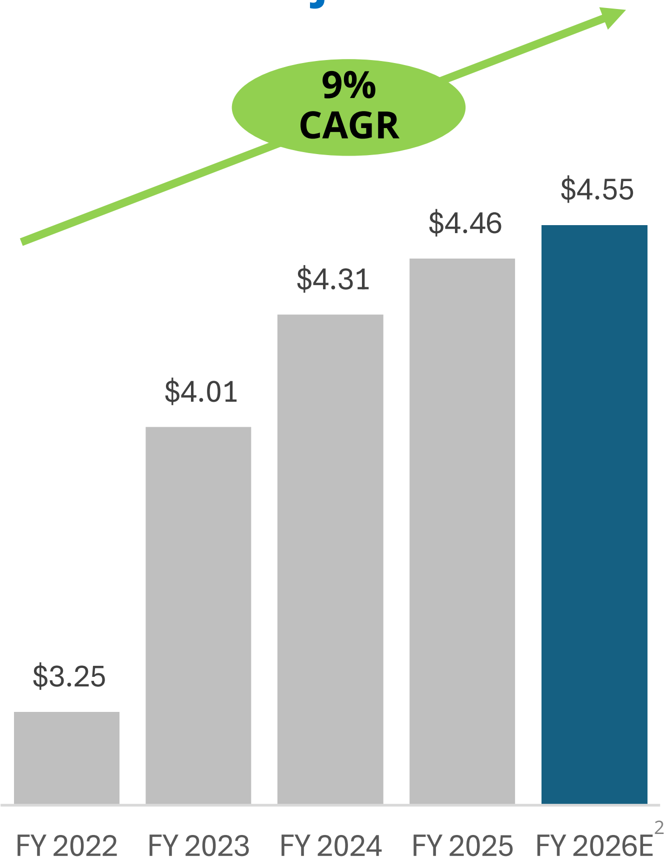
# Advancing Our Leading Industry Position

## Net Sales
in Billions




## Adj. EPS[1]




## Attractive Return Profile

**#1 Market Share**

**+**

**Industry Leading:**
- Sales
- Gross Margins
- EBITDA Margins
- Free Cash Flow
- ROIC
- Investment Grade Balance Sheet

[1] See Non-GAAP reconciliations at the end of the presentation.
[2] 2026 estimates are based on the midpoint of Company guidance

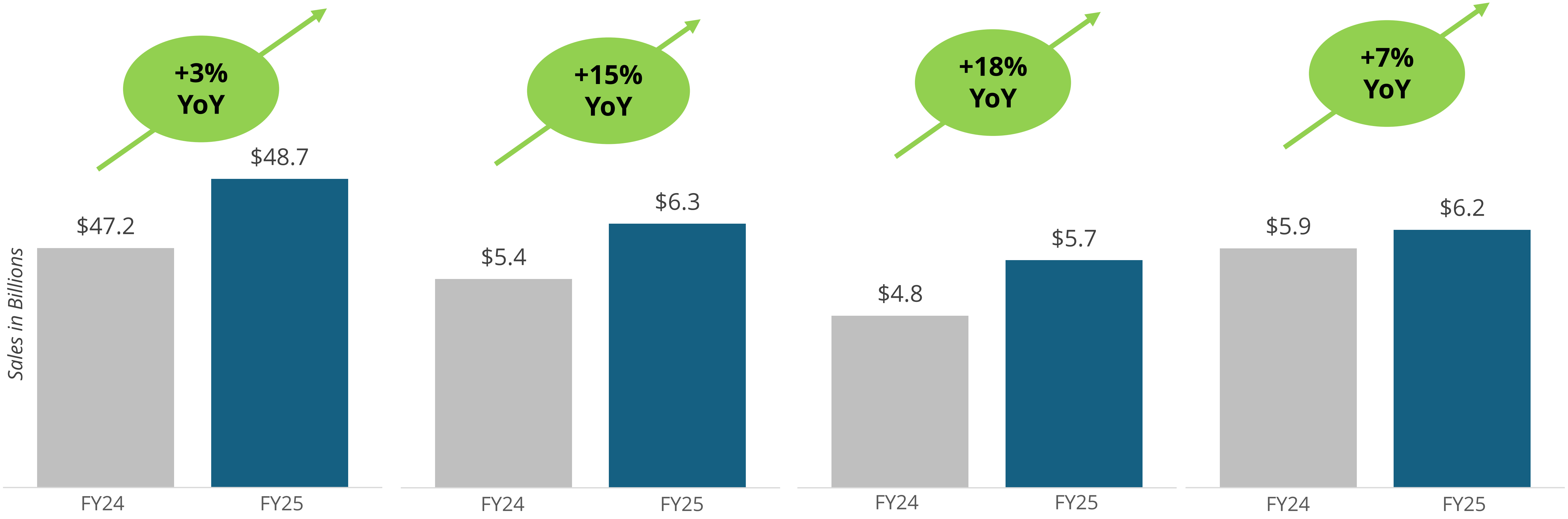
# Strong and Diverse Sales Growth Across Channels

## Restaurants
60% of Total Sales

## Education & Government
8% of Total Sales

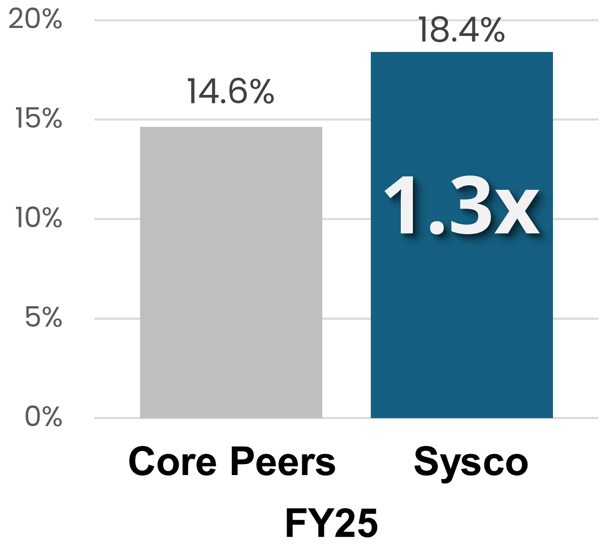
## Travel & Leisure
7% of Total Sales

## Healthcare
8% of Total Sales

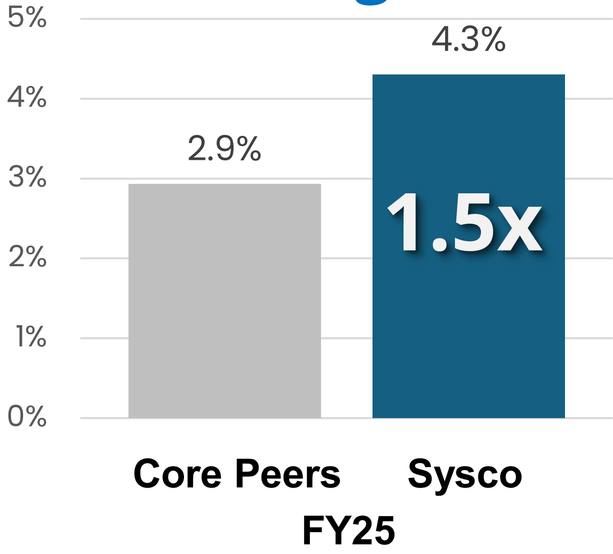


# Superior Performance vs. Core Peers

## Gross Margin

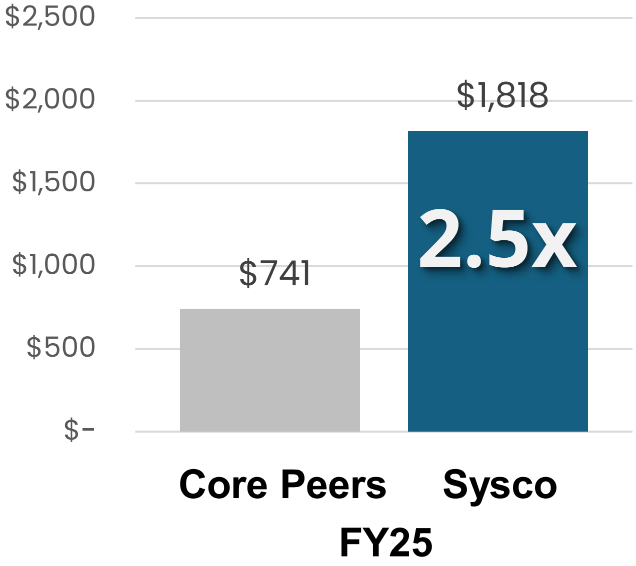



## Adj. Operating Margin[1]

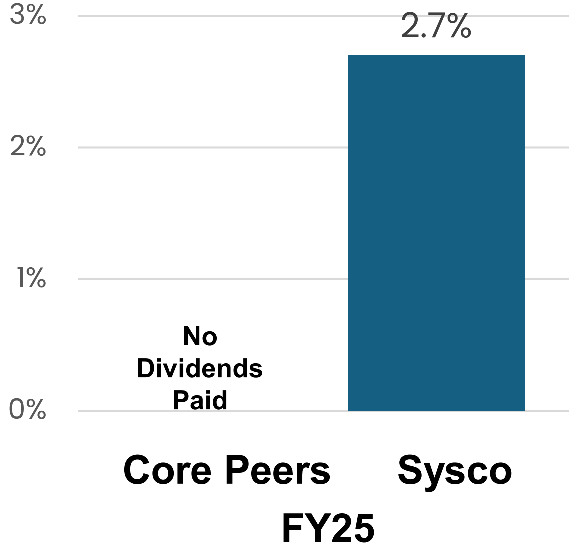



## Free Cash Flow[1]

in Mil.




## Dividend Yield

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[1] See Non-GAAP reconciliations at the end of the presentation.
Data as of FY25 from SEC filings and calendarized to match Sysco's June fiscal year-end. Core peer group represents average of US Foods and Performance Food Group.
Our calculations of non-GAAP numbers may be calculated in a different manner than and may not be comparable to peer calculations of similarly titled non-GAAP numbers for our peers.
Dividend data reflects forward yield as of the end of FY25.

# Underpinned by Balanced Capital Allocation


## Invest for Growth

Capex Investments ~1% of Annual Sales

## Maintain a Strong Balance Sheet

Commitment to Investment Grade Rating with Net Leverage Target of 2.50x – 2.75x[1]

## Return Cash to Shareholders

Balanced Shareholder Return with Growing Dividend & Share Repurchase

[1]Net leverage target is net debt to Adjusted EBITDA; In arriving at Adjusted EBITDA, Sysco does not adjust out interest income or non-cash stock compensation expense. Definition of Net Debt includes our debt minus cash and cash equivalents. See Non-GAAP reconciliations at the end of the presentation.

# Compelling Investment Opportunity

- **Market leader in foodservice** with key strategic advantages and significant scale, **benefitting from FAFH trends**
- **Resilient business model,** balanced across end geographies, channels, and product mixes
- **Multiple vectors of growth** in international, core volumes and through M&A across local, chain, and specialty
- Strong operational excellence and deliver **industry leading margins and strong return on capital**
- Balanced growth and capital allocation strategy supported by an **investment grade balance sheet** and **robust liquidity profile**
- **Track record of dividend growth and share repurchases;** returned $2.25 billion in capital in FY25

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# NON-GAAP RECONCILIATIONS

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# 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; (4) acquisition-related costs consisting of: (a) intangible amortization expense and (b) acquisition costs and due diligence costs related to our acquisitions.

Adjustments provided herein for fiscal 2025 results of operations also remove the impact of a goodwill impairment charge. No similar charge was applicable in fiscal 2024, fiscal 2023, and fiscal 2022. Our results for fiscal 2023 were also impacted by a pension settlement charge that resulted from the purchase of a nonparticipating single premium group annuity contract that transferred defined benefit plan obligations to an insurer, adjustments to our bad debt reserve specific to aged receivables existing prior to the COVID-19 pandemic, adjustments to a product return allowance related to COVID-related personal protection equipment inventory and a gain on a litigation financing agreement. Our results for fiscal 2022 were also impacted by adjustments to our bad debt reserve specific to aged receivables existing prior to the COVID-19 pandemic, a write-down of COVID-related personal protection equipment inventory due to the reduction in the net realizable value of inventory, losses on the extinguishment of long-term debt and an increase in reserves for uncertain tax positions.

Management believes that adjusting its operating expenses, operating income, net earnings and diluted earnings per share to remove these Certain Items and presenting its results on a constant currency basis provides an important perspective with respect to our underlying business trends and results. It provides meaningful supplemental information to both management and investors that (1) is indicative of the performance of the company's underlying operations and (2) facilitates comparisons on a year-over-year basis.

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 for fiscal 2025, fiscal 2024, fiscal 2023, and fiscal 2022.

Set forth below is a reconciliation of sales, operating expenses, operating income, net earnings and diluted earnings per share to adjusted results for these measures for the periods presented. Individual components of diluted earnings per share may not be equal to the total presented when added due to rounding. Adjusted diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

# Sysco Corporation and its Consolidated Subsidiaries
# Non-GAAP Reconciliation (Unaudited)
# Impact of Certain Items
(Dollars in Millions, Except for Share and Per Share Data)

| | 52-Week Period Ended Jun. 28, 2025 | 52-Week Period Ended Jun. 29, 2024 | 52-Week Period Ended Jul. 1, 2023 | 52-Week Period Ended Jul. 2, 2022 |
|---|---|---|---|---|
| **Sales (GAAP)** | $ 81,370 | $ 78,844 | $ 76,325 | $ 68,636 |
| **Cost of sales (GAAP)** | $ 66,401 | $ 64,236 | $ 62,370 | $ 56,316 |
| Impact of inventory valuation adjustment | - | - | 3 (1) | (73) (1) |
| **Cost of sales adjusted for Certain Items (Non-GAAP)** | $ 66,401 | $ 64,236 | $ 62,373 | $ 56,243 |
| **Gross profit (GAAP)** | $ 14,969 | $ 14,608 | $ 13,955 | $ 12,320 |
| Impact of inventory valuation adjustment | - | - | (3) (1) | 73 (1) |
| **Gross profit adjusted for Certain Items (Non-GAAP)** | $ 14,969 | $ 14,608 | $ 13,952 | $ 12,393 |
| **Operating expenses (GAAP)** | $ 11,881 | $ 11,406 | $ 10,916 | $ 9,974 |
| Impact of restructuring and transformational project costs | (183) (2) | (120) (2) | (63) (2) | (108) (2) |
| Impact of acquisition-related costs | (160) (3) | (159) (3) | (116) (3) | (139) (3) |
| Impact of bad debt reserve adjustments | - | - | 5 (4) | 28 (4) |
| Impact of goodwill impairment | (92) | - | - | - |
| **Operating expenses adjusted for Certain Items (Non-GAAP)** | $ 11,446 | $ 11,127 | $ 10,742 | $ 9,755 |
| **Operating income (GAAP)** | $ 3,088 | $ 3,202 | $ 3,039 | $ 2,346 |
| Impact of inventory valuation adjustment | - | - | (3) (1) | 73 (1) |
| Impact of restructuring and transformational project costs | 183 (2) | 120 (2) | 63 (2) | 108 (2) |
| Impact of acquisition-related costs | 160 (3) | 159 (3) | 116 (3) | 139 (3) |
| Impact of bad debt reserve adjustments | - | - | (5) (4) | (28) (4) |
| Impact of goodwill impairment | 92 | - | - | - |
| **Operating income adjusted for Certain Items (Non-GAAP)** | $ 3,523 | $ 3,481 | $ 3,210 | $ 2,638 |
| **Operating margin (GAAP)** | 3.80% | 4.06% | 3.98% | 3.42% |
| **Operating margin adjusted for Certain Items (Non-GAAP)** | 4.33% | 4.42% | 4.21% | 3.84% |
| **Interest expense (GAAP)** | $ 635 | $ 607 | $ 527 | $ 624 |
| Impact of loss on extinguishment of debt | - | - | - | (116) |
| **Interest expense adjusted for Certain Items (Non-GAAP)** | $ 635 | $ 607 | $ 527 | $ 508 |
| **Other expense (income) (GAAP)** | $ 38 | $ 30 | $ 227 | $ (24) |
| Impact of other non-routine gains and losses | - | - | (194) (5) | - |
| **Other expense (income) adjusted for Certain Items (Non-GAAP)** | $ 38 | $ 30 | $ 33 | $ (24) |


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# Sysco Corporation and its Consolidated Subsidiaries
# Non-GAAP Reconciliation (Unaudited)
# Impact of Certain Items
(Dollars in Millions, Except for Share and Per Share Data) Continued

| | 52-Week Period Ended Jun. 28, 2025 | 52-Week Period Ended Jun. 29, 2024 | 52-Week Period Ended Jul. 1, 2023 | 52-Week Period Ended Jul. 2, 2022 |
|---|---|---|---|---|
| **Net earnings (GAAP)** | $ 1,828 | $ 1,955 | $ 1,770 | $ 1,359 |
| Impact of inventory valuation adjustment | - | - | (3) (1) | 73 (1) |
| Impact of restructuring and transformational project costs | 183 (2) | 120 (2) | 63 (2) | 108 (2) |
| Impact of acquisition-related costs | 160 (3) | 159 (3) | 116 (3) | 139 (3) |
| Impact of bad debt reserve adjustments | - | - | (5) (4) | (28) (4) |
| Impact of goodwill impairment | 92 | - | - | - |
| Impact of loss on extinguishment of debt | - | - | - | 116 |
| Impact of other non-routine gains and losses | - | - | 194 (5) | - |
| Tax impact of inventory valuation adjustment (6) | - | - | 1 | (19) |
| Tax impact of restructuring and transformational project costs (6) | (42) | (29) | (15) | (28) |
| Tax impact of acquisition-related costs (6) | (37) | (38) | (29) | (36) |
| Tax impact of bad debt reserve adjustments (6) | - | - | 1 | 7 |
| Tax impact of goodwill impairment (6) | (10) | - | - | - |
| Tax impact of loss on extinguishment of debt (6) | - | - | - | (30) |
| Tax impact of other non-routine gains and losses (6) | - | - | (49) | - |
| Impact of adjustments to uncertain tax positions | - | - | - | 12 |
| Impact of other non-routine tax adjustments | 10 | - | - | - |
| **Net earnings adjusted for Certain Items (Non-GAAP)** | $ 2,184 | $ 2,167 | $ 2,044 | $ 1,673 |

## Sysco Corporation and its Consolidated Subsidiaries
## Non-GAAP Reconciliation (Unaudited)
## Impact of Certain Items
(Dollars in Millions, Except for Share and Per Share Data) Continued

| | 52-Week Period Ended Jun. 28, 2025 | | 52-Week Period Ended Jun. 29, 2024 | | 52-Week Period Ended Jul. 1, 2023 | | 52-Week Period Ended Jul. 2, 2022 | |
|---|---|---|---|---|---|---|---|---|
| **Diluted earnings per share (GAAP)** | $ 3.73 | | $ 3.89 | | $ 3.47 | | $ 2.64 | |
| Impact of inventory valuation adjustment | - | | - | | (0.01) | (1) | 0.14 | (1) |
| Impact of restructuring and transformational project costs | 0.37 | (2) | 0.24 | (2) | 0.12 | (2) | 0.21 | (2) |
| Impact of acquisition-related costs | 0.33 | (3) | 0.32 | (3) | 0.23 | (3) | 0.27 | (3) |
| Impact of bad debt reserve adjustments | - | | - | | (0.01) | (4) | (0.05) | (4) |
| Impact of goodwill impairment | 0.19 | | - | | - | | - | |
| Impact of loss on extinguishment of debt | - | | - | | - | | 0.23 | |
| Impact of other non-routine gains and losses | - | | - | | 0.38 | (5) | - | |
| Tax impact of inventory valuation adjustment [6] | - | | - | | - | | (0.04) | |
| Tax impact of restructuring and transformational project costs [6] | (0.09) | | (0.06) | | (0.03) | | (0.05) | |
| Tax impact of acquisition-related costs [6] | (0.08) | | (0.08) | | (0.06) | | (0.07) | |
| Tax impact of bad debt reserve adjustments [6] | - | | - | | - | | 0.01 | |
| Tax impact of goodwill impairment [6] | (0.02) | | - | | - | | - | |
| Tax impact of loss on extinguishment of debt [6] | - | | - | | - | | (0.06) | |
| Tax impact of other non-routine gains and losses [6] | - | | - | | (0.10) | | - | |
| Impact of adjustments to uncertain tax positions | - | | - | | - | | 0.02 | |
| Impact of other non-routine tax adjustments | 0.02 | | - | | - | | - | |
| **Diluted earnings per share adjusted for Certain Items (Non-GAAP) [7]** | $ 4.46 | | $ 4.31 | | $ 4.01 | | $ 3.25 | |
| **Diluted shares outstanding** | 489,825,648 | | 503,096,086 | | 509,719,756 | | 514,005,827 | |

**Sysco Corporation and its Consolidated Subsidiaries**
**Non-GAAP Reconciliation (Unaudited)**
**Impact of Certain Items**
(Dollars in Millions, Except for Share and Per Share Data) Continued

(1) Fiscal 2023 represents an adjustment to a product return allowance, related to COVID-related personal protection equipment inventory. Fiscal 2022 represents a write-down of COVID-related personal protection equipment inventory due to the reduction in the net realizable value of inventory.

(2) Fiscal 2025 includes $57 million related to restructuring and severance charges and $126 million related to various transformation initiative costs, primarily consisting of supply chain transformation costs and changes to our business technology strategy. Fiscal 2024 includes $56 million related to restructuring and severance charges and $64 million related to various transformation initiative costs, primarily consisting of changes to our business technology strategy. Fiscal 2023 includes $20 million related to restructuring and severance charges and $43 million related to various transformation initiative costs, primarily consisting of changes to our business technology strategy. Fiscal 2022 includes $59 million related to restructuring and severance charges and $49 million related to various transformation initiative costs, primarily consisting of changes to our business technology strategy.

(3) Fiscal 2025 includes $133 million of intangible amortization expense and $27 million in acquisition and due diligence costs. Fiscal 2024 includes $128 million of intangible amortization expense and $31 million in acquisition and due diligence costs. Fiscal 2023 includes $105 million of intangible amortization expense and $10 million in acquisition and due diligence costs. Fiscal 2022 includes $106 million of intangible amortization expense and $33 million in acquisition and due diligence costs.

(4) Represents the reduction of bad debt charges previously taken on pre-pandemic trade receivable balances in fiscal 2020.

(5) Fiscal 2023 primarily includes a pension settlement charge of $315 million that resulted from the purchase of a nonparticipating single premium group annuity contract that transferred defined benefit plan obligations to an insurer and $122 million in income from a litigation financing agreement.

(6) The tax impact of adjustments for Certain Items is calculated by multiplying the pretax impact of each Certain Item by the statutory rates in effect for each jurisdiction where the Certain Item was incurred.

(7) Individual components of diluted earnings per share may not add up to the total presented due to rounding. Total diluted earnings per share is calculated using adjusted net earnings divided by diluted shares outstanding.

**Sysco Corporation and its Consolidated Subsidiaries**
**Non-GAAP Reconciliation (Unaudited)**
**Free Cash Flow, YTD25**
(Dollars in Millions)

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 financial 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.

| | 52-Week Period Ended Jun. 28, 2025 |
|---|---|
| **Net cash provided by operating activities (GAAP)** | $ 2,510 |
| Additions to plant and equipment | (906) |
| Proceeds from sales of plant and equipment | 214 |
| **Free Cash Flow (Non-GAAP)** | $ 1,818 |

# Projected Adjusted EPS Guidance

Adjusted earnings per share is a non-GAAP financial measure; however, we cannot predict with certainty certain items that would be included in the most directly comparable GAAP measure for the relevant future periods. Due to these uncertainties, we cannot provide a quantitative reconciliation of projected adjusted EPS to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted earnings per share, and related compound annual growth rates, for future periods in the same manner as the reconciliations provided for the historical periods herein.

# Projected Adjusted EBITDA Guidance

Adjusted EBITDA is a non-GAAP financial measure; however, we cannot predict with certainty the particular certain items that would be excluded from the calculation of this measure for future periods. Due to these uncertainties, we cannot provide a quantitative reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure without unreasonable effort. However, we expect to calculate adjusted EBITDA for future periods in the same manner as the reconciliations provided for the historical periods herein.

# Net Debt to Adjusted EBITDA Leverage Ratio Targets

We expect to achieve our net debt to adjusted EBITDA leverage ratio forecast in fiscal 2026. 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 the reconciliations provided for the historical periods that are presented herein.

**Form of calculation:**
Current maturities of long-term debt
Long term debt
**Total Debt (GAAP)**
Less cash and cash equivalents
**Net Debt (Non-GAAP)**

**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)**

**Total Debt to Net Earnings Ratio (GAAP)**
**Total Debt to Adjusted EBITDA Ratio (Non-GAAP)**
**Net Debt to Adjusted EBITDA Ratio (Non-GAAP)**