Sysco®

At the heart of food and service

CAGNY 2025

February 18, 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. 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 2025; 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 June 29, 2024, 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.

Kevin Hourican

CHAIR OF THE BOARD AND CHIEF EXECUTIVE OFFICER

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Food Sales & Marketing

Sysco®

Food Supply Chain


Sysco
26
Sysco Food Services of Los Angeles Inc
USDOT 1804039


Sysco
BIG APPETITE


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Sysco


Microsoft Square
axs tv
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Sysco
Au cœur de l'alimentation et du service
Sysco


State Farm
STADIUM
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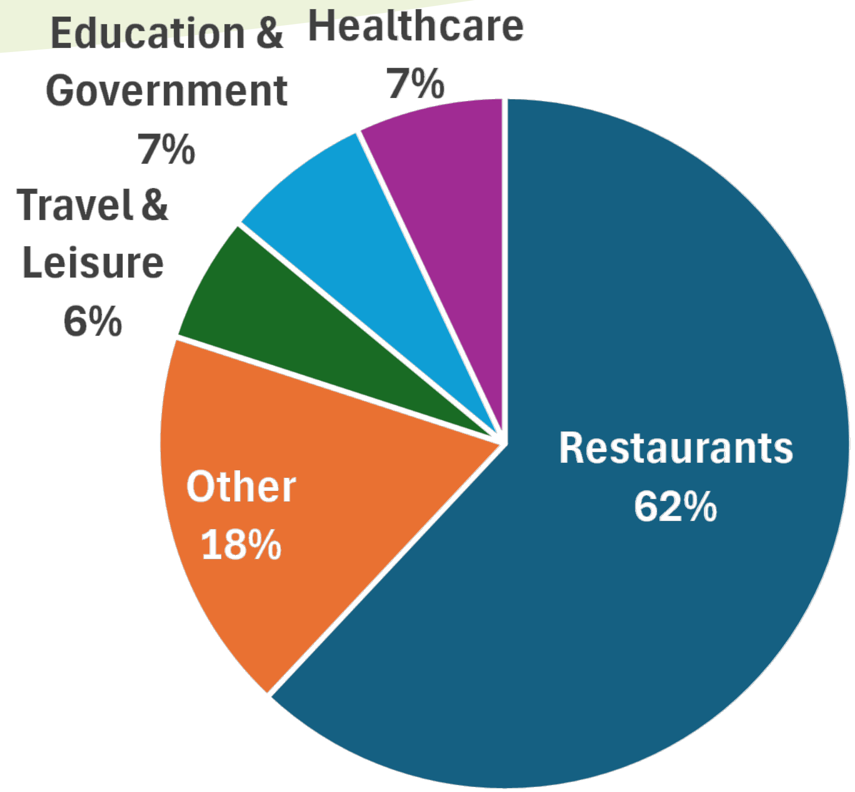
Sysco At the heart of food and service

Sysco Business at a Glance

Only Global Player Leading[1] Market Share + Best-in-Class Food Export Business		
$82+ billion in Expected FY25 Sales	**76,000** Global Colleagues	**340** Distribution Facilities
#1 Market Share[1]	**~7,500** Sales Professionals	**~730K** Customer Locations

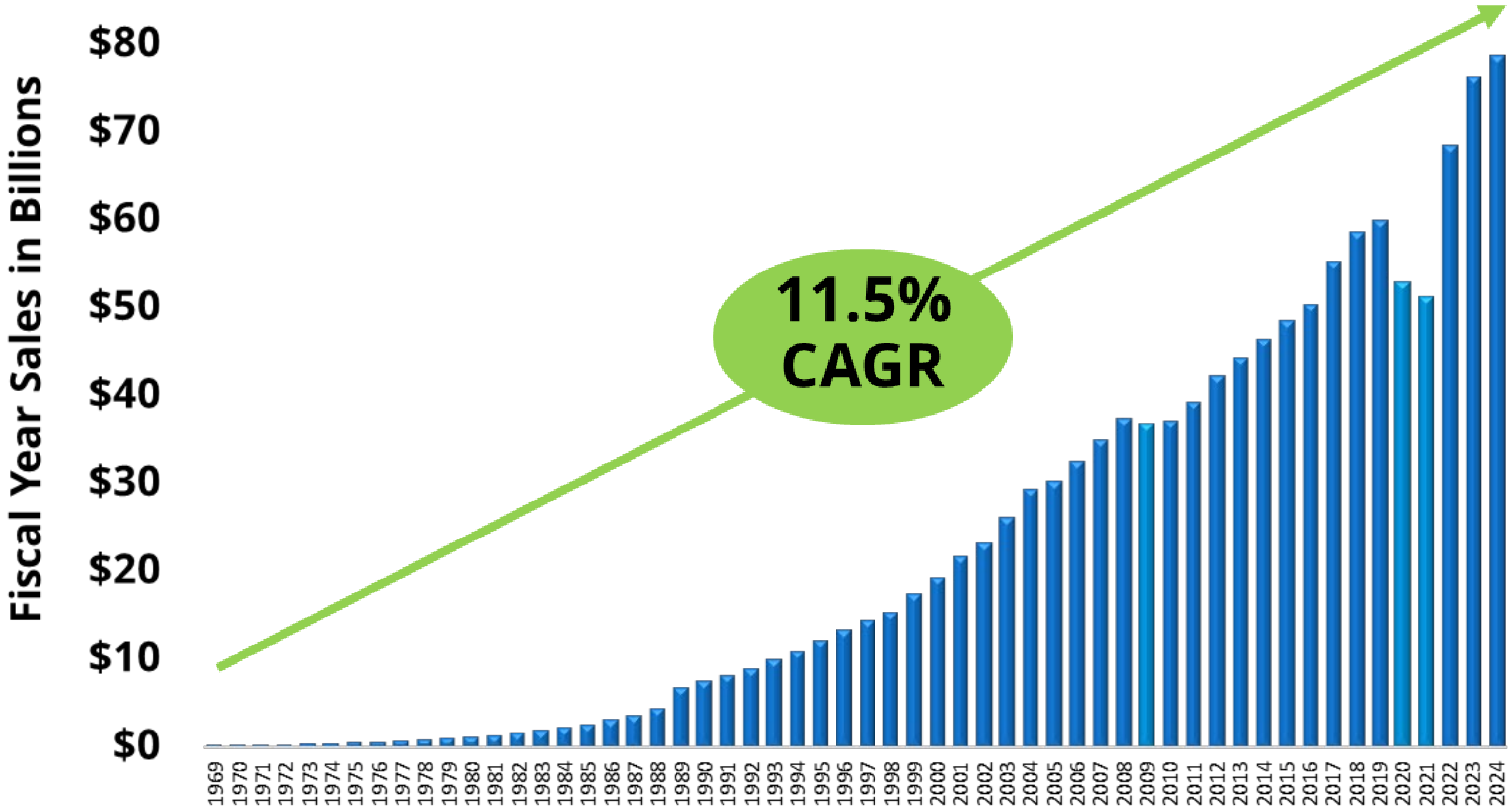


Sales by Customer Type

Sysco

[1] #1 market share in U.S., Canada, U.K., Ireland, Costa Rica, Panama, Bahamas; Leading market share in Sweden and France; Expected sales for FY25 based on Sysco guidance range of 4%-5% growth equating to $82.0-$82.8 billion

Growing Sales in 52 out of 55 Years

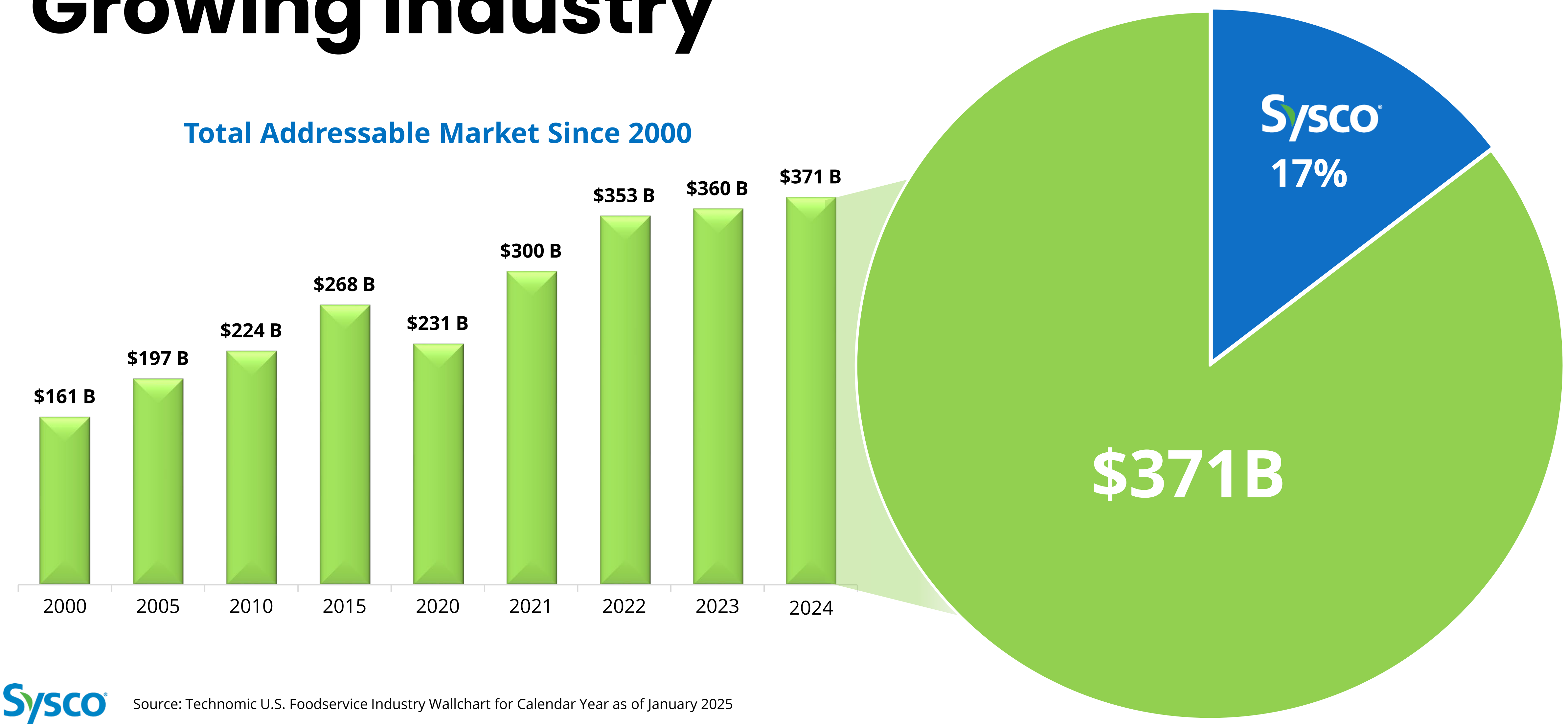


POSITIONED TO WIN

- #1 positions 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

Sysco

Sysco is #1 in an Attractive, Growing Industry

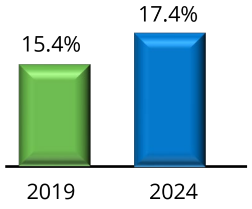


Sysco

Source: Technomic U.S. Foodservice Industry Wallchart for Calendar Year as of January 2025

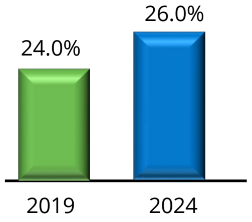
Sysco Has A Compelling Global Foodservice Model

United States: #1 Position



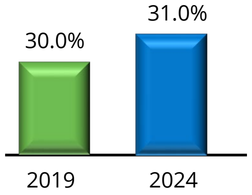
$371B TAM

Canada: #1 Position



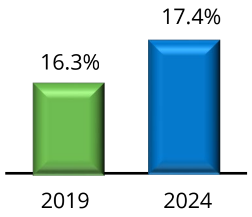
$23B TAM

Bahamas: #1 Position



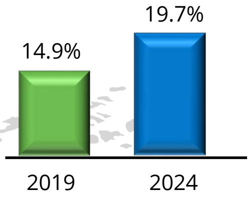
$1B TAM

Costa Rica: #1 Position



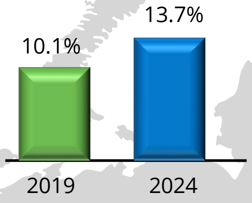
$1B TAM

Ireland: #1 Position



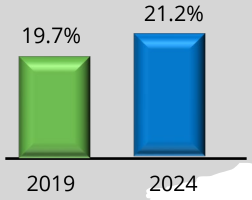
$4B TAM

Great Britain: #1 Position



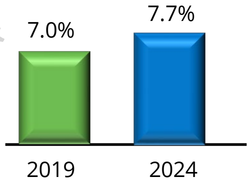
$27B TAM

Sweden: #2 Position



$5B TAM

France: #3 Position



$23B[1] TAM

Sysco

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 fiscal year 2024, excluding the United States. [1] Food excluding Beverages; Green countries represent domiciled operations, blue countries represent IFG export operations

Yes, Chef!

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Sysco's Financial Growth Algorithm

Sales Growth

4% – 6%

Adj. EPS Growth[1,3]

6% – 8%

6 – 8% Adj. Operating Income Growth[3]

Total Shareholder Return[2]

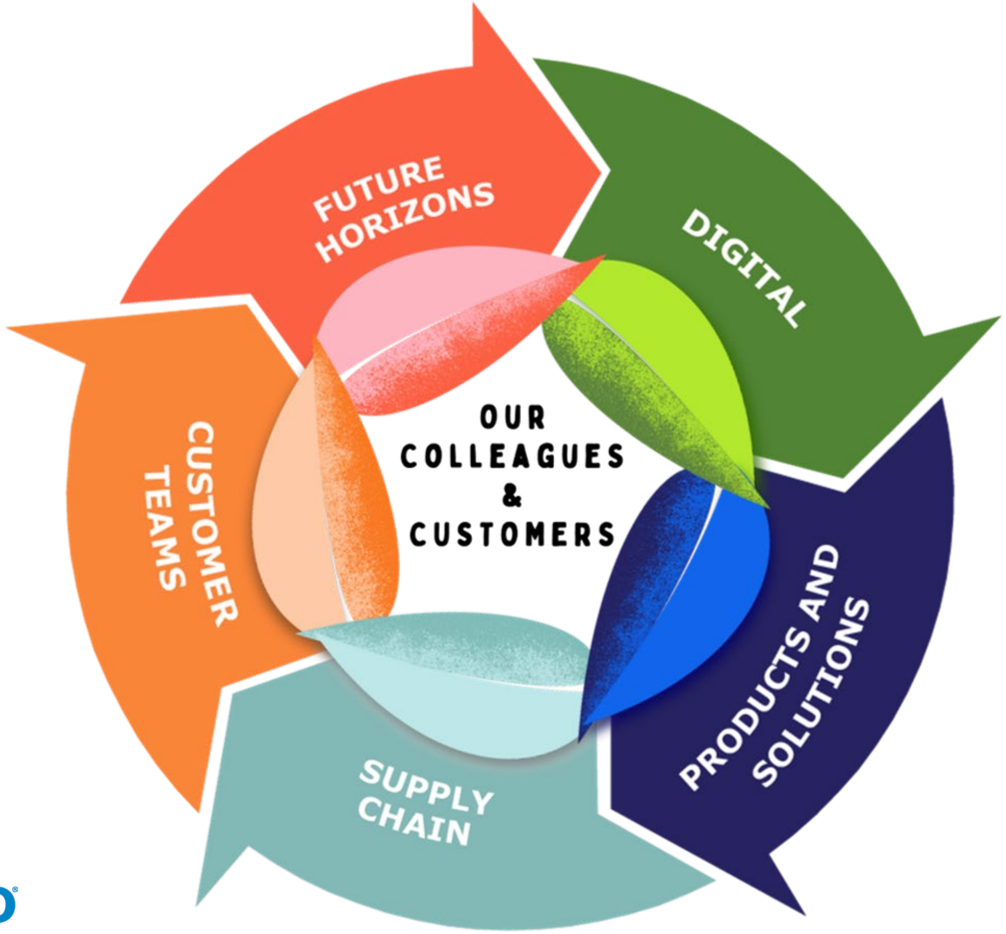
9% – 11%

Sysco

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 to isolate the impact of adjusted EPS growth and dividend yield. [3] See Non-GAAP reconciliations at the end of the presentation.

Enhancing Today, While Shaping Tomorrow Through a Focus on Core Strengths

CONTINUE TO ADVANCE
OUR RECIPE FOR GROWTH



KEY UPDATES

Local
Growth Vectors
Progress Report

Sysco

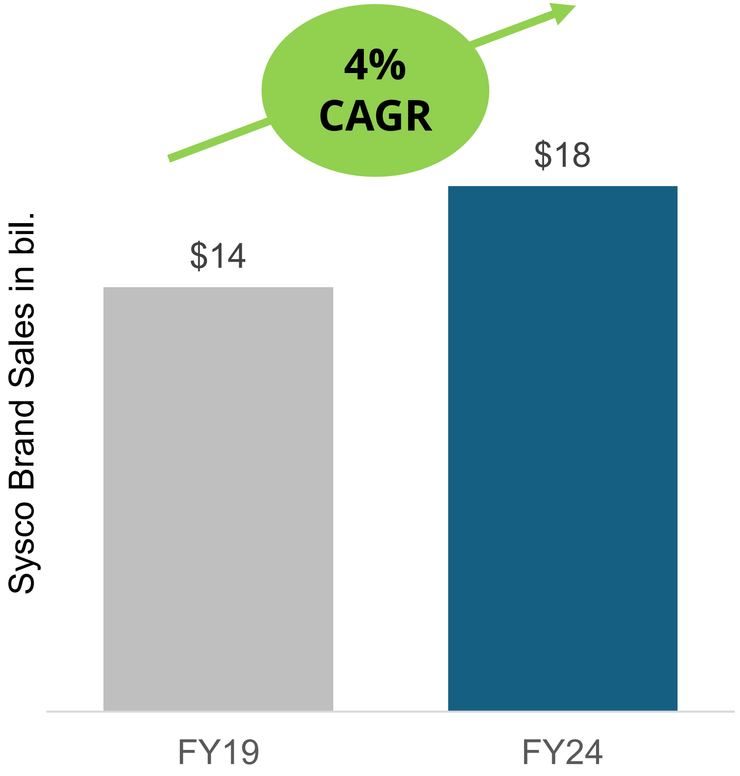
Local: Positioned for Sequential Improvement in 2H25

Salesforce Investment	Compensation & Performance Management	Capacity Expansion	Total Team Selling	Selling Initiatives
Adding +400 to +500 Sales Professionals Annually	Optimized Program to Drive Profitable Growth	New and Expanded Facilities to Support Broadline, Specialty, Domestic & International	Leveraging the Scale of Broadline with Bespoke Capabilities of Specialty	Sysco Your Way SYSCO perks! ™ PREMIER REWARDS CLUB Pricing Agility

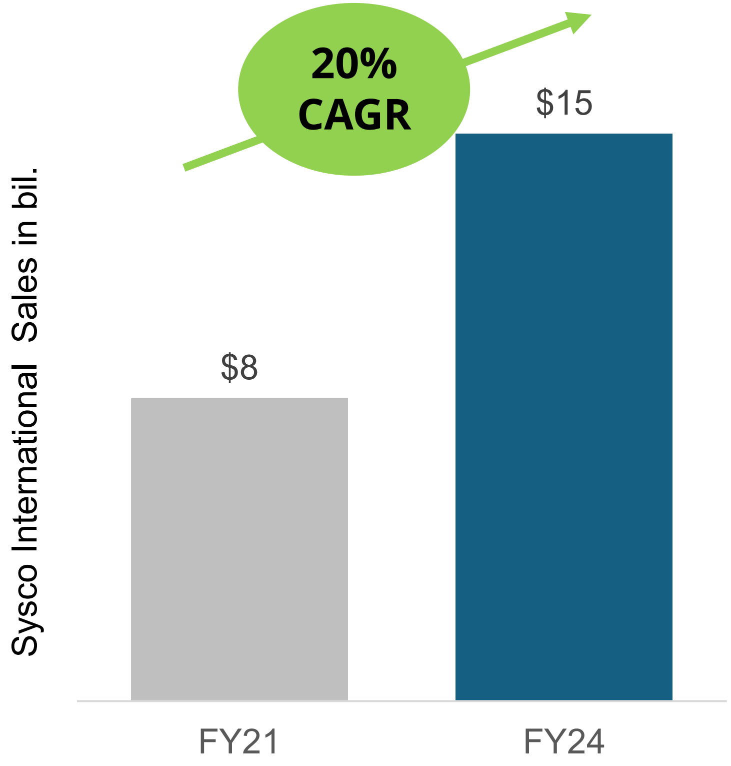
Vectors of Growth

Sysco Brand

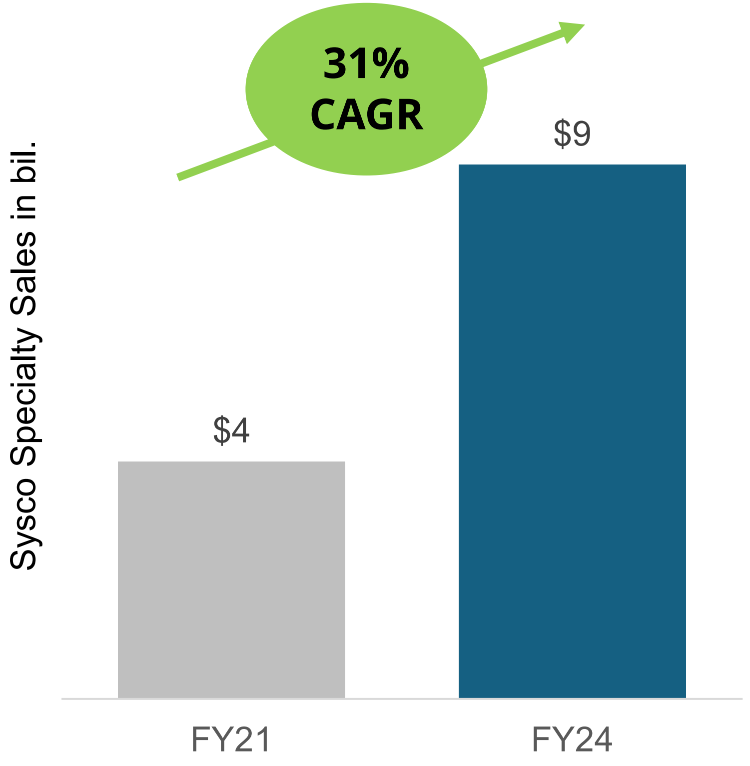
US Broadline



International



Specialty



Selling Initiatives:

Sysco Your Way

SYSCO perks! PREMIER REWARDS CLUB

Pricing Agility

Long-Term Accretive M&A

Campbells Prime Meat Ltd — MEAT • FISH • DELI

Greco & Sons

Don

The Coastal Companies

Ready Chef

PARAGON

BIX Produce Co.

Meaningful Progress in the Last 12 Months

Compelling Growth in International, National, and SYGMA Businesses

Gross Margin and Operating Income Expansion

EPS Growth

Meaningful, Strategic M&A (Don, ReadyChef, Campbells)

Improved International Profit Rate

Leveraging AI to Improve Service and Cost Efficiencies

Improved YOY NPS

Salesforce Retention, Recruitment and Performance

Supply Chain Retention and Productivity

Total Team Selling Acceleration

Kenny Cheung

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

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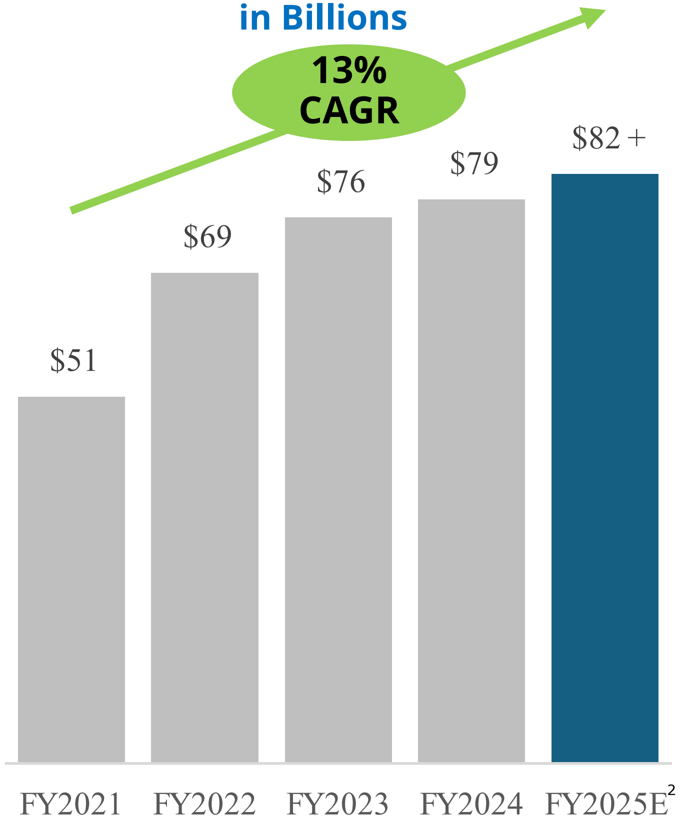
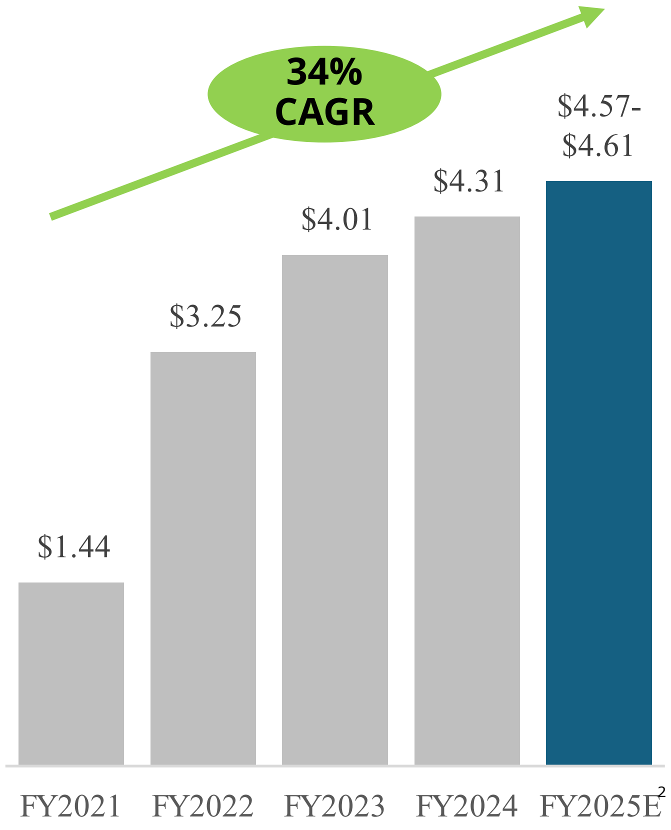
Confidence in FY25 Following Record FY24

Net Sales
in Billions



Adj. EPS[1]



Attractive Return Profile

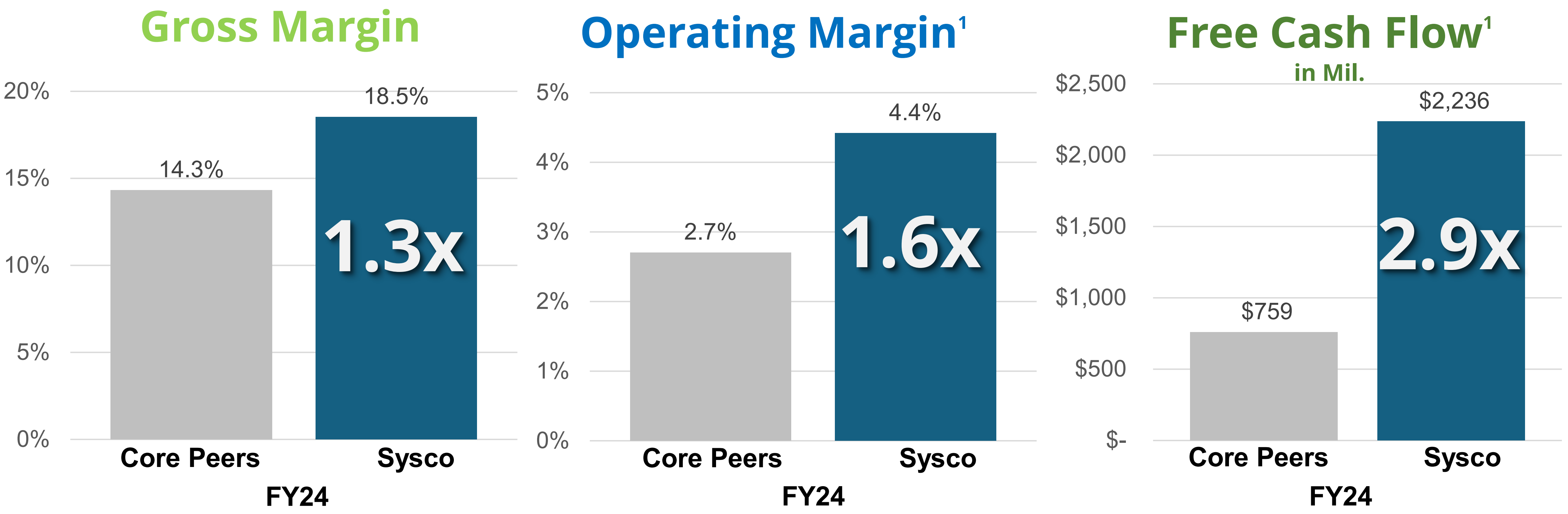
#1 Market Share

+

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] FY 2025 Guidance: 4%-5% sales growth to $82.0-$82.8 bil.; 6%-7% Adj. EPS growth to $4.57-$4.61

Superior Performance vs. Core Peers



[1] See Non-GAAP reconciliations at the end of the presentation.
Data as of FY24 and calendarized to match Sysco's June fiscal year-end. Core peer group represents average of USFD and PFGC.

Sysco's Financial Growth Algorithm

Sales Growth

4% – 6%

Volume: 1.5%-3.5%
Inflation: 2.0%
M&A: 0.5%

Adj. EPS Growth[1,3]

6% – 8%

Supply Chain and Corporate Efficiencies
$1B of Annual Share Repurchase

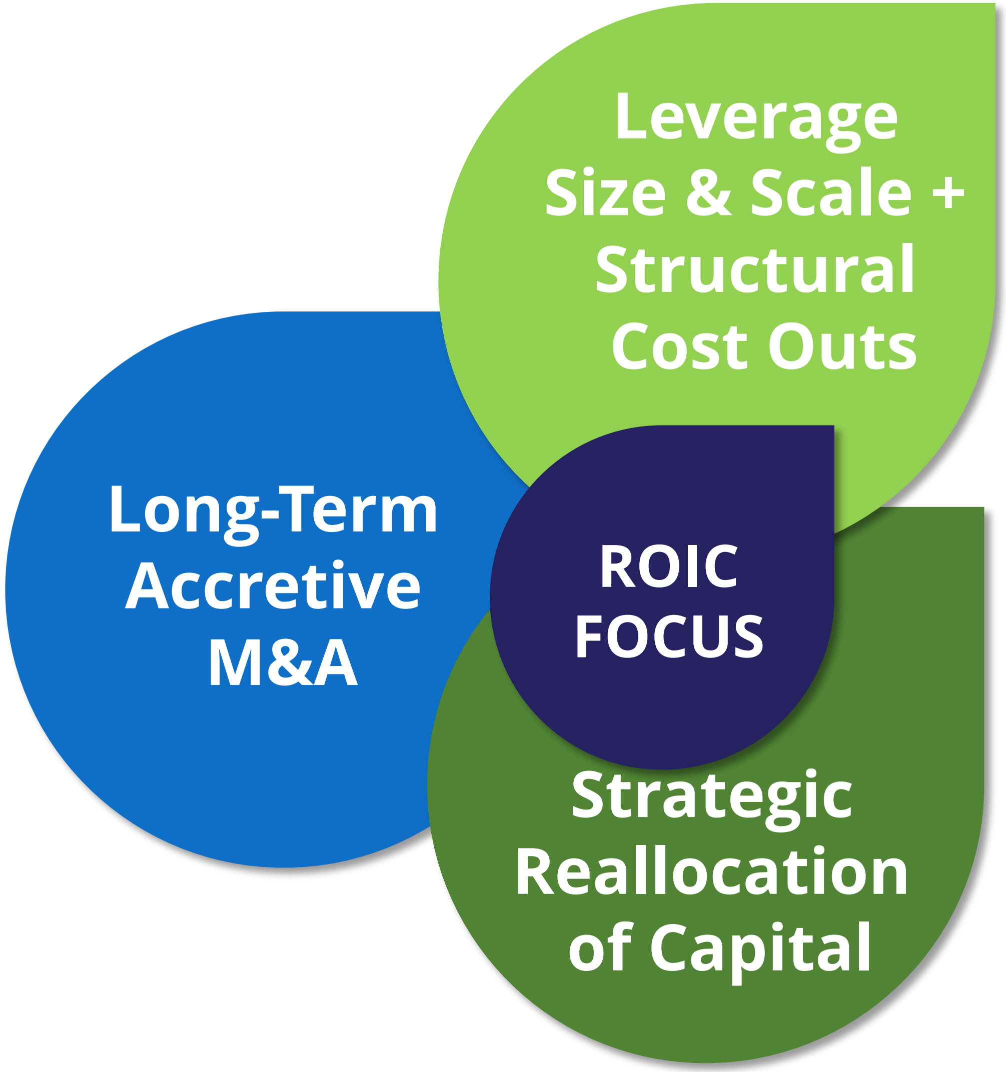
Total Shareholder Return[2]

9% – 11%

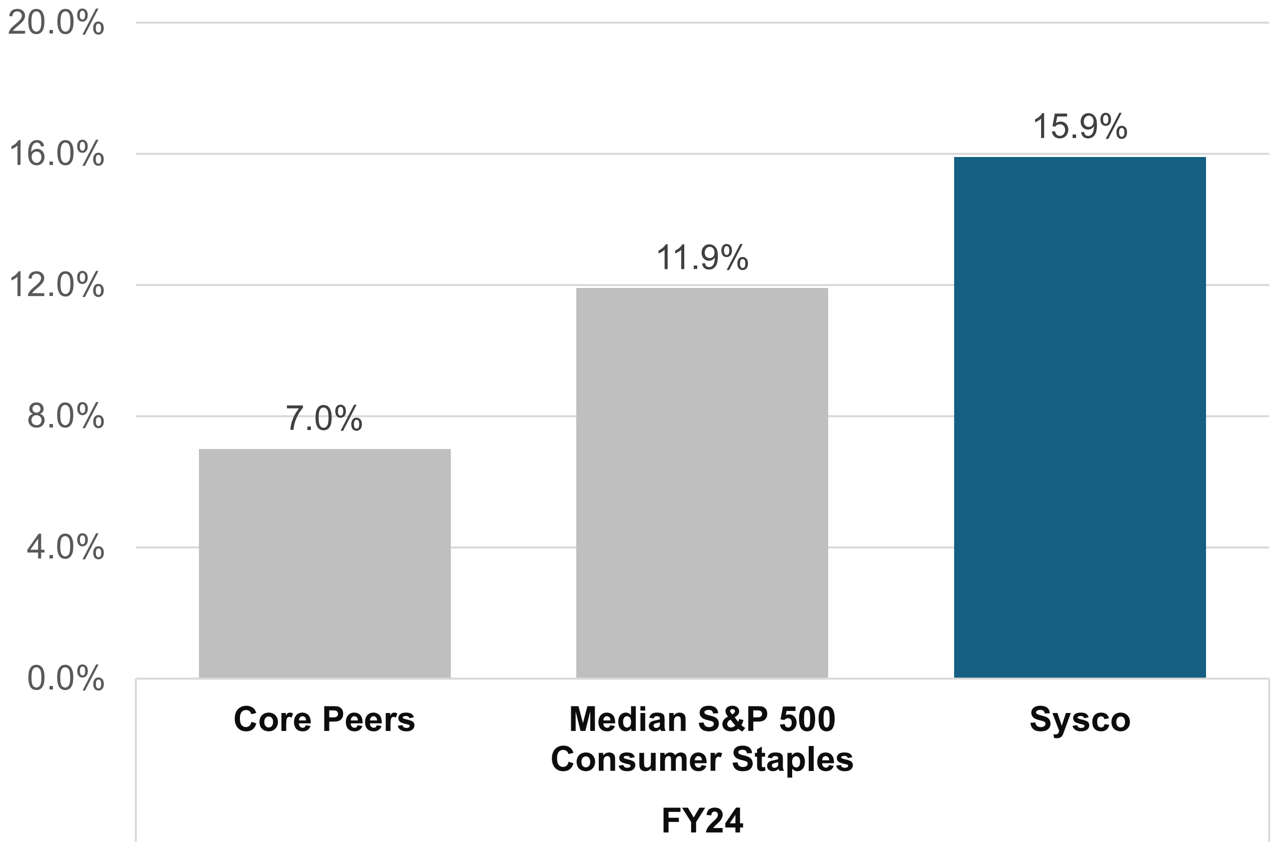
40%-50% Payout Ratio
~3% Dividend Yield

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 the impact of adjusted EPS growth and dividend yield. [3] See Non-GAAP reconciliations at the end of the presentation.

ROIC Growth Mindset



Industry Leading ROIC[1] Profile

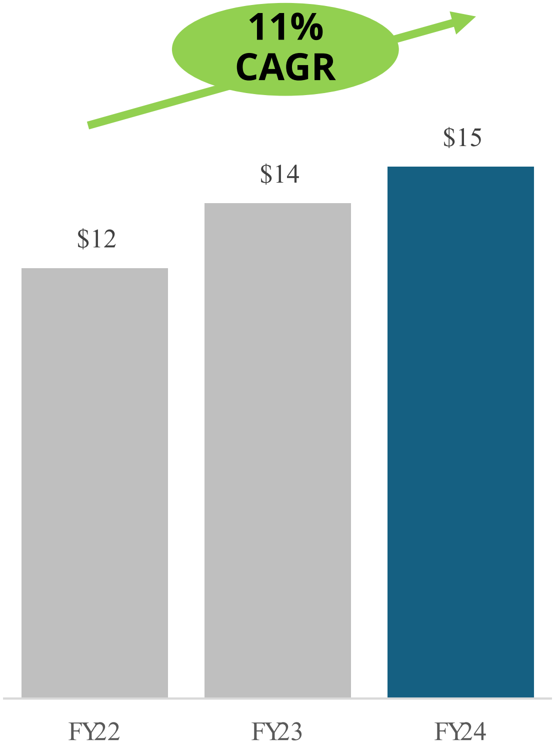


[1] Represents adjusted ROIC for Sysco; ROIC for core peers (average of USFD and PFGC) and consumer staples (median of consumer companies included in the Consumer Staples ETF ticker XLP) as reported by Bloomberg calendarized to match Sysco's fiscal year-end; See Non-GAAP reconciliations at the end of the presentation

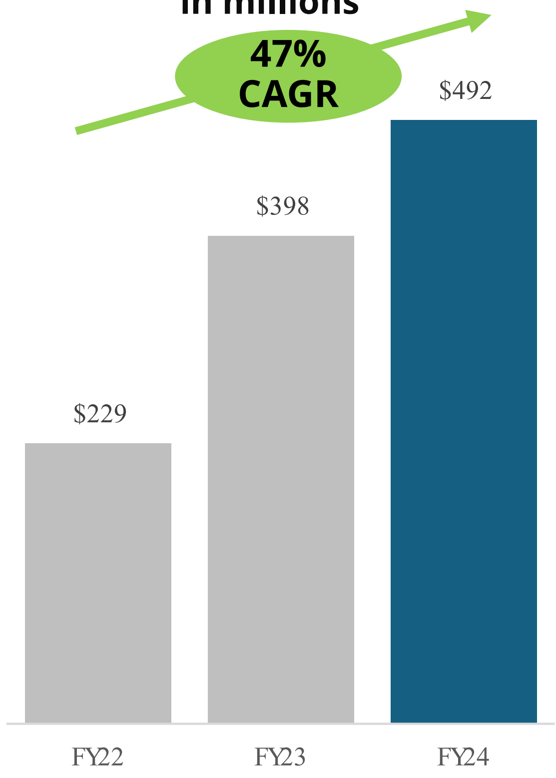
Proof Point: Sysco International

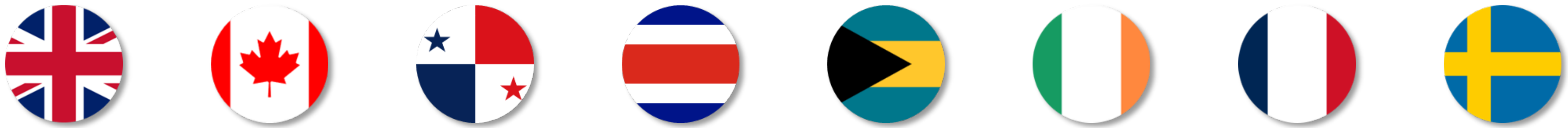
International a Growth Vector with Positive Momentum

Net Sales
in billions



Adj. Operating Income[1]
in millions





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

Underpinned by Balanced Capital Allocation

Invest for Growth

Capex Investments ~1% of Annual Sales

Maintain a Strong Balance Sheet

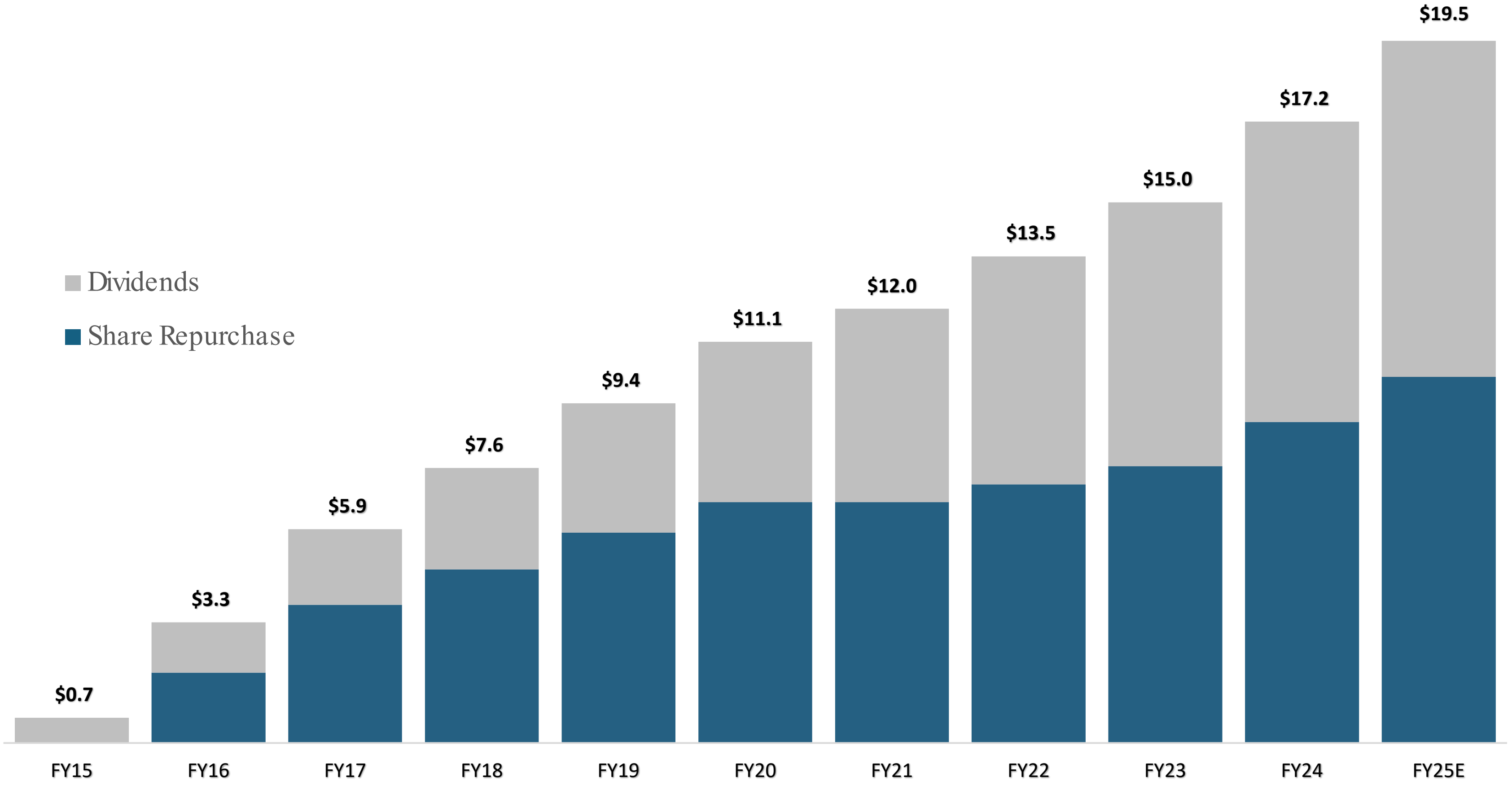
Commitment to IG with Leverage Target of 2.5 – 2.75x[1]

Return Cash to Shareholders

Balanced Shareholder Return with Growing Dividend & Share Repurchase

[1] 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

Strong Cash Generation Drives Shareholder Returns

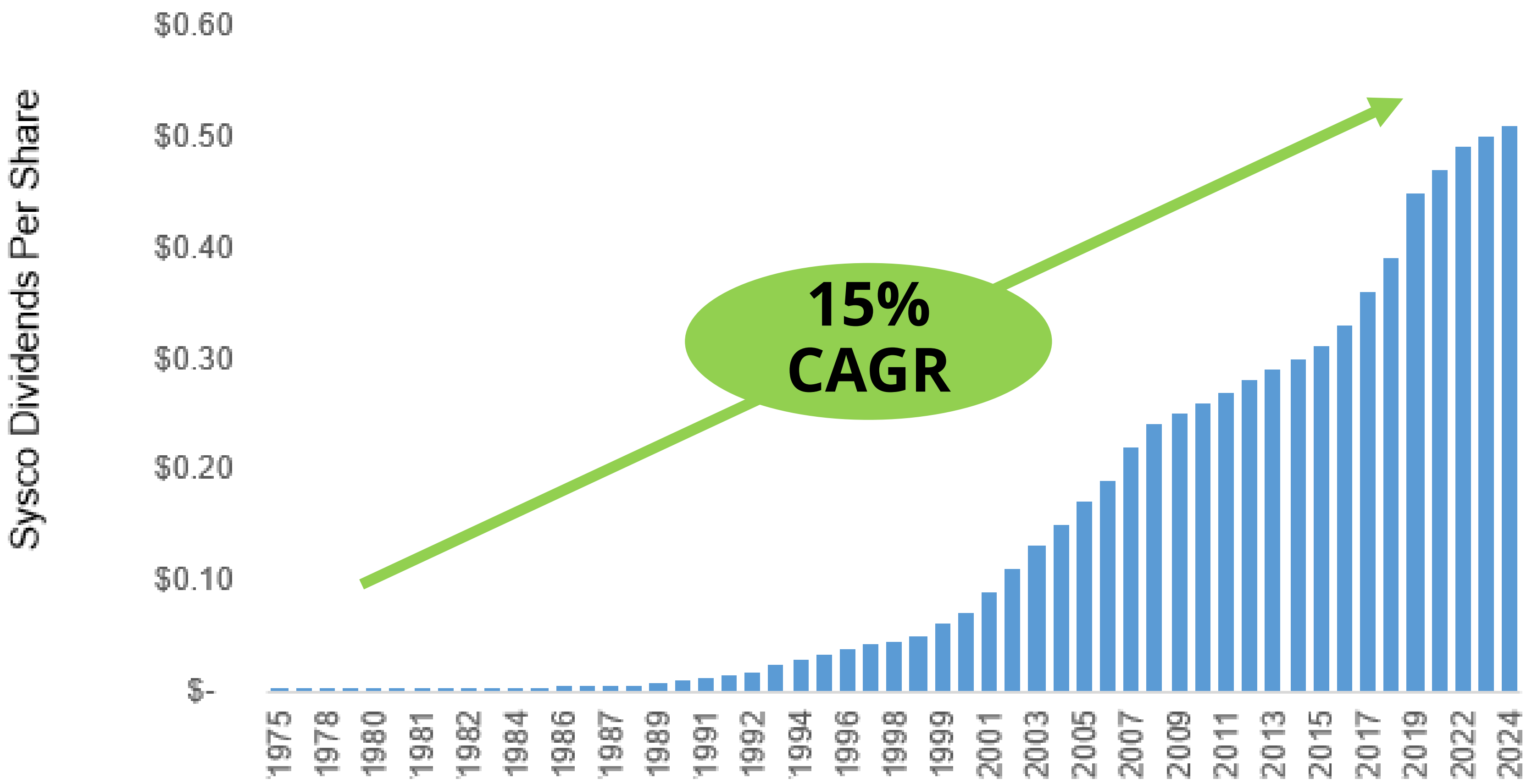


Cumulative Cash Returned to Shareholders
in billions

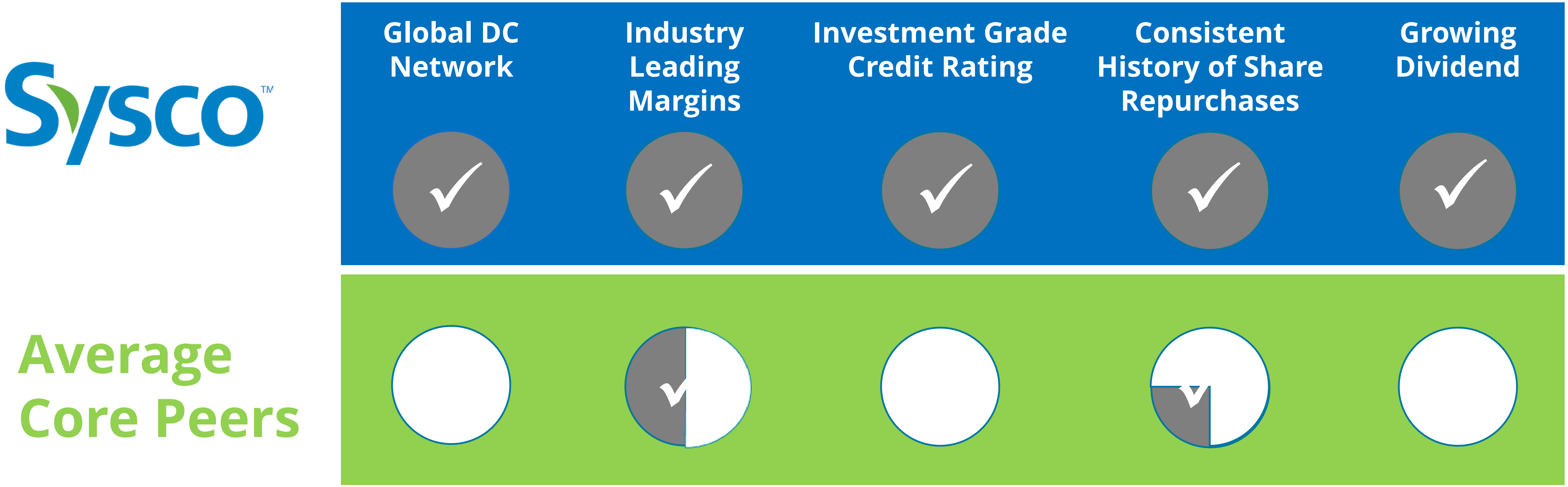
Sysco

Over $19.5 billion of cumulative cash expected to be returned to shareholders through FY 2025

Sysco is a Dividend Aristocrat, Growing Dividends for 55 Years



Sysco Well-Positioned for the Long-Term



Core peer group represents average of USFD and PFGC.

Kevin Hourican

CHAIR OF THE BOARD AND
CHIEF EXECUTIVE OFFICER

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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**

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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; and (5) the reduction of bad debt expense previously recognized in fiscal 2020 due to the impact of the COVID-19 pandemic on the collectability of our pre-pandemic trade receivable balances. Our results for fiscal 2023 were also impacted by adjustments to a product return allowance pertaining to COVID-related personal protection equipment inventory, 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, and a litigation financing agreement. Our results for fiscal 2022 were also impacted by 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. Our results for fiscal 2021 were also impacted by losses on the extinguishment of long-term debt and losses on the sale of businesses.

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 2024, fiscal 2023, fiscal 2022, and fiscal 2021.

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. 29, 2024	52-Week Period Ended Jul. 1, 2023	52-Week Period Ended Jul. 2, 2022	53-Week Period Ended Jul. 3, 2021
Sales (GAAP)	$ 78,844	$ 76,325	$ 68,636	$ 51,298
Cost of sales (GAAP)	$ 64,236	$ 62,370	$ 56,316	$ 41,941
Impact of inventory valuation adjustment	-	3 [1]	(73) [1]	-
Cost of sales adjusted for Certain Items (Non-GAAP)	$ 64,236	$ 62,373	$ 56,243	$ 41,941
Gross profit (GAAP)	$ 14,608	$ 13,955	$ 12,320	$ 9,357
Impact of inventory valuation adjustment	-	(3) [1]	73 [1]	-
Gross profit adjusted for Certain Items (Non-GAAP)	$ 14,608	$ 13,952	$ 12,393	$ 9,357
Operating expenses (GAAP)	$ 11,406	$ 10,916	$ 9,974	$ 7,910
Impact of restructuring and transformational project costs	(120) [2]	(63) [2]	(108) [2]	(119) [6]
Impact of acquisition-related costs	(159) [3]	(116) [3]	(139) [3]	(80) [7]
Impact of bad debt reserve adjustments	-	5 [4]	28 [4]	185 [4]
Operating expenses adjusted for Certain Items (Non-GAAP)	$ 11,127	$ 10,742	$ 9,755	$ 7,896
Operating income (GAAP)	$ 3,202	$ 3,039	$ 2,346	$ 1,447
Impact of inventory valuation adjustment	-	(3) [1]	73 [1]	-
Impact of restructuring and transformational project costs	120 [2]	63 [2]	108 [2]	119 [6]
Impact of acquisition-related costs	159 [3]	116 [3]	139 [3]	80 [7]
Impact of bad debt reserve adjustments	-	(5) [4]	(28) [4]	(185) [4]
Operating income adjusted for Certain Items (Non-GAAP)	$ 3,481	$ 3,210	$ 2,638	$ 1,461
Operating margin (GAAP)	4.06%	3.98%	3.42%	2.82%
Operating margin adjusted for Certain Items (Non-GAAP)	4.42%	4.21%	3.84%	2.85%
Interest expense (GAAP)	$ 607	$ 527	$ 624	$ 880
Impact of loss on extinguishment of debt	-	-	(116)	(294)
Interest expense adjusted for Certain Items (Non-GAAP)	$ 607	$ 527	$ 508	$ 586
Other expense (income) (GAAP)	$ 30	$ 227	$ (24)	$ (18)
Impact of other non-routine gains and losses	-	(194) [5]	-	(19) [8]
Other expense (income) adjusted for Certain Items (Non-GAAP)	$ 30	$ 33	$ (24)	$ (37)
Net earnings (GAAP)	$ 1,955	$ 1,770	$ 1,359	$ 524
Impact of inventory valuation adjustment	-	(3) [1]	73 [1]	-
Impact of restructuring and transformational project costs	120 [2]	63 [2]	108 [2]	119 [6]
Impact of acquisition-related costs	159 [3]	116 [3]	139 [3]	80 [7]
Impact of bad debt reserve adjustments	-	(5) [4]	(28) [4]	(185) [4]
Impact of loss on extinguishment of debt	-	-	116	294
Impact of other non-routine gains and losses	-	194 [5]	-	19 [8]
Tax impact of inventory valuation adjustment [9]	-	1	(19)	-
Tax impact of restructuring and transformational project costs [9]	(29)	(15)	(28)	(32)
Tax impact of acquisition-related costs [9]	(38)	(29)	(36)	(20)
Tax impact of bad debt reserve adjustments [9]	-	1	7	46
Tax impact of loss on extinguishment of debt [9]	-	-	(30)	(79)
Tax impact of other non-routine gains and losses [9]	-	(49)	-	(3)
Impact of adjustments to uncertain tax positions	-	-	12	-
Impact of foreign tax rate change	-	-	-	(23) [10]
Net earnings adjusted for Certain Items (Non-GAAP)	$ 2,167	$ 2,044	$ 1,673	$ 740

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

Diluted earnings per share (GAAP)	$ 3.89		$ 3.47		$ 2.64		$ 1.02	
Impact of inventory valuation adjustment	-		(0.01)	(1)	0.14	(1)	-	
Impact of restructuring and transformational project costs	0.24	(2)	0.12	(2)	0.21	(2)	0.23	(6)
Impact of acquisition-related costs	0.32	(3)	0.23	(3)	0.27	(3)	0.15	(7)
Impact of bad debt reserve adjustments	-		(0.01)	(4)	(0.05)	(4)	(0.36)	(4)
Impact of loss on extinguishment of debt	-		-		0.23		0.57	
Impact of other non-routine gains and losses	-		0.38	(5)	-		0.04	(8)
Tax impact of inventory valuation adjustment [9]	-		-		(0.04)		-	
Tax impact of restructuring and transformational project costs [9]	(0.06)		(0.03)		(0.05)		(0.06)	
Tax impact of acquisition-related costs [9]	(0.08)		(0.06)		(0.07)		(0.04)	
Tax impact of bad debt reserve adjustments [9]	-		-		0.01		0.09	
Tax impact of loss on extinguishment of debt [9]	-		-		(0.06)		(0.15)	
Tax impact of other non-routine gains and losses [9]	-		(0.10)		-		(0.01)	
Impact of adjustments to uncertain tax positions	-		-		0.02		-	
Impact of foreign tax rate change	-		-		-		(0.05)	(10)
Diluted earnings per share adjusted for Certain Items (Non-GAAP) [11]	$ 4.31		$ 4.01		$ 3.25		$ 1.44	
Diluted shares outstanding	503,096,086		509,719,756		514,005,827		513,555,088	

(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 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 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) Fiscal 2021 includes $63 million related to restructuring charges and severance charges and $56 million related to various transformation initiative costs, primarily consisting of changes to our business technology strategy.

(7) Fiscal 2021 represents $74 million of intangible amortization expense from the Brakes acquisition, as well as $6 million of due diligence and integration costs related to Greco and Sons acquisition.

(8) Fiscal 2021 includes $23 million of loss from the sale of businesses and other non-recurring gains and losses.

(9) 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.

(10) Represents a net benefit from remeasuring Sysco's accrued income taxes, deferred tax asset and deferred tax liabilities due to changes in tax rates in the United Kingdom.

(11) 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)
Impact of Certain Items
(Dollars in Millions)

	52-Week Period Ended Jun. 29, 2024	52-Week Period Ended Jul. 1, 2023	52-Week Period Ended Jul. 2, 2022	FY22 to FY24 Compound Annual Growth Rate
INTERNATIONAL FOODSERVICE OPERATIONS				
Sales (GAAP)	$ 14,561	$ 13,560	$ 11,787	11.1%
Gross Profit (GAAP)	$ 2,947	$ 2,641	$ 2,377	
Operating expenses (GAAP)	$ 2,572	$ 2,327	$ 2,277	
Impact of restructuring and transformational project costs (1)	(45)	(19)	(58)	
Impact of acquisition-related costs (2)	(72)	(65)	(78)	
Impact of bad debt reserve adjustments (3)	-	-	7	
Operating expenses adjusted for Certain Items (Non-GAAP)	$ 2,455	$ 2,243	$ 2,148	
Operating income (GAAP)	$ 375	$ 314	$ 100	93.6%
Impact of restructuring and transformational project costs (1)	45	19	58	
Impact of acquisition-related costs (2)	72	65	78	
Impact of bad debt reserve adjustments (3)	-	-	(7)	
Operating income adjusted for Certain Items (Non-GAAP)	$ 492	$ 398	$ 229	46.6%

(1) Includes restructuring and transformation costs primarily in Europe.

(2) Represents intangible amortization expense.

(3) Fiscal 2022 represents the reduction of bad debt charges previously taken on pre-pandemic trade receivable balances in fiscal 2020.

NM represents that the percentage change is not meaningful.

Sysco Corporation and its Consolidated Subsidiaries
Non-GAAP Reconciliation (Unaudited)
Free Cash Flow, YTD24
(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. 29, 2024
Net cash provided by operating activities (GAAP)	$ 2,989
Additions to plant and equipment	(832)
Proceeds from sales of plant and equipment	79
Free Cash Flow (Non-GAAP)	$ 2,236

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

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) total debt, computed as the average of adjusted total debt at the beginning of the year and at the end of each fiscal quarter during the year. These equity and debt amounts are adjusted for the impact of our Certain Items, foreign currency changes on our equity accounts, and excess cash. Trends in ROIC can fluctuate over time as management balances long-term strategic initiatives with possible short-term impacts.

	52-Week Period Ended Jun. 29, 2024
Net earnings (GAAP)	$ 1,955
Impact of Certain Items on net earnings	212
Adjusted net earnings (Non-GAAP)	$ 2,167
Invested capital (GAAP)	$ 13,621
Impact of Certain Items on invested capital	181
Foreign currency impact on equity accounts	(8)
Excess cash adjustment	(197)
Adjusted invested capital (Non-GAAP)	$ 13,597
Return on invested capital (GAAP)	14.4%
Adjusted return on invested capital (Non-GAAP)	15.9%

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 2025. 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

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)
Net Debt to Adjusted EBITDA Ratio (Non-GAAP)