

Doing ⁺More

The 2009 Sustainability Report



Doing More Across the Food Chain

Sysco is the global leader in the foodservice industry. We purchase from a multitude of growers, manufacturers and processors, and market and distribute 360,000 food and related products to approximately 400,000 customers ranging from small family-owned restaurants to large educational, healthcare, lodging and government facilities. We also provide related equipment, supplies and services – all with the single mission of “helping our customers succeed.”

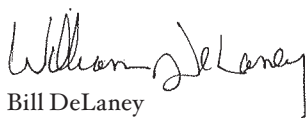
A Message from Bill DeLaney and Ken Spitler:

When we first began focusing on the concept of sustainability at Sysco, we quickly recognized two things. First, we realized that sustainable business practices are, at heart, an extension of the same values for which Sysco has always stood. Second, we realized that what we could accomplish within our own operations was only a small part of the impact we could have by working in partnership with other companies and people across the entire food chain, from the growers who supply us to the restaurants that we serve. From these two insights, we have built a sustainability commitment that we are integrating into our business and helping to change practices throughout the foodservice industry.

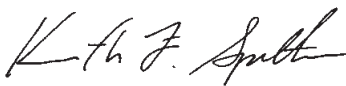
Sysco's value driven culture underlies every action we take with suppliers, associates and customers. Sustainability – the concept of development that meets the needs of the present without compromising the ability of future generations to meet their own needs – applies that same value standard to how we interact with the environment and society as a whole. Because Sysco links those who produce food and those who consume it, we have a unique opportunity to drive sustainable practices across the entire food supply chain. Across all our customer segments, our focus on food safety enables us to trace product back to its source – at times to the very field where it was grown. In this year's report, you will see evidence of how our supply chain partnerships, along with our own initiatives, are having an impact well beyond our own business.

Economics are a part of the sustainability equation as well, and we and our partners are also finding that many sustainable practices – from reducing pesticide and fertilizer use to reducing truck miles driven – provide economic as well as environmental benefits.

Seeing those results, and knowing that we are acting in the role of stewards and guardians of both our business and our social environment, encourages us to keep setting higher goals... and doing more.



Bill DeLaney
Chief Executive Officer
October 8, 2009



Ken Spitler
Vice Chairman, President and Chief Operating Officer
October 8, 2009

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Sysco's sustainability initiatives fall within three categories: working with our suppliers, working within our own operations and working with our customers. In addition, our broader social responsibility initiatives encompass our corporate governance, our working environment, our diversity and inclusiveness efforts and our charitable activities.

Supplier Sustainability

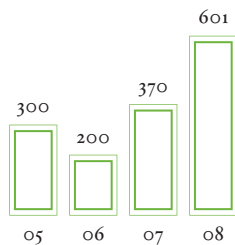
Increasingly, both chefs and their customers are probing to know more about the food they prepare and eat: where it was grown, under what conditions and how it has been handled. Sysco's sustainability practices enable us to address these concerns with confidence. In addition, our position as one of the country's largest purchasers of agricultural products means that standards we set often raise the bar across the entire industry.

All our suppliers for ready-to-eat produce and Sysco brand fruits and vegetables are required to sign an agreement to comply with our “Good Agricultural Practices.” The GAP program encompasses food safety and sanitation, water analysis, fertilizer use and land use.

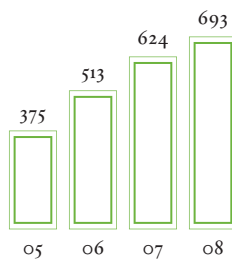
We also require our suppliers to abide by the Sysco Supplier Code of Conduct, addressing ethics and work practices. During fiscal 2009, we completed social audits on 29 suppliers in China, Southeast Asia and Latin America and found no critical social compliance issues.

We are an active member of the global Sustainable Food Laboratory, whose vision is to make continuous improvement toward a more sustainable global food system.

Pesticides Avoided
(in thousands of pounds
of active ingredients avoided)



IPM Acres
(in thousands of acres)



Our Sustainable/Integrated Pest Management program is having an impact on how food is grown in the United States. We make IPM participation a requirement for every supplier of Sysco brand canned and frozen fruits, vegetables and potatoes. Our leadership in this area has been recognized recently with the International IPM Achievement Award and the EPA's Pesticide Environmental Stewardship Program Champion Award.

Although our ability to source food globally is essential to meeting the needs of our customers year-round, we appreciate the values of the growing "local foods" movement.

We are in the second year of a project with two non-profit organizations to determine a business plan that addresses the local food initiative and supports investment in small and midsize farms.

In keeping with our ethics and values, Sysco works closely with our Sysco brand beef, pork, poultry, veal and lamb suppliers, as well as our suppliers of shell eggs and processed eggs, to be sure animals are treated in a humane manner. We continue to monitor the latest science on animal welfare and work with an external advisory council to make sure we generally adhere to and support industry best practices.

As a foodservice leader, Sysco also addresses the concept of sustainable fisheries. We monitor our fish and seafood suppliers for species control, weight limits and harvesting and handling protocols. We are also engaged with the World Wildlife Fund on the issue of seafood sustainability.

To take our sustainability effort further, we are now embarking on a Lifecycle Assessment project to assess the energy, material and environmental impact of our products over their entire lifecycle.

Operations and Distribution

The same skills that make Sysco the country's leading foodservice distributor are also helping to make us effective at reducing energy use and protecting the environment. Efficiency and innovation are driving both sustainability and excellent customer service.

We continue to implement energy efficiency improvements throughout our 186 distribution facilities across the United States and Canada. An innovation in our Denver warehouse is a flexible configuration with temperature zones separated by air curtains, reducing wasted refrigerated and freezer space.

Going further, we are piloting alternative energy technologies. For example, we are using microwind turbines to power portions of the facility and evaluating other sites for wind technology use.

Hydrogen fuel cells are powering 20 pallet jacks being tested in our Detroit and Grand Rapids facilities and will power all the triple pallet jacks for our new Houston distribution facility.

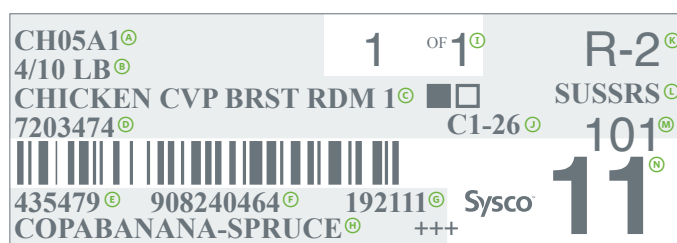
Customer Initiatives

Our commitment to sustainability does not stop when we unload a delivery at the customers' back doors. When we sit down one-on-one with customers to discuss ways to help them succeed, more and more, sustainability is an element of those discussions.

We are doing our part to reduce the waste from our customers' kitchens. This effort starts with reducing packaging where possible. We currently specify a minimum of 35 percent recycled corrugate in shipping cartons used for Sysco brand products.

As both diners and communities become increasingly conscious of the nutritional aspects of food, Sysco is helping to provide healthier options and more data. We not only voluntarily provide nutritional labeling, but also provide a Web-based program that allows Sysco associates and customers to input recipes and automatically calculate nutritional values.

From biodegradable forks to "green" cleaning products, Sysco non-food products help our customers reduce their



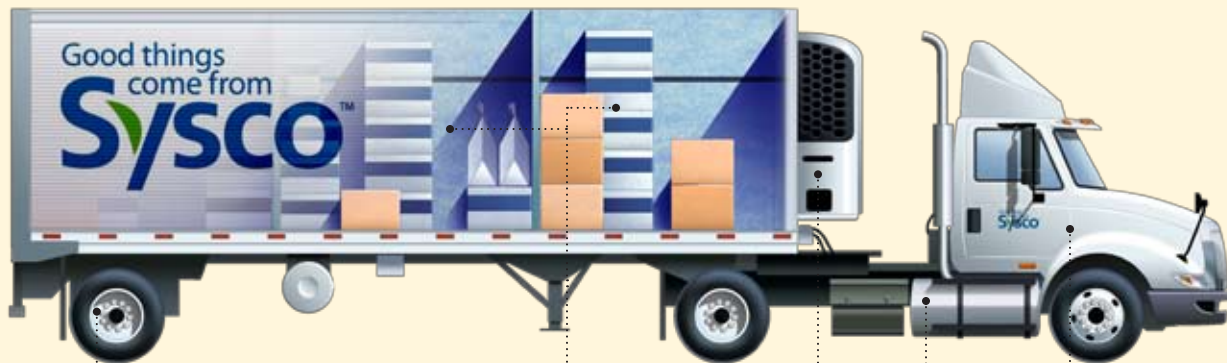
Product information improves accuracy and customer service

Our technology and record-keeping standards, as shown on this new label, allow us to view product information that helps ensure accuracy in the warehouse and improves service to our customers.

- A Location
- B Pack/Size
- C Description
- D Product Number
- E Customer Number
- F Invoice Number
- G Batch Number
- H Customer Name
- I Quantity
- J Float-Door Number
- K Float Zone
- L Selector's ID
- M Truck Number
- N Stop Number

Reducing Miles Driven and Fuel Use

Because Sysco operates one of the largest private truck fleets in the United States, a major sustainability focus is reducing miles on the road and improving the energy efficiency of our vehicles. A supply chain initiative begun in 2002 has eliminated approximately 70,000 truckloads from the road annually. We are also working with truck manufacturers to test vehicles and fuel systems that can offer lower carbon emissions.



Improved Truck Fill Rates

We have reduced empty cargo space on our trucks. While one large truck is more efficient than two small trucks, empty space creates inefficiency, especially when the space must be refrigerated. Our truck fill initiative includes making sure we are using the most efficient truck sizes for various routes and in some cases using twin trailers to shuttle goods to an intermediate destination.

Efficient Routing

The XY routing system we introduced in fiscal 2008 is now standard operating practice, scheduling customer deliveries in the most fuel-efficient sequence. Customer support is essential in this and other efficient scheduling initiatives.

Refrigerated Sysco Trucks

Our energy used for refrigeration has also been reduced. This is significant, considering that about 60 percent of our inbound shipping requires refrigeration, compared to about 4 percent of U.S. truck capacity overall.

A More Efficient Oil

We are testing a synthetic oil that offers a significantly extended oil change interval. Considering that a semi tractor requires 45 quarts of oil at each oil change, converting our Broadline fleet could mean a reduction in oil use of nearly 375,000 quarts a year.

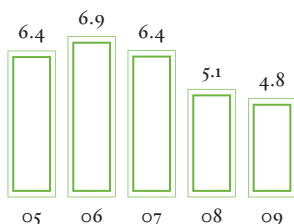
Automatic Engine Shutoff

We have reduced idling time for our trucks with an automatic engine shutoff after two minutes of idling.

Hybrid Trucks

The world's first electric/diesel hybrid truck is now part of our active fleet in Houston. We are ordering and testing additional diesel hybrids, with the vision of eventually replacing our fleet with hybrids for both cost and emissions benefits. We are also testing hybrid electric/diesel refrigerated trailers.

OSHA Recordable Injuries
(injuries per 100 employee equivalents)



impact on the environment. Our line of environmentally preferable Sysco Earth Plus branded cleaning products contains no inorganic phosphates, chlorine bleach or environmentally harmful surfactants. In addition, we have completely removed all nonylphenol ethoxylate surfactants from Sysco brand chemical products. For this initiative, Sysco was recognized by the EPA with the prestigious Champion Award from the Safer Detergents Stewardship Initiative.

We also offer customers recycled and compostable paper products and cutlery made from biodegradable corn resin. During the last year, Sysco has participated in the USDA Green Purchasing Affirmative Procurement Program. We are also a founding member of the GC3, an affiliation of individuals and corporations that supports green chemistry initiatives.

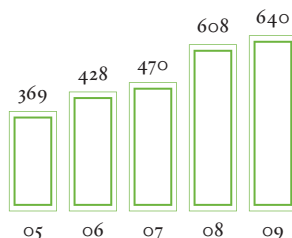
SOCIAL RESPONSIBILITY

Our sustainability initiatives are a reflection of our long-standing commitment to social responsibility. This commitment encompasses how we work every day, our diversity and inclusiveness efforts, the way we plan for and respond to crises, and our philanthropic efforts focused on fighting hunger.

Diversity and Inclusiveness

We believe that diversity and inclusiveness are intrinsic elements of our values and important reflections of the markets we serve. A new five-point diversity and inclusion plan adopted in fiscal 2009 adds renewed impetus to our long-standing commitment in this area.

Sysco Product Purchases from Minority- and Women-owned Suppliers
(in millions of dollars)



We also support foodservice industry programs that promote the advancement of women and minorities, and work to continually build the diversity of our supplier base, which has grown to include more than 800 women and minority-owned businesses.

Fighting Hunger

We focus our philanthropy in the area we know best: food. Most of our charitable contributions are focused on fighting hunger in the United States. For the eighth year, we were a sponsor of Share Our Strength's Taste of the Nation fund-raising events across the country. In fiscal 2009, we also continued to participate in Share Our Strength's Great American Dine Out, which asks local restaurants to donate a portion of proceeds for two weeks to fight childhood hunger.

Our local operating companies also donate food generously to local food banks and non-profit groups, and we encourage our associates to volunteer in local food banks. Each fall, we recognize our operating companies that have done the most to serve their communities. Last year, "We Care" award winners were Nashville, Northern New England, San Antonio, San Francisco, Facciola Meat Company, Regina and Multi-Unit Sales.

Corporate Governance

As part of our ongoing effort to seek out best practices in corporate governance, in fiscal 2008 we established a sustainability committee of our board of directors. In addition, we are proud of the diversity of our board. Of our ten outside directors, four are women, one is African-American and our board chairman is Hispanic. Our international perspective is enhanced by having board members from Canada and Europe as well.

Work Environment

Providing a safe and productive work environment for our associates is a core value. Our safety record, particularly over the past six years, reflects this emphasis. In fiscal 2009, we reduced our injury frequency rate by more than 5 percent and reduced our vehicle accident frequency rate by more than 14 percent, for a combined 9.3 percent frequency rate reduction. Our forward commitment is to establish a perpetual goal of zero incidents by focusing on predictive indicators.

Crisis Management

In fiscal 2009, Sysco's crisis preparedness was tested when Hurricane Ike struck Galveston, Texas, on September 12, 2008. Through strategic planning and the passionate commitment of our associates, we were able to begin delivering supplies to critical sites such as the Texas Medical Center within hours after the storm passed through Houston.

Beyond our own preparedness, we have now been identified as a critical infrastructure key resource by the Department of Homeland Security and the Federal Emergency Management System.

We are also prepared to manage other risks. We have a pandemic plan in place and used it in developing a response strategy for the H1N1 threat in spring 2009.

“I’m more than a farmer.
I am part of a **food lifecycle**.”

To take our agricultural sustainability effort further, we are now embarking on a “seed to fork” lifecycle assessment project to assess the energy, material and environmental impact of our products over their entire lifecycle. The LCA evaluation will measure material and energy inputs and environmental outputs of crop production and transportation, material handling and processing, product packaging, distribution/warehouse activities, and food preparation. From this study, we will be able to identify critical points where we can have the greatest influence on improving energy, environmental and cost performance.



“I’m more than a Sysco supplier.
I am a **protector of the land.**”

Sysco not only sets high standards for our suppliers in sustainable agricultural practices, but we also coach and train them on how to adopt and track these practices. A key element of this program’s success is its economic sustainability. Growers like Angelo Palombo and his son Joe, a fourth-generation farmer, quickly discover that reduced use of nitrogen and phosphates, less tillage, lower energy and water consumption and reduced waste have a positive impact not just on the environment, but on their bottom lines.





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