




OUR VALUES:

We do what is right
to serve our customers,
associates, investors
and society.

The 2011 Sustainability Report



We know that when we do what is right to serve our customers, associates, investors and society, we create a business that is sustainable economically, environmentally and socially. And we help raise the bar for our suppliers and other industry members to do the same.

The University of Kansas Dining Services group chose Sysco both for our ability to provide local foods and for our broader commitment to sustainability in areas such as fuel efficiency.



A MESSAGE FROM BILL DELANEY

As Sysco enters its fifth decade, sustainability continues to become more embedded within our organization. From working with growers to encourage sustainable farming, to using alternative fuels in our delivery trucks and warehouse equipment, to helping our customers connect with local food sources – sustainability is an expectation in our business.

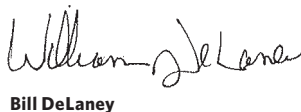
We believe the reasons for this are twofold: first, sustainability aligns with the values we already hold. It is simply the right thing to do. As a result, sustainable strategies reinforce our culture. Second, over time we have learned that sustainability is good for our business. It reduces our risk, it builds positive relationships with our customers, associates and other stakeholders, and it often improves our efficiency and our bottom line. Sustainability by definition encompasses three elements – environmental, social and economic – and without an economic benefit it cannot ultimately succeed.

In fact, as we continue on our sustainable path, our efforts are gathering momentum. We are pleased to report improvements in several key areas, including agricultural sustainability and energy conservation. In addition, we are working to enhance our ability to capture sustainability data and expand the metrics we track every year.

As an example, we continue to broaden the data our suppliers provide under our Sustainable Agriculture/Integrated Pest Management (IPM) program, including new data on water use.

We continually look for appropriate opportunities to advance the company's approach to sustainability. This work is intended to identify future sustainability focus areas and goals and enhance the coordination of sustainability efforts across the organization. We also plan to begin participating in the Carbon Disclosure Project (CDP) carbon and water surveys beginning in 2013.

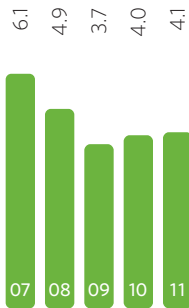
Sysco is undergoing a significant transformation to apply the full power of an improved technology platform to our business. At the same time, we are also increasing our capacity for sustainability in our own operations and strengthening our partnerships with others to further this journey.



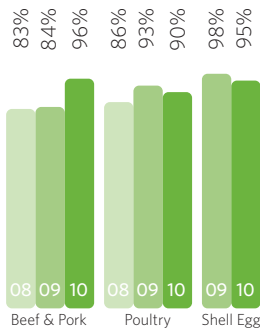
Bill DeLaney
PRESIDENT & CHIEF EXECUTIVE OFFICER
SEPTEMBER 28, 2011

This report is a brief summary of Sysco's 2011 Sustainability Report. We encourage you to read the full report at www.sysco.com.

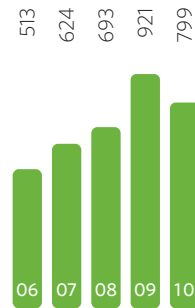
OSHA Recordable Injuries (U.S.) *
injuries per
100 employee
equivalents



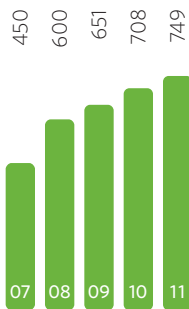
Animal Welfare Audit Pass Rates †



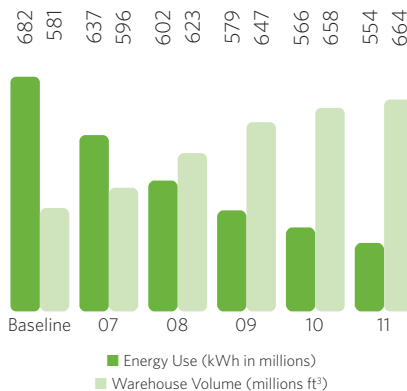
Acres in IPM Program †
in thousands
of acres



Product Purchases from Minority- and Women-owned Suppliers *
in millions of dollars



Energy Savings *
(Broadline + RDCs)



Estimate of Pesticides Avoided †
in thousands
of pounds
of active ingredients



* For the fiscal years shown.

† For the calendar years shown.

SUSTAINABILITY

When we examine our progress toward greater sustainability, one of the most gratifying aspects has been our ability to participate in a broad-scale sustainable food movement. Our collaborative efforts began with being a founding member of the Sustainable Food Lab and continue today as we work with growers, ranchers and processors. We also partner with others to increase our efficiency, which supports our mission to market and deliver great products to our customers with exceptional service.

Sustainability and Our Suppliers

Our commitment to sustainability starts with the products we purchase. We set high standards for sustainable practices among the growers, ranchers and processors who supply Sysco brand products, and work hand-in-hand with them to achieve these goals. We enhance our ability to understand sustainability issues and influence industry practices by partnering with others who share our values.

Our sustainability efforts with growers focus on two critical areas: maintaining a safe food supply and encouraging prudent use of agricultural inputs such as fertilizers, pesticides, energy and water.

Our Sustainable Agriculture/Integrated Pest Management program, which aims to reduce inputs, waste and cost, now includes tracking of water used in irrigation and processing of fruits and vegetables. While the total number of acres in the program decreased this year, that decline reflects a change in our purchasing practices rather than a rollback of IPM efforts. On the other hand, the number of suppliers has grown significantly as we enroll small specialty crop producers in the program.

Our local foods initiatives, begun two years ago, now reach a growing number of customer segments and geographic markets. “Knowing the story behind your food” is a concept that

CLEARING THE AIR

Reducing fuel and electricity use in our operations conserves energy resources, reduces greenhouse gas emissions and can also pay off in lower costs. Our strategies include monitoring truck fill rates, shifting more inbound freight to rail and using alternative-fuel vehicles. Our fleet now includes nearly 100 hybrid electric/diesel single-axle trucks and nearly 70 LNG-powered 18-wheelers. We are also testing alternative technologies for powering the refrigeration units that keep food fresh during transit.



RESPECTING THE LAND

Although we do not grow any crops, the standards we set for the products we purchase can have a tremendous influence on the food chain. Helping farmers, ranchers and processors meet those standards is part of our commitment to sustainability. At Rich Hill Farms, a family farm in a Missouri Amish community, our experts worked hand-in-hand with the farm owner to help his products attain GAP-certified status for food safety while still being respectful of the farm's culture and traditional processes. The non-electric operation uses horses to pull the plow and power many mechanical processes. With this certification, Rich Hill Farms is now one of the Sysco suppliers providing local foods for the University of Kansas and other customers.



“As we develop our local food segment, we can never lose sight that food safety must be our first priority. Sysco, in partnership with the Produce Marketing Association, is taking an industry leadership role to inform small local farmers on minimum GAP growing and harvesting requirements.”

Craig Watson

VICE PRESIDENT, AGRICULTURAL SUSTAINABILITY AND
RECIPIENT OF A 2011 JAMES BEARD LEADERSHIP AWARD

resonates with a broad audience. Responding to this powerful attraction, we now have moderately or well-developed local foods programs in nearly 50 local Sysco operating companies. Partnering with the Produce Marketing Association, we have offered Good Agricultural Practices workshops in six cities, reaching hundreds of small farmers to ensure local food sources meet our quality standards.

Our animal welfare efforts have matured into a solid program that continues to address the priorities identified by our animal welfare advisory committee. For Sysco branded fresh meat facilities where animals are harvested, we have added transport requirements to the animal welfare audit standards. We are also participating in several industry initiatives: to further enhance animal care standards; to address how dairy animals are treated on the farm or at milking facilities; and to assess the full cycle of sustainability impacts in shell egg production.

We continue to move forward on the issue of sustainable seafood, focusing on the Marine Stewardship Council's Principles and Criteria for Sustainable Fishing, the only internationally recognized set of environmental principles to assess fishery management and sustainability.

In emerging markets, our social responsibility assessments of suppliers have proven effective in monitoring performance and promoting improvement. We currently have 132 enrolled suppliers, operating 179 processing locations. Completion of a social responsibility assessment is part of our supplier approval process.

Sustainability and Our Operations

Just as growers embrace sustainable crop practices when they recognize the economic benefits, we find that the sustainability initiatives we undertake in our own operations are also good business decisions. The more we see the bottom-line return on reducing energy use or adopting alternative energy sources, the more such processes become embedded in our operations.

We are making new inroads working with manufacturers to optimize freight mode-shifting. Any time we can move inbound freight from less-than-truckload shipments to truckloads, and from truckloads to rail, we improve efficiency and reduce energy use and emissions. As a result of a mid-year transportation management system upgrade, as well as increasing truck capacity throughout the year, load fill rates declined slightly for the full fiscal year, but second-half improvements were equivalent to taking nearly 3,000 trucks off the road compared to the second half of fiscal 2010.

Our warehouse energy efficiency initiative, begun in 2006, continues to generate energy savings by focusing on operational efficiencies and equipment upgrades. Since this project's inception, the Broadline organization has achieved a 19 percent reduction in kilowatt hour usage while increasing warehouse storage volume by approximately 14 percent.

“The high retention level among our Sysco associates speaks to the quality of the career experience we offer. It is essential for our future that we continue to offer all of our associates opportunities to develop their talents.”

Paul Moskowitz

SENIOR VICE PRESIDENT, HUMAN RESOURCES

We continue to find ways to make delivery of products to our customers more energy-efficient and sustainable by focusing on fleet improvements, efficient routing and driver behavior. Our fleet now includes nearly 100 hybrid electric/diesel single-axle trucks. For 18-wheeler trucks, we are expanding our fleet of liquid natural gas vehicles, with nearly 70 LNG-powered trucks in Los Angeles. We also continue to look for the best options for powering the refrigeration units that most of our trucks include. We recently began testing electric battery-powered refrigeration units in Los Angeles.

Sustainability and Our Customers

Completing the sustainability arc from farm to fork, we continue to work with our customers to share what we have learned and support them in their own sustainability initiatives. In our relationships with our customers – both listening and advising – we try to separate the important sustainability and market needs from the here-today, gone-tomorrow trends and make sure we and our customers are ready for the future. Food safety, food labeling and nutrition are three areas we see as durable issues where we are focusing our efforts.

We are also part of an effort to develop a common standard for product information across the foodservice industry, which we believe can create a foundation for enhanced food traceability.

SOCIAL RESPONSIBILITY

Our values are reflected in the way we treat our associates and strive to build a diverse, inclusive workforce and supplier base. We reach out to our communities to fight hunger and improve educational opportunities. We also take steps to protect our people and business for the future. In all of these areas, we strive to do what is right.

We have enhanced our diversity-focused talent development programs by adding more online study courses. This helped drive 63 percent more participation in Sysco’s STEP program, which helps associates prepare for supervisory positions.

We focus our community support in four categories: hunger relief, education and development, health and general community outreach, and agricultural and environmental sustainability. Our cash and product donations totaled \$8 million in fiscal 2011; once again, hunger relief made up the largest share of our giving.

In our safety program, we continued to see positive trends in both frequency and severity of injuries. Compared to four years ago, we saw a 22 percent reduction in our predominant injury types: lower back, knees and shoulder.

Enterprise risk management is a key element in sustaining our organization for the future. A risk assessment identified food safety as our number one risk because of the effect that a crisis could have on both our finances and our reputation. While our food safety program is good, we are addressing opportunities that were identified and always looking for additional continuous improvement.



DEVELOPING OUR ASSOCIATES

Talent development is essential for our sustained success. To support this goal, we have expanded the online offerings in Sysco Interactive University. These flexible classes are helping more of our associates in operations and sales master the skills to move into supervisory and management roles. Looking further to the future, we have doubled the size of our summer internship program, a valuable way to expose potential associates to our business and our industry.



1390 Enclave Parkway
Houston, Texas 77077-2099

281.584.1390
www.sysco.com

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