

A MESSAGE *To Our Valued Customers*



Dear Valued Customer,

At Sysco, we deeply appreciate your business and take great pride in supporting your success and delivering the products you need, when you need them.

We are encouraged to see that the strong "snap back" in demand since COVID-19 restrictions were lifted is fueling a robust industry recovery. Sysco took early action to prepare and invest in products and people, but demand has rebounded earlier and stronger than anyone expected. As a result, like many across the industry, Sysco is dealing with the impact of labor and supply chain shortages brought on by this unprecedented situation.

While we are generally well staffed nationally, there are certain areas across the country that are more challenged by the labor shortage and our volume of orders is regularly exceeding our capacity. This has, unfortunately, led to service disruptions for some of our customers. In addition, while Sysco's Net Promoter Score for delivery continues to lead the industry; our service has slipped, and we want you to know we have a strong sense of urgency to improve.

We expect this to be a temporary situation, but we understand how frustrating it is now. Sysco associates are working hard to maintain service levels to the greatest extent possible, and we are also continuing to take action to reduce the impact on your business. For example:

- We continue to work closely with current and new suppliers to increase product availability of the most critical items you need. This includes proactively sourcing alternative products so that our sales teams can offer solutions that work best for your business, as needed.
- We have aggressively expanded our hiring efforts, including making substantial investments in both referral and sign-on bonuses and retention incentives, and ensuring our wages are competitive in the marketplace.

- We announced plans to establish Sysco's first-ever driver academy to increase our long-term capabilities to internally source future driver talent.
- We continue to monitor the pandemic and its impact and constantly evolve our safety protocols to keep our associates and customers safe.

While we're confident these actions **will** make a difference, we also expect our current challenges are likely to remain in some geographic areas in the near-term. For that reason, we're committed to providing a greater level of communication and transparency and you can expect to receive more and better information from us about impacts to your business.

Thank you for your continued partnership and flexibility, and most importantly, your patience as we work hard to improve our service to you.

Be safe and well,

Kevin Houricau