Consumer Analyst Group of New York (CAGNY) Conference

February 20, 2025

US FOODS® WE HELP YOU MAKE IT®

Disclaimer Page

Cautionary Statements Regarding Forward-Looking Information

Statements in this presentation which are not historical in nature are “forward-looking statements” within the meaning of the federal securities laws. These statements often include words such as “believe,” “expect,” “project,” “anticipate,” “intend,” “plan,” “outlook,” “estimate,” “target,” “seek,” “will,” “may,” “would,” “should,” “could,” “forecast,” “mission,” “strive,” “more,” “goal,” or similar expressions (although not all forward-looking statements may contain such words) and are based upon various assumptions and our experience in the industry, as well as historical trends, current conditions, and expected future developments. However, you should understand that these statements are not guarantees of performance or results and there are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from those expressed in the forward-looking statements, including, among others: economic factors affecting consumer confidence and discretionary spending and reducing the consumption of food prepared away from home; cost inflation/deflation and commodity volatility; competition; reliance on third party suppliers and interruption of product supply or increases in product costs; changes in our relationships with customers and group purchasing organizations; our ability to increase or maintain the highest margin portions of our business; achievement of expected benefits from cost savings initiatives; increases in fuel costs; changes in consumer eating habits; cost and pricing structures; the impact of climate change or related legal, regulatory or market measures; impairment charges for goodwill, indefinite-lived intangible assets or other long-lived assets; the impact of governmental regulations; product recalls and product liability claims; our reputation in the industry; labor relations and increased labor costs and continued access to qualified and diverse labor; indebtedness and restrictions under agreements governing our indebtedness; interest rate increases; disruption of existing technologies and implementation of new technologies; cybersecurity incidents and other technology disruptions; risks associated with intellectual property, including potential infringement; effective consummation of pending acquisitions and effective integration of acquired businesses; potential costs associated with shareholder activism; changes in tax laws and regulations and resolution of tax disputes; certain provisions in our governing documents; health and safety risks to our associates and related losses; adverse judgments or settlements resulting from litigation; extreme weather conditions, natural disasters and other catastrophic events; and management of retirement benefits and pension obligations.

For a detailed discussion of these risks, uncertainties and other factors that could cause our actual results to differ materially from those anticipated or expressed in any forward-looking statements, see the section entitled “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 28, 2024. Additional risks and uncertainties are discussed from time to time in current, quarterly and annual reports filed by the Company with the SEC, which are available on the SEC's website at www.sec.gov. Additionally, we operate in a highly competitive and rapidly changing environment; new risks and uncertainties may emerge from time to time, and it is not possible to predict all risks nor identify all uncertainties. The forward-looking statements contained in this presentation speak only as of the date of this presentation and are based on information and estimates available to us at this time. We undertake no obligation to update or revise any forward-looking statements, except as may be required by law.

Non-GAAP Financial Measures

We report our financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). However, this presentation includes the following non-GAAP financial measures: Adjusted Gross profit, Adjusted Operating expenses, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income, Adjusted Diluted Earnings Per Share (EPS), Net Debt and Net Leverage Ratio. These non-GAAP financial measures exclude the impact of certain items and, therefore, have not been calculated in accordance with GAAP. We caution readers that our definition of these non-GAAP financial measures may not be calculated in the same manner as similar measures used by other companies. Reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures are included in the Appendix to this presentation.

Please note that the Company is not providing a reconciliation of certain forward-looking non-GAAP financial measures, including Adjusted EBITDA and Adjusted Diluted EPS, because the Company is unable to predict with reasonable certainty the financial impact of certain significant items, including restructuring costs and asset impairment charges, share-based compensation expenses, non-cash impacts of LIFO reserve adjustments, losses on extinguishments of debt, business transformation costs, other gains and losses, business acquisitions and integration related costs, and diluted earnings per share. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the guidance period. For the same reasons, the Company is unable to address the significance of the unavailable information, which could be material to future results.

Leading the Foodservice Industry with Excellence

Dave Flitman | Chief Executive Officer

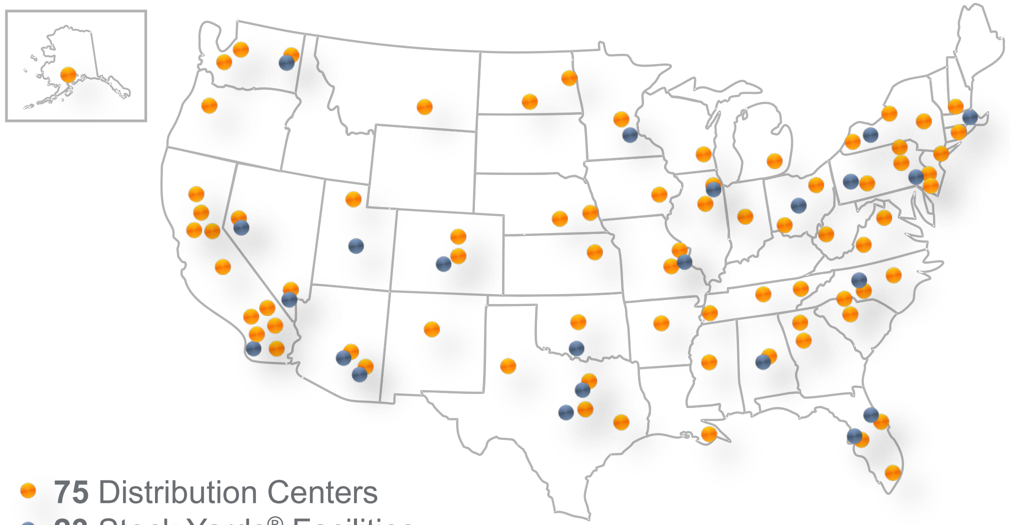
Key Messages

1	**Transforming US Foods** with seasoned leadership focused on customer-centric solutions, operational excellence, and strong execution
2	**Leading in a highly fragmented and resilient industry** with national scale, targeted customer growth, and digital innovation
3	**Driving balanced, profitable growth** through our four-pillar strategy to further expand our market position
4	**Leveraging game changing digital investments** and utilizing modernized platforms to provide industry-leading solutions
5	**Executing to achieve long-term financial targets** and deliver shareholder value creation with long runway ahead

US Foods Sizzle Reel

US Foods at a Glance (NYSE: USFD)

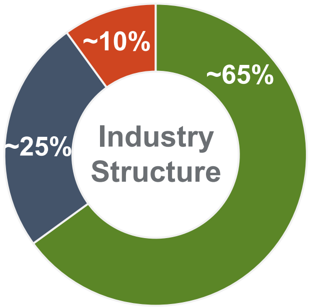
ROSEMONT, IL HEADQUARTERS	**150+** YEARS IN BUSINESS	**$16.5B[(1)]** MARKET CAP	**$37.9B[(2)]** IN REVENUE
~30,000 ASSOCIATES	**~3,400** BROADLINE SALES ASSOCIATES	**~6,500** TRUCKS IN OUR FLEET	**~250,000** CUSTOMER LOCATIONS



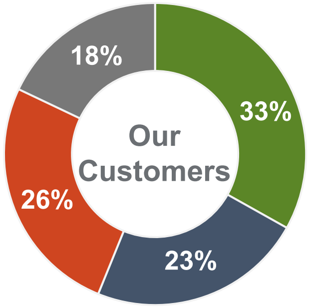
- 75 Distribution Centers
- 23 Stock Yards® Facilities

(1) As of 01/31/2025. (2) Revenue as of FY 2024.

Revenue Breakdown[(2)]



Rest of Industry
USFD
Other Top 2 Players



Independent Restaurants
Healthcare & Hospitality
Chain Restaurants
Other

Meat & Seafood
Refrigerated & Frozen Grocery
Equipment, Disposables, & Supplies
Produce
Dry Grocery
Dairy
Beverage Products

Over the Last Two Years, We Have Been Executing a Transformation Focused on Accelerating Excellence

2023

Bolstered Management Team

- ✓ Appointed Dave Flitman as CEO effective Jan 2023
- ✓ Reorganized Executive Leadership Team and flattened the organization to drive faster decision making and ownership
- ✓ Aligned sales with operations

Unveiled Simplified Four-pillar Strategy

- ✓ Focused on culture, service, growth, and profit

2024

Building on Clear Competitive Advantages

- ✓ Leveraging team-based selling approach led by specialized teams
- ✓ Accelerating industry-leading digital technologies (e.g., MOXē® and VITALS®)
- ✓ Differentiating offerings through innovation (e.g., Scoop™)
- ✓ Driving excellence across sales, operations, and digital

Delivering Consistent Execution

- ✓ Focusing on profitability and margin expansion
- ✓ Accelerating market position in fastest growing target customer types

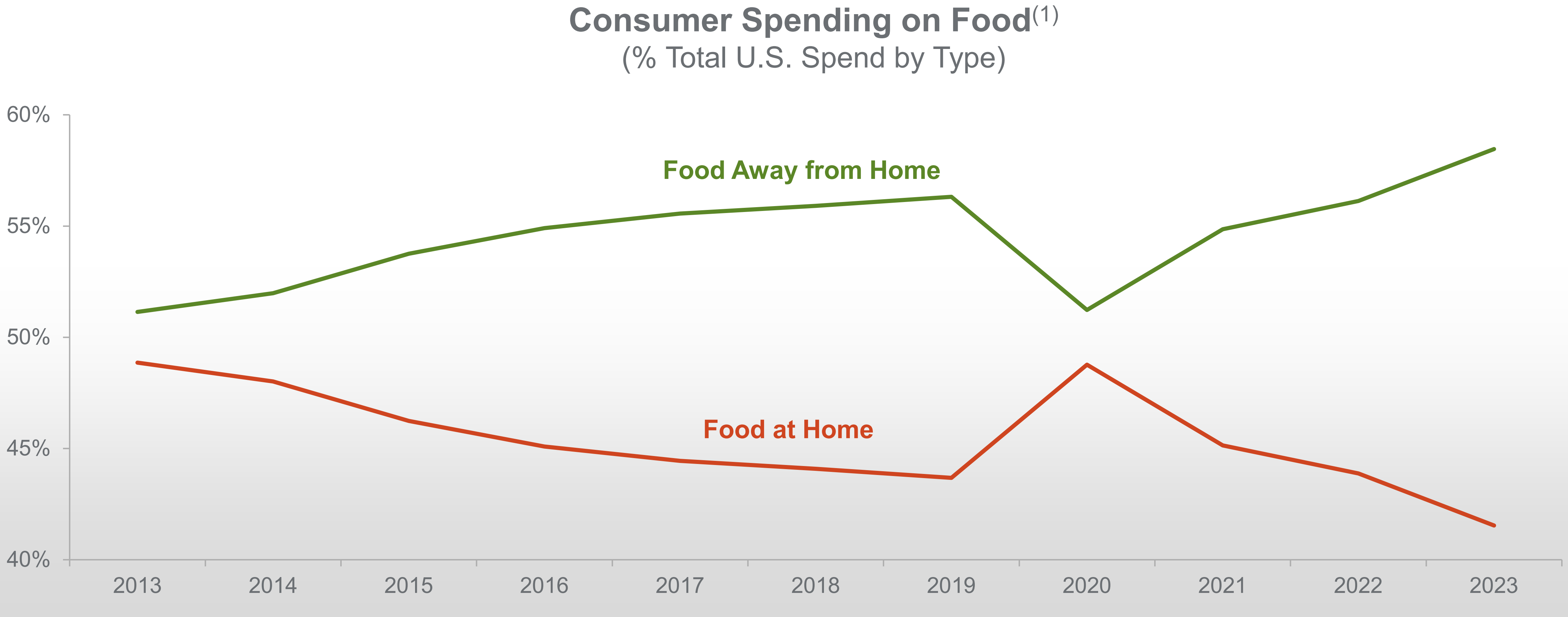
Supporting Growth with Disciplined Capital Deployment

- ✓ Investing in the business to drive organic growth
- ✓ Maintaining net leverage within target range of 2.0x to 3.0x
- ✓ Pursuing accretive tuck-in M&A opportunistically – completed four acquisitions since 2023

Driving Improved Results through Strategic, Operational, and Financial Discipline

US FOODS

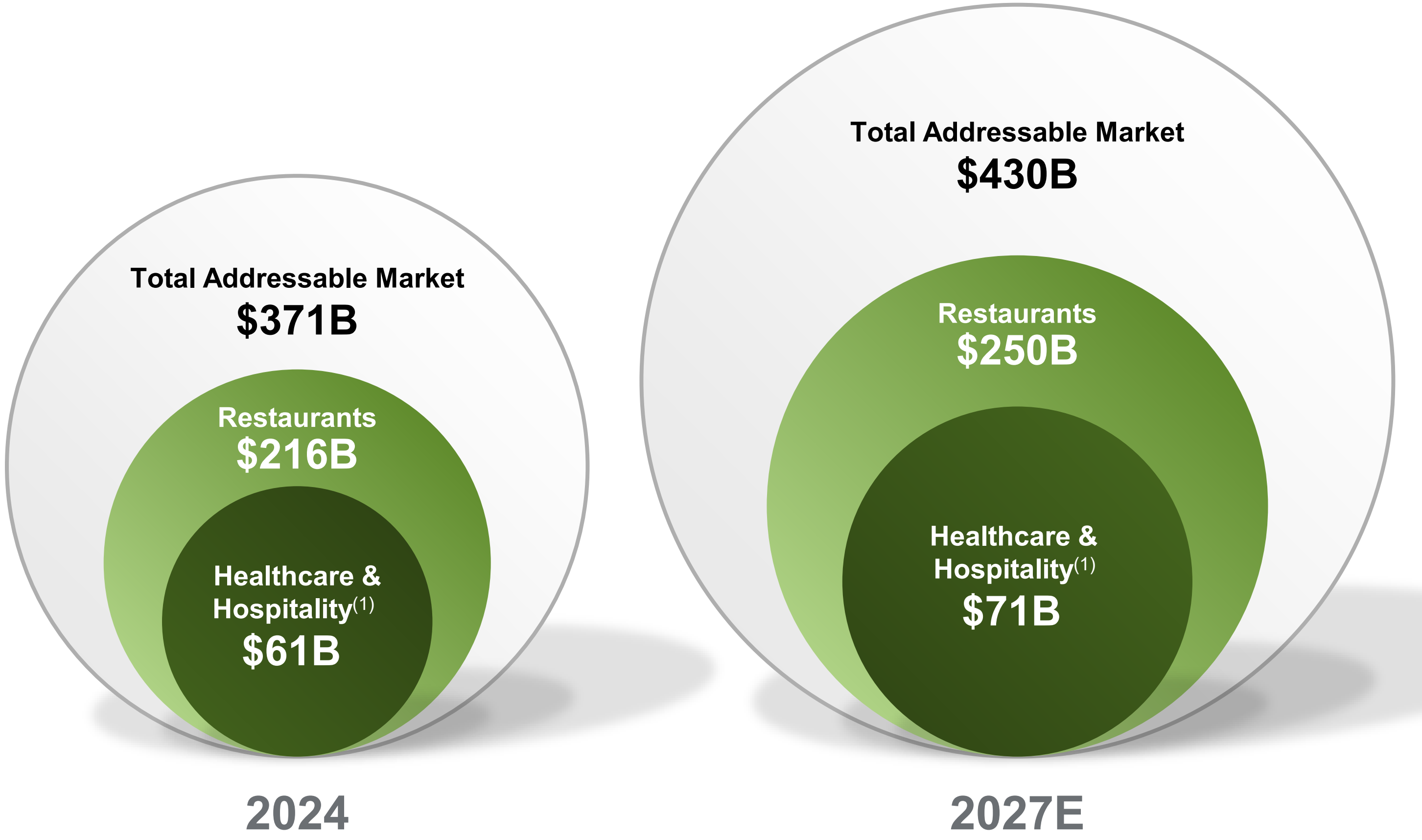
Capturing Upside from Favorable Consumer Trend



Growing Consumer Spend on Food Away from Home Presents Significant Opportunity

(1) Source: U.S. Department of Agriculture.

Significant Market Opportunity in Large, Resilient, and Growing Industry



	USFD $ Share	2025E to 2027E Case Volume CAGR	
	2024	Market[2]	USFD[2]
Total	~10%	~2%	3% to 5%
Independent Restaurants	~18%	~2%	5% to 8%
Healthcare & Hospitality	~19%	~2%	3% to 5%

US Foods Expected to Grow Case Volume
1.5x to 2.5x the Market
for 2025E to 2027E

Leading Position in Fastest Growing End Markets with Significant Upside Opportunity

Source: Technomic, Jan 2025. (1) Includes Business and Industry. (2) Source: Company estimates.

Our Strategic and Targeted Customer Types

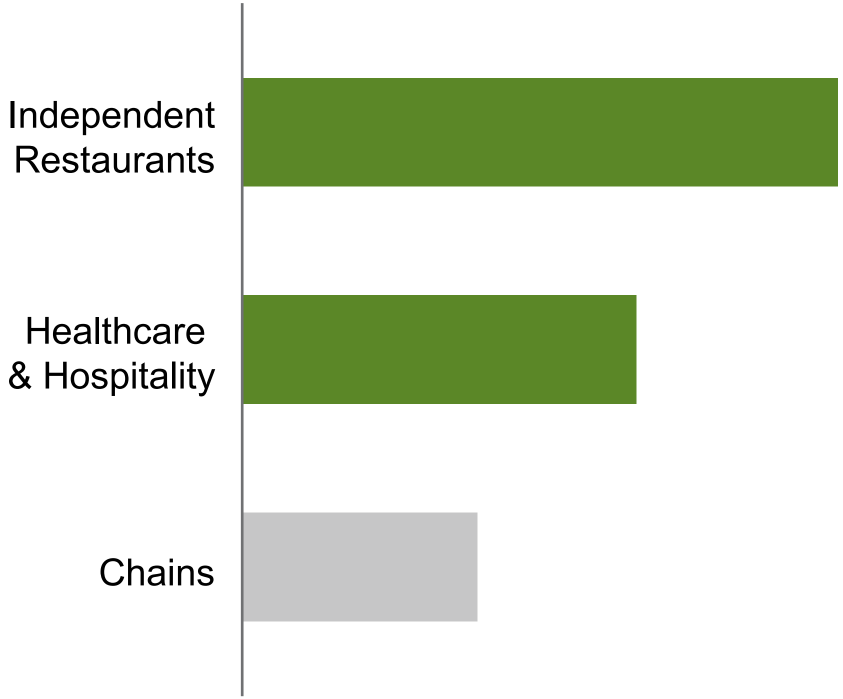
Targeted Customer Types with Higher Profitability

- **Strong market growth opportunity** with a highly profitable, diverse, and resilient customer base
- Leverage our **team-based selling model**, **innovative Exclusive Brands (Private Label) offerings**, and industry-leading **digital platform MOXē®**

- **Industry-leading position** with stable and growing customer base
- **Strong new business pipeline** enabled by multi-faceted account team and strong technological engagement with VITALS® and MOXē®

- Accelerate focus in **key hospitality areas**
- Leverage **established technology and quality products** along with optimized team of local, national, and group purchasing organization (GPO) relationships to solve key customer challenges

Relative Contribution Margin[1]



Leveraging Competitive Advantages to Accelerate Profitable Growth with Target Customer Types

(1) Based on USFD 2024 financials.

What Differentiates US Foods?

1 Only pure-play, U.S. focused foodservice distributor with national scale

2 Differentiated value proposition and scale with the three most profitable customer types in the industry: independent restaurants, healthcare and hospitality

3 Proven go-to-market strategy (sellers, product innovation, digital ecosystem)

4 Industry leading digital ecosystem and continued investment to ensure customer stickiness and enhance ease of doing business

5 Proven strategy-driven operational playbook to advance Culture, Service, Growth and Profit strategy pillars

6 Early innings of self-help initiatives to drive sustained profitable growth

7 Fastest P&L growth algorithm, accretive capital allocation to grow Adjusted EPS faster than Adjusted EBITDA and strong balance sheet

8 Accelerating Cash Flow generation resulting in more than $4 billion to deploy over the 2025 to 2027 time horizon

Consistently Delivering Balanced Top-line Growth, Margin Expansion, and Double-digit Bottom-line Growth

US Foods MORE Campaign

Our Customer Value Proposition – Creating a Recipe for Success

MORE QUALITY

- National leader and one-stop shop for breadth of quality products
- High-quality Exclusive Brands (Private Label) products to drive value and selection
- Industry-leading Scoop™ platform to launch innovative, on-trend products
- Consistent, high-quality center of plate protein production

MORE SUPPORT

- Help customers succeed through team-based selling
  - Restaurant operations consultants
  - Chefs
  - Product/category specialists
- Data and technology support with menu planning and business tools
  - Segment, menu, and category insights

MORE TOOLS

- Best-in-industry MOXē® platform enables efficient operations all from one app
- Proprietary technology leverages machine learning and artificial intelligence
- Provide operator insights and support via VITALS®

MORE DELIVERIES

- Building best-in-class supply chain – what customers order, delivered on time
- Convenience and flexibility through Pronto
  - Smaller orders for smaller spaces
  - More frequent deliveries
- More days, more deliveries through flexible scheduling

Industry Leader in Providing the Right Tools, Resources, and Products On-time and In Full

Industry-leading Exclusive Brands (Private Label) Aligned to Customer Needs

BREADTH OF PRODUCTS

Extensive portfolio that aligns with customer needs

- Full suite of **22 Exclusive Brands (Private Label)** with **~9,500** unique products
- **GOOD / BETTER / BEST** positioning provides solution for all needs
- Specific brands designed to meet **unique needs by category**

QUALITY PRODUCTS

As good or better than the leading equivalent at a competitive price

- **Align with rich heritage** of product development from US Foods origins
- Rigorous product development and sourcing processes ensure **high quality standards and consistency**

INCREASED VALUE

Lower price for customers and higher profit for US Foods

- Total Exclusive Brands (Private Label) sales of **$12.3B in 2024**
- **~34%** of total core sales with higher penetration in targeted customer types
- Designed to deliver 2x the profit of manufacturer brands

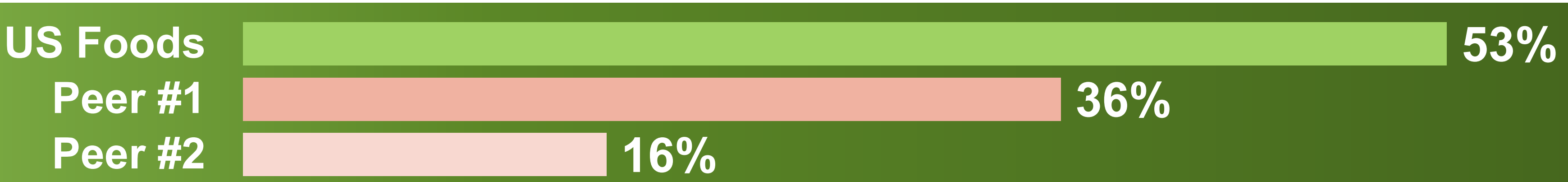
SELECT BEST-SELLING BRANDS

GOOD	BETTER	BEST
HARVEST VALUE, VALU+ PLUS	PATUXENT FARMS, MONARCH, Glenview Farms	CHEF'S LINE, RYKOFF SEXTON, STOCK YARDS

Well-positioned to Meet Diverse Needs of Our Customers

MOXē® – Best-in-class Digital Commerce Platform

Independent Restaurant Operators Identify Best-in-class Foodservice Platforms(1)



73
MOXē® NPS >5 pp Better than Nearest Competitor

87%
eCommerce Penetration

8x
More Customer Interactions than Non-digital Customers

125M
Annual Product Searches with Merchandising Opportunities

35%
Reduction in Non-value-added Seller Activities

5%
Greater Retention of Digital Customers

+1.5
Cases per Order through Digital Merchandising

pp: percentage points. (1) Technomic survey 2023. Technomic's survey allowed top three options from customers.

Significant Achievements Against our Strategy in 2024

CULTURE Embrace the US Foods® culture	**SAFE** Improved safety performance by 19% across the organization	**SUPPORTIVE** Donated more than $14.5 million to support hunger relief, culinary education and disaster relief efforts	**RESPONSIBLE** Completed delivery of nearly 50 electric vehicles
SERVICE Deliver world-class service	**RELIABLE** Improved delivery window accuracy by 30% in pilot markets utilizing AI for MOXē customers	**EFFICIENT** Delivered our best cases per mile performance in Company history	**EASY-TO-USE** Drove record Independent e-commerce penetration of 77%, total company of 87%
GROWTH Grow market share	**TARGET** Gained market share with Independent Restaurants for 15 consecutive quarters and 17 consecutive quarters with Healthcare	**DIFFERENTIATE** Grew Pronto to ~$730 million in annualized run-rate sales	**BE FRESH** Surpassed $1 billion in Serve Good® product sales for the first time
PROFIT Expand EBITDA margin	**MARGIN** Achieved record Adjusted EBITDA of $1.74 billion and expanded margin 22 bps	**PRODUCTIVITY** Drove ~$120 million in annualized run-rate operating expense savings	**OPTIMIZATION** Generated more than $70 million in COGS and $30 million in indirect spend savings

Accretive Tuck-in M&A Accelerates Our Strategy

Aligns with overall growth plan | **Expands capabilities and footprint** | **Opportunistic**

Investment Criteria

1. One or a few locations in a geography that increases density or adds capacity for growth
2. Externally viewed as well run company
3. Attractive customer mix with focus on Independent Restaurants
4. Strong cultural fit including similar go-to-market and selling approach
5. Accretive to EBITDA margins post-synergies
6. Solid financial return and funded out of operating cash flow

POTENTIAL TARGETS

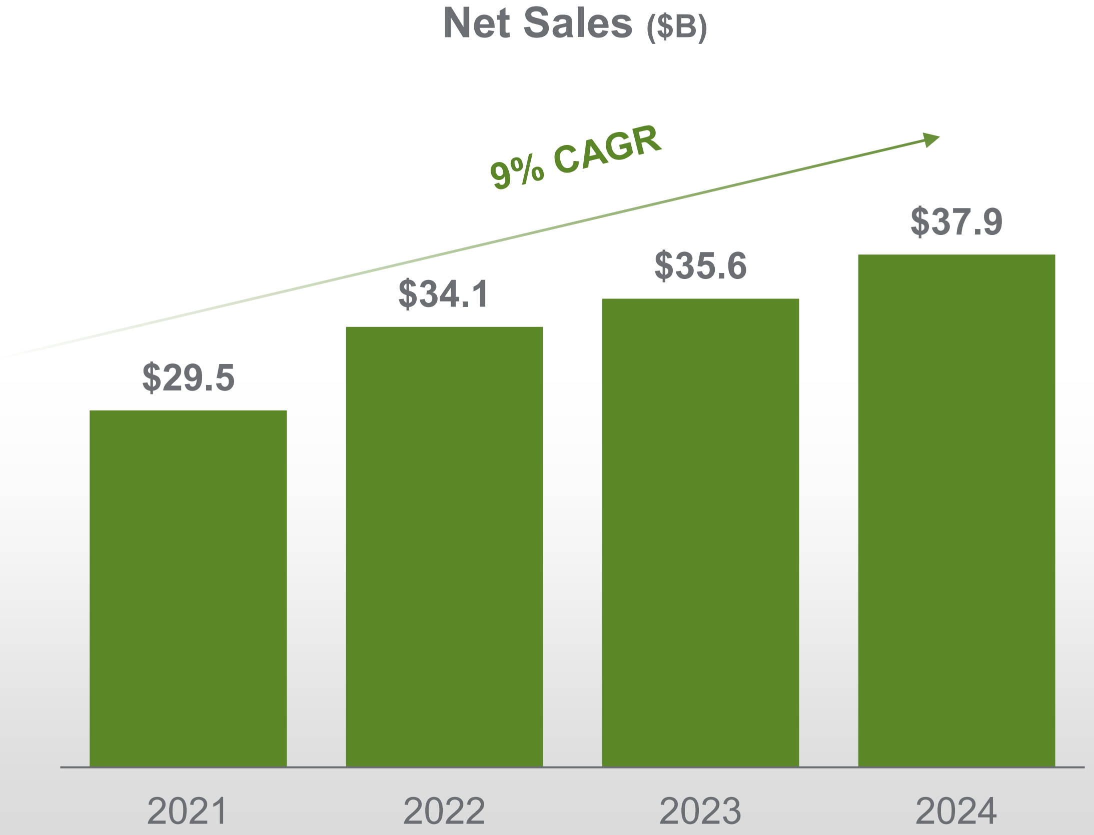
100+

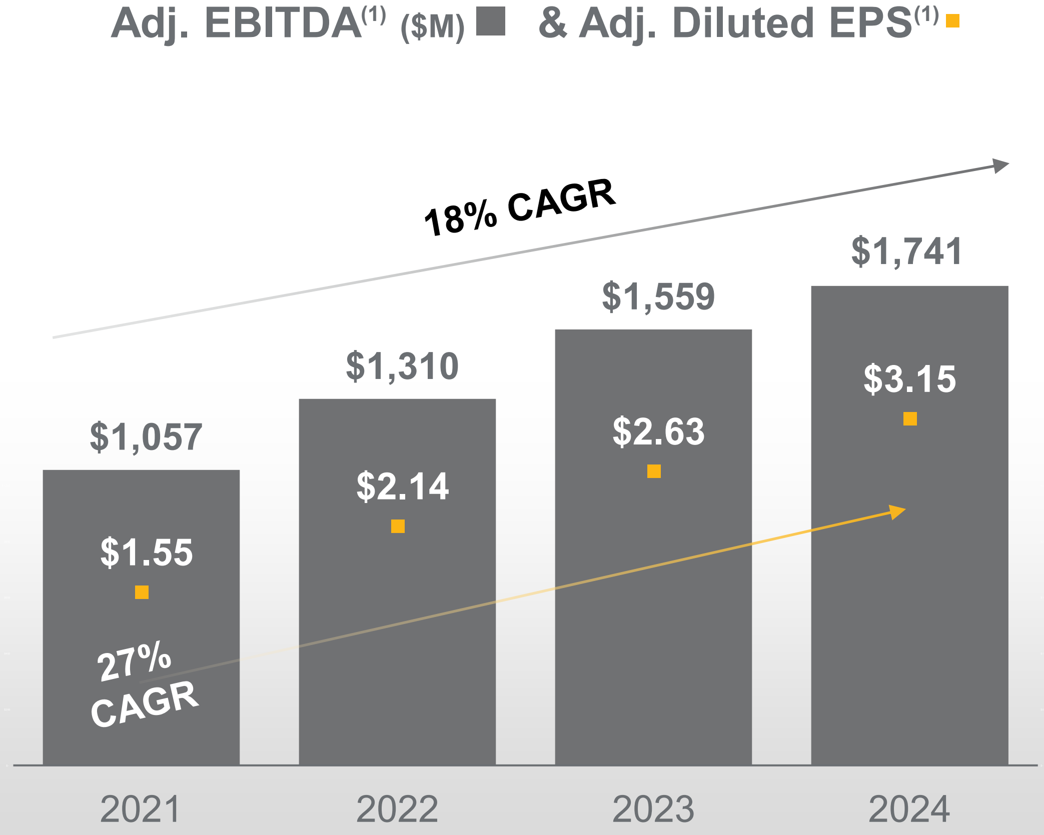
US Foodservice Businesses Totaling

~$15B

in Sales

Strong Track Record of Top- and Bottom-line Growth





Execution-focused Team Delivering Profitable Growth

Note: (1) Reconciliations of non-GAAP measures are provided for historical results in the Appendix.

2025E to 2027E Financial Targets

~5%
Net Sales CAGR

~10%
Adj. EBITDA CAGR

20bps+
Annual Adj. EBITDA Margin Expansion

~20%
Adj. Diluted EPS CAGR

Deployable Capital of $4B+ from 2025E to 2027E

Financial Excellence and Long-term Outlook

Dirk Locascio | EVP & CFO

Key Messages

1 **Driving superior financial performance** with differentiated strategy, greater operational rigor, and improved execution

2 **Growing market share, accelerating productivity, and expanding EBITDA margin** to drive strong earnings growth

3 **Increasing Cash Flow generation with disciplined capital deployment** to accelerate above market growth and profitability

4 **Executing to achieve new long-term financial targets** and deliver shareholder value creation with long runway ahead

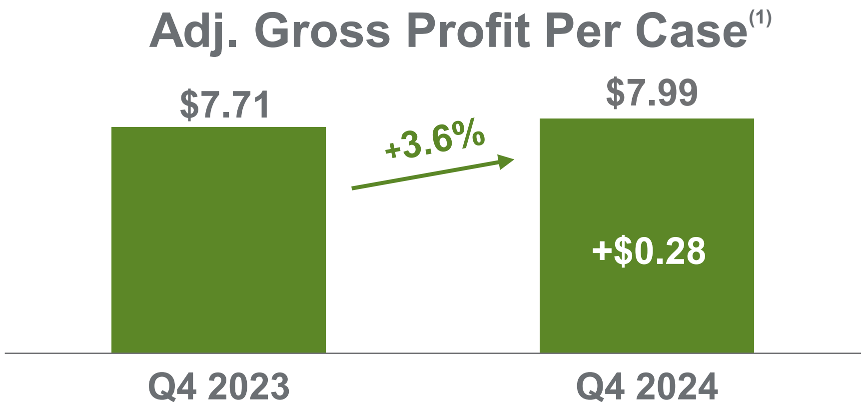
US FOODS

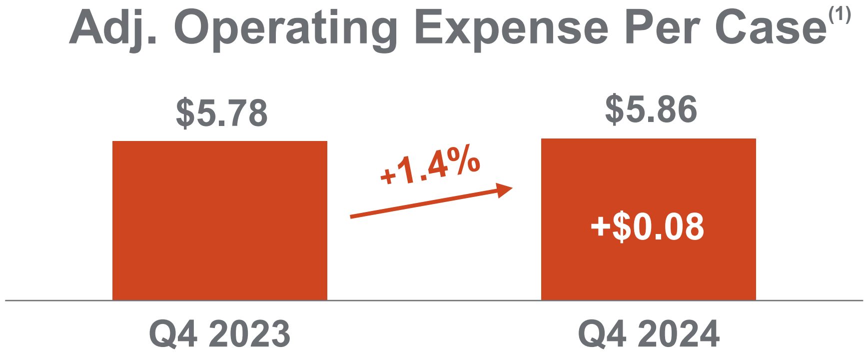
Delivered Continued Sales and Earnings Growth

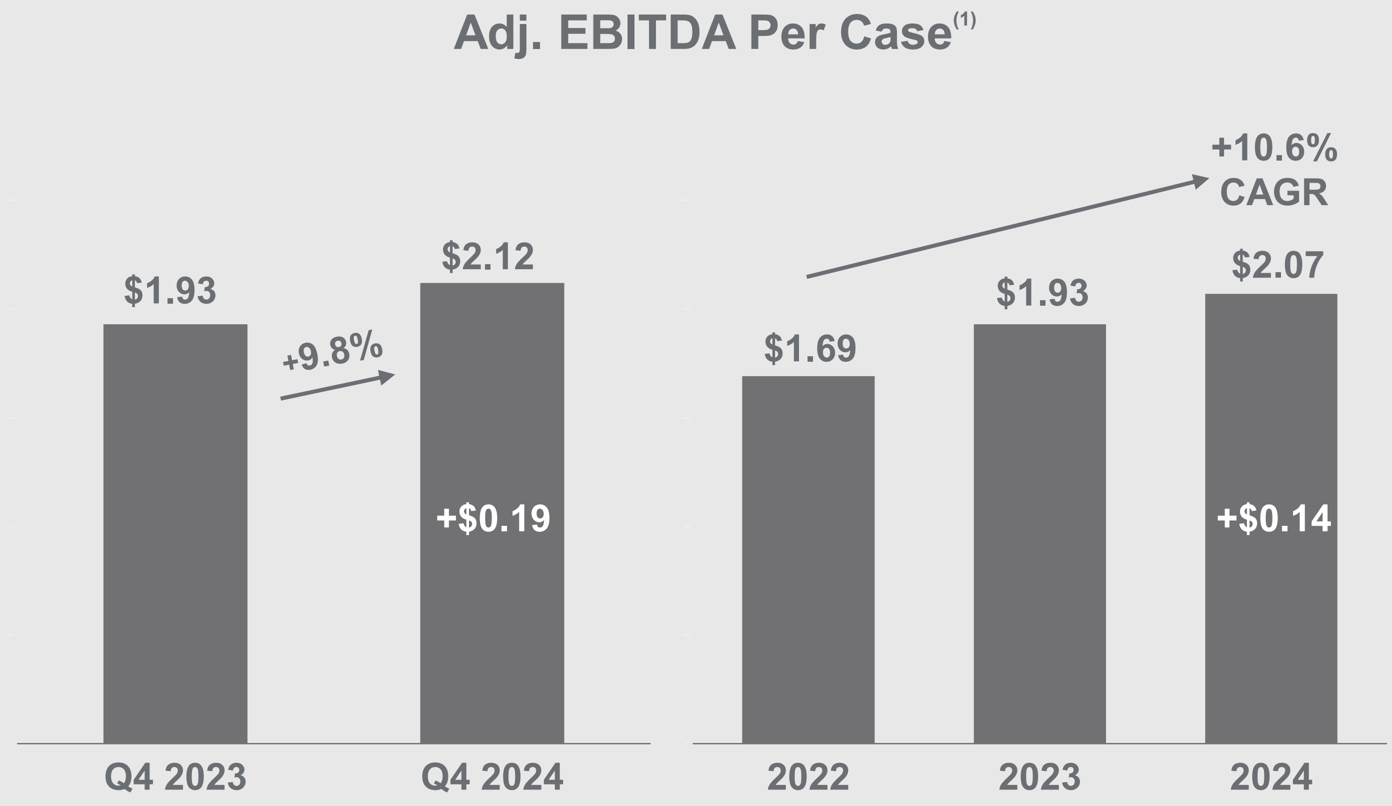
	Q4 2024	B/(W) vs. Q4 2023	FY 2024	B/(W) vs. FY 2023
Total Case Volume		+3.5%		+4.2%
Independent Restaurant Case Volume		+3.2%		+4.4%
Healthcare Case Volume		+4.7%		+5.7%
Hospitality Case Volume		+2.4%		+2.1%
Net Sales **($millions)**	$9,491	+6.2%	$37,877	+6.4%
Adjusted EBITDA(1) **($millions)**	$441	+13.7%	$1,741	+11.7%
Adjusted EBITDA Margin(1)	4.6%	+30 bps	4.6%	+22 bps
Adjusted Diluted EPS(1)	$0.84	+31.3%	$3.15	+19.8%

(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

Strong Execution Drove Continued Adjusted EBITDA Rate Improvement





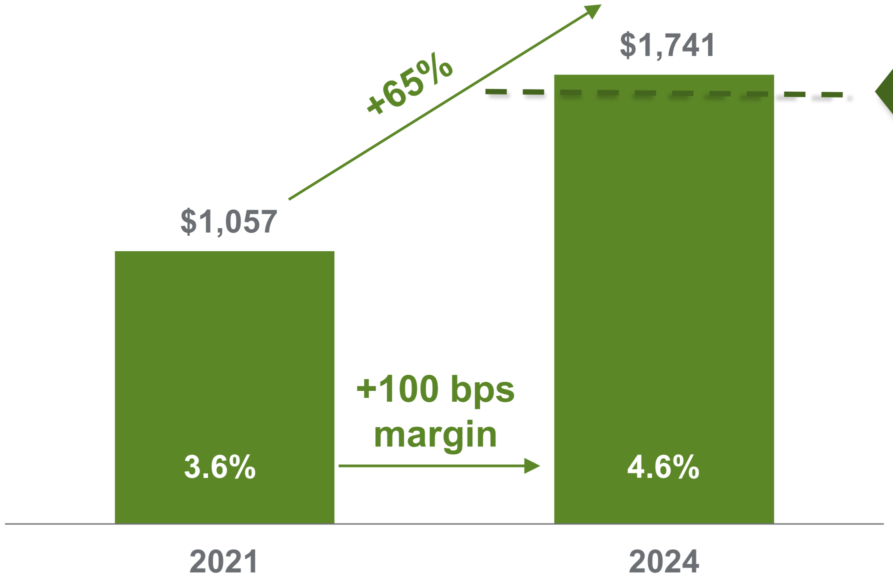


	2022	2023	2024
Adjusted Gross Profit Per Case Change[1]	$0.95	$0.33	$0.23
Adjusted Operating Expense Per Case Change[1]	$0.65	$0.06	$0.08

(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

Achieved Our 2022 to 2024 Long-range Plan

Adj. EBITDA ($M) & Adj. EBITDA Margin (%)[1]



Exceeded previous LRP target: **$1.7B**

- Delivering consistent share gains with our three target customer types
- Driving cost of goods savings
- Extending our technology leadership position
- Reducing net leverage
- Expanding Adjusted EBITDA margin

KEYS TO SUCCESS

✓ **Simplify and focus** on what matters to our customers

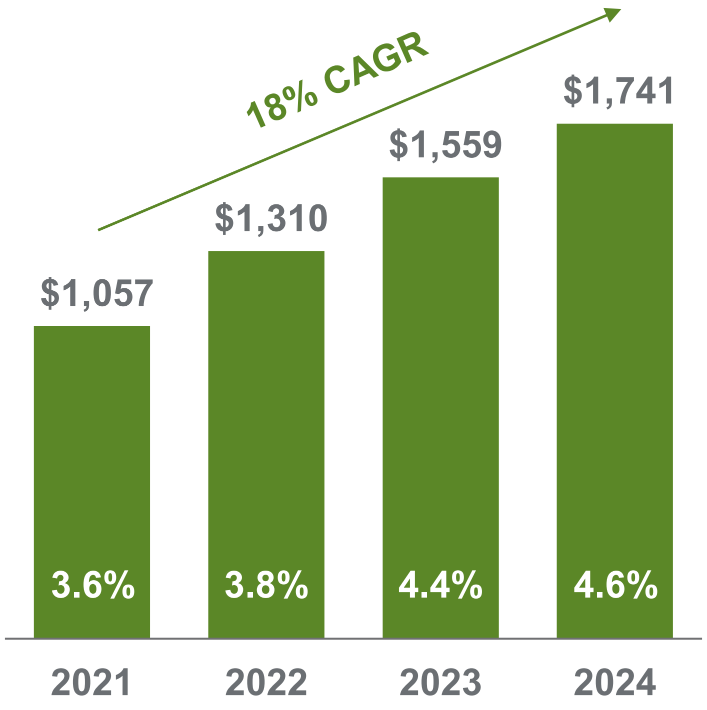
✓ **Increase operating discipline** and **execute** more effectively

✓ **Control the controllables**

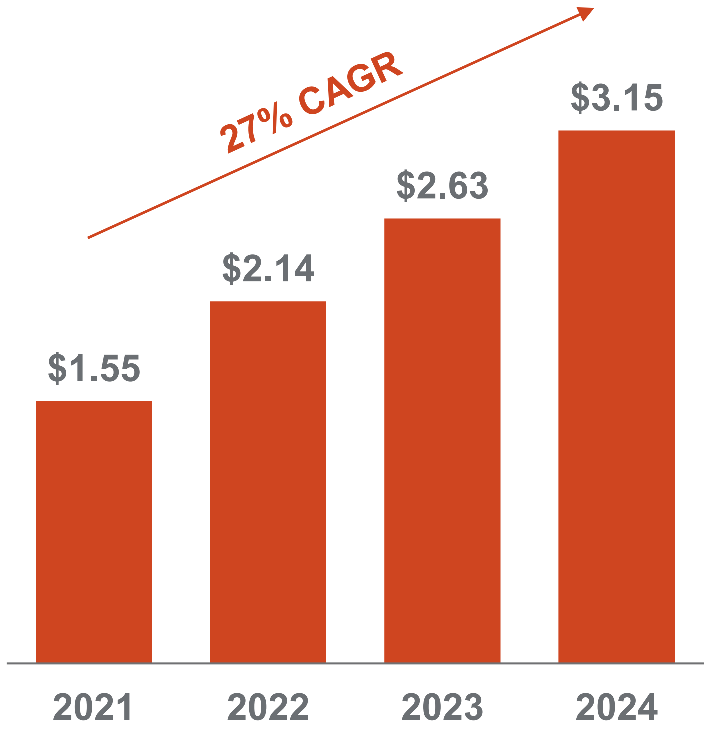
(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

Drove Strong Profitable Growth and Significantly Increased Return on Invested Capital

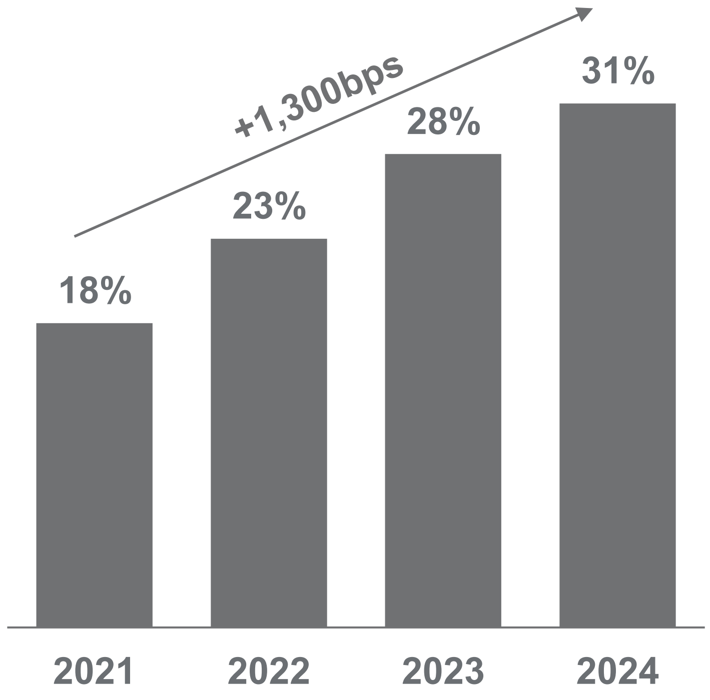
Adj EBITDA[1] ($M)



Adj. Diluted EPS[1]

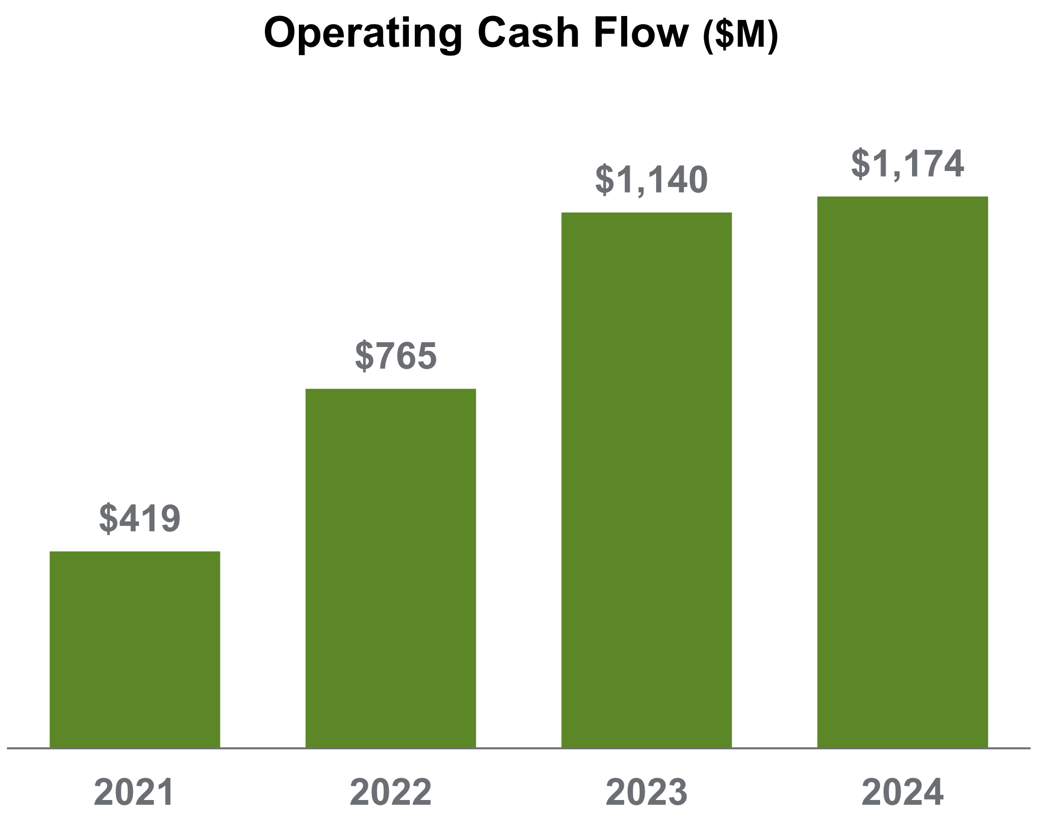


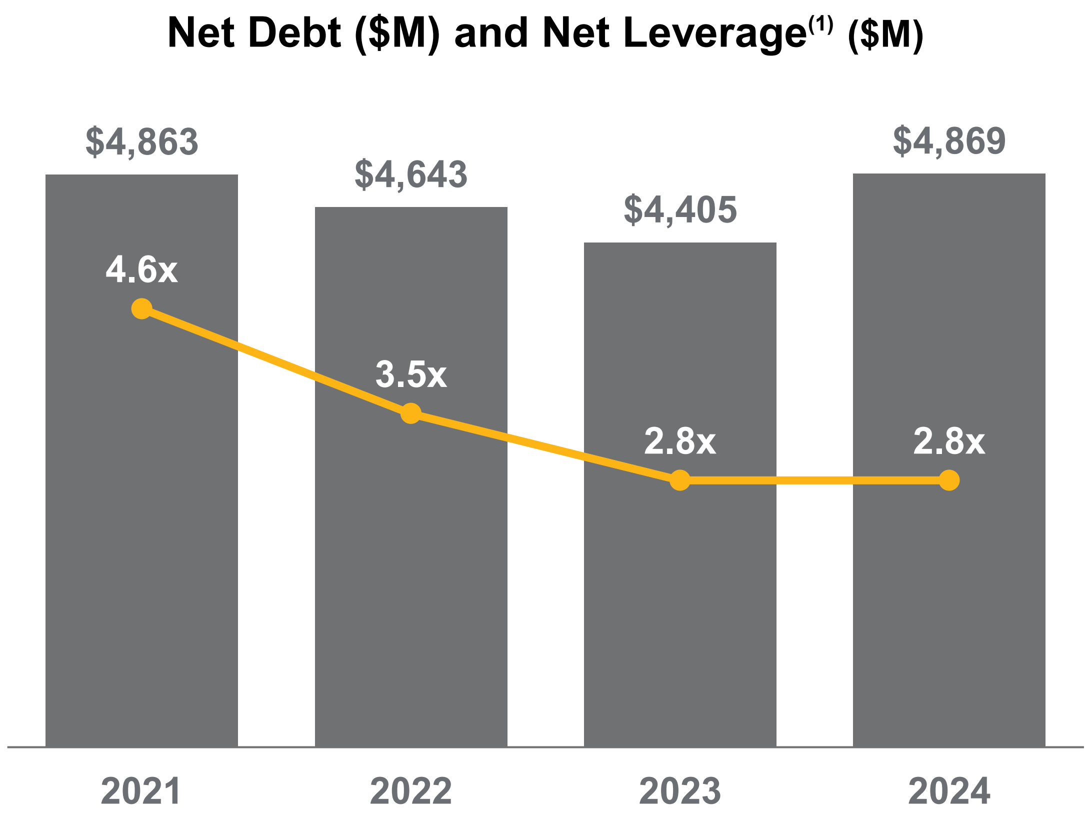
Adj. ROIC[1] (%)



(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

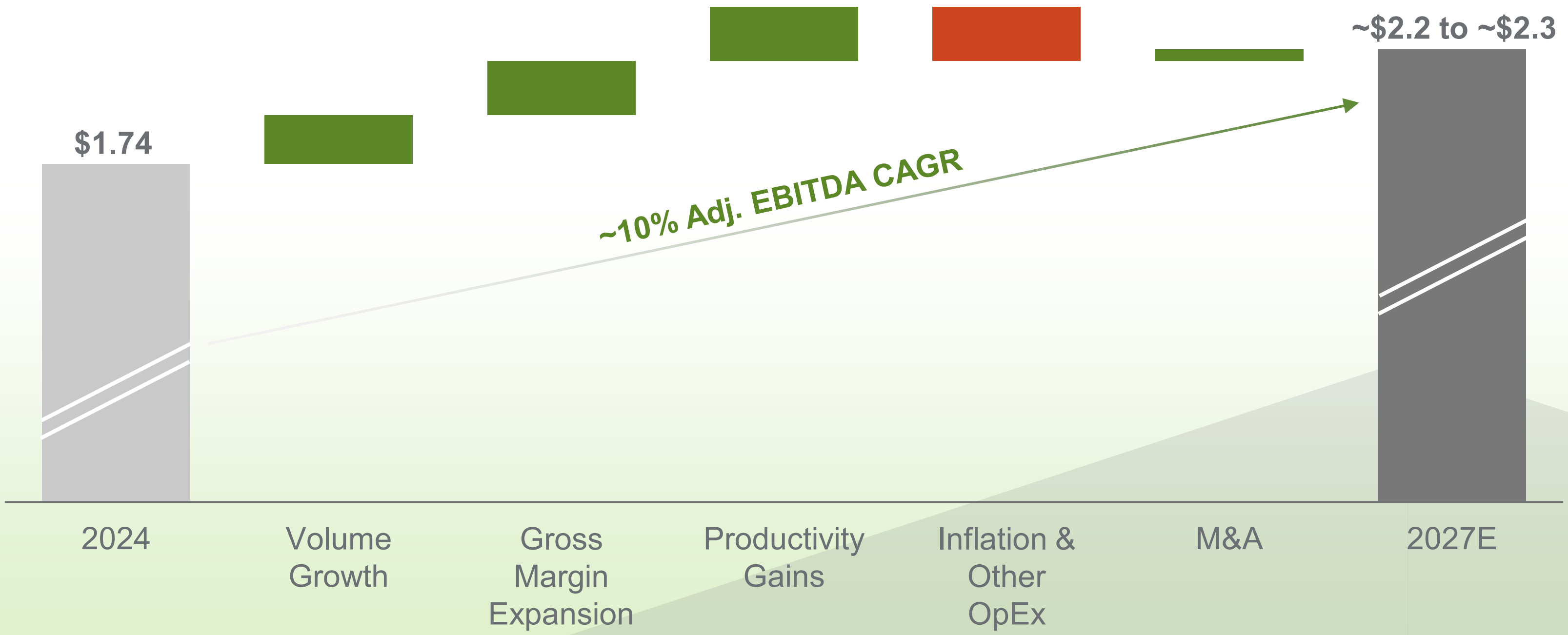
Strong Cash Flow Generation Combined With Healthy Leverage Profile





(1) Reconciliations of these non-GAAP measures are provided in the Appendix.

Balance of Volume Growth and Margin Expansion Drive Adj. EBITDA Growth ($B)



Expect GP Growth to Outpace OpEx by 100 to 150bps

Gross Profit

- COGS improvement
- Next-generation pricing
- Stock Yards® growth
- Exclusive Brands (Private Label) mix

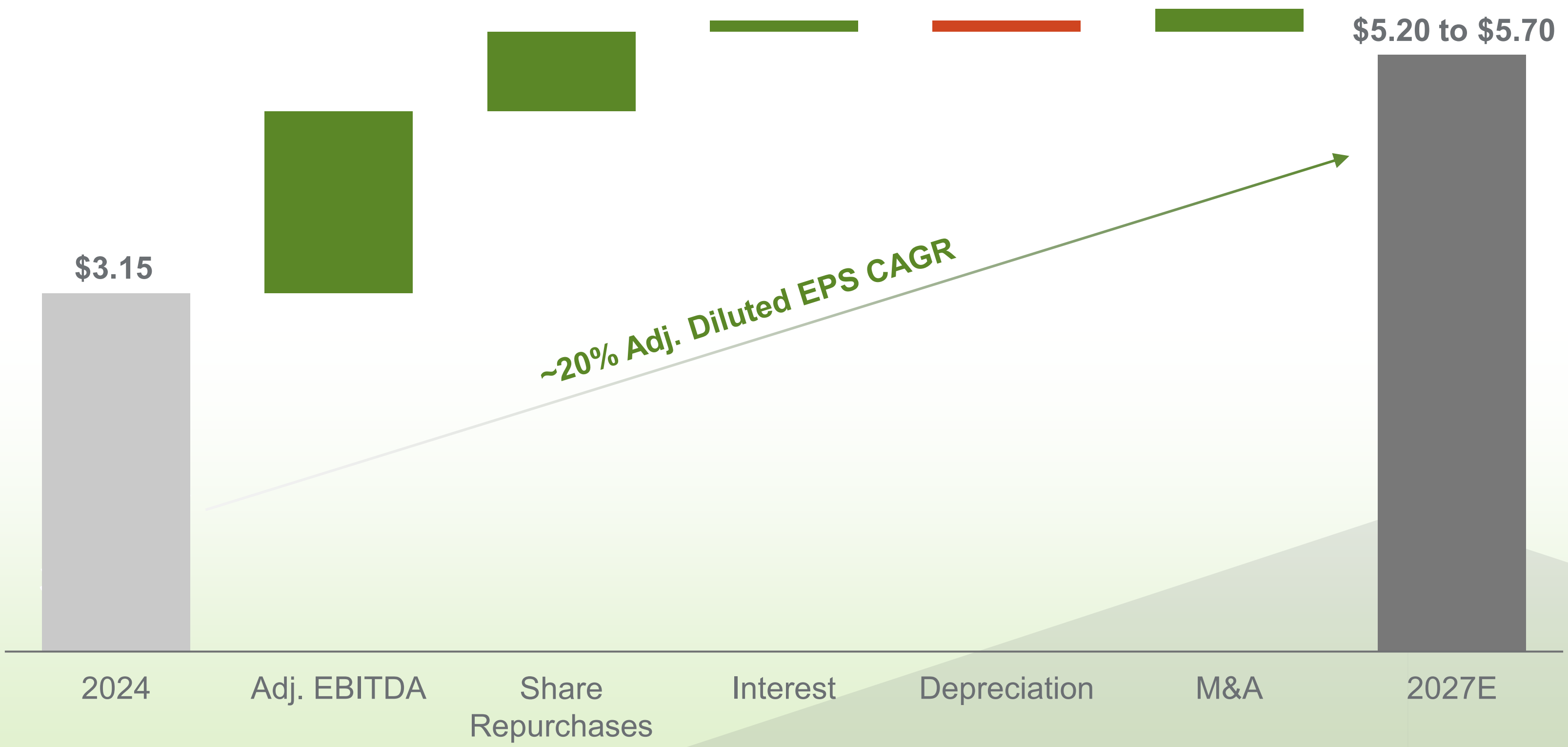
OpEx

- 3% to 5% productivity improvement annually to offset inflation
- Drive supply chain excellence in key focus areas: standardization, routing, and flexible scheduling
- Optimize indirect spend
- Streamline administrative processes

20bps+ Adj. EBITDA Margin Expansion Annually

GP: Gross Profit.

Adj. Diluted EPS Growth Driven by Continued Strong Adj. EBITDA Growth and Share Repurchases

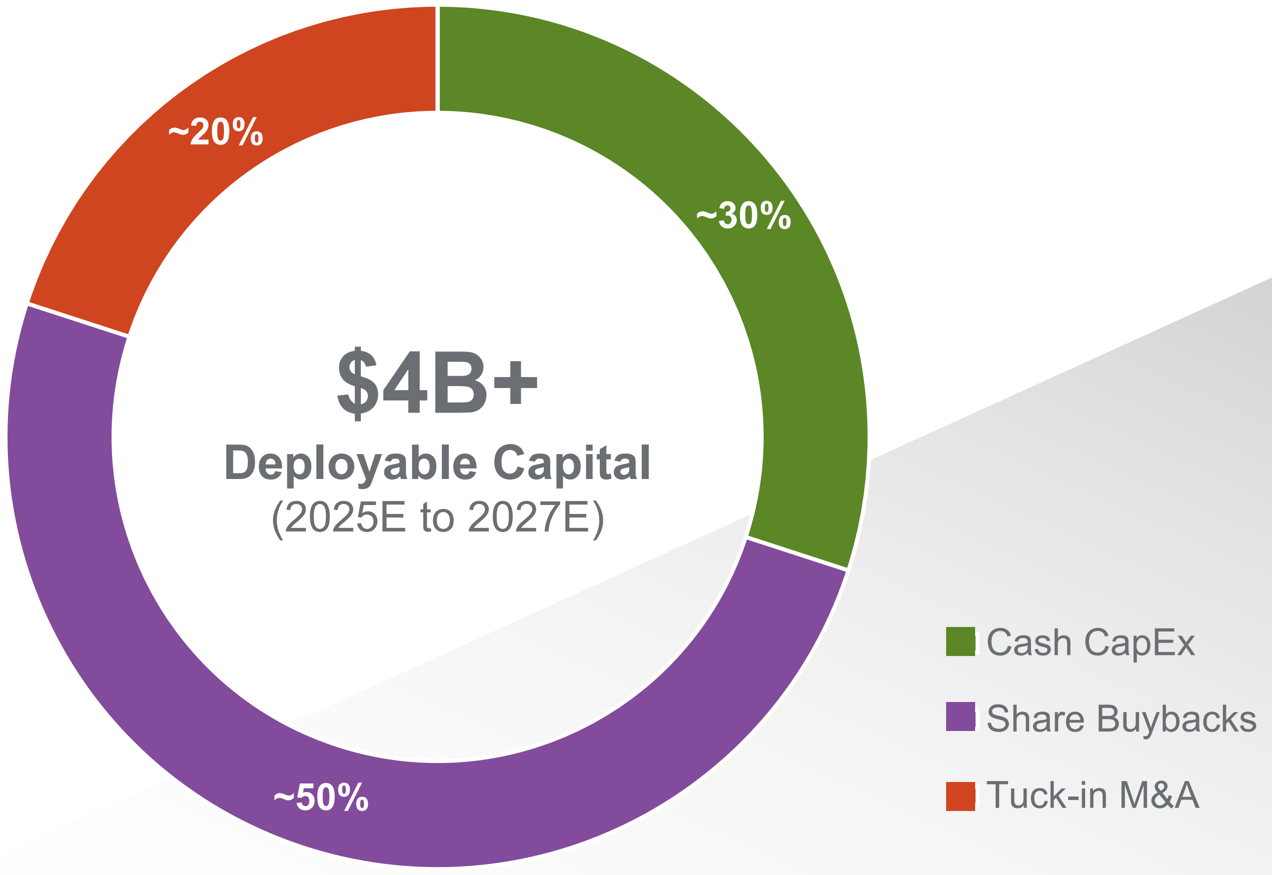


Key Drivers

- Primarily driven by **Adj. EBITDA growth through our key initiatives**
- Expect to repurchase **~$2 billion shares**
- **Pursue accretive tuck-in acquisitions** within our investment criteria
- **Interest and depreciation expected to be neutral** over the period

Return Capital to Shareholders through Share Repurchases and Pursue Tuck-in M&A

Future Capital Deployment



Go-forward Priorities

1. Continue to **invest in the business** to drive organic growth
2. $958 million of **shares repurchased** in 2024
3. Maintain net leverage in target range of **2.0x to 3.0x**
4. Opportunistically pursue accretive **tuck-in M&A**

Deploying Capital Strategically to Enable Growth and Return Value to Shareholders

Fiscal Year 2025 Guidance and Modeling Assumptions

Fiscal Year 2025 Guidance	
Net Sales Growth	4% to 6%
Adjusted EBITDA Growth[(1)]	8% to 12%
Adjusted Diluted EPS Growth[(1)]	17% to 23%

Modeling Assumptions	
Total Case Growth	2% to 4%
Sales Inflation & Mix	~2%
Depreciation	$410M to $450M
Interest Expense	$310M to $325M
Tax Rate	~26%
Cash CapEx	$375M to $425M

(1) Non-GAAP financial measures. Refer to the Disclaimer Page on slide 2 for information about forward-looking non-GAAP measures.

Building Blocks to 2025 Growth

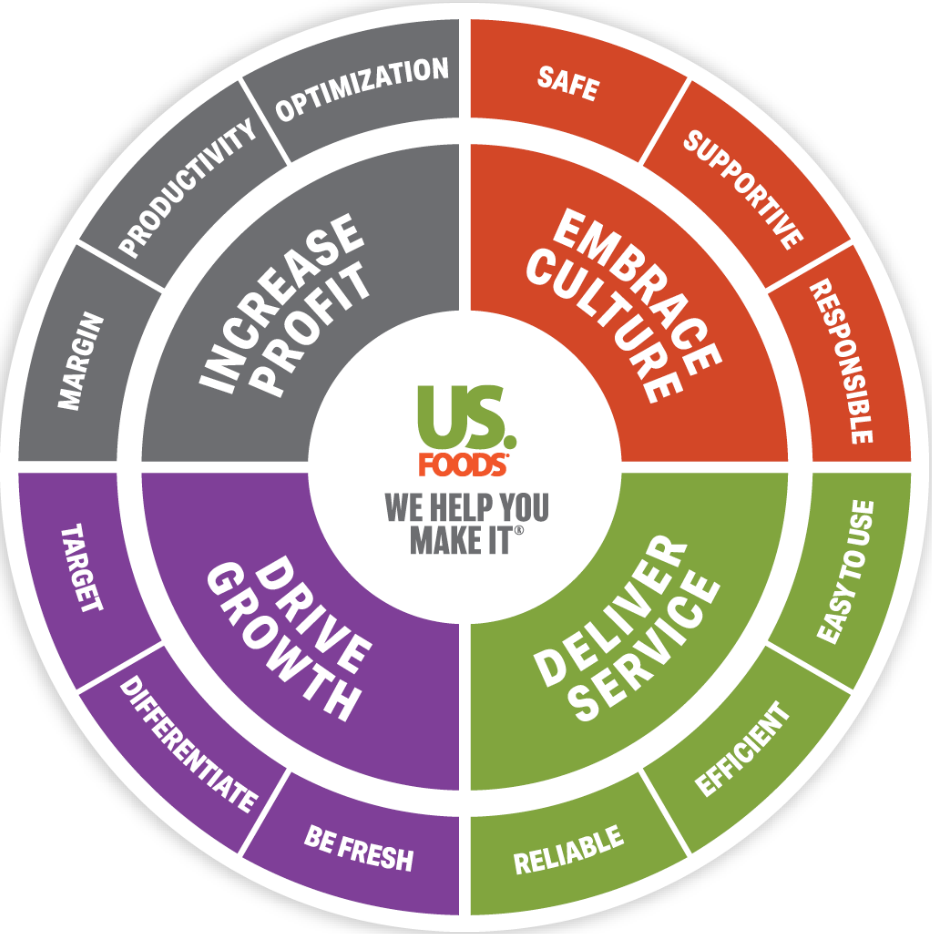
1. **Driving balanced, profitable growth** through our four-pillar strategy to further expand our market position

2. **Harnessing focus** on operational excellence and delivering continued strong execution

3. **Enhancing value proposition for our customers** through digital leadership, best-in-class service, and modernized platforms

4. **Leveraging robust cash flow and strong balance sheet** to invest towards highest shareholder return

5. **Executing to achieve new long-term financial targets** and deliver shareholder value creation with long runway ahead



2025E to 2027E Financial Targets

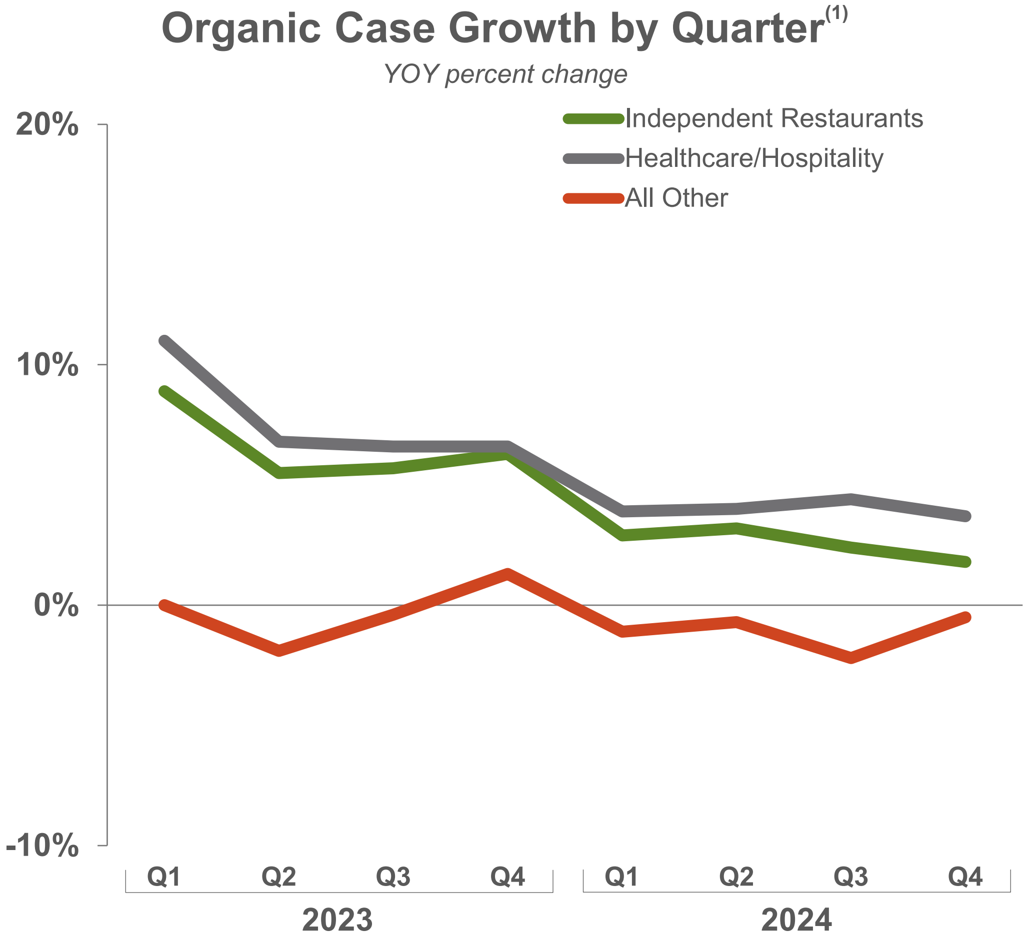
- **~5%** Net Sales CAGR
- **~10%** Adj. EBITDA CAGR
- **20bps+** Annual Adj. EBITDA Margin Expansion
- **~20%** Adj. Diluted EPS CAGR

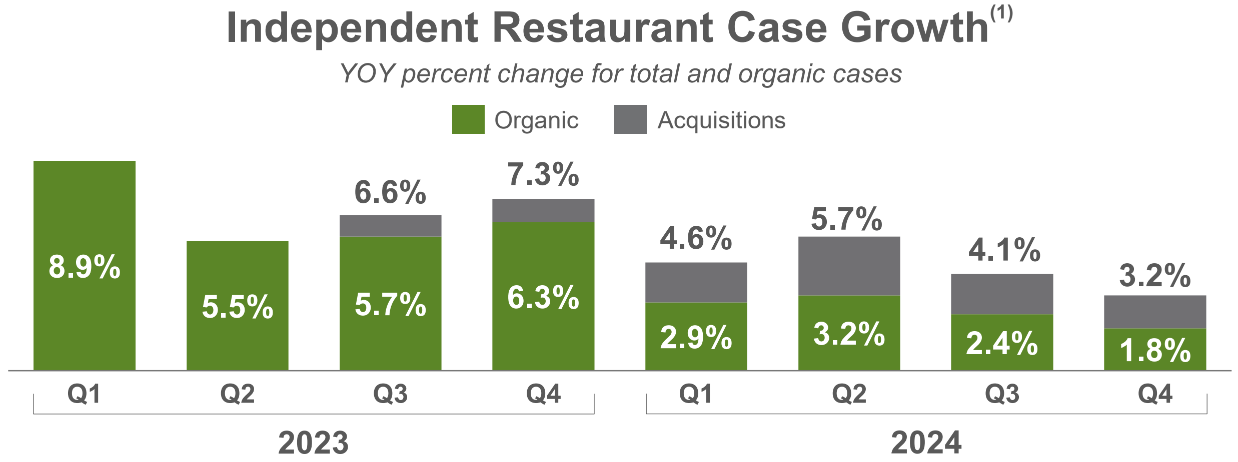
Deployable Capital of $4B+ from 2025E to 2027E

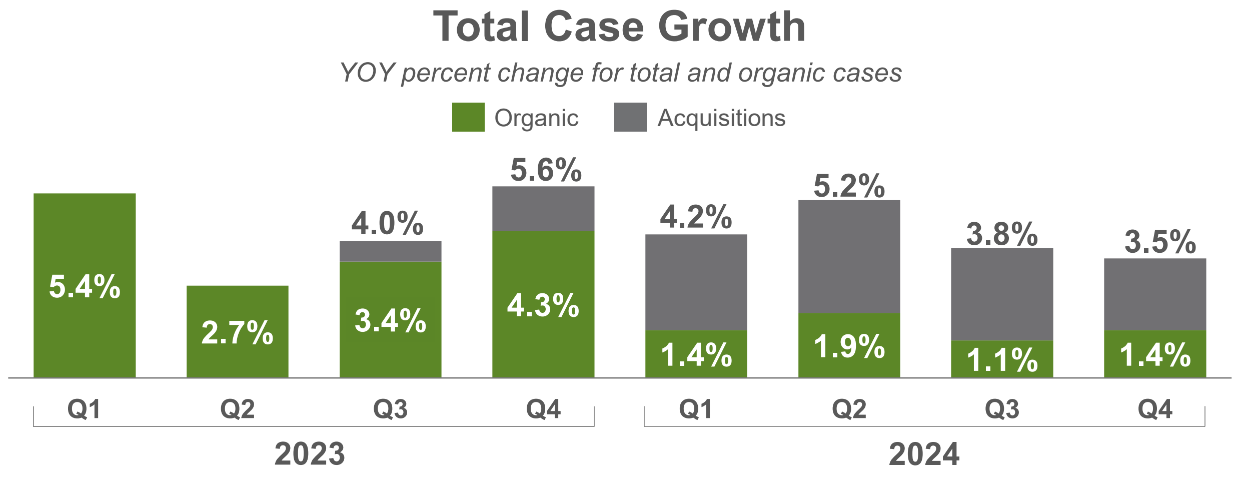
Appendix

Summary Non-GAAP Reconciliations

Quarterly Case Volume Trend vs. Prior Year



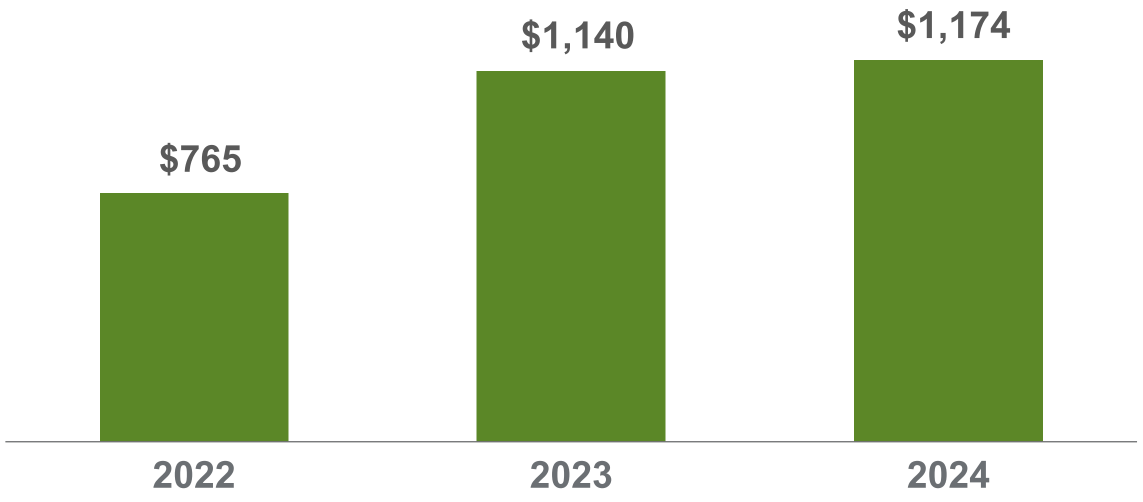




(1) Independent restaurant case volume is for the Company's broadline business and excludes impact from CHEF'STORE, which is recorded as "All Other" case volume. Prior periods have been revised to conform with the current presentation.

Strong Operating Cash Flow Yields Financial Flexibility

Operating Cash Flow ($M)



	2022	2023	2024
Operating Cash Flow (OCF)	$765	$1,140	$1,174
Change in Net Working Capital(1)	$43	$117	$18
OCF less change in NWC(1)	**$722**	**$1,023**	**$1,156**

Capital Allocation Priorities

1. Invest in the business
2. Return capital to shareholders
3. Maintain net leverage within target range of 2.0 to 3.0x
4. Pursue accretive tuck-in M&A

(1) Net Working Capital (NWC) defined as changes in operating assets and liabilities as shown in the Consolidated Statements of Cash Flows.

Debt Summary

($ in millions)	Maturity	Interest Terms	Interest Rates as of December 28, 2024	Carrying Value as of December 28, 2024	Carrying Value as of December 30, 2023
ABL Facility	December 7, 2027	Term SOFR + CSA	6.11%	$223	-
2019 Incremental Term Loan Facility (net of $0 and $11 of unamortized deferred financing costs, respectively)	September 13, 2026	N/A	-	-	$1,105
2021 Incremental Term Loan Facility (net of $0 and $3 of unamortized deferred financing costs, respectively)	November 22, 2028	1M Term SOFR + 1.75%	6.32%	$610	$718
2024 Incremental Term Loan Facility (net of $8 and $0 of unamortized deferred financing costs, respectively)	October 3, 2031	1M Term SOFR + 1.75%	6.32%	$717	-
Total Floating Rate Debt				**$1,550**	**$1,824**
Senior Notes due 2028 (net of $4 and $5 of unamortized deferred financing costs, respectively)	September 15, 2028		6.88%	$496	$495
Senior Notes due 2029 (net of $5 and $6 of unamortized deferred financing costs, respectively)	February 15, 2029		4.75%	$895	$894
Senior Notes due 2030 (net of $3 and $4 of unamortized deferred financing costs, respectively)	June 1, 2030		4.63%	$497	$496
Senior Notes due 2032 (net of $4 and $5 of unamortized deferred financing costs, respectively)	January 15, 2032		7.25%	$496	$495
Senior Notes due 2033 (net of $4 and $0 of unamortized deferred financing costs, respectively)	April 15, 2033		5.75%	$496	-
Obligations under financing leases(1)	2025 – 2037		1.26%-8.31%	$490	$463
Other Debt	January 1, 2031		5.75%	$8	$8
Total Fixed Rate(1)				**$3,378**	**$2,851**
Total Debt				**$4,928**	**$4,674**
Less: Cash				($59)	($269)
Net Debt(2)				**$4,869**	**$4,405**
Net Debt Leverage Ratio(2)				**2.8x**	**2.8x**
% Floating Rate(3)				**~32%**	**~30%**

(1) Includes $26 million and $34 million of floating rate debt related to synthetic leases as of December 28, 2024 and December 30, 2023, respectively
(2) Reconciliations of these non-GAAP measures are provided in this Appendix
(3) Floating Rate % includes the impact of interest rate caps
(4) The Company's maximum exposure to the variable component of interest against term loans will be 5% on the notional amount covered by interest rate caps

- Maintained net leverage within target range of 2.0 – 3.0x
- Repurchased $958M of shares in 2024 and an additional $23M Q1 to date
- Q4 debt refinancing:
  - Issued $500M of senior notes due 2033 and used proceeds to repay a portion of term loan facilities due 2026 and 2028
  - Extended maturity of remaining balance of term loan facility due 2026 to 2031
  - Lowered interest rate margin on both term loan facilities by 25 basis points
  - Eliminated 11 basis point credit spread adjustment on term loan facility due 2031

Fourth Quarter Financial Performance

(Case volume and $ in millions, except per share data)	**Reported** (unaudited)			**Adjusted**(1) (unaudited)		
	13 Weeks Ended			**13 Weeks Ended**		
	December 28, 2024	**December 30, 2023**	**Change**	**December 28, 2024**	**December 30, 2023**	**Change**
Case Volume	208	201	3.5%			
Net Sales	$9,491	$8,936	6.2%			
Gross Profit	$1,666	$1,590	4.8%	$1,659	$1,547	7.2%
% of Net Sales	17.6%	17.8%	(24 bps)	17.5%	17.3%	17 bps
Operating Expenses	$1,364	$1,312	4.0%	$1,217	$1,161	4.8%
% of Net Sales	14.4%	14.7%	(31 bps)	12.8%	13.0%	(17 bps)
Net Income	$66	$147	(55.1%)	$197	$160	23.1%
Diluted EPS(2)	$0.28	$0.59	(52.5%)	$0.84	$0.64	31.3%
Adjusted EBITDA				**$441**	**$388**	**13.7%**
Adjusted EBITDA Margin(3)				**4.6%**	**4.3%**	**30 bps**

(1) Reconciliations of these non-GAAP measures are provided in this Appendix.
(2) Adjusted Diluted EPS is calculated as Adjusted Net Income divided by Non-GAAP weighted average diluted shares outstanding.
(3) Represents Adjusted EBITDA as a percentage of Net Sales.

Full Year 2024 Financial Performance

(Case volume and $ in millions, except per share data)	Reported (unaudited)			Adjusted[1] (unaudited)		
	Year Ended			Year Ended		
	December 28, 2024	December 30, 2023	Change	December 28, 2024	December 30, 2023	Change
Case Volume	841	807	4.2%			
Net Sales	$37,877	$35,597	6.4%			
Gross Profit	$6,534	$6,148	6.3%	$6,595	$6,147	7.3%
% of Net Sales	17.3%	17.3%	(2 bps)	17.4%	17.3%	14 bps
Operating Expenses	$5,435	$5,131	5.9%	$4,848	$4,594	5.5%
% of Net Sales	14.3%	14.4%	(7 bps)	12.8%	12.9%	(11 bps)
Net Income	$494	$506	(2.4%)	$770	$658	17.0%
Diluted EPS[2]	$2.02	$2.02	-	$3.15	$2.63	19.8%
Adjusted EBITDA				**$1,741**	**$1,559**	**11.7%**
Adjusted EBITDA Margin[3]				**4.6%**	**4.4%**	**22 bps**

(1) Reconciliations of these non-GAAP measures are provided in this Appendix.
(2) Adjusted Diluted EPS is calculated as Adjusted Net Income divided by Non-GAAP weighted average diluted shares outstanding.
(3) Represents Adjusted EBITDA as a percentage of Net Sales.

Non-GAAP Reconciliation – Adjusted Gross Profit per Case, Adjusted Operating Expense per Case, Adjusted EBITDA per Case

	Adjusted[1] (unaudited)			
	13 Weeks Ended		Year Ended	
(Total cases and $ in millions, except per case data)	December 28, 2024	December 30, 2023	December 28, 2024	December 30, 2023
Total Cases	208	201	841	807
Adjusted GP	$1,659	$1,547	$6,595	$6,147
Adjusted GP / Case	$7.99	$7.71	$7.85	$7.62
Adjusted OPEX	$1,217	$1,161	$4,848	$4,594
Adjusted OPEX / Case	$5.86	$5.78	$5.77	$5.69
Adjusted EBITDA	$441	$388	$1,741	$1,559
Adjusted EBITDA / Case	$2.12	$1.93	$2.07	$1.93

(1) Reconciliations of these non-GAAP measures are provided in this Appendix.

Non-GAAP Reconciliation – Adjusted Gross Profit and Adjusted Operating Expenses

($ in millions)	13 Weeks Ended (unaudited) December 28, 2024	13 Weeks Ended (unaudited) December 30, 2023	Year Ended (unaudited) December 28, 2024	Year Ended (unaudited) December 30, 2023
Gross Profit (GAAP)	**$1,666**	**$1,590**	**$6,534**	**$6,148**
LIFO reserve adjustment[(1)]	(7)	(43)	61	(1)
Adjusted Gross Profit (Non-GAAP)	**$1,659**	**$1,547**	**$6,595**	**$6,147**
Operating Expenses (GAAP)	**$1,364**	**$1,312**	**$5,435**	**$5,131**
Adjustments:				
Depreciation expense	(96)	(93)	(384)	(349)
Amortization expense	(15)	(12)	(54)	(46)
Restructuring activity and asset impairment charges[(2)]	(3)	(12)	(25)	(14)
Share-based compensation expense[(3)]	(17)	(13)	(63)	(56)
Business transformation costs[(4)]	(11)	(12)	(39)	(28)
Business acquisition, integration related costs and other[(5)]	(5)	(9)	(22)	(44)
Adjusted Operating Expenses (Non-GAAP)	**$1,217**	**$1,161**	**$4,848**	**$4,594**

(1) – (5) footnotes located on next slide

Non-GAAP Reconciliation – Adjusted Gross Profit and Adjusted Operating Expenses

1. Represents the impact of LIFO reserve adjustments.

2. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.

3. Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.

4. Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable technology. For the 13 weeks and 52 weeks ended December 28, 2024, business transformation costs related to projects associated with information technology infrastructure initiatives and related workforce efficiencies. For the 13 weeks and 52 weeks ended December 30, 2023, business transformation costs related to projects associated with information technology infrastructure initiatives.

5. Includes: (i) aggregate acquisition, integration related costs and planned divestiture costs of $5 million and $9 million for the 13 weeks ended December 28, 2024 and December 30, 2023, respectively and $22 million and $41 million for the 52 weeks ended December 28, 2024 and December 30, 2023, respectively; (ii) CEO sign on bonus of $3 million for the 52 weeks ended December 30, 2023; (iii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.

Non-GAAP Reconciliation – Adjusted EBITDA and Adjusted Net Income

($ in millions)	13 Weeks Ended (unaudited) December 28, 2024		13 Weeks Ended (unaudited) December 30, 2023		Year Ended (unaudited) December 28, 2024		Year Ended (unaudited) December 30, 2023	
Net income available to common shareholders and net income margin (GAAP)	**$66**	**0.7%**	**$147**	**1.6%**	**$494**	**1.3%**	**$499**	**1.4%**
Series A Preferred Stock Dividends	-		-		-		(7)	
Net income and net income margin (GAAP)	**66**	**0.7%**	**147**	**1.6%**	**494**	**1.3%**	**506**	**1.4%**
Interest expense—net	80		80		315		324	
Income tax provision	21		53		150		172	
Depreciation expense	96		93		384		349	
Amortization expense	15		12		54		46	
EBITDA and EBITDA margin (Non-GAAP)	**$278**	**2.9%**	**$385**	**4.3%**	**$1,397**	**3.7%**	**$1,397**	**3.9%**
Adjustments:								
Restructuring activity and asset impairment charges(1)	3		12		25		14	
Share-based compensation expense(2)	17		13		63		56	
LIFO reserve adjustment(3)	(7)		(43)		61		(1)	
Loss on extinguishment of debt(4)	10		-		10		21	
Recognition of net actuarial loss for pension settlement(5)	124		-		124		-	
Business transformation costs(6)	11		12		39		28	
Business acquisition, integration related costs, divestitures and other(7)	5		9		22		44	
Adjusted EBITDA and Adjusted EBITDA margin (Non-GAAP)	**$441**	**4.6%**	**$388**	**4.3%**	**$1,741**	**4.6%**	**$1,559**	**4.4%**
Depreciation expense	(96)		(93)		(384)		(349)	
Interest expense—net	(80)		(80)		(315)		(324)	
Income tax impact, as adjusted(8)	(68)		(55)		(272)		(228)	
Adjusted Net Income (Non-GAAP)	**$197**		**$160**		**$770**		**$658**	

(1) – (8) footnotes located on next slide

Non-GAAP Reconciliation – Adjusted EBITDA and Adjusted Net Income

1. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
2. Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.
3. Represents the impact of LIFO reserve adjustments.
4. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.
5. Recognition of net actuarial loss for pension settlement represents non-recurring expense for the termination of certain defined benefit plans.
6. Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable technology. For the 13 weeks and 52 weeks ended December 28, 2024, business transformation costs related to projects associated with information technology infrastructure initiatives and related workforce efficiencies. For the 13 weeks and 52 weeks ended December 30, 2023, business transformation costs related to projects associated with information technology infrastructure initiatives.
7. Includes: (i) aggregate acquisition, integration related costs and planned divestiture costs of $5 million and $9 million for the 13 weeks ended December 28, 2024 and December 30, 2023, respectively and $22 million and $41 million for the 52 weeks ended December 28, 2024 and December 30, 2023, respectively; (ii) CEO sign on bonus of $3 million for the 52 weeks ended December 30, 2023; (iii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.
8. Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted net income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted net income is computed using a statutory tax rate after taking into account the impact of permanent differences and valuation allowances.

Non-GAAP Reconciliation – Adjusted Diluted Earnings Per Share (EPS)

	13 Weeks Ended (unaudited)		**Year Ended** (unaudited)	
	December 28, 2024	**December 30, 2023**	**December 28, 2024**	**December 30, 2023**
Diluted EPS (GAAP)	**$0.28**	**$0.59**	**$2.02**	**$2.02**
Restructuring activity and asset impairment charges(1)	0.01	0.05	0.10	0.06
Share-based compensation expense(2)	0.07	0.05	0.26	0.22
LIFO reserve adjustment(3)	(0.03)	(0.17)	0.25	-
Loss on extinguishment of debt(4)	0.04	-	0.04	0.08
Recognition of net actuarial loss for pension settlement(5)	0.53	-	0.51	-
Business transformation costs(6)	0.05	0.05	0.16	0.11
Business acquisition, integration related costs, divestitures and other(7)	0.02	0.04	0.09	0.18
Income tax provision, as adjusted(8)	(0.13)	0.03	(0.28)	(0.04)
Adjusted Diluted EPS (Non-GAAP)(9)	**$0.84**	**$0.64**	**$3.15**	**$2.63**
Weighted-average diluted shares outstanding (Non-GAAP)(10)	**235,752,896**	**248,204,734**	**244,113,626**	**249,984,664**

(1) – (10) footnotes located on next slide

Non-GAAP Reconciliation – Adjusted Diluted Earnings Per Share (EPS)

1. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
2. Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.
3. Represents the impact of LIFO reserve adjustments.
4. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.
5. Recognition of net actuarial loss for pension settlement represent non-recurring expense for the termination of certain defined benefit plans.
6. Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable technology. For the 13 weeks and 52 weeks ended December 28, 2024, business transformation costs related to projects associated with information technology infrastructure initiatives and related workforce efficiencies. For the 13 weeks and 52 weeks ended December 30, 2023, business transformation costs related to projects associated with information technology infrastructure initiatives
7. Includes: (i) aggregate acquisition, integration related costs and planned divestiture costs of $5 million and $9 million for the 13 weeks ended December 28, 2024 and December 30, 2023, respectively and $22 million and $41 million for the 52 weeks ended December 28, 2024 and December 30, 2023, respectively; (ii) CEO sign on bonus of $3 million for the 52 weeks ended December 30, 2023; (iii) other gains, losses or costs that we are permitted to addback for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.
8. Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using a statutory tax rate after taking into account the impact of permanent differences and valuation allowances
9. Adjusted Diluted EPS is calculated as Adjusted net income divided by weighted average diluted shares outstanding (Non-GAAP).
10. For purposes of the Adjusted Diluted EPS calculation (Non-GAAP), when the Company has net income (GAAP), weighted average diluted shares outstanding (Non-GAAP) is used and assumes conversion of the Series A convertible preferred stock, and, when the Company has net loss (GAAP) and assumed conversion of the Series A convertible preferred stock would be antidilutive, weighted-average diluted shares outstanding (GAAP) is used.

Non-GAAP Reconciliation – Net Debt and Net Leverage Ratios

($ in millions, except ratios)	December 28, 2024	December 30, 2023	December 31, 2022
	(unaudited)		
Total Debt (GAAP)	**$4,928**	**$4,674**	**$4,854**
Cash, cash equivalents and restricted cash	(59)	(269)	(211)
Net Debt (non-GAAP)	**$4,869**	**$4,405**	**$4,643**
Adjusted EBITDA(1)	$1,741	$1,559	$1,310
Net Leverage Ratio(2)	**2.8**	**2.8**	**3.5**

(1) Trailing Twelve Months (TTM) Adjusted EBITDA.
(2) Net Debt / TTM Adjusted EBITDA.

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Adjusted EBITDA and Adjusted Net Income

	Year Ended (unaudited)					
($ in millions)	December 30, 2023		December 31, 2022		January 1, 2022	
Net income available to common shareholders and net income margin (GAAP)	**$499**	**1.4%**	**$228**	**0.7%**	**$121**	**0.4%**
Series A Preferred Stock Dividends	(7)		(37)		(43)	
Net income (GAAP)	**506**		**265**		**164**	
Interest expense—net	324		255		213	
Income tax provision	172		96		50	
Depreciation expense	349		327		323	
Amortization expense	46		45		55	
EBITDA and EBITDA margin (Non-GAAP)	**1,397**	**3.9%**	**988**	**3.3%**	**805**	**2.7%**
Adjustments:						
Restructuring costs and asset impairment charges[(1)]	14		12		11	
Share-based compensation expense[(2)]	56		45		48	
LIFO reserve adjustments[(3)]	(1)		147		165	
Loss on extinguishment of debt[(4)]	21		-		23	
Business transformation costs[(5)]	28		52		22	
Business acquisition and integration related costs and other[(6)]	44		66		(5)	
COVID-19 bad debt (benefit) expense[(7)]	-		-		(15)	
COVID-19 other related expenses[(8)]	-		-		3	
Adjusted EBITDA and Adjusted EBITDA margin (Non-GAAP)	**1,559**	**4.4%**	**1,310**	**3.8%**	**1,057**	**3.6%**
Depreciation expense	(349)		(327)		(323)	
Interest expense—net	(324)		(255)		(213)	
Income tax provision, as adjusted[(9)]	(228)		(190)		(133)	
Adjusted Net Income (Non-GAAP)	**$658**		**$538**		**$388**	

NM: Not Meaningful. (1) – (9) footnotes located on next slide.

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Adjusted EBITDA and Adjusted Net Income

1. Consists primarily of non-CEO severance and related costs associated with organizational realignment and other impairment charges. For fiscal year 2022, also consists of the write-off of old leases ROU asset and lease liability of $9 million associated with entering into new lease agreements for four distribution facilities.

2. Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.

3. Represents the impact of LIFO reserve adjustments.

4. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.

5. Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable construction or technology. For fiscal year 2023, business transformation costs related to projects associated with information technology infrastructure initiatives. For fiscal year 2022, business transformation costs consist of new facility openings, supply chain strategy improvements, and information technology infrastructure initiatives. For fiscal year 2021, business transformation costs consist primarily of costs related to significant process and systems redesign across multiple functions.

6. Includes: (i) aggregate acquisition and integration related costs of $41 million, $22 million, and $22 million for fiscal years 2023, 2022, and 2021, respectively; (ii) CEO sign on bonus of $3 million for fiscal year 2023 (iii) contested proxy and related legal and consulting costs of $21 million for fiscal year 2022; (iv) CEO severance of $5 million for fiscal year 2022; (v) favorable legal settlement recoveries of $29 million for fiscal year 2021; and (vi) other gains, losses or costs that we are permitted to add back for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.

7. Includes the changes in the reserve for doubtful accounts expense reflecting the collection risk associated with our customer base as a result of the COVID-19 pandemic.

8. Includes COVID-19 related costs that we are permitted to add back under certain agreements governing our indebtedness.

9. Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using a statutory tax rate after taking into account the impact of permanent differences and valuation allowances.

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Adjusted Diluted EPS

	Year Ended (unaudited)		
	December 30, 2023	December 31, 2022	January 1, 2022
Diluted EPS (GAAP)	**$2.02**	**$1.01**	**$0.54**
Restructuring costs and asset impairment charges(1)	0.06	0.05	0.04
Share-based compensation expense(2)	0.22	0.18	0.19
LIFO reserve adjustments(3)	-	0.59	0.66
Loss on extinguishment of debt(4)	0.08	-	0.09
Business transformation costs(5)	0.11	0.21	0.09
Business acquisition and integration related costs and other(6)	0.18	0.26	(0.02)
COVID-19 bad debt benefit(7)	-	-	(0.06)
COVID-19 other related expenses(8)	-	-	0.01
Income tax provision, as adjusted(9)	(0.04)	(0.16)	0.01
Adjusted Diluted EPS (Non-GAAP)(10)	**$2.63**	**$2.14**	**$1.55**
Weighted-average diluted shares outstanding (Non-GAAP)(11)	**249,984,664**	**251,231,662**	**249,886,068**

NM: Not Meaningful. (1) – (11) footnotes located on next slide

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Adjusted Diluted EPS

1. Consists primarily of non-CEO severance and related costs associated with organizational realignment and other impairment charges. For fiscal year 2022, also consists of the write-off of old leases ROU asset and lease liability of $9 million associated with entering into new lease agreements for four distribution facilities.
2. Share-based compensation expense for expected vesting of stock awards and employee stock purchase plan.
3. Represents the impact of LIFO reserve adjustments.
4. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.
5. Transformational costs represent non-recurring expenses prior to formal launch of strategic projects with anticipated long-term benefits to the Company. These costs generally relate to third party consulting and non-capitalizable construction or technology. For fiscal year 2023, business transformation costs related to projects associated with information technology infrastructure initiatives. For fiscal year 2022, business transformation costs consist of new facility openings, supply chain strategy improvements, and information technology infrastructure initiatives. For fiscal year 2021, business transformation costs consist primarily of costs related to significant process and systems redesign across multiple functions.
6. Includes: (i) aggregate acquisition and integration related costs of $41 million, $22 million, and $22 million for fiscal years 2023, 2022, and 2021, respectively; (ii) CEO sign on bonus of $3 million for fiscal year 2023 (iii) contested proxy and related legal and consulting costs of $21 million for fiscal year 2022; (iv) CEO severance of $5 million for fiscal year 2022; (v) favorable legal settlement recoveries of $29 million for fiscal year 2021; and (vi) other gains, losses or costs that we are permitted to add back for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.
7. Includes the changes in the reserve for doubtful accounts expense reflecting the collection risk associated with our customer base as a result of the COVID-19 pandemic.
8. Includes COVID-19 related costs that we are permitted to add back under certain agreements governing our indebtedness.
9. Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of applicable discrete tax items. Applicable discrete tax items include changes in tax laws or rates, changes related to prior year unrecognized tax benefits, discrete changes in valuation allowances, and excess tax benefits associated with share-based compensation. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using a statutory tax rate after taking into account the impact of permanent differences and valuation allowances.
10. Adjusted Diluted EPS is calculated as Adjusted net income divided by weighted average diluted shares outstanding (Non-GAAP).
11. For purposes of the Adjusted Diluted EPS calculation (Non-GAAP), when the Company has net income (GAAP), weighted average diluted shares outstanding (non-GAAP) is used and assumes conversion of the Series A convertible preferred stock and, when the Company has net loss (GAAP) and assumed conversion of the Series A convertible preferred stock would be antidilutive, weighted-average diluted shares outstanding (GAAP) is used.

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Net Leverage and Adjusted EBITDA per Case & Margin

	For the Year Ended (unaudited)		
($ in millions, except ratios)	December 30, 2023	December 31, 2022	January 1, 2022
Total Debt (GAAP)	**$4,674**	**$4,854**	**$5,011**
Cash, cash equivalents and restricted cash	(269)	(211)	(148)
Net Debt (Non-GAAP)	**$4,405**	**$4,643**	**$4,863**
Adjusted EBITDA(1)	1,559	1,310	1,057
Net Leverage Ratio(2)	**2.8**	**3.5**	**4.6**
Case Count (in millions)	807	773	760
Adjusted Gross Profit (Non-GAAP)	$6,147	$5,639	$4,820
Adjusted Gross Profit per Case	**$7.62**	**$7.29**	**$6.34**
Adjusted Operating Expenses (Non-GAAP)	$4,594	$4,351	$3,789
Adjusted Operating Expenses per Case	**$5.69**	**$5.63**	**$4.98**
Adjusted EBITDA(1)	$1,559	$1,310	$1,057
Net Sales (GAAP)	35,597	34,057	29,487
Adjusted EBITDA per Case	**$1.93**	**$1.69**	**$1.39**
Adjusted EBITDA Margin %(1)	**4.4%**	**3.8%**	**3.6%**

(1) – (2) footnotes located on next slide

Non-GAAP to GAAP Reconciliation – 2021 to 2023 Net Leverage and Adjusted EBITDA per Case & Margin

1. EBITDA is defined as net income, plus interest expense—net, income tax provision, and depreciation and amortization. Adjusted EBITDA is defined as EBITDA adjusted for: (1) restructuring costs and asset impairment charges; (2) share-based compensation expense; (3) the impact of LIFO reserve adjustments; (4) loss on extinguishment of debt; (5) business transformation costs; and (6) other gains, losses, or costs as specified in the agreements governing our indebtedness. Adjusted EBITDA Margin is Adjusted EBITDA divided by total net sales. Adjusted Net Income is defined as net income excluding the items used to calculate Adjusted EBITDA listed above and further adjusted for the tax effect of the exclusions and discrete tax items. EBITDA, Adjusted EBITDA, and Adjusted Net Income as presented are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. They are not measurements of our performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP.

2. Net Debt/TTM Adjusted EBITDA.

Non-GAAP to GAAP Reconciliation – 2021 to 2024 ROIC

	For the Year Ended (unaudited)			
($ in millions)	December 28, 2024	December 30, 2023	December 31, 2022	January 1, 2022
Operating Income (GAAP)	**$1,099**	**$1,017**	**$594**	**$424**
Other income	(6)	6	22	26
Loss on extinguishment of debt(1)	(10)	(21)	-	(23)
Recognition of net actuarial loss for pension settlement(5)	(124)	-	-	-
Adjustments:				
Restructuring costs and asset impairment charges(2)	25	14	12	11
Share-based compensation expense(3)	63	56	45	48
LIFO reserve adjustments(4)	61	(1)	147	165
Loss on extinguishment of debt(1)	10	21	-	23
Recognition of net actuarial loss for pension settlement(5)	124			
Business transformation costs(6)	39	28	52	22
Business acquisition and integration related costs and other(7)	22	44	66	(5)
COVID-19 bad debt benefit(8)	-	-	-	(15)
COVID-19 other related expenses(9)	-	-	-	3
Adjusted Operating Income (Non-GAAP)	**$1,303**	**$1,164**	**$938**	**$679**
Income tax provision, as adjusted (@ 25.5%)	(332)	(297)	(239)	(173)
Tax adjusted amortization	40	34	34	41
Adjusted Operating Income after tax excluding amortization (Non-GAAP)	**$1,011**	**$901**	**$732**	**$547**
Invested Capital:				
Average of Total Assets (excluding operating right of use assets)	12,992	12,702	12,381	12,196
Average of Adjustments:				
Cash	(165)	(240)	(180)	(488)
Non-Interest bearing current liabilities	(3,044)	(2,802)	(2,532)	(2,113)
Intangible Assets	(819)	(794)	(808)	(861)
Goodwill	(5,739)	(5,661)	(5,625)	(5,631)
Average Invested Capital	**$3,225**	**$3,205**	**$3,236**	**$3,103**
Return on Invested Capital	**31%**	**28%**	**23%**	**18%**

(1) – (9) footnotes located on next slide.

Non-GAAP to GAAP Reconciliation – 2021 to 2024 ROIC

1. Includes early redemption premium and the write-off of certain pre-existing debt issuance costs.
2. Consists primarily of severance and related costs, organizational realignment costs and asset impairment charges.
3. Share-based compensation expense for the expected vesting of stock awards and employee stock purchase plan.
4. Represents the non-cash impact of LIFO reserve adjustments.
5. Recognition of net actuarial loss for pension settlement represents non-recurring expense for the termination of certain defined benefit plans.
6. Consists primarily of costs related to significant process and systems redesign across multiple functions.
7. Includes: (i) aggregate acquisition and integration related costs of $41 million, $22 million, and $22 million for fiscal years 2023, 2022, and 2021, respectively; (ii) CEO sign on bonus of $3 million for fiscal year 2023 (iii) contested proxy and related legal and consulting costs of $21 million for fiscal year 2022; (iv) CEO severance of $5 million for fiscal year 2022; (v) favorable legal settlement recoveries of $29 million for fiscal year 2021; and (vi) other gains, losses or costs that we are permitted to add back for purposes of calculating Adjusted EBITDA under certain agreements governing our indebtedness.
8. Includes the changes in the reserve for doubtful accounts expense reflecting the collection risk associated with our customer base as a result of the COVID-19 pandemic.
9. Includes COVID-19 related costs that we are permitted to add back under certain agreements governing our indebtedness.

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