



Aramark Fourth Quarter and Fiscal Year 2021 Earnings Results

November 16, 2021

Forward-Looking Statements

Special Note About Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect our current expectations as to future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. These statements include, but are not limited to, statements under the heading "Fiscal 2022 Outlook," "COVID Index Overview," "COVID Index Snapshot and Trend," "AOI Margin Progression," "Building Off FY21 Annualized Net New Business Momentum" and those related to our expectations regarding the impact of the ongoing COVID-19 pandemic, the performance of our business, our financial results, our operations, our liquidity and capital resources, the conditions in our industry and our growth strategy. In some cases, forward-looking statements can be identified by words such as "outlook," "aim," "anticipate," "are or remain or continue to be confident," "have confidence," "estimate," "expect," "will be," "will continue," "will likely result," "project," "intend," "plan," "believe," "see," "look to" and other words and terms of similar meaning or the negative versions of such words. These forward-looking statements are subject to risks and uncertainties that may change at any time, actual results or outcomes may differ materially from those that we expected.

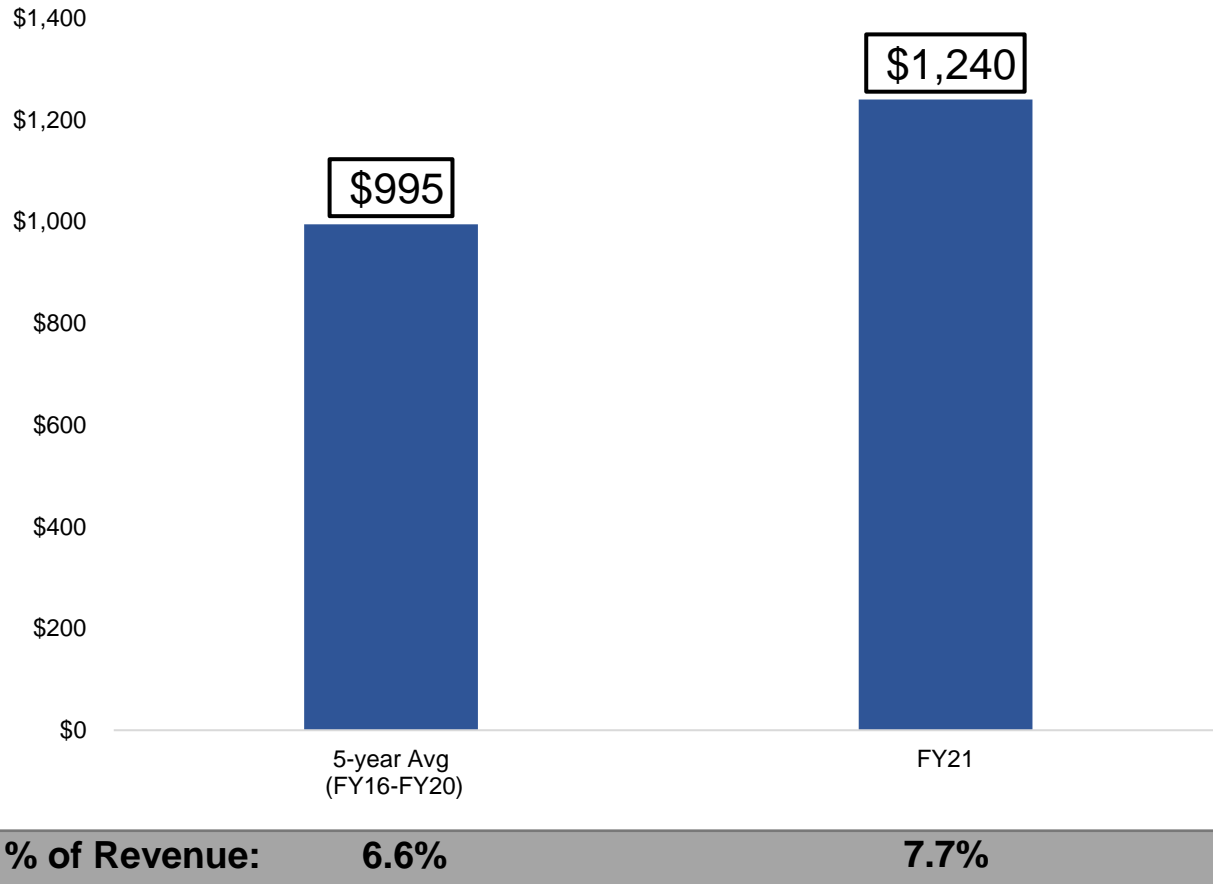
Some of the factors that we believe could affect or continue to affect our results include without limitation: the severity and duration of the COVID-19 pandemic; the pandemic's impact on the U.S. and global economies, including particularly the client sectors we serve and governmental responses to the pandemic; the manner and timing of benefits we expect to receive under the CARES Act or other government programs; unfavorable economic conditions; natural disasters, global calamities, new pandemics, sports strikes and other adverse incidents; the failure to retain current clients, renew existing client contracts and obtain new client contracts; a determination by clients to reduce their outsourcing or use of preferred vendors; competition in our industries; increased operating costs and obstacles to cost recovery due to the pricing and cancellation terms of our food and support services contracts; currency risks and other risks associated with international operations, including Foreign Corrupt Practices Act, U.K. Bribery Act and other anti-corruption law compliance; risks associated with suppliers from whom our products are sourced; disruptions to our relationship with our distribution partners; the contract intensive nature of our business, which may lead to client disputes; our expansion strategy and our ability to successfully integrate the businesses we acquire and costs and timing related thereto; continued or further unionization of our workforce; liability resulting from our participation in multiemployer defined benefit pension plans; the inability to hire and retain key or sufficient qualified personnel or increases in labor costs; laws and governmental regulations including those relating to food and beverages, the environment, wage and hour and government contracting; liability associated with noncompliance with applicable law or other governmental regulations; new interpretations of or changes in the enforcement of the government regulatory framework; the failure to maintain food safety throughout our supply chain, food-borne illness concerns and claims of illness or injury; a cybersecurity incident or other disruptions in the availability of our computer systems or privacy breaches; our leverage; the inability to generate sufficient cash to service all of our indebtedness; debt agreements that limit our flexibility in operating our business; and other factors set forth under the headings Item 1A "Risk Factors," Item 3 "Legal Proceedings" and Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other sections of our Annual Report on Form 10-K, filed with the SEC on November 24, 2020 as such factors may be updated from time to time in our other periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov and which may be obtained by contacting Aramark's investor relations department via its website at www.aramark.com. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and in our other filings with the SEC. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements included herein or that may be made elsewhere from time to time by, or on behalf of, us. Forward-looking statements speak only as of the date made. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, changes in our expectations, or otherwise, except as required by law.

Cultural Transformation and Strategic Initiatives for Accelerated Growth

- Over the course of the year, Aramark executed on strategic initiatives that resulted in a cultural transformation in the business and meaningfully accelerated the Company's growth trajectory by:
 - Adding senior leadership talent and making organizational changes that significantly bolstered industry and line of business expertise, including sales leadership in many key roles;
 - Investing in growth-oriented opportunities within the business;
 - Enhancing sales training and development programs;
 - Further aligning compensation with strategic objectives, including Net New Business which now represents 40% of the Company's bonus incentive plan across the organization;
 - Strengthening client and supplier relationships; and
 - Enhancing operating infrastructure

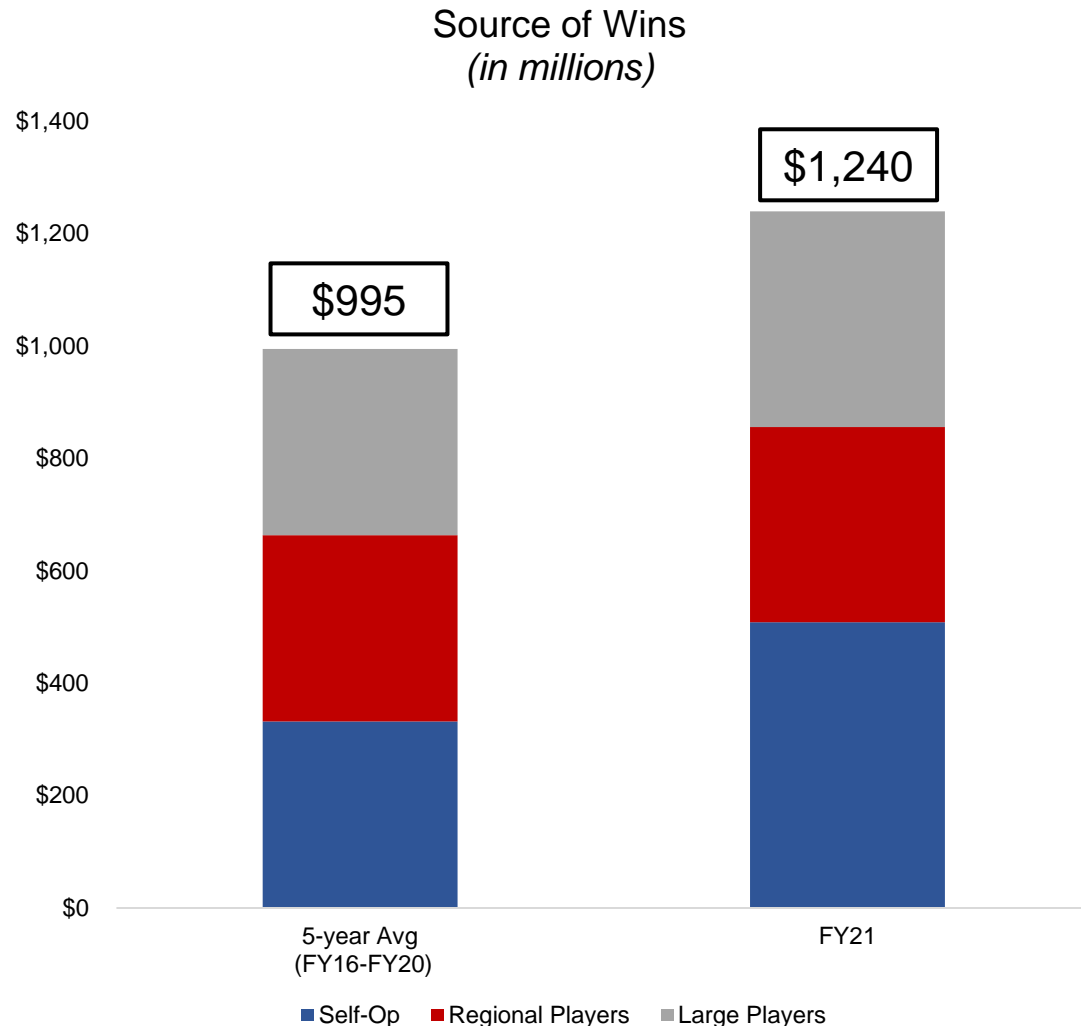
Record Annualized New Business Wins in FY 2021

Annualized New Business Wins
(in millions)



- Highest annualized gross new business performance in Company history
- Increased 25% from five-year average, due to investments in salesforce, incentive alignment and increased demand for outsourcing
- Broad-based across segments with particularly strong contribution from Education and Facilities & Other sectors within FSS US segment
- Higher Education business added a record number of new clients, further strengthening portfolio of Aramark’s largest business
- International segment continued broad-based steady growth trajectory across all countries, specifically led by industries such as mining, education, healthcare and B&I
- Uniforms added to performance, reflective of investments made in growing this business

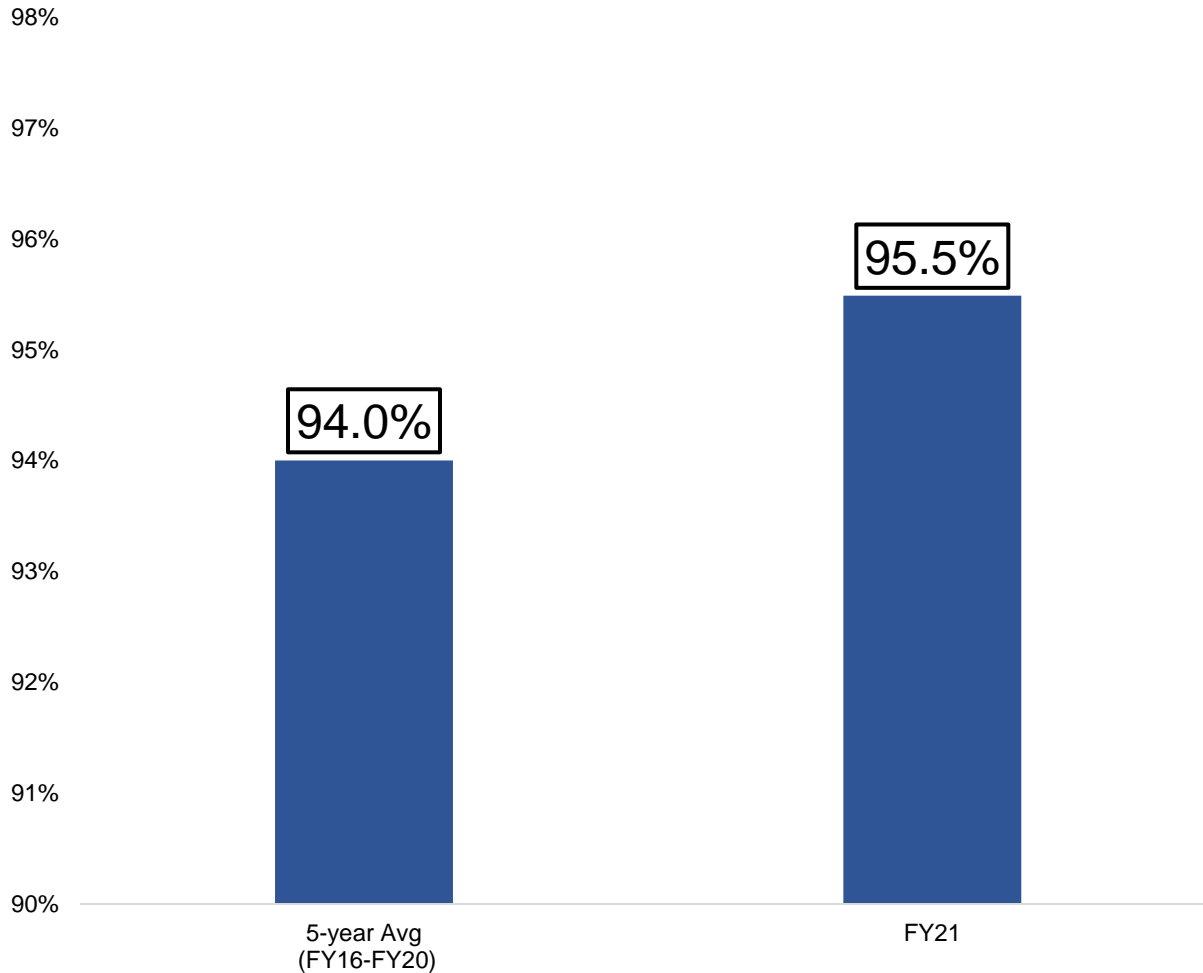
Source of Wins: Increase in First-Time Outsourcing



- Meaningful increase in wins from first-time outsourcing
- Client preference for scaled outsourcing providers as they adapt to the “new normal”
- Strengthened sales talent and new capabilities provide further differentiation in the marketplace

Significantly Improved Retention Rates

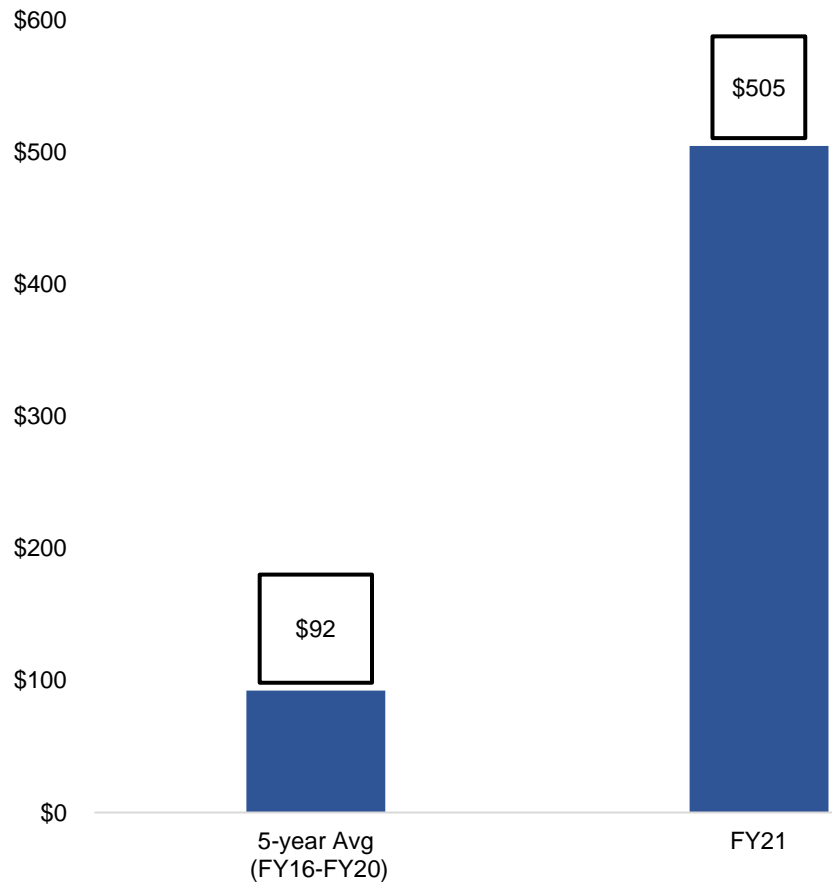
Retention



- Retention improved 150bps from five-year average
- Driven by delivering on client expectations and proactive retention efforts
- Each segment reached milestones by increasing retention rates by more than 100 bps, led by Uniforms with an improvement of 180 bps

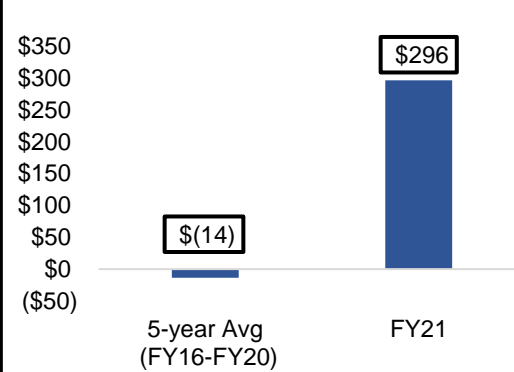
Record Annualized Net New Business in FY21

Aramark: Annualized Net New Business
(in millions)

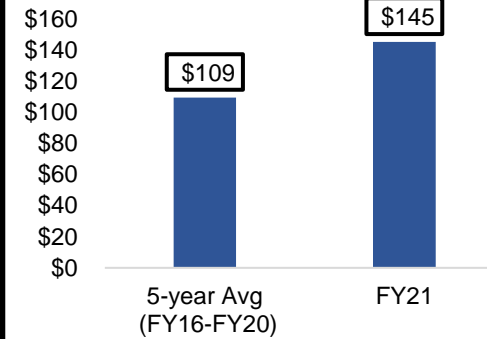


- Record Net New Business; 5x the historical five-year average
- Reflects magnitude of new business wins combined with significantly improved retention rates
- Meaningful improvement across all segments
 - FSS US – nearly \$300M following negative net new business in 3 of the prior 5 years
 - FSS Int'l – Over 30% higher than historical average
 - Uniforms – significant improvement led by stronger new business wins and 180 bps increase in retention rates

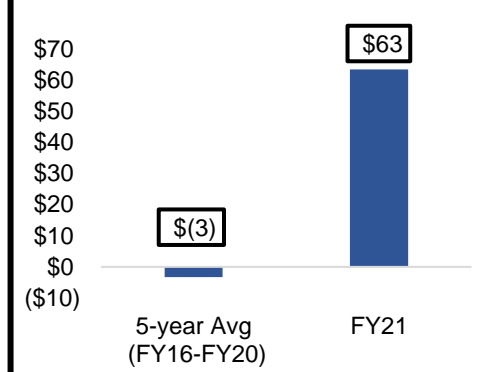
FSS US
(in millions)



FSS International
(in millions)



Uniforms
(in millions)



% of Revenue: 0.6%

3.1%

(0.1)%

3.0%

3.2%

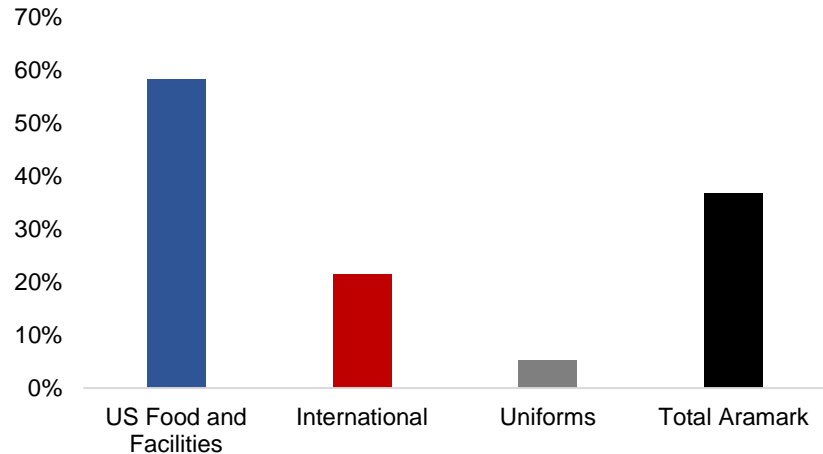
3.9%

(0.1)%

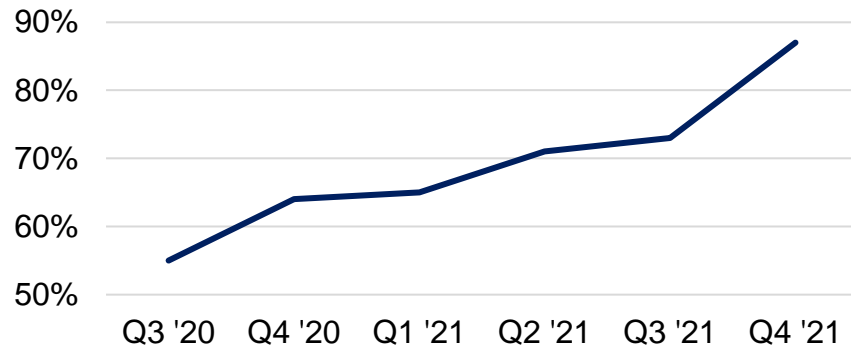
2.5%

Positive Organic Revenue Trends

Q4 Organic Revenue Growth vs PY



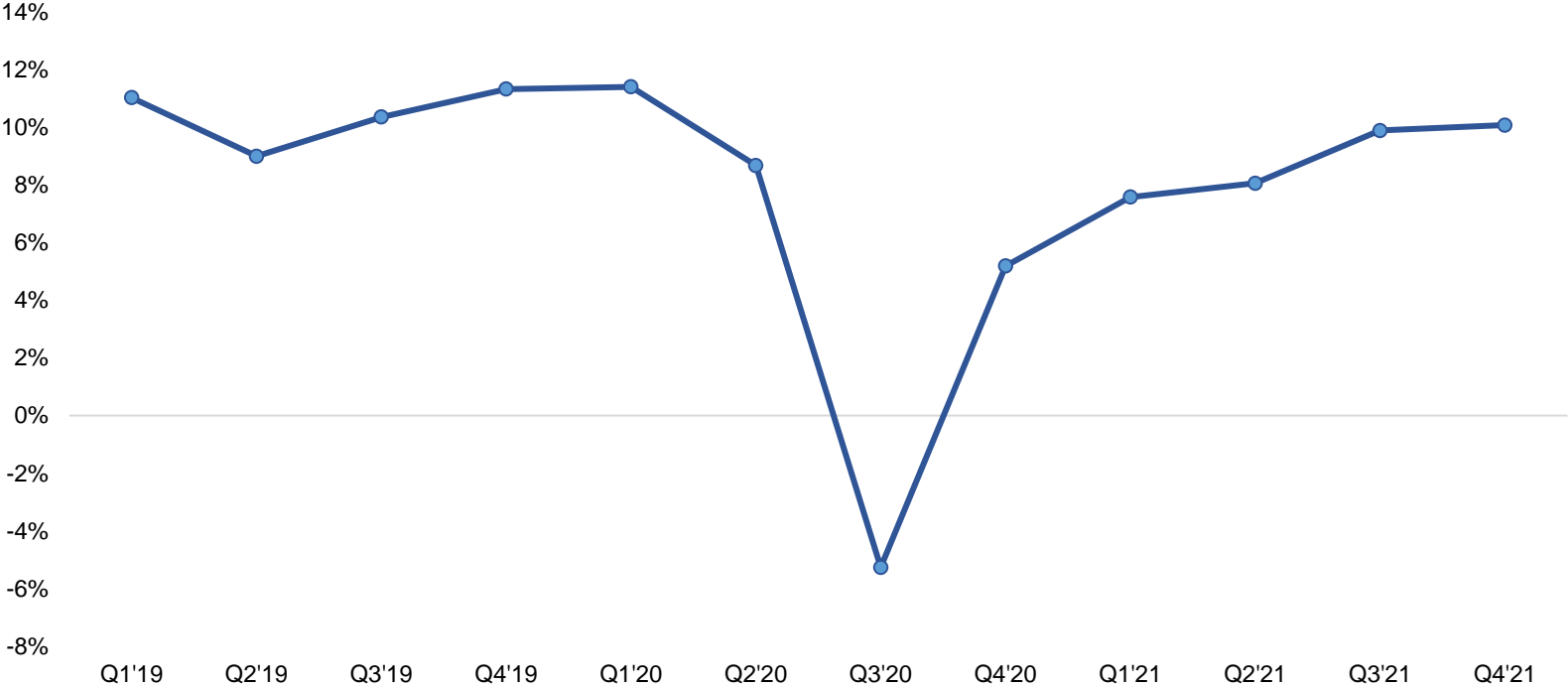
% of Fiscal '19 Organic Revenue



- An accelerated pace of new client wins, combined with improving business re-opening activity and pricing pass-through, resulted in revenue at 90% and organic revenue at 87% of pre-COVID levels
- Improved performance led by the FSS United States segment
- FSS International driven by stronger performance in Canada and Europe. Sports & Entertainment, Higher Education and white-collar Business & Industry in FSS International reported improved business activity with the pace of re-openings behind the U.S.
- Uniform & Career Apparel rental revenues approaching pre-COVID levels and agency services reporting another quarter of double-digit growth. Clients in the hospitality industry, particularly in Canada, experienced greater demand, although still below pre-COVID levels

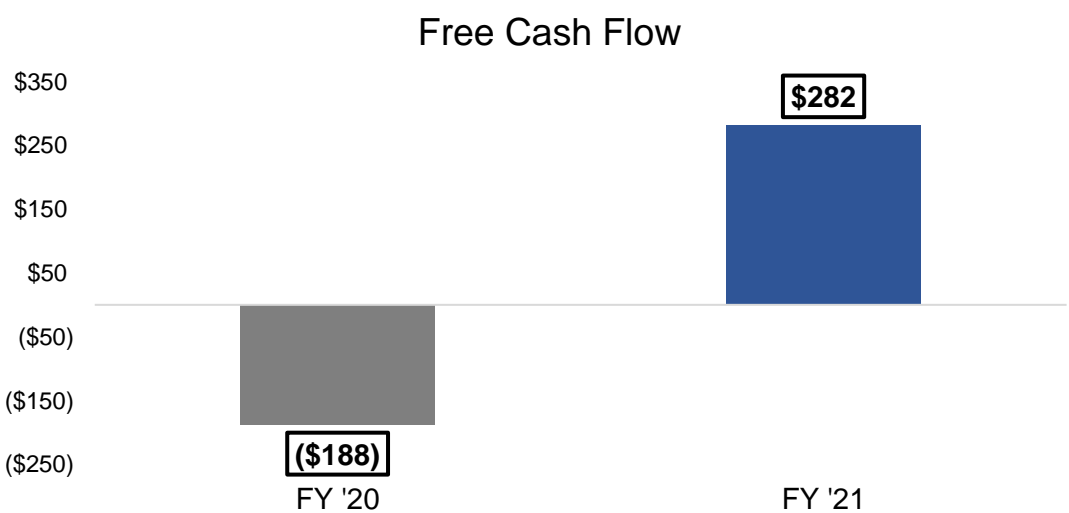
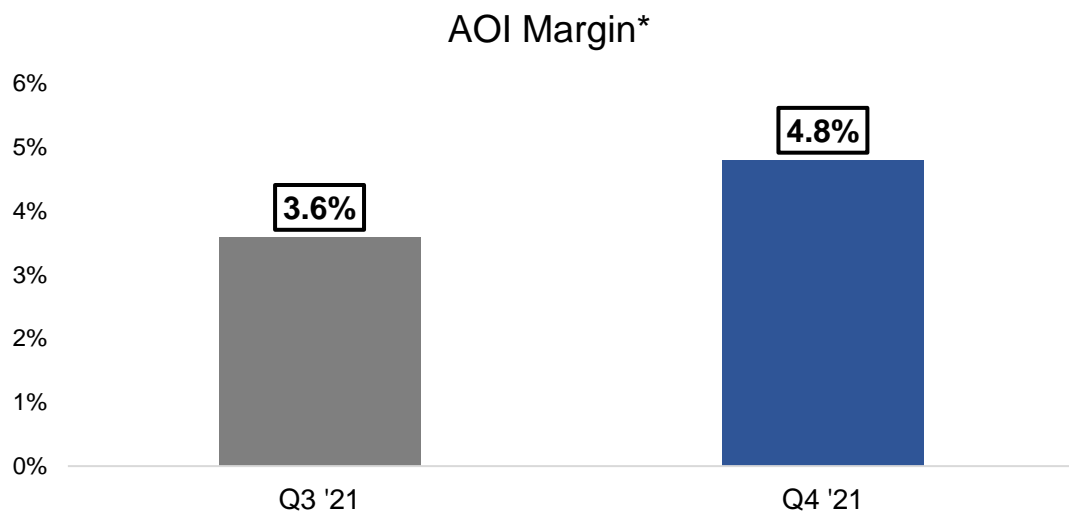
Effectively Managing Inflation and Labor

Gross Profit as a % of Revenue
(Revenue – Cost of Services Provided as a % of Revenue)



- Leveraging Aramark’s flexible operating model to effectively control costs through the recovery period
- Strategies underway to navigate current dynamic global supply chain and tight labor market
- Utilizing pricing pass-through, supply chain initiatives and operational efficiencies to manage food costs
 - In certain sectors, there is a lag between cost inflation and pricing pass-through, particularly in Higher Education and Sports & Entertainment that lock-in prices for a semester or sports season
- Managing labor through disciplined scheduling protocols and efficient resource management aligned with demand
- Leveraging innovation and technology
- Purposeful third party spend and direct costs to serve clients and drive growth

Continued to Rebuild AOI Margin and Drive Free Cash Flow Results



- Improved profitability driven by strong unit-based cost management and the ability to leverage above-unit operational and overhead support across higher sales volumes
- Cash provided by operating activities +\$480 million; Free Cash Flow +\$469 million compared to prior year
- Driven by better-than-expected working capital management and thoughtful use of capital expenditures
- Cash availability over \$2 billion at year-end

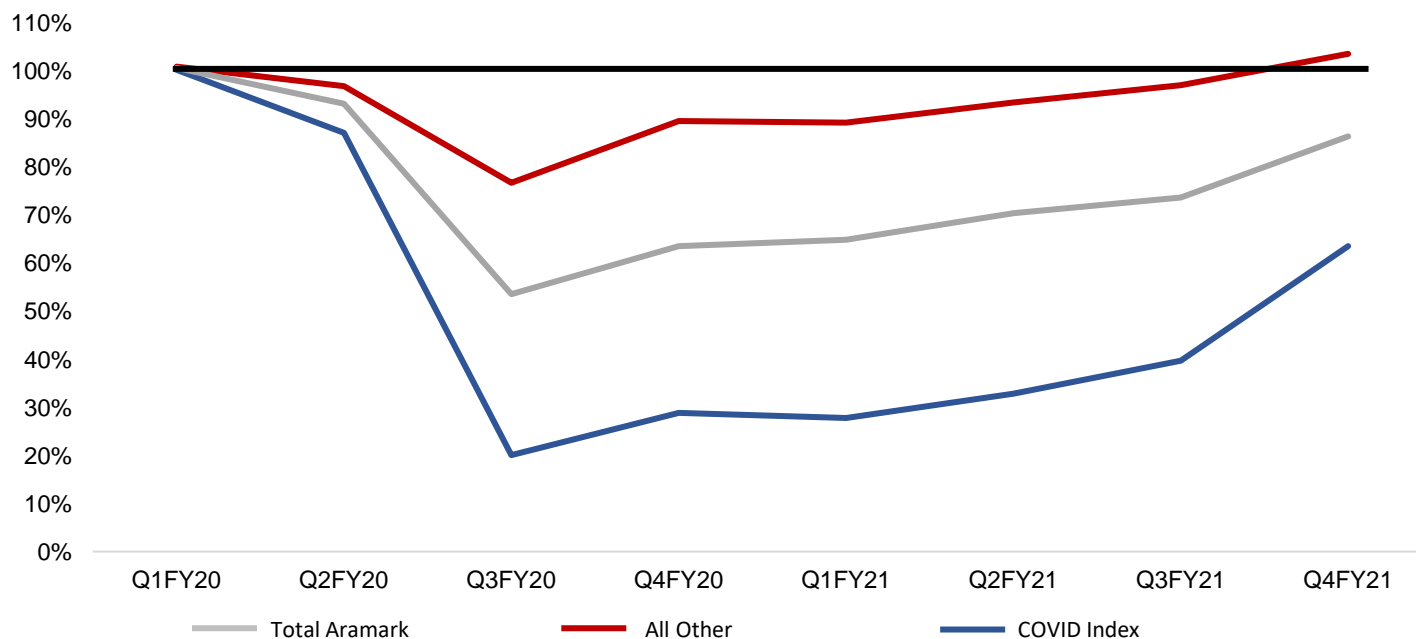
“COVID Index” Overview

- Many areas of the business have already approached or exceeded pre-COVID revenue levels
- Certain offerings within Aramark’s portfolio continue to be impacted by COVID-19. The Company has grouped them into a “COVID Index”:
 - FSS US
 - Retail/Catering in Education
 - Convention Centers/Concerts/Events in Sports, Leisure & Corrections
 - Retail/Catering in Healthcare
 - White-collar/hybrid in Business & Industry
 - FSS International
 - White-collar in Business & Industry
 - Sports & Entertainment in Europe
 - Higher Education in Canada and Europe
 - Uniform
 - Hospitality industry, particularly in Canada
- Estimated revenue impact from reduced volumes due to COVID-19:
 - Q4FY21: High-teens percentage of pre-COVID revenue
 - FY22 Guidance: 10% to 12% of pre-COVID revenue (approximately \$1.6 billion to \$1.9 billion)

Components of COVID Index

“COVID Index” Snapshot and Trend

Revenue Composition as a % of Fiscal '19



- Aramark expects continued recovery of the COVID Index, which combined with pricing pass-through and Net New Business, would drive revenue meaningfully above pre-COVID levels
- Incremental margin on anticipated recovery in the COVID Index is expected to be 15% to 20%

		% of FY Pre-COVID Revenue	Q4FY21 vs Pre-COVID
FSS U.S. Segment	<u>Education</u>	<u>20%</u>	<u>98%</u>
	Retail/Catering		80%
	All Other		107%
	<u>Sports, Leisure & Corrections</u>	<u>16%</u>	<u>82%</u>
	Convention Centers/Concerts/Events		78%
	All Other		100%
	<u>Healthcare</u>	<u>6%</u>	<u>90%</u>
	Retail/Catering		64%
	All Other		98%
	<u>Business & Industry</u>	<u>10%</u>	<u>54%</u>
	White-Collar/Hybrid		43%
	All Other		97%
	<u>Facilities & Other</u>	<u>10%</u>	<u>104%</u>
	<u>International</u>	<u>23%</u>	<u>84%</u>
White-Collar B&I		29%	
S&E in Europe		35%	
Higher Education		57%	
All Other		104%	
<u>Uniforms</u>	<u>16%</u>	<u>96%</u>	
Canada/Hospitality		80%	
All Other		102%	
COVID Basket	40%	65%	
All Other	60%	103%	
Total Aramark	100%	87%	

*Includes Pricing/Net New contribution to revenue

*Pre-COVID refers to FY19 results



Fiscal 2022 Outlook

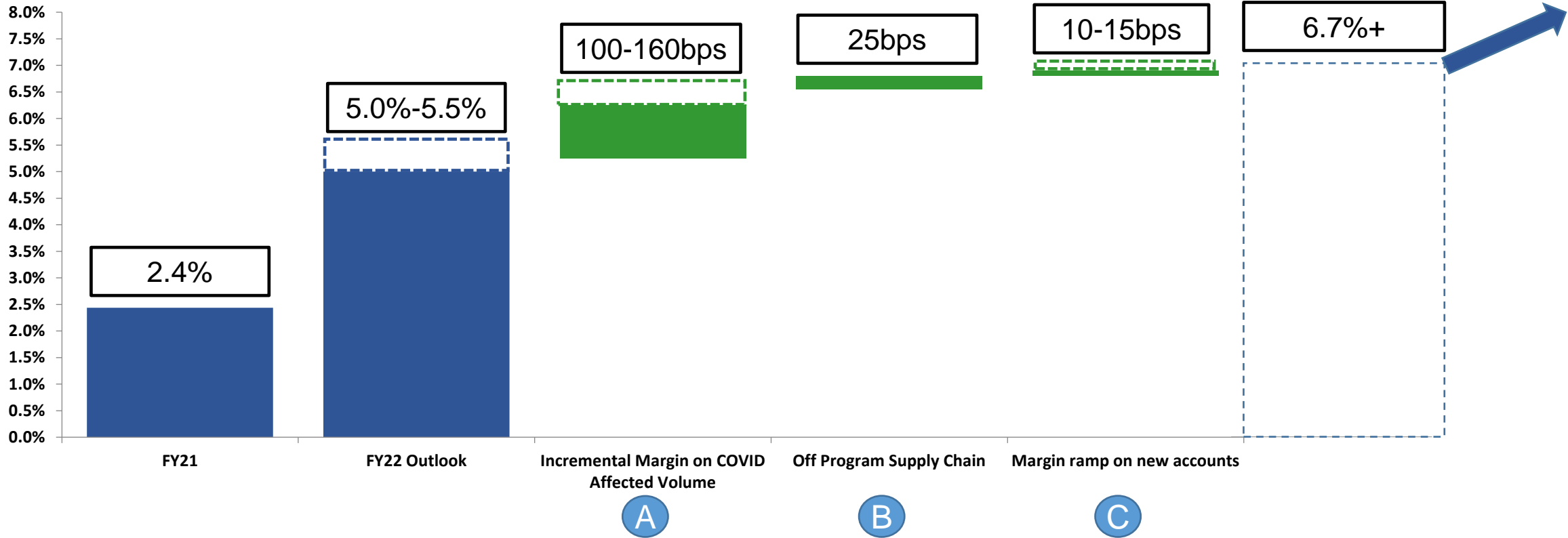
- **Organic growth between +23% and +27%, with revenue expected to approach pre-COVID levels by year-end. The impact from acquisitions and foreign currency fluctuations is expected to add approximately 2% to revenue**
 - Revenue outlook reflects a continued impact from COVID-19 in fiscal 2022 of approximately \$1.6 billion to \$1.9 billion, or approximately 10% to 12% of pre-COVID revenue, partially offset by net new business and pricing pass-through
- **Adjusted Operating Income (AOI) margin in a range of 5.0% to 5.5% with the second half of the year reaching 6.0% to 6.5%**
 - AOI margin outlook considers the impact of COVID-19, noted above. In many cases, the Company has brought back operating and above unit costs in advance of full revenue recovery. As COVID-impacted volumes recover, Aramark expects this transitional impact on AOI margin to unwind, with an incremental margin on the remaining COVID-19 volume recovery of 15% to 20%. AOI margin will also be temporarily affected by the start-up of new accounts, which typically have lower margins in year one with an acceleration thereafter. The magnitude of new account start-ups in fiscal 2022 has grown meaningfully following recent New Business wins
 - Pricing, supply chain initiatives and operational efficiencies are expected to offset cost inflation
- **Free Cash Flow between \$300 million and \$400 million, which includes repaying approximately \$65 million of deferred payroll taxes associated with the CARES Act**
- **Annualized Net New Business in a range of \$550 million to \$650 million, which would represent 3.5% to 4.0% of pre-COVID revenue and an increase relative to the record performance achieved in fiscal 2021**

Medium-Term Outlook: Aramark expects mid-single digit organic revenue growth and ongoing margin progression, with margins that exceed pre-COVID levels



The fiscal 2022 outlook reflects management's current assumptions regarding the continued impact of COVID-19 on Aramark and its clients. The extent to which COVID-19 continues to impact business, operations, and financial results, including the duration and magnitude of such impact, will depend on numerous evolving factors that are difficult to accurately predict, including those discussed in the Risk Factors set forth in the Company's filings with the U.S. Securities and Exchange Commission.

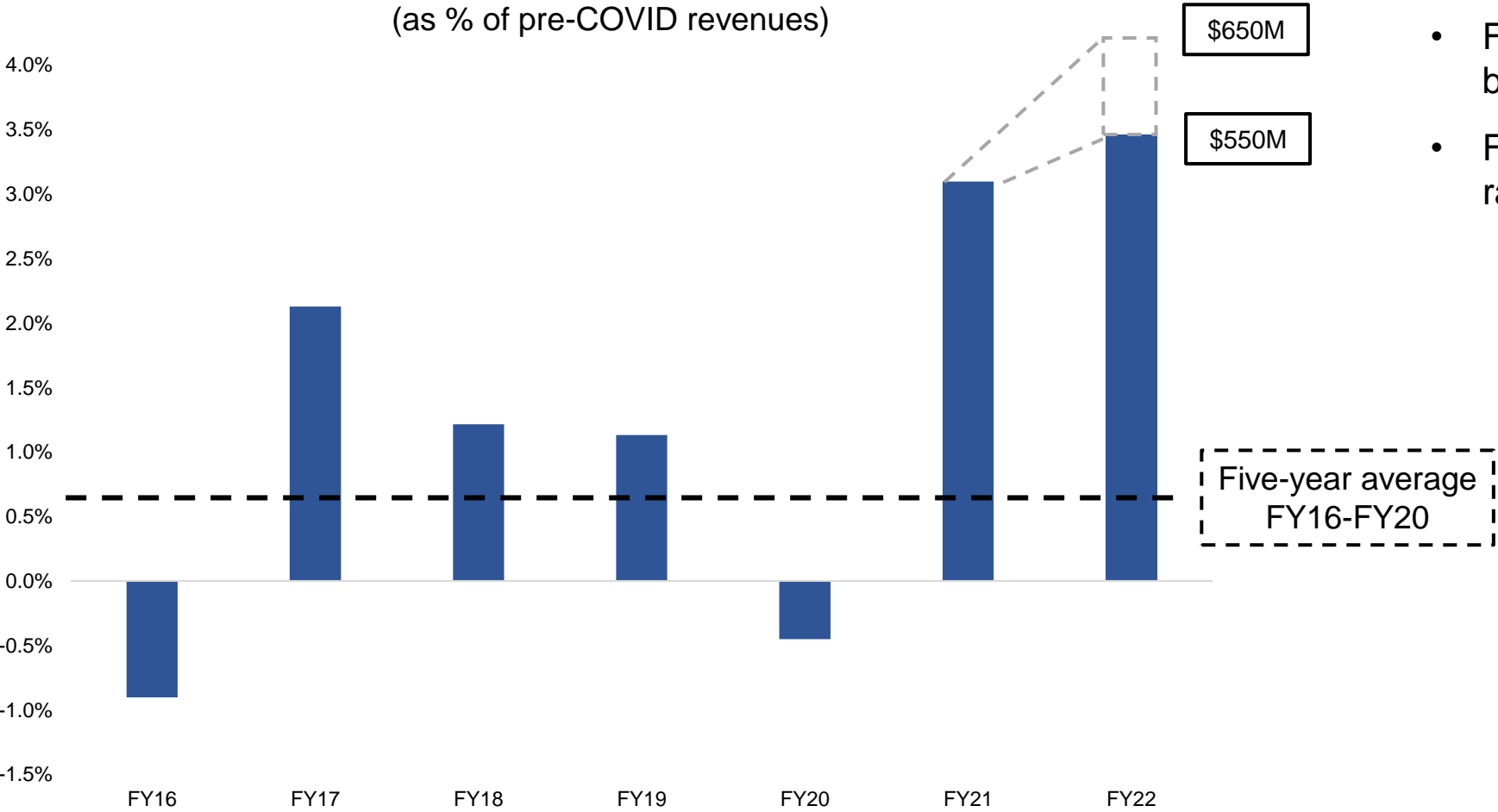
Margin Progression



- A** Recovery in remaining approximately \$1.6B to \$1.9B COVID-affected volumes at incremental AOI margin of 15% to 20%
- B** Managing global supply chain shortages to meet client needs has resulted in temporarily utilizing secondary suppliers for certain products
- C** Impact of margin ramp on new accounts following record new business performance in FY21. New accounts typically have lower margins in year one with an acceleration thereafter. In FY22, this impact is amplified by the meaningful increase in new business relative to prior years

Building Off FY21 Annualized Net New Business Momentum

Annualized Net New Business
(as % of pre-COVID revenues)



- FY22 Net New Business expected to build off record levels in FY21
- FY22 Net New Business outlook range: \$550M-\$650M. At midpoint:
 - ~3.5% to 4% of FY19 revenue
 - ~19% increase vs. FY21

Q&A

Appendix

Non-GAAP Reconciliation

- Adjusted Revenue Comparison to Fiscal 2019

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED REVENUE COMPARISON TO FISCAL 2019
(Unaudited)
(In thousands)

	Three Months Ended					
	June 26, 2020	October 2, 2020	January 1, 2021	April 2, 2021	July 2, 2021	October 1, 2021
Revenue (as reported)	\$ 2,152,253	\$ 2,692,150	\$ 2,743,789	\$ 2,819,692	\$ 2,981,220	\$ 3,551,264
Effect of Next Level Acquisition	—	—	—	—	(23,358)	(85,557)
Effect of Currency Translation*	42,099	5,424	11,593	1,243	(16,977)	(13,400)
Estimated Impact of 53rd Week	—	(177,059)	—	—	—	—
Adjusted Revenue (Organic)	\$ 2,194,352	\$ 2,520,515	\$ 2,755,382	\$ 2,820,935	\$ 2,940,885	\$ 3,452,307
Revenue as a Percentage of Fiscal 2019 Revenue (as reported)	53.66 %	68.13 %	64.33 %	70.49 %	74.33 %	89.88 %
Adjusted Revenue as a Percentage of Fiscal 2019 Adjusted Revenue (Organic)	54.71 %	63.79 %	65.27 %	70.52 %	73.32 %	87.37 %

	Three Months Ended					
	June 28, 2019	September 27, 2019	December 28, 2018	March 29, 2019	June 28, 2019	September 27, 2019
Revenue (as reported)	\$ 4,010,761	\$ 3,951,244	\$ 4,265,349	\$ 3,999,987	\$ 4,010,761	\$ 3,951,244
Effect of Divestitures	—	—	(43,680)	—	—	—
Adjusted Revenue (Organic)	\$ 4,010,761	\$ 3,951,244	\$ 4,221,669	\$ 3,999,987	\$ 4,010,761	\$ 3,951,244

* For the three month periods of January 1, 2021, April 2, 2021, July 2, 2021 and October 1, 2021, the effect of currency translation reflects the impact that fluctuations in currency translation rates had on the comparative results by translating the fiscal 2021 period balances using the foreign currency exchange rates in effect for the comparable periods of fiscal 2019.

Non-GAAP Reconciliation

- Aramark COVID Index**

	Three Months Ended								
	October 1, 2021								
	Education	Sports, Leisure & Corrections	Healthcare	Business & Industry	Facilities & Other	FSS US	FSS International	Uniforms	Aramark
Revenue (as reported)	593.5	640.0	288.3	208.6	432.5	2,162.9	765.5	622.9	3,551.3
Effect of Next Level Acquisition	-	-	(85.6)	-	-	(85.6)	-	-	(85.6)
Effect of Currency Translation ¹	-	(0.5)	-	(0.2)	(0.9)	(1.5)	(9.3)	(2.5)	(13.4)
Adjusted Revenue (Organic)	593.5	639.5	202.7	208.4	431.6	2,075.8	756.2	620.4	3,452.3
COVID Index ²	156.8	485.2	33.1	134.3	-	809.3	98.3	148.2	1,055.8
All Other	436.7	154.3	169.7	74.2	431.6	1,266.5	657.8	472.2	2,396.5
Adjusted Revenue (Organic)	593.5	639.5	202.7	208.4	431.6	2,075.8	756.2	620.4	3,452.3
Revenue as a Percentage of Fiscal 2019									
Revenue (as reported)	98%	82%	128%	54%	104%	90%	85%	96%	90%
Adjusted Revenue as a Percentage of Fiscal 2019 Adjusted Revenue (Organic)	98%	82%	90%	54%	104%	86%	84%	96%	87%
COVID Index Revenue as a Percentage of Fiscal 2019 Revenue									
COVID Index Revenue as a Percentage of Fiscal 2019 Revenue	80%	78%	64%	43%	-	68%	37%	80%	65%
All Other Revenue as a Percentage of Fiscal 2019 Revenue	107%	100%	98%	97%	104%	103%	104%	102%	103%
	Three Months Ended								
	September 27, 2019								
	Education	Sports, Leisure & Corrections	Healthcare	Business & Industry	Facilities & Other	FSS US	FSS International	Uniforms	Aramark
Revenue (as reported)	603.3	777.1	224.8	387.9	414.6	2,407.7	897.9	645.6	3,951.2
COVID Index ³	196.1	622.7	51.6	311.4	-	1,181.7	268.4	184.3	1,634.3
All Other	407.2	154.4	173.2	76.5	414.6	1,226.0	629.5	461.3	2,316.9
Adjusted Revenue (Organic)	603.3	777.1	224.8	387.9	414.6	2,407.7	897.9	645.6	3,951.2

¹The effect of currency translation reflects the impact that fluctuations in currency translation rates had on the comparative results by translating the fiscal 2021 period balances using the foreign currency exchange rates in the effect comparable period of fiscal 2019.

²The COVID Index refers to retail/catering in Education, convention centers/concerts/events in Sports, Leisure & Corrections, retail/catering in Healthcare, white-collar/hybrid in Business & Industry, white-collar B&I/Europe S&E/Higher Education in FSS International and Canada/Hospitality in Uniforms

³The COVID Index in the 2019 period reflects the pre-COVID value of the categories identified in footnote 2

Non-GAAP Reconciliation

- FSS International COVID Index**

	Three Months Ended October 1, 2021 FSS International
Revenue (as reported)	765.5
Effect of Next Level Acquisition	-
Effect of Currency Translation ¹	(9.3)
Adjusted Revenue (Organic)	<u>756.2</u>
White-Collar B&I	40.4
S&E in Europe	24.9
Higher Education	33.0
COVID Index	98.3
All Other	657.9
Adjusted Revenue (Organic)	<u>756.2</u>

Revenue as a Percentage of Fiscal 2019	
Revenue (as reported)	85%
Adjusted Revenue as a Percentage of Fiscal 2019 Adjusted Revenue (Organic)	84%
White-Collar B&I Revenue as Percentage of Fiscal 2019 Revenue	29%
S&E in Europe Revenue as Percentage of Fiscal 2019 Revenue	35%
Higher Education Revenue as Percentage of Fiscal 2019 Revenue	57%
COVID Index Revenue as a Percentage of Fiscal 2019 Revenue	37%
All Other Revenue as a Percentage of Fiscal 2019 Revenue	104%

	Three Months Ended September 27, 2019 FSS International
Revenue (as reported)	897.9
White-Collar B&I	137.8
S&E in Europe	72.2
Higher Education	58.3
COVID Index ²	268.3
All Other	629.6
Adjusted Revenue (Organic)	<u>897.9</u>

¹The effect of currency translation reflects the impact that fluctuations in currency translation rates had on the comparative results by translating the fiscal 2021 period balances using the foreign currency exchange rates in the effect comparable period of fiscal 2019.

²The COVID Index in the 2019 period reflects the pre-COVID value of the categories identified in footnote 2

Non-GAAP Reconciliation

- **AOI Margin Trend**

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
ADJUSTED CONSOLIDATED OPERATING INCOME MARGIN
(Unaudited)
(In thousands)

	Three Months Ended	
	October 1, 2021	July 2, 2021
Revenue (as reported)	\$ 3,551,264	\$ 2,981,220
Effect of Next Level Acquisition	(85,557)	(23,358)
Effect of Currency Translation	(25,030)	(75,199)
Adjusted Revenue (Organic)	<u>\$ 3,440,677</u>	<u>\$ 2,882,663</u>
Operating Income (as reported)	132,319	74,246
Amortization of Acquisition-Related Intangible Assets	30,596	28,326
Severance and Other Charges	(7,887)	-
Effect of Next Level Acquisition	(2,746)	(445)
Merger and Integration Related Charges	12,233	3,819
Gains, Losses and Settlements impacting comparability	555	164
Adjusted Operating Income	<u>\$ 165,070</u>	<u>\$ 106,110</u>
Effect of Currency Translation	(367)	(2,982)
Adjusted Operating Income (Constant Currency)	<u>\$ 164,703</u>	<u>\$ 103,128</u>
Adjusted Operating Income Margin (Constant Currency)	<u>4.79%</u>	<u>3.58%</u>
Adjusted Operating Income Margin Growth (Constant Currency)	<u>1.21%</u>	

Non-GAAP Reconciliation

- Free Cash Flow

ARAMARK AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
FREE CASH FLOW
 (Unaudited)
 (In thousands)

	Fiscal Year Ended October 1, 2021
Net Cash provided by operating activities	\$ 657,079
Net purchases of property and equipment and other	(375,344)
Free Cash Flow	<u>\$ 281,735</u>
	Fiscal Year Ended October 2, 2020
Net Cash provided by operating activities	\$ 176,682
Net purchases of property and equipment and other	(364,434)
Free Cash Flow	<u>\$ (187,752)</u>
	Fiscal Year Ended Change
Net Cash provided by operating activities	\$ 480,397
Net purchases of property and equipment and other	(10,910)
Free Cash Flow	<u>\$ 469,487</u>