



PFG INVESTOR DAY

June 29, 2022



BILL MARSHALL

Vice President,
Investor Relations

DISCLAIMER



This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources and other non-historical statements. You can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. The following factors, in addition to those discussed under the section entitled Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended July 3, 2021 filed with the Securities and Exchange Commission (the "SEC") on August 24, 2021, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov, could cause actual future results to differ materially from those expressed in any forward-looking statements: the material adverse impact the COVID-19 pandemic has had and is expected to continue to have on the global markets, the restaurant industry, and our business specifically; competition in our industry is intense, and we may not be able to compete successfully; we operate in a low margin industry, which could increase the volatility of our results of operations; we may not realize anticipated benefits from our operating cost reduction and productivity improvement efforts; our profitability is directly affected by cost inflation and deflation and other factors; we do not have long-term contracts with certain of our customers; group purchasing organizations may become more active in our industry and increase their efforts to add our customers as members of these organizations; changes in eating habits of consumers; extreme weather conditions, including hurricane, earthquake and natural disaster damage; our reliance on third-party suppliers; labor relations and cost risks and availability of qualified labor; volatility of fuel and other transportation costs; inability to adjust cost structure where one or more of our competitors successfully implement lower costs; we may be unable to increase our sales in the highest margin portion of our business; changes in pricing practices of our suppliers; our growth strategy may not achieve the anticipated results; risks relating to acquisitions, including the risk that we are not able to realize benefits of acquisitions or successfully integrate the businesses we acquire; environmental, health, and safety costs, including compliance with current and future environmental laws and regulations relating to carbon emissions and the effects of global warming; the risk that we fail to comply with requirements imposed by applicable law or government regulations, including increased regulation of electronic cigarette and other alternative nicotine products; a portion of our sales volume is dependent upon the distribution of cigarettes and other tobacco products, sales of which are generally declining; if the products we distribute are alleged to cause injury or illness or fail to comply with governmental regulations, we may need to recall our products and may experience product liability claims; our reliance on technology and risks associated with disruption or delay in implementation of new technology; costs and risks associated with a potential cybersecurity incident or other technology disruption; product liability claims relating to the products we distribute and other litigation;

DISCLAIMER CONT.



adverse judgements or settlements or unexpected outcomes in legal proceedings; negative media exposure and other events that damage our reputation; decrease in earnings from amortization charges associated with acquisitions; impact of uncollectibility of accounts receivable; difficult economic conditions affecting consumer confidence; increase in excise taxes or reduction in credit terms by taxing jurisdictions; the cost and adequacy of insurance coverage; risks relating to our outstanding indebtedness; our ability to raise additional capital; and the following risks related to the acquisition of Core-Mark (the "Core-Mark Transaction"): the possibility that the expected synergies and value creation from the Core-Mark Transaction will not be realized or will not be realized within the expected time period; the risk that unexpected costs will be incurred in connection with the integration of Core-Mark or that the integration of Core-Mark will be more difficult or time consuming than expected; the inability to retain key personnel; disruption from the Core-Mark Transaction, including potential adverse reactions or changes to business relationships with customers, employees, suppliers or regulators, making it more difficult to maintain business and operational relationships; and the risk that the combined company may not be able to effectively manage its expanded operations.

Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. Any forward-looking statement, including any contained herein, speaks only as of the time of this presentation or as of the date they were made and we do not undertake to update or revise them as more information becomes available or to disclose any facts, events, or circumstances after the date of this release or our statement, as applicable, that may affect the accuracy of any forward-looking statement, except as required by law.

AGENDA

- Welcome & Introductions
- Culture & Strategic Overview
- A Value Creating Enterprise
- Winning In Foodservice
- Accelerating Growth through Convenience
- Vistar as a Growth Engine
- Finance & M&A Update
- Q&A Session





GEORGE HOLM

Chairman & CEO

MEETING TAKEAWAYS

- Customer Centric Culture
- Significant Addressable Market Opportunity
- Diverse channel model provides resiliency

1

Consistent organic
sales growth

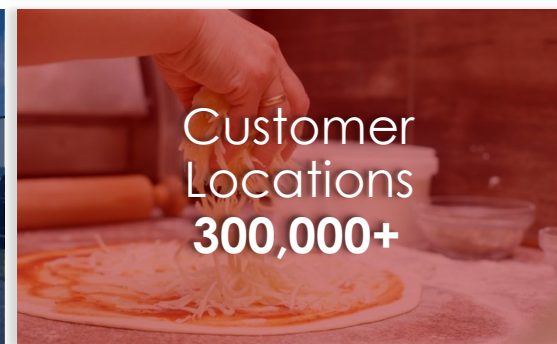
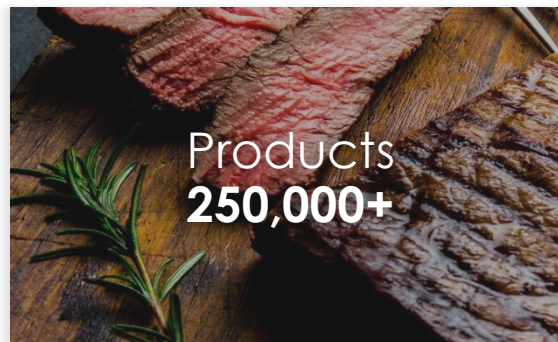
2

Ongoing EBITDA
margin expansion

3

Debt Reduction

PERFORMANCE FOOD GROUP AT A GLANCE



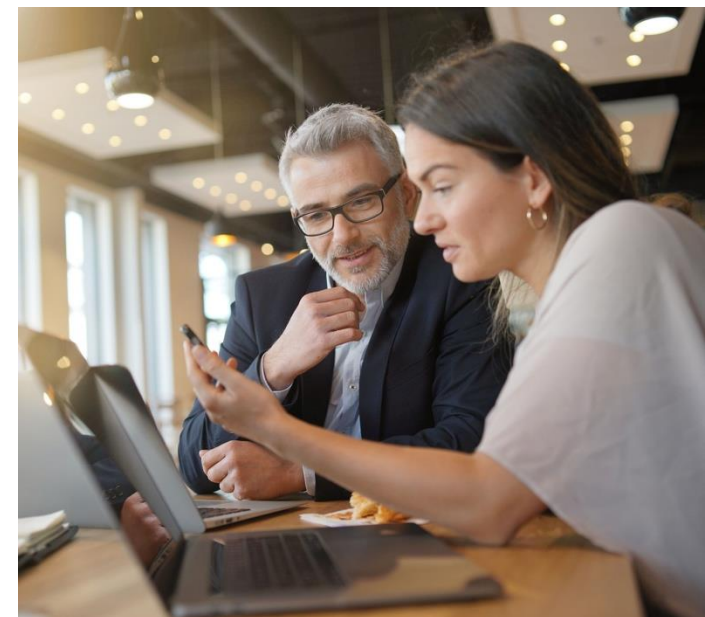
LOCATIONS SERVED

- Restaurants
- Hospitality
- Higher Education
- Healthcare
- Theaters
- Specialty Retailers
- Business and industry locations
- Convenience Retail

CULTURE & PEOPLE FOCUS

Underpins Sales Growth

- Locally-based decision making to remain nimble
- Understand customers' business operations
- Over 12,000 of our associates interact with customers daily
- Extensive, ongoing product training



DIVERSIFIED BUSINESS MODEL

PFG Operating Segments and Business Mix ⁽¹⁾



- One of the largest broadline distributors by net sales in the U.S.
- A leading distributor to independent pizzerias in the U.S.
- A leading distributor to the family and casual dining channel



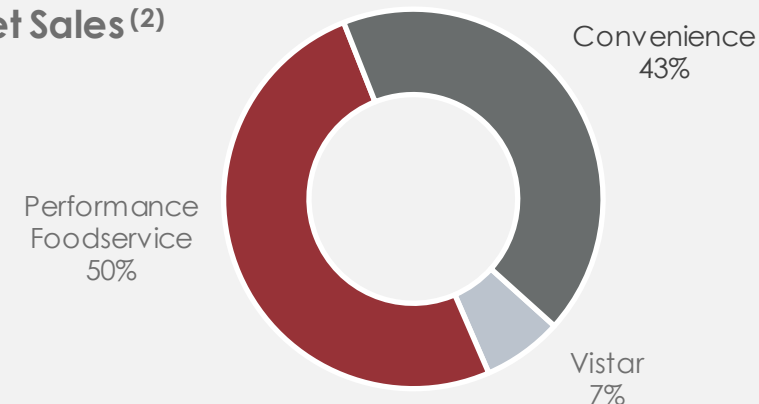
- One of the top broadline distributors of convenience retail products in North America.
- The leading distributor of independent convenience stores in North America.
- A leader in Food & Fresh products distribution to the convenience store industry



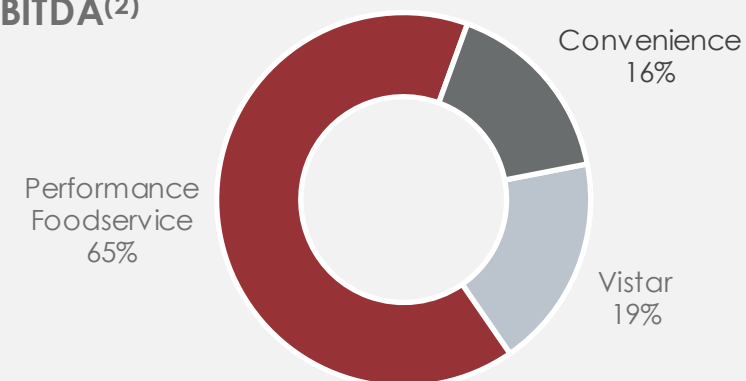
A leading distributor of candy, snacks, and other items:

- | | |
|----------------------------------|--------------------------|
| ▪ Vending distributors | ▪ Value channel |
| ▪ Office coffee distribution | ▪ Hospitality and Travel |
| ▪ Theatres, stadiums, and arenas | ▪ Corrections |
| ▪ Retail | |

Net Sales ⁽²⁾



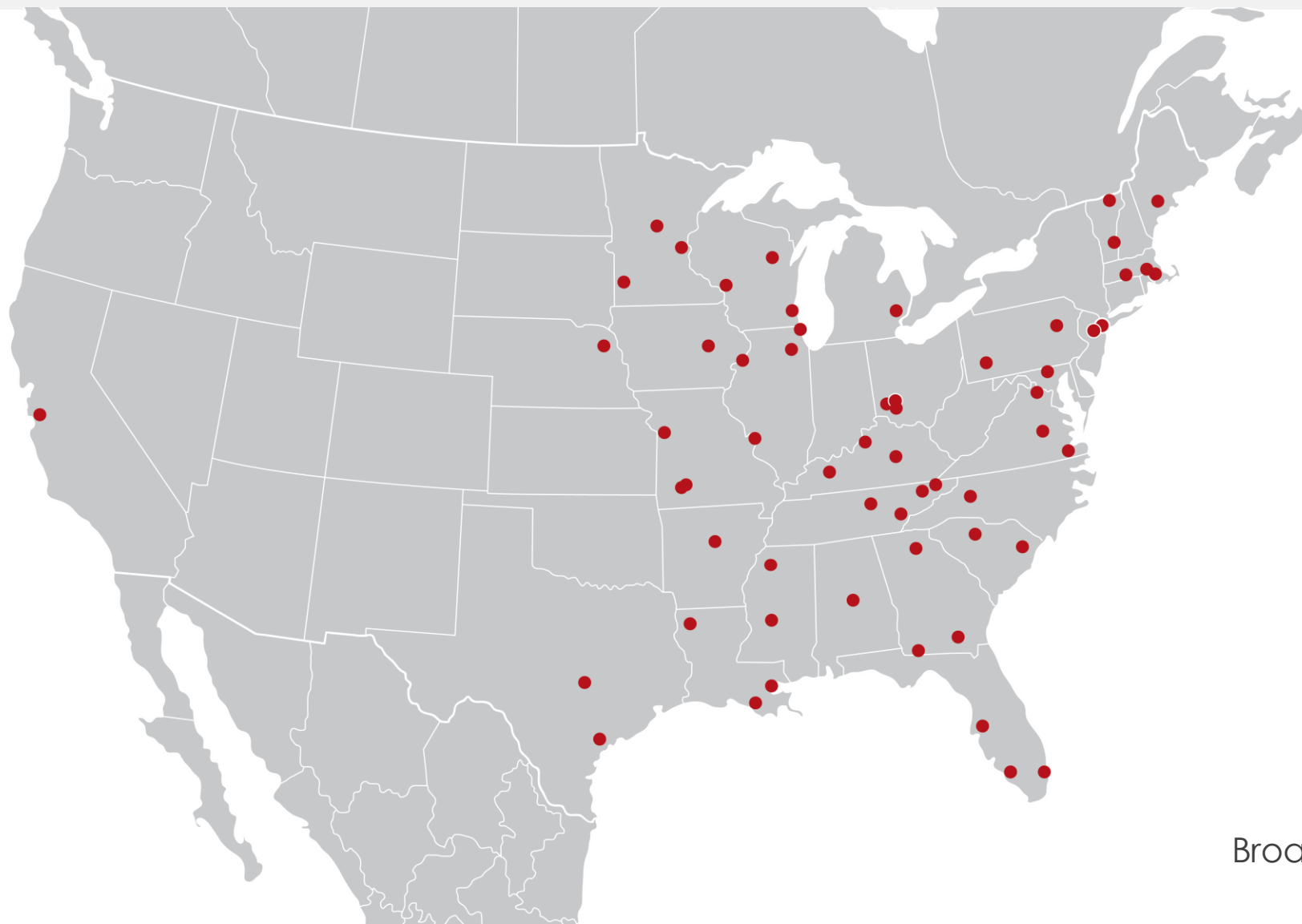
EBITDA ⁽²⁾



1. Represent our Reportable Segments – Foodservice, Convenience and Vistar

2. Represents Fiscal 3Q22 and excludes Corporate and All Other and Intersegment Eliminations.

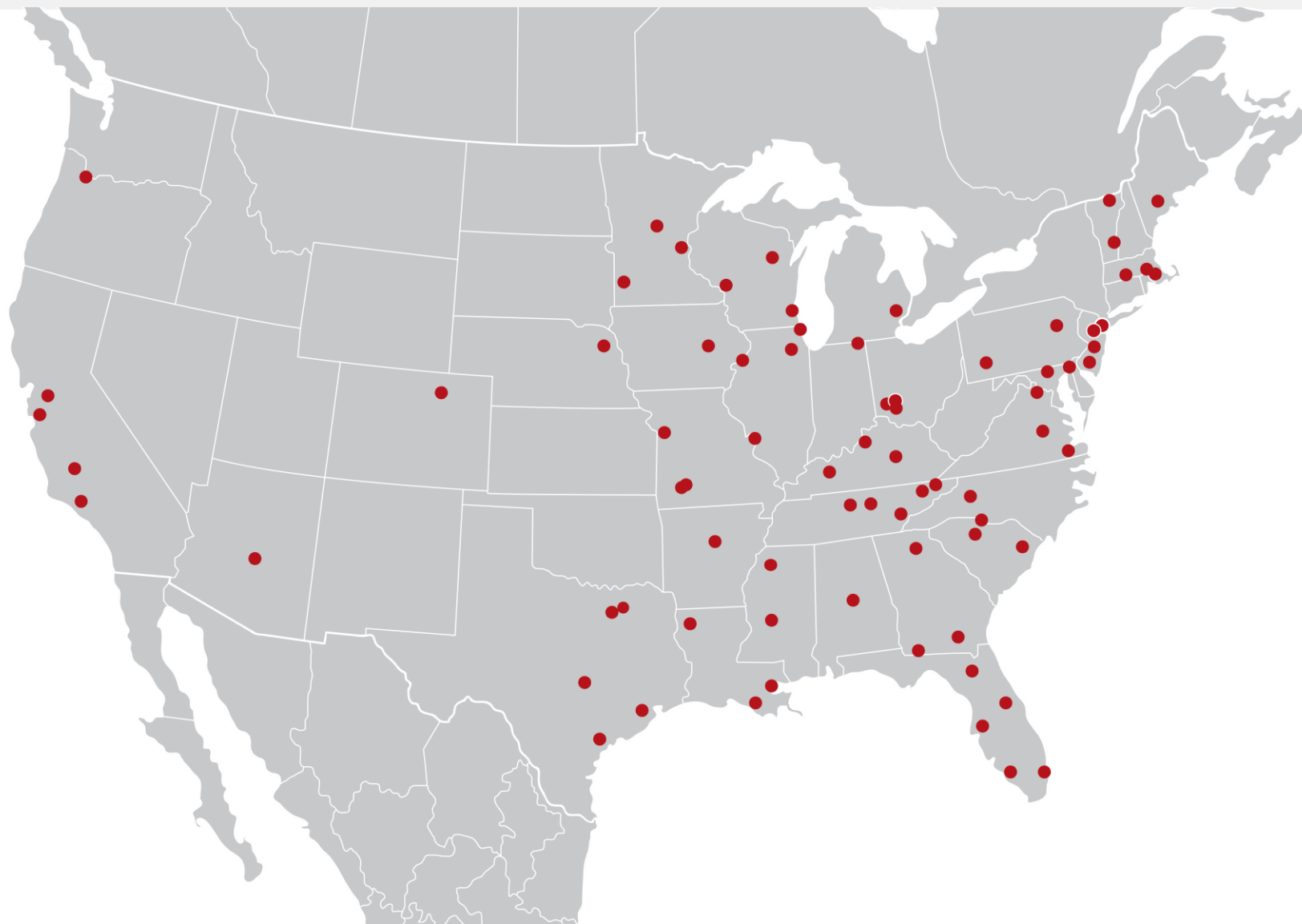
BROAD GEOGRAPHIC REACH



- ★ PFG Headquarters
- Foodservice
- Vistar
- Convenience

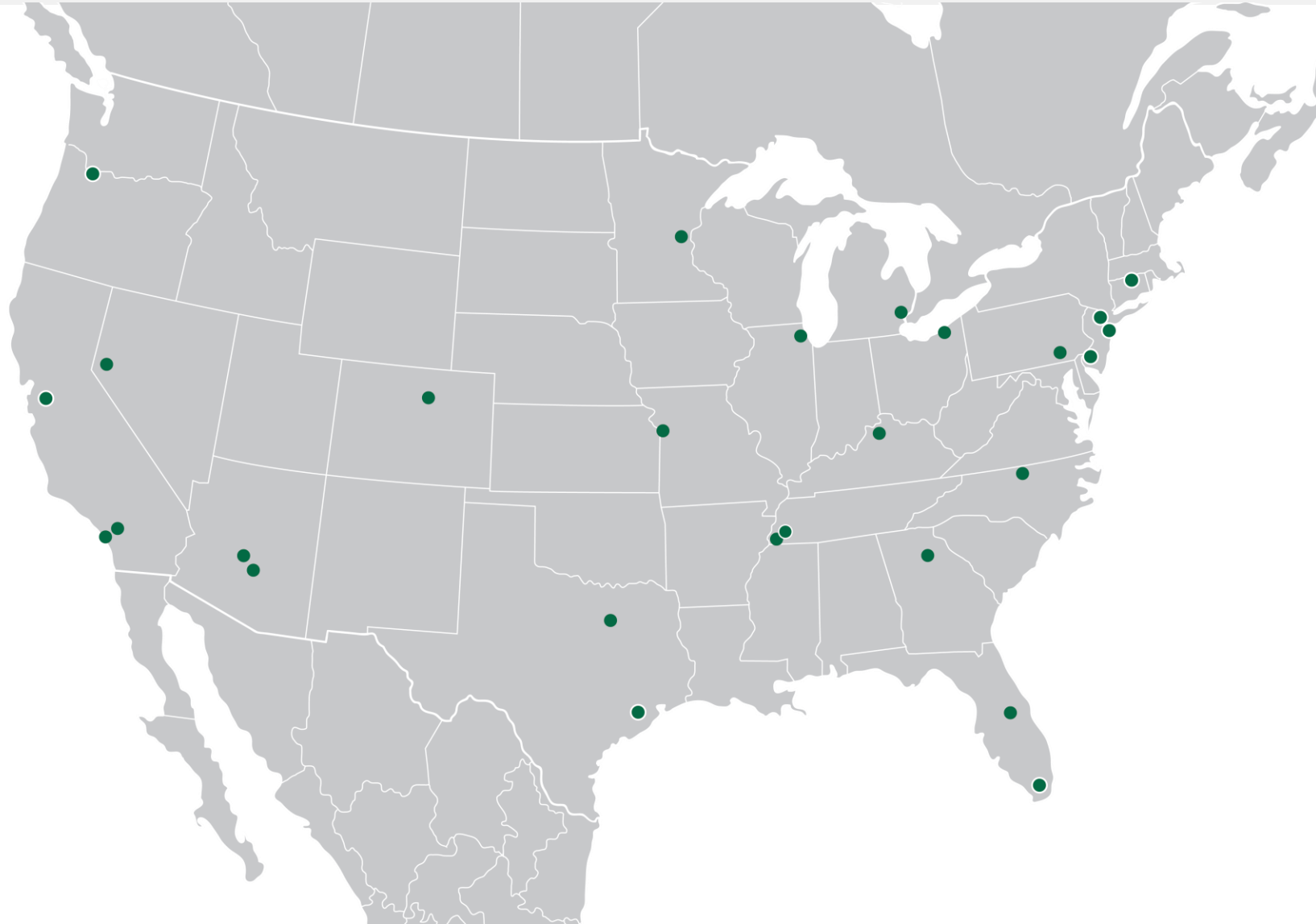
Broadline & Specialty

BROAD GEOGRAPHIC REACH



- ★ PFG Headquarters
- Foodservice
- Vistar
- Convenience

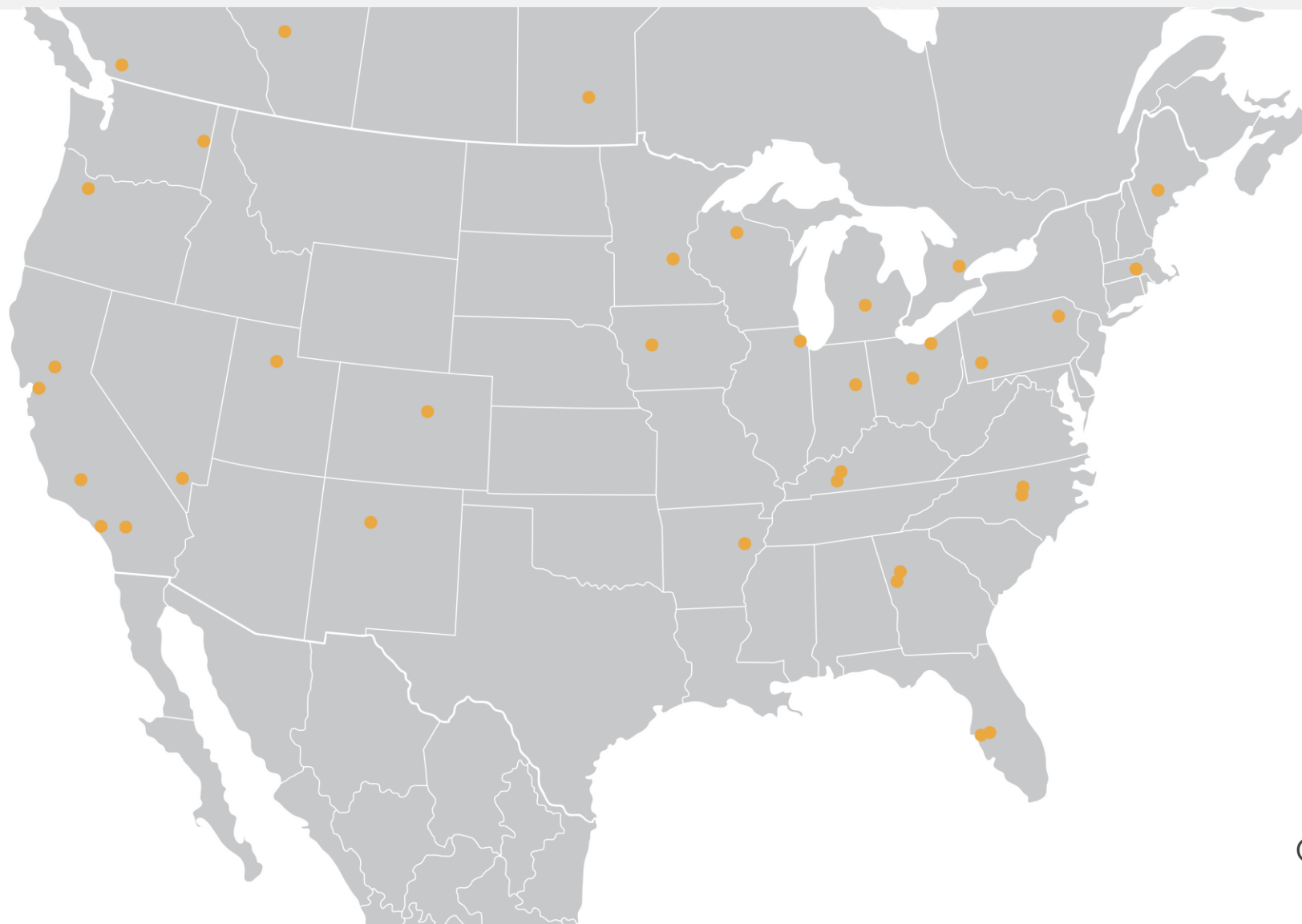
Foodservice



- ★ PFG Headquarters
- Foodservice
- Vistar
- Convenience

Vistar

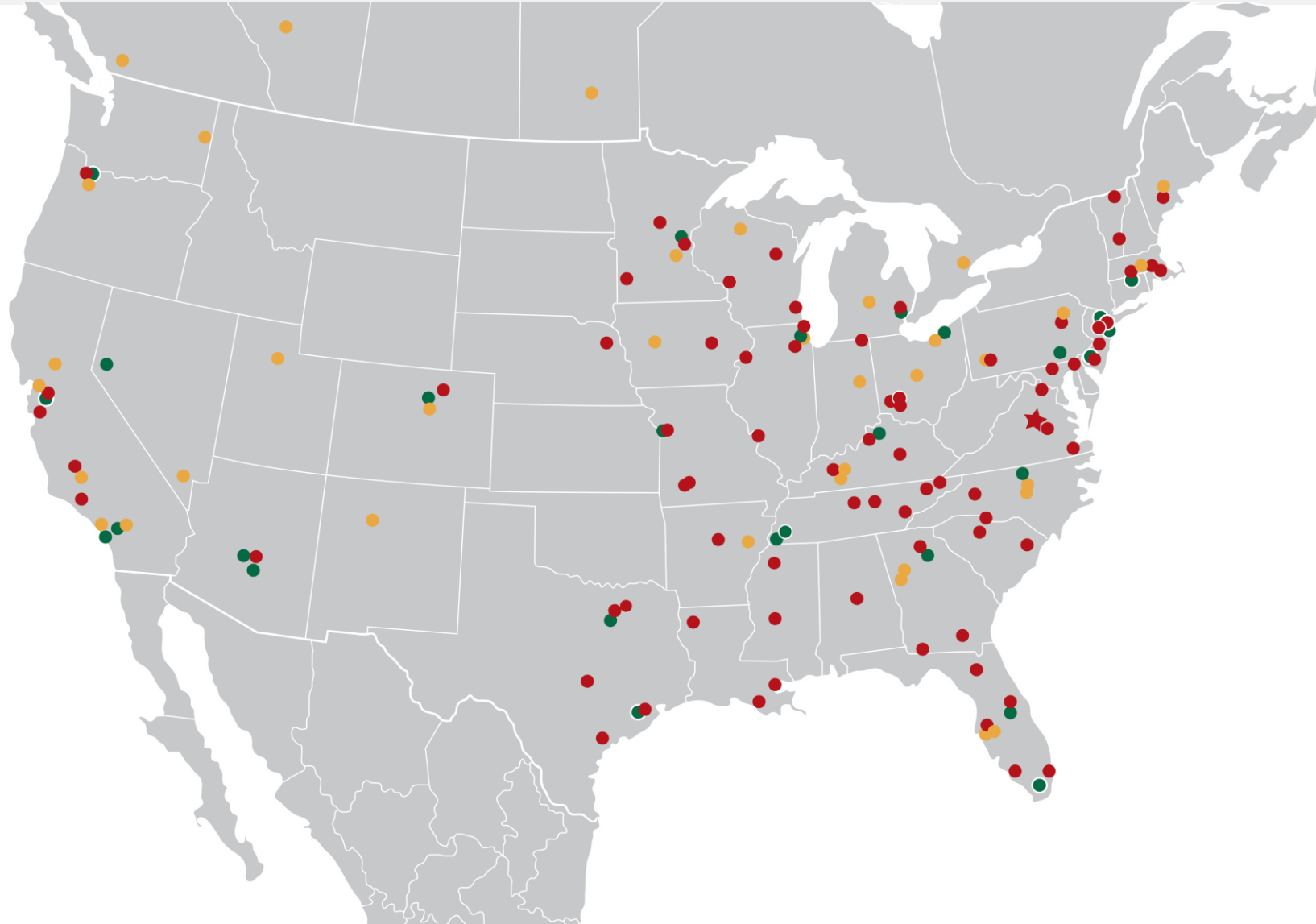
BROAD GEOGRAPHIC REACH



- ★ PFG Headquarters
- Foodservice
- Vistar
- Convenience

Convenience

BROAD GEOGRAPHIC REACH



- ★ PFG Headquarters
- Foodservice
- Vistar
- Convenience

PFG ADDRESSABLE MARKET



PFG Total Addressable Market

~\$633 billion

Total Addressable Market (TAM) is defined as total U.S. distributor industry dollar sales where PFG companies have the potential to compete for long-term market share

Source: PFG Company Estimates

PFG Serviceable Available Market

~\$443 billion

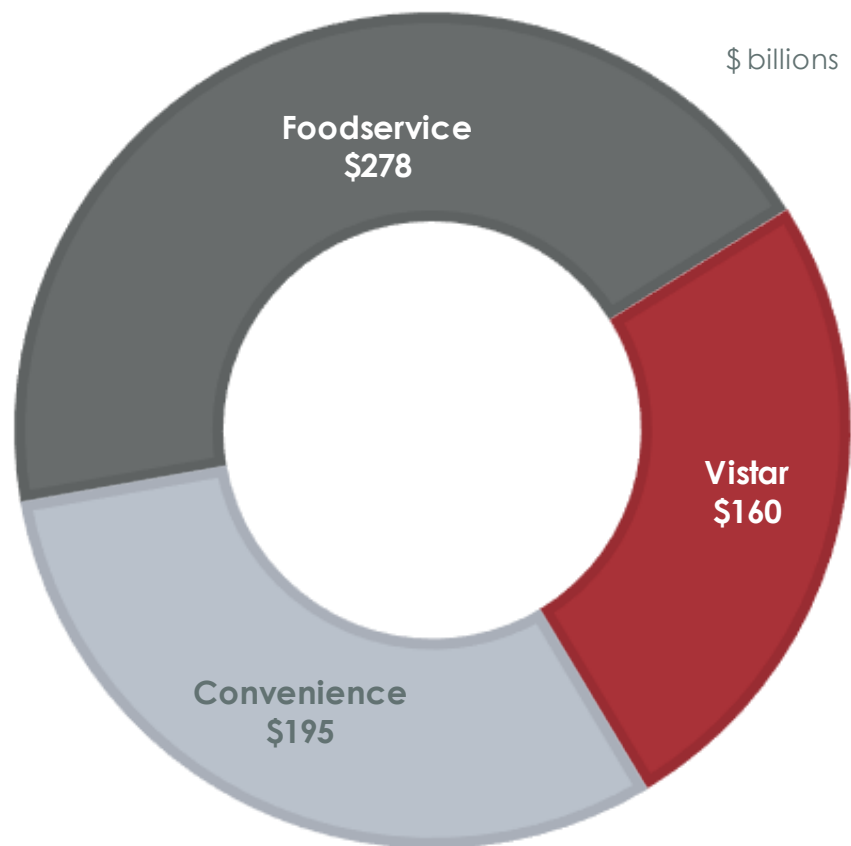
Serviceable Available Market (SAM) is defined as total U.S. distributor industry dollar sales where PFG companies currently compete or have the ability to compete without significant new capital investment or infrastructure. Excludes product categories in which we do not currently compete.

PFG ADDRESSABLE MARKET



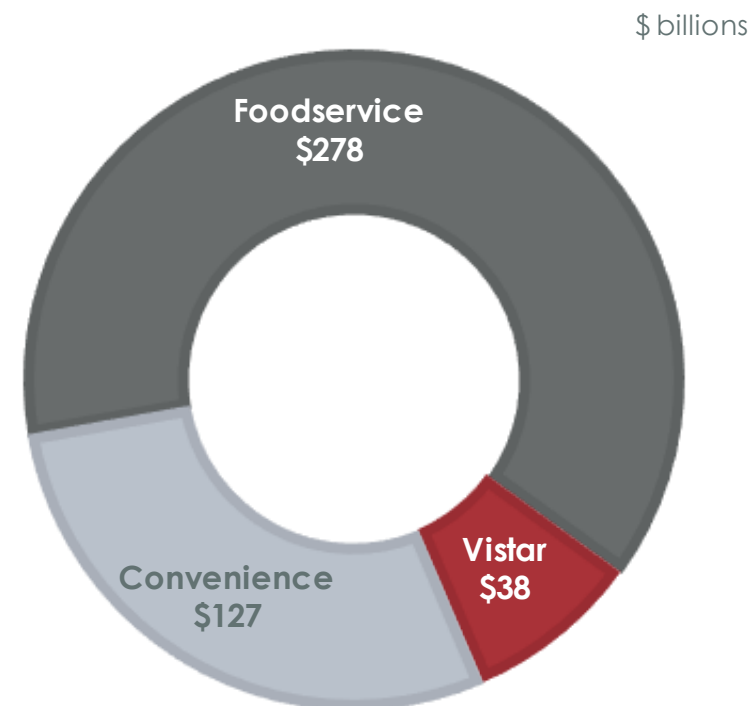
PFG Total Addressable Market

~\$633 billion



PFG Serviceable Available Market

~\$443 billion



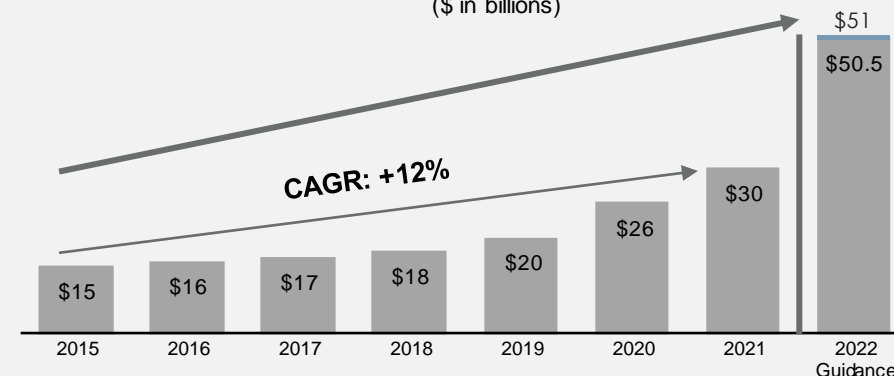
Source: PFG Company Estimates

CONSISTENT, PROFITABLE, SALES GROWTH

- Consistent market share gains, customer wins and channel expansion
- Operational excellence and scale enable strong profit growth
- Substantial runway to sustain strong organic growth

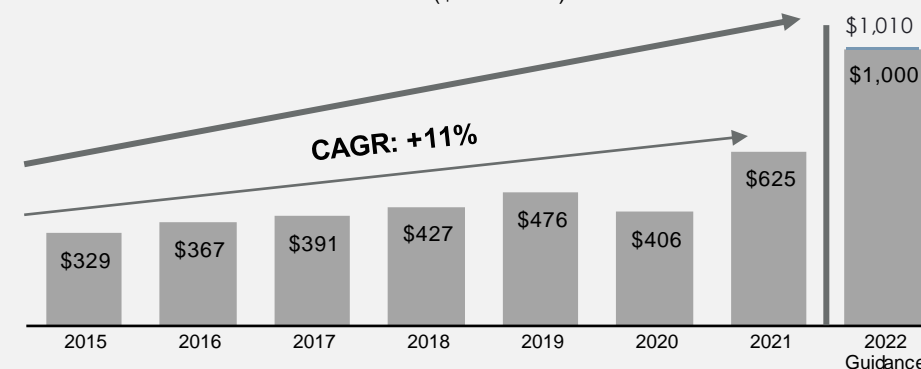
Track Record of Net Sales Growth

(\$ in billions)



Strong Adj. EBITDA⁽¹⁾ Growth

(\$ in millions)



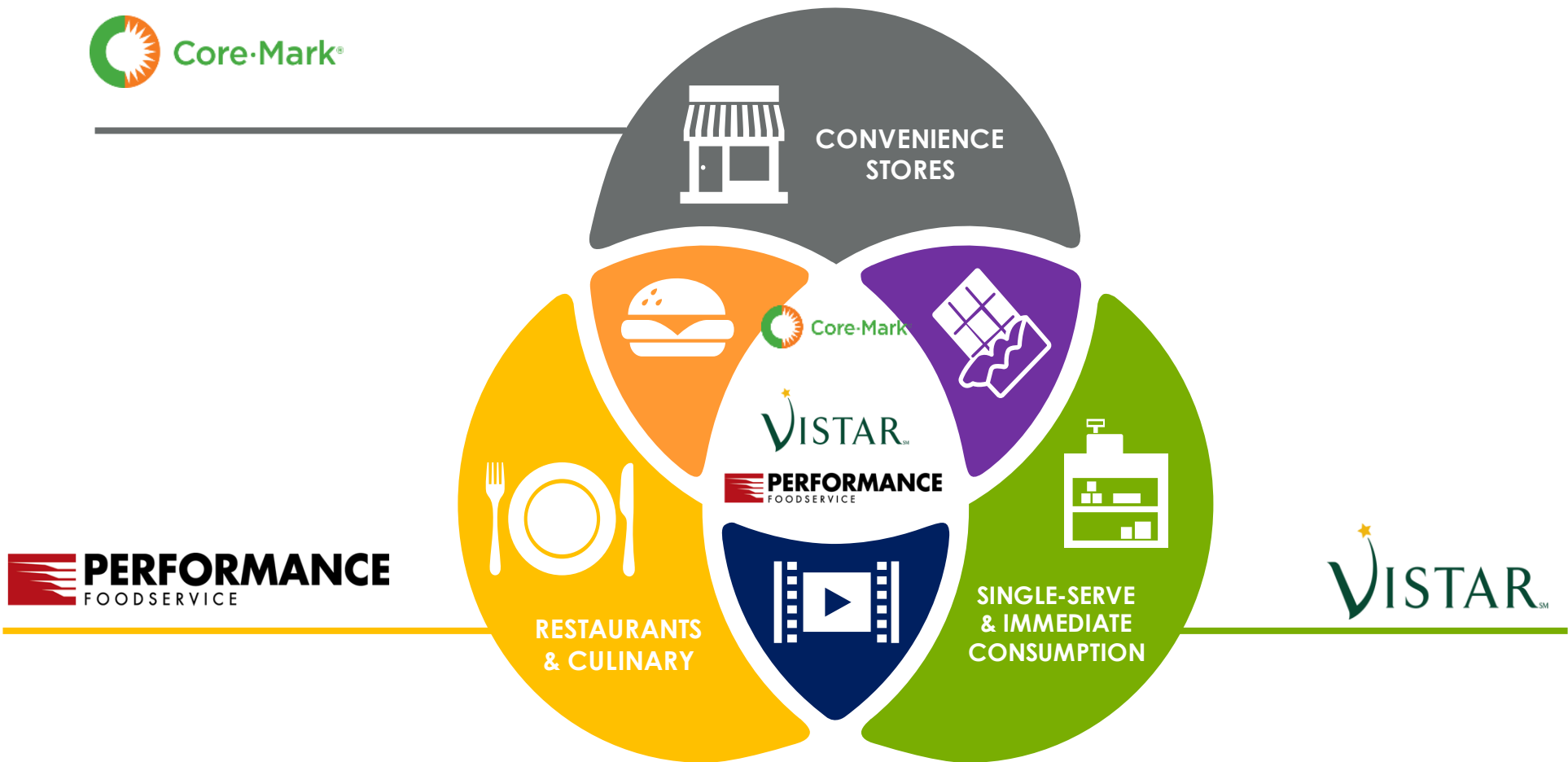
(1) For reconciliation of net income to Adjusted EBITDA, please refer to the Appendix.
Source: Company Filings



CRAIG HOSKINS

President & Chief Operating Officer

SERVING THOSE WHO FEED AMERICA AWAY FROM HOME



Complementary Businesses Across Food Away from Home

- Cross selling opportunities are substantial
- Procurement and brand development strength
- Operational best practice sharing
- Multiple delivery options

Broad Customer Base

- Diversified in our end-markets
- Recession resilient
- Poised to address consumer and operator trends

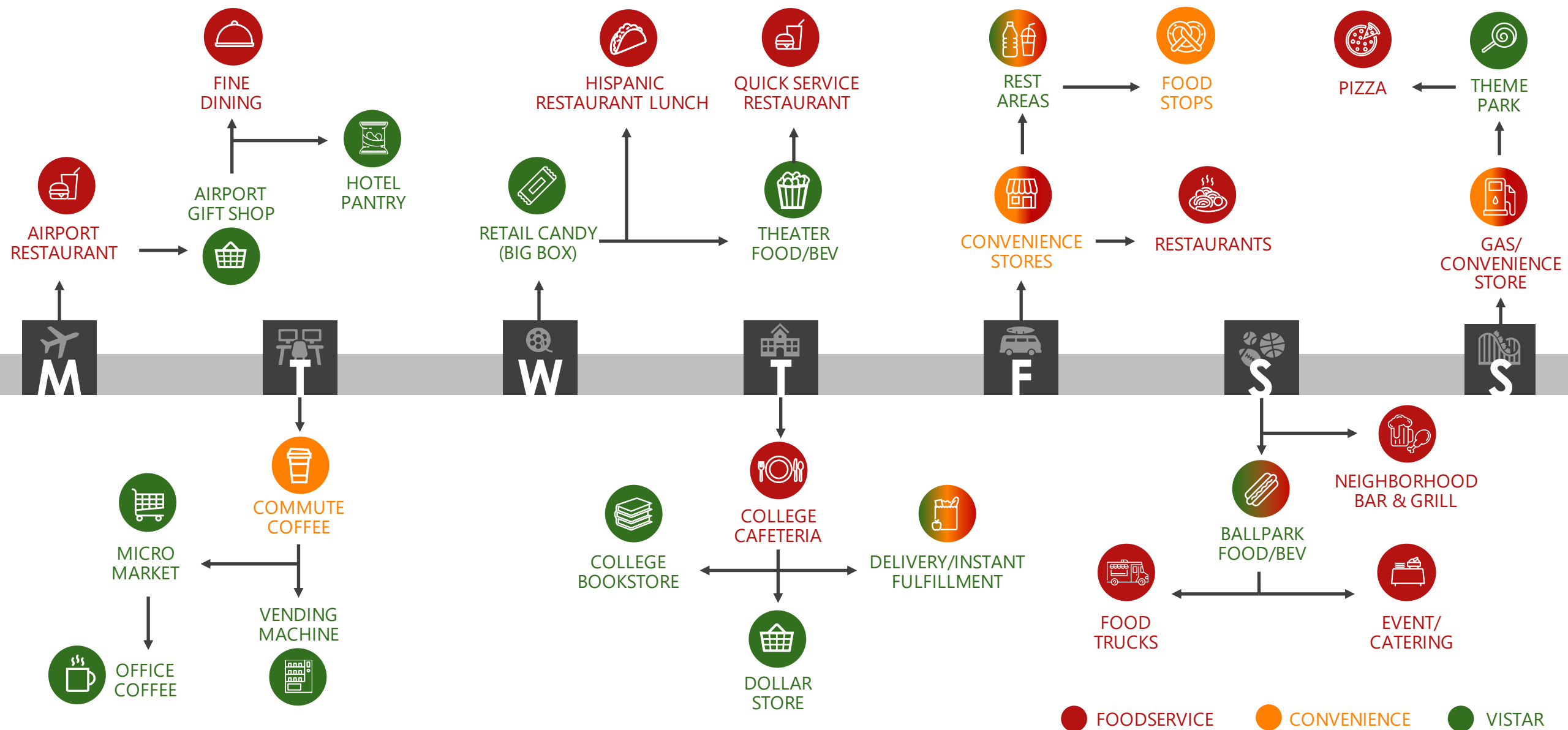
CROSS SELL EXAMPLES



BROAD BRAND PORTFOLIO



WEEK IN THE LIFE OF CONSUMERS



Continuous analytics to inform pricing decisions including new contracts and re-negotiate existing contracts



Food

- Cost-plus
- Brands that deliver value
- Category management
- Forward buying
- Pricing analytics
- Sales compensation structure



Labor

- Cost to serve analysis
- Negotiated adjustments
- Inflation indexed clauses



Fuel

- Surcharge programs
- Collars
- Route efficiency

Macro Environment

- Markets and channels recovering and poised to deliver upside in FY 23
- Bumpiness in geopolitical, inflation, and energy cost environment
- Operators & Suppliers will face continued cost challenges in the near-term

Implications for PFG

- Restaurant segment leading the recovery
- Macroeconomic uncertainty creates potential upside in important channels like convenience, pizza & QSR
- Synergies and growth still to capture in recent acquisitions
- Long history of market share gains expected to continue



STEVE BROAD

Executive Vice President,
Foodservice

OUR SALES PURSUIT



IMPRESS AT THE POINT OF SALE

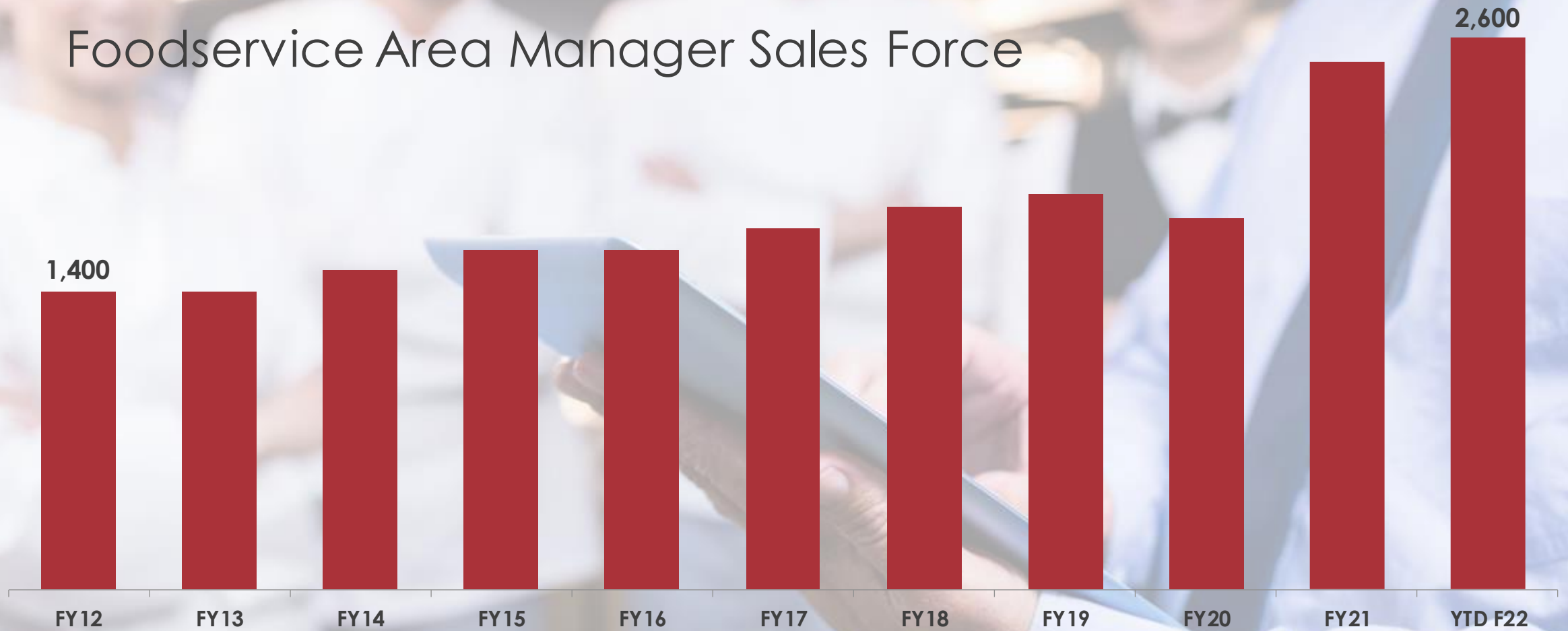
Our Sales Force is a critical asset and competitive advantage

- Ongoing training, continued development and tools
- Leading ordering and data analytics technology suite
- Commission system that drives performance



INVESTMENT IN GROWTH

Foodservice Area Manager Sales Force

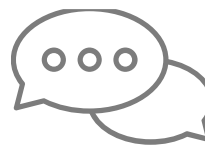


Notes: FY22 as of Week 50

WINNING IN FOODSERVICE



Locally-based
decision making



Salespeople
understand
customers'



Product assortment
determined locally



High quality
proprietary brands



Over 12,000 of our
associates interact
with customers daily



Extensive, ongoing
product training

CUSTOMER FIRST DIGITAL ORDERING PLATFORM



1) MAKE IT PROFITABLE



2) MAKE IT SMART



3) MAKE IT EASY

Customers order more and have a better experience

Larger Basket Size



Additional Users

Customers move to the online platform

Customers are less likely to leave



Reduced Customer Churn

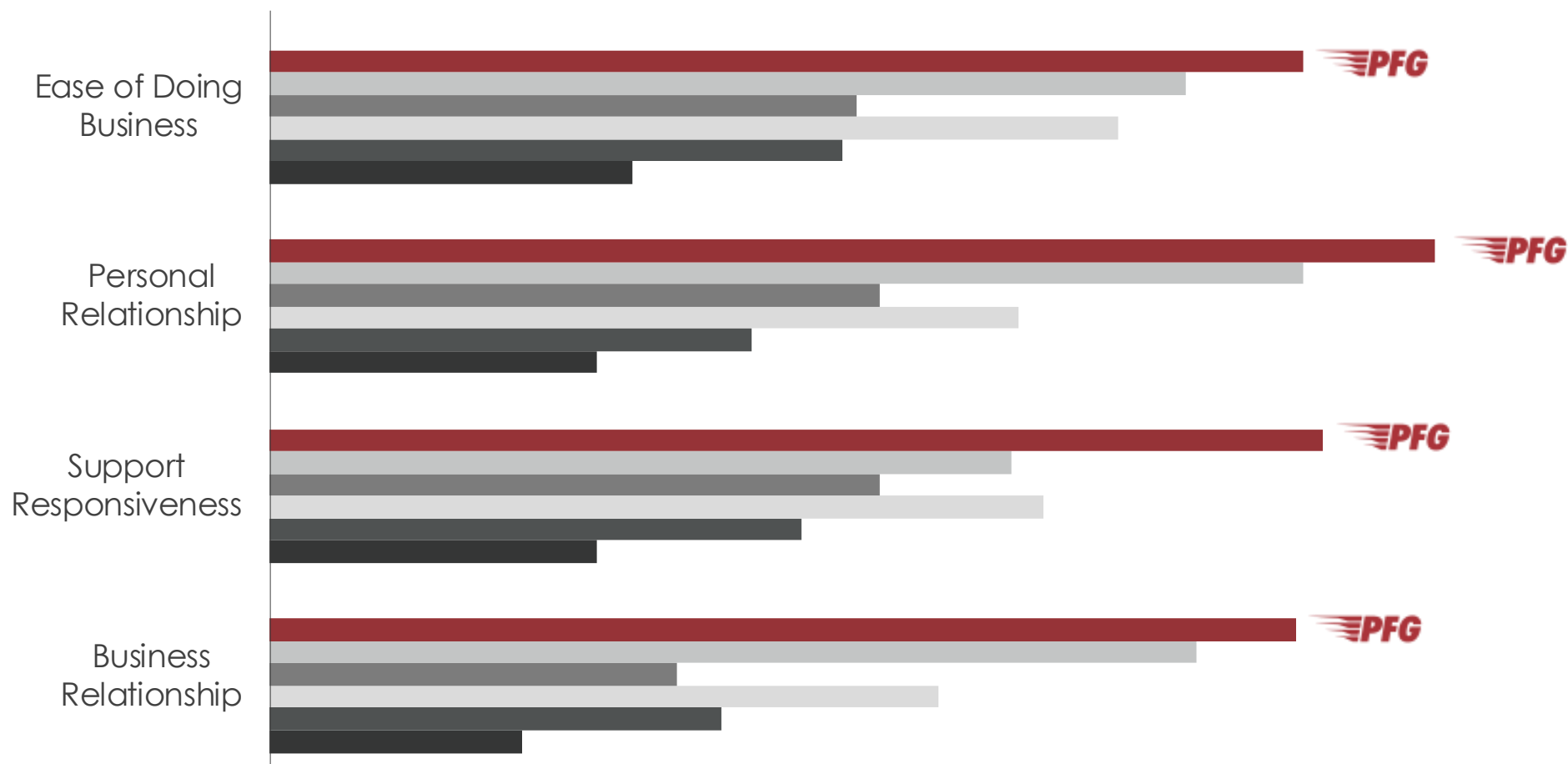


Endless Aisle

Products from other businesses and suppliers

customer **first**
Major Components

RANKING ABOVE THE COMPETITION



Sources: w Ratings



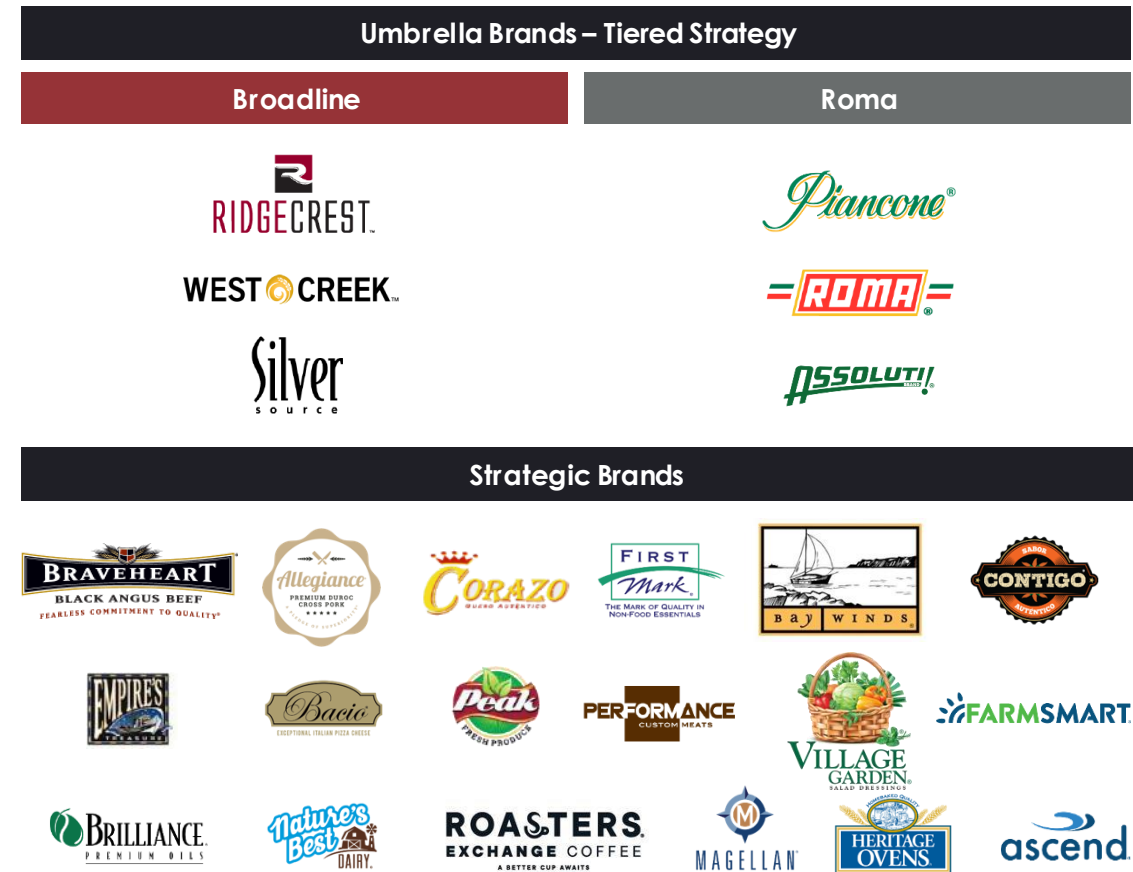
ERIC SHOEMAKER

Executive Vice President,
Foodservice

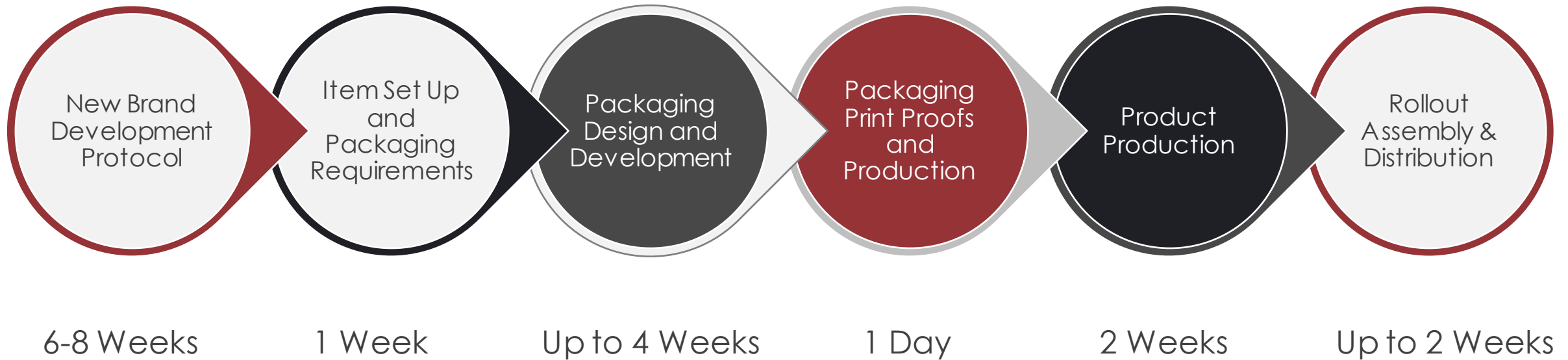
PERFORMANCE BRANDS ARE A COMPETITIVE ADVANTAGE



- More than 25,000 SKUs
- Over \$5.2 billion in sales of Performance Brands in FY21
- Introduced over 240 SKUs in FY2021
- Value creation potential at Reinhart



RIGOROUS BRAND DEVELOPMENT PROCESS





Data Sourcing
& Sharing



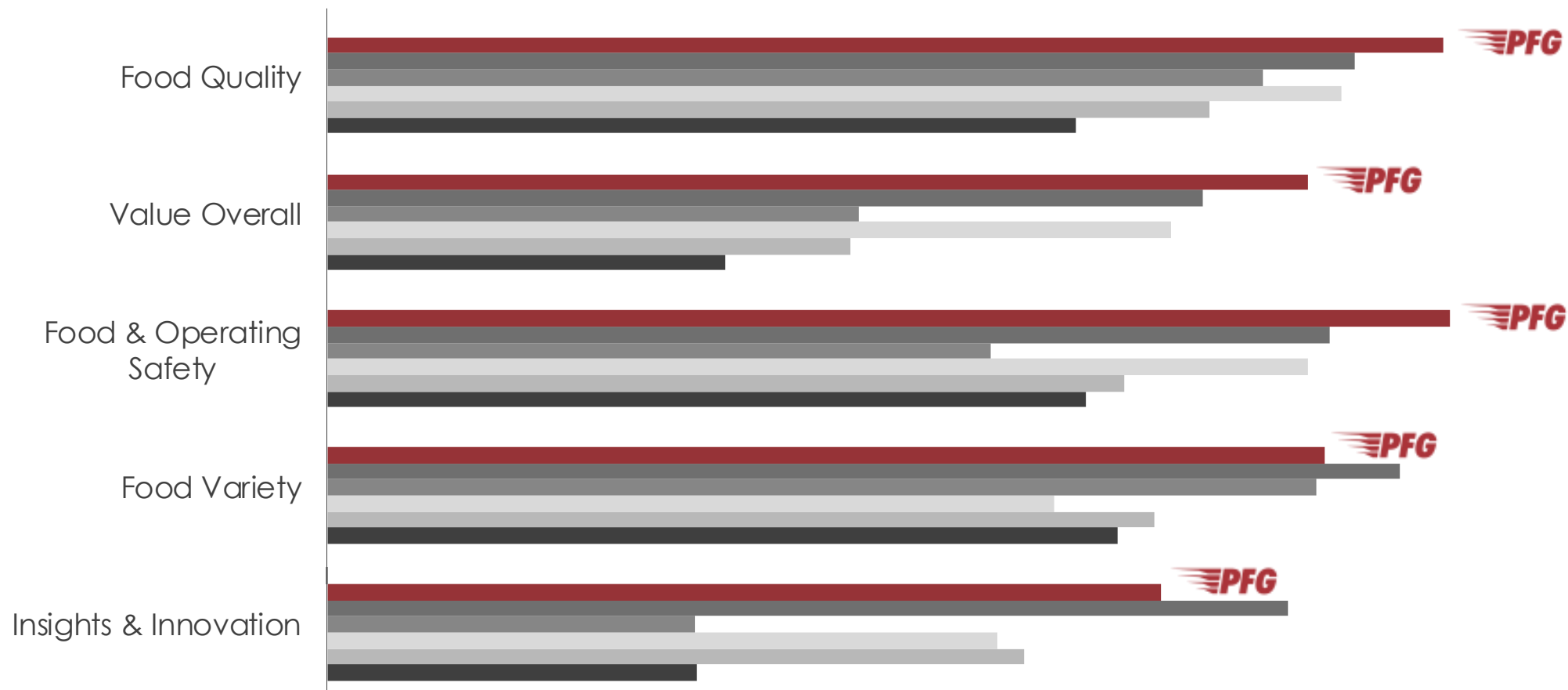
Brand Specific
Training



Digital & Social
Marketing

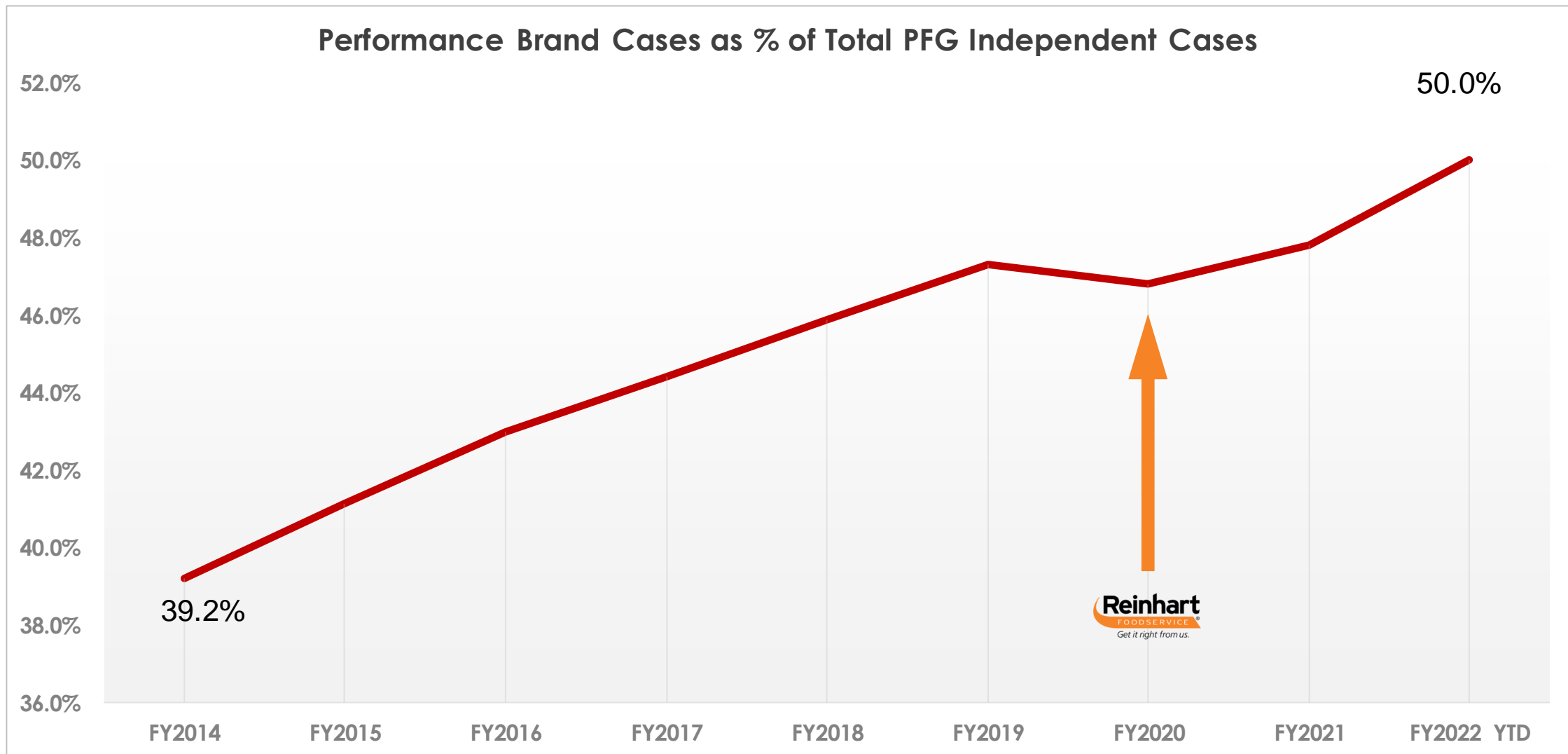


RANKING ABOVE THE COMPETITION

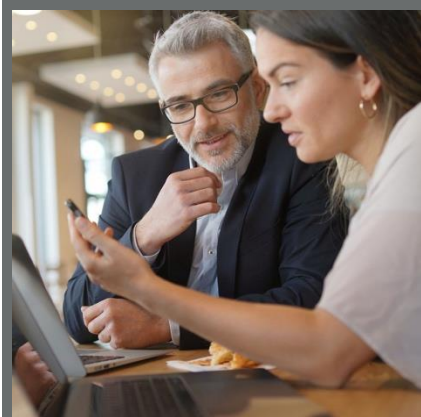


Sources: w Ratings

SIZE OF THE PRIZE



PERFORMANCE FOOD GROUP



PEOPLE



PRODUCTS



INNOVATION





SCOTT MCPHERSON

President & Chief Executive
Officer, Core-Mark

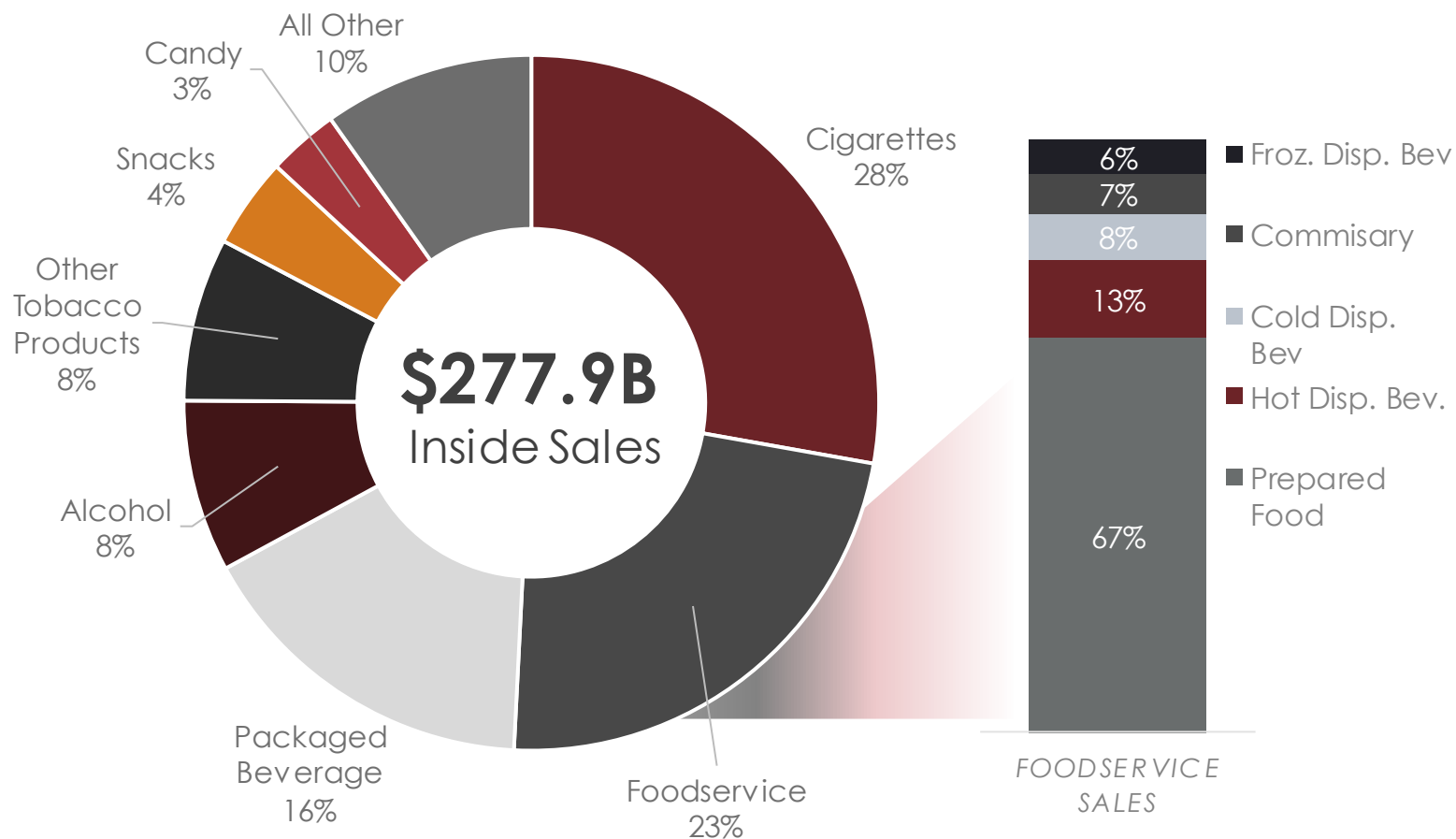
CONVENIENCE PRIORITIES



- **Growth** via Same Store Sales, Chain & Independent Share and foodservice
- **Operation Excellence** through human capital & technology utilization
- **Leverage PFG** size, scale & resources
- **EBITDA & EBITDA Margin Growth** driven by non-nicotine sales growth, price strategy, operation execution
- **Execute on Integration & Synergy Capture** \$40mil over 3 years

CONVENIENCE STORE OPPORTUNITY LANDSCAPE

Convenience Store Industry



Source: NACS State of the Industry

2022

PFG / INVESTOR DAY

Convenience Opportunity

- Total Addressable Market (TAM) **\$195B**
- Serviceable Addressable Market (SAM) **\$127B**
- Non-Nicotine (SAM) **\$48B**

Other Markets Served

Mass Direct to Consumer Drug



Other



FY 2022 PFG CONVENIENCE SNAPSHOT (LTM)



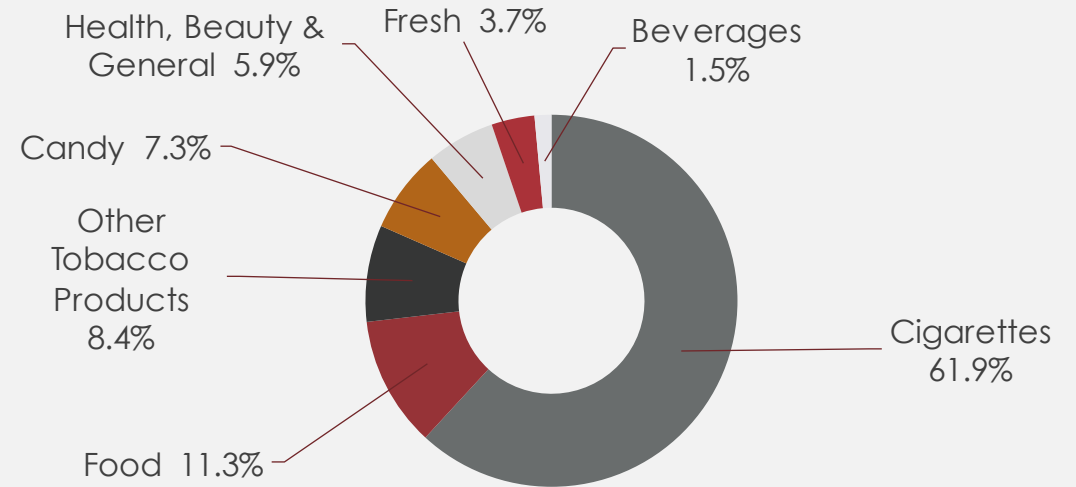
Business Fast Facts

- **\$23B Sales***
→ Largest Convenience Distributor in North America
- **50,000 Customer Locations**
→ **39k Conveniences Stores**
- **10,000 Associates**
- **50 Distribution Centers**

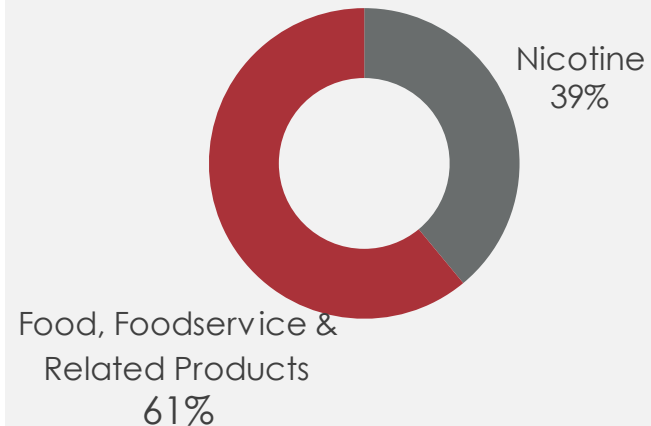
* Sales figure represents 12-month period through March 2022 and includes pro-form Core-Mark and Eby-Brown net revenue

2022

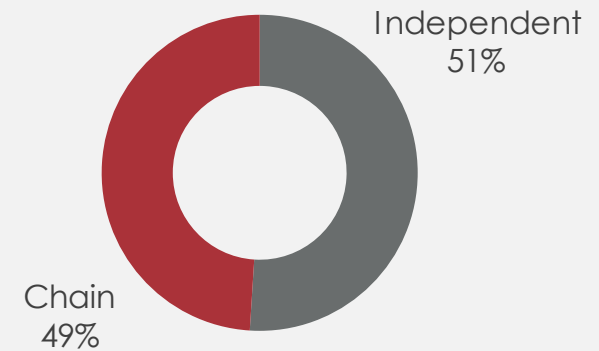
FY 2022 CONVENIENCE SALES MIX



GROSS PROFIT BREAKDOWN



CUSTOMER MIX



42

NORTH AMERICAN CONVENIENCE NETWORK

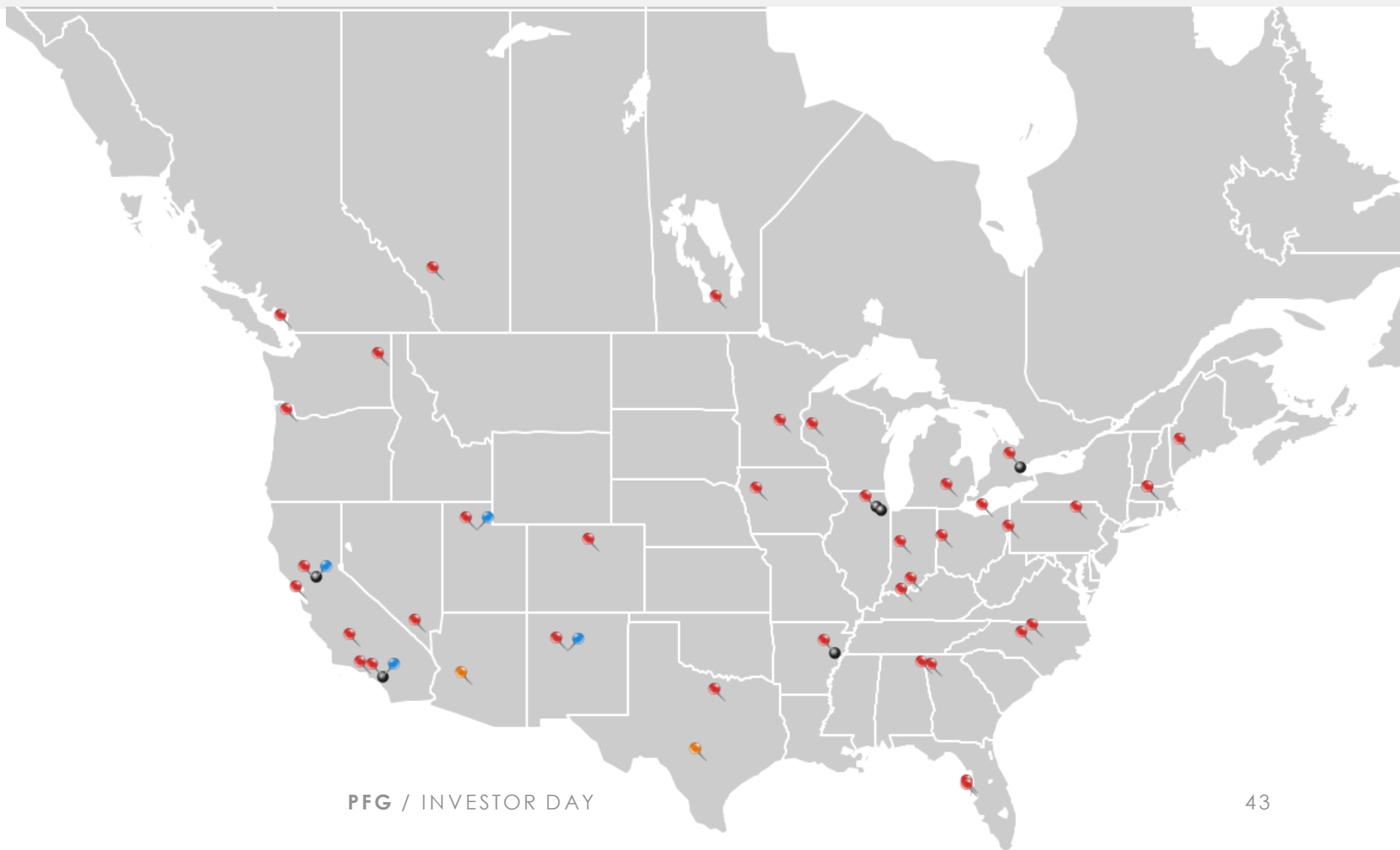
Network Fast Facts

37 - Opco's 

4 - Wal-Mart 

2 - 3PL's 

7 - Redistribution 



CREATING DIFFERENTIATION



Benefits of Belonging

\$15MM

Synergies
Identified

Early Wins



Potential

\$40MM Synergies
Foodservice
Growth
Differentiation

One Convenience

- ✓ Top Convenience Talent
- ✓ Geographical Footprint
- ✓ Best in Class Marketing
- ✓ Customer Solutions
- ✓ Sales Presence

Leverage Scale

- ✓ Product Access
- ✓ Trade Spend
- ✓ Non-Trade Spend
- ✓ Redistribution
- ✓ Human Capital

PFG Umbrella

- ✓ Program Development
- ✓ Food Expertise
- ✓ New Technologies
- ✓ Branding
- ✓ ESG Focus & Framework

EXPANDING FOODSERVICE IN CONVENIENCE

Access to expanded product mix and improved costs

Best in class branded programs – available through all convenience Opco's

Solution for convenience retailers with complex foodservice offer via PFS

Access to culinary expertise not available from competitive convenience wholesalers

Expanded Foodservice to Convenience →



Convenience Focused Branded Programs →



← **Center Of Excellence equals Customer Exposure**



DELIVERING ON DIFFERENTIATION COMMITMENT



Exclusive Fresh Solutions



Consumer Facing Technology



Category Management Solutions



Core Convenience Foodservice



Product Innovation



CONVENIENCE RATIONALE

- A Company of Growth
- Drive EBITDA and Margins
- Operational Excellence
- Leverage PFG to Grow Foodservice
- Execute on Integration and Capture Synergy





PATRICK HATCHER


President & Chief Operating
Officer, Vistar



CHANNELS OF BUSINESS



Vending &
Micro Markets

A hand is shown inserting a coin into a vending machine slot. The background is slightly blurred, showing the interior of the machine.

Theatre &
Concessions

A row of red seats in a theatre or stadium, with a blurred background showing a stage or concession area.

Hospitality

A close-up of a hand pouring a liquid from a glass pitcher into a glass. The background is dark and out of focus.

Office Supply

A view down a long, brightly lit office hallway with glass-walled rooms on either side.

Military

A group of soldiers in camouflage uniforms marching in formation on a paved surface.

Specialty
Retail

A person holding a red shopping basket in a grocery store aisle, with shelves of products visible in the background.

Travel

A silhouette of an airplane taking off from a runway at dusk or dawn, with city lights visible in the background.

Corrections

A silhouette of a prison guard tower with a fence in the foreground, set against a dark sky.

Gaming

A hand holding a fan of playing cards (Ace, King, Queen, Jack) over a green gaming table with chips.

Office Coffee
Services

A white cup of coffee on a saucer with a spoon, with steam rising from the cup.

Value

A perspective view down a long aisle in a grocery store, with shelves stocked with various products.

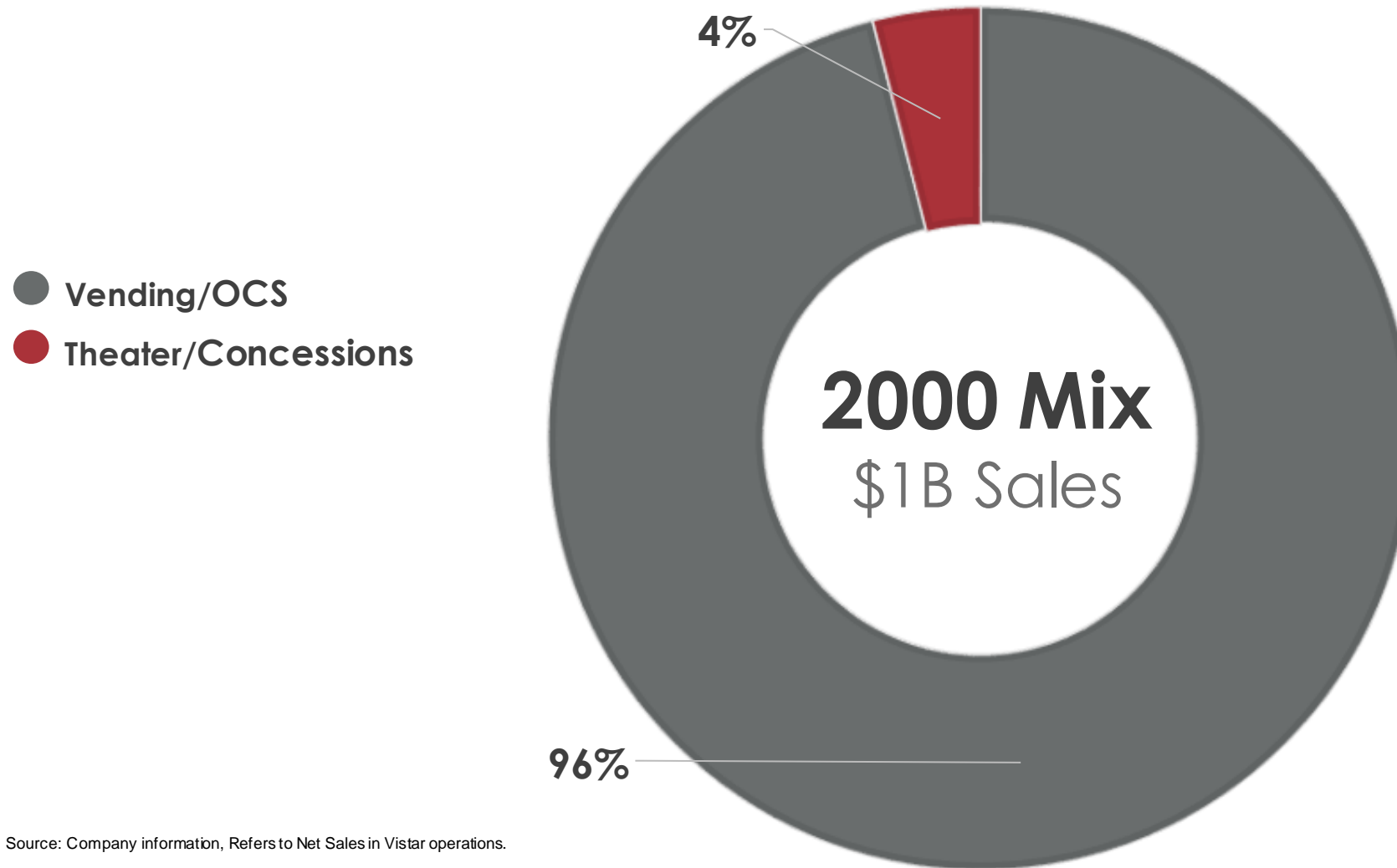
Campus

A silhouette of a person wearing a graduation cap and gown, holding a diploma.

E-Comm

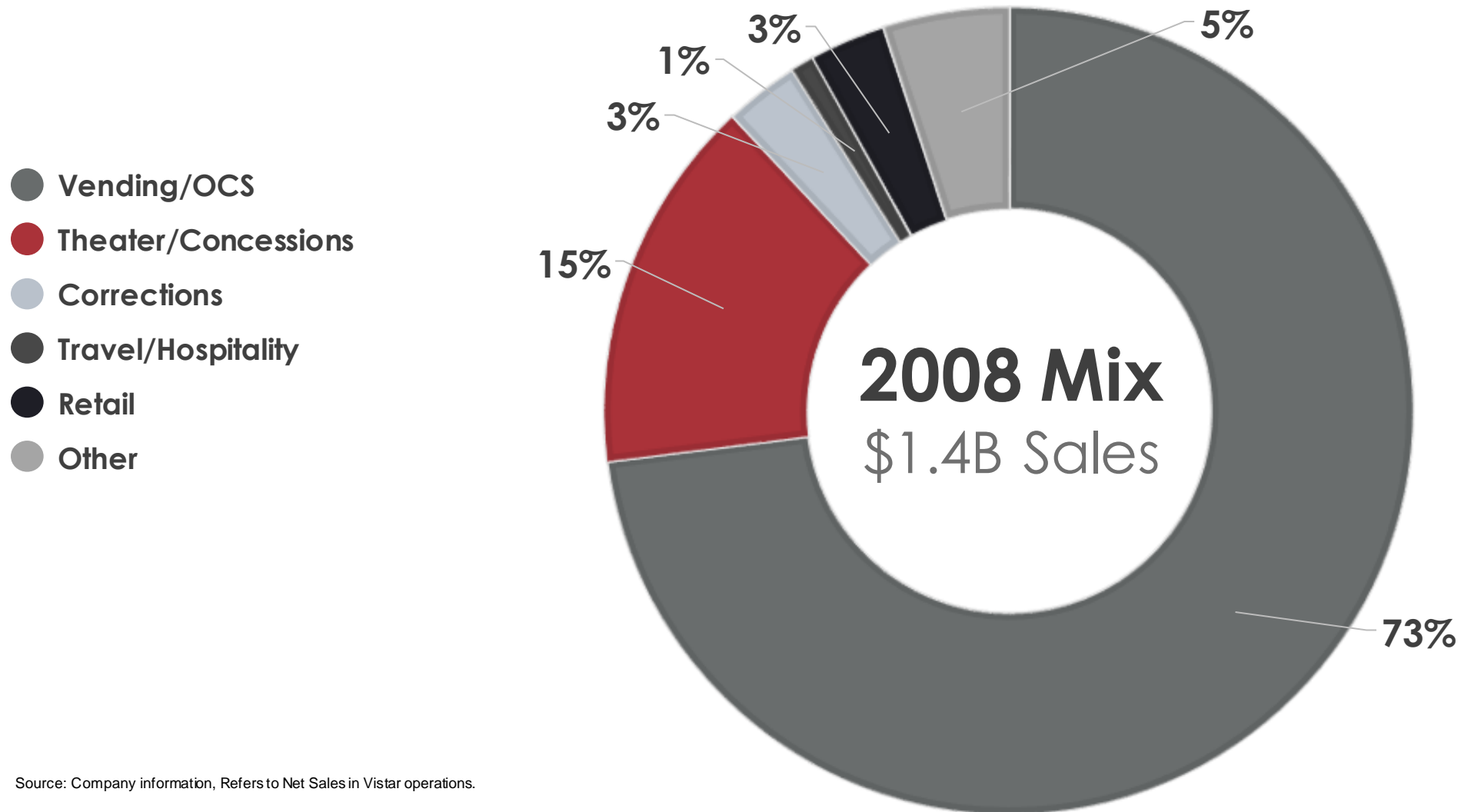
A laptop computer on a desk, with a shopping cart icon visible on the screen.

CHANNEL EVOLUTION



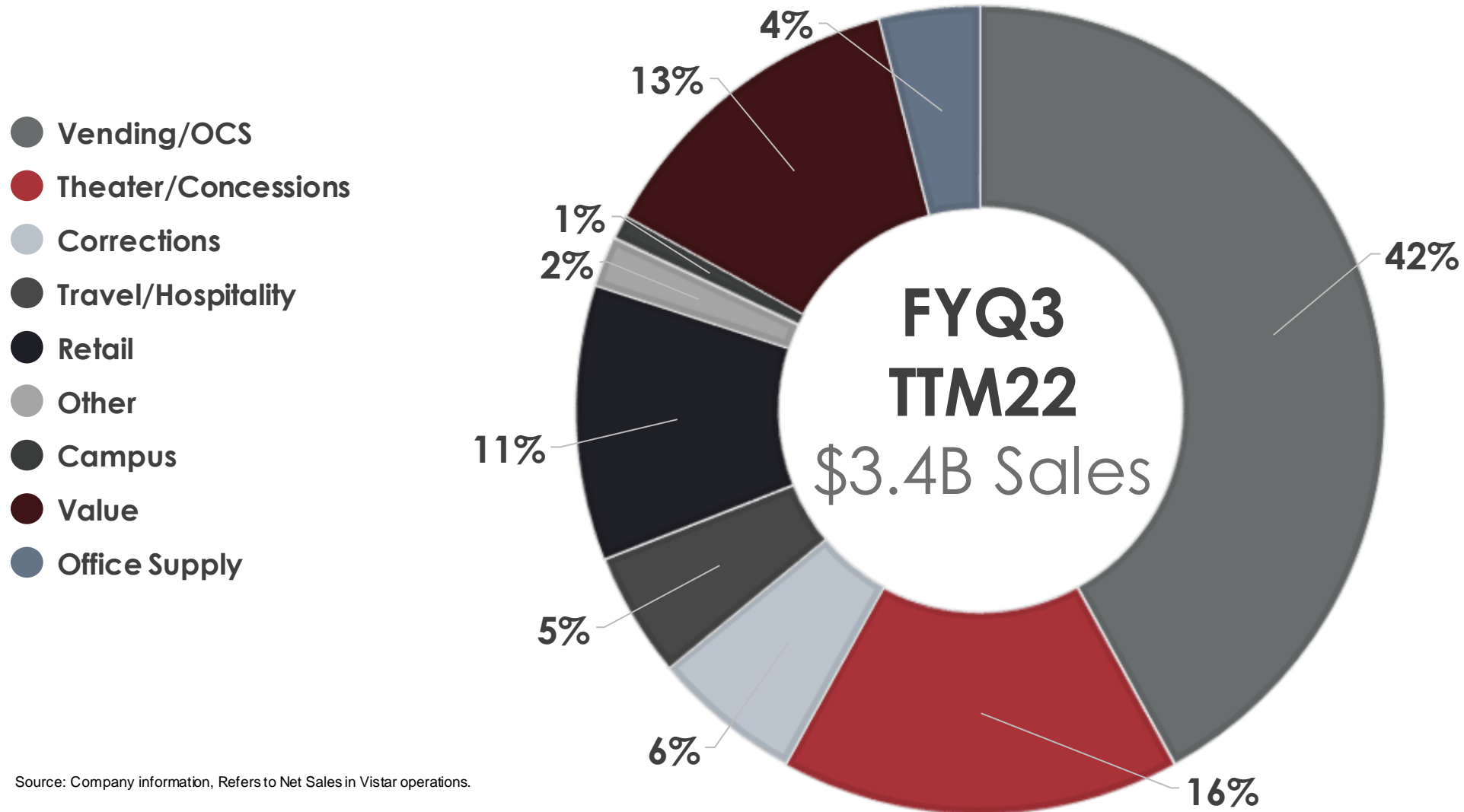
Source: Company information, Refers to Net Sales in Vistar operations.

CHANNEL EVOLUTION



Source: Company information, Refers to Net Sales in Vistar operations.

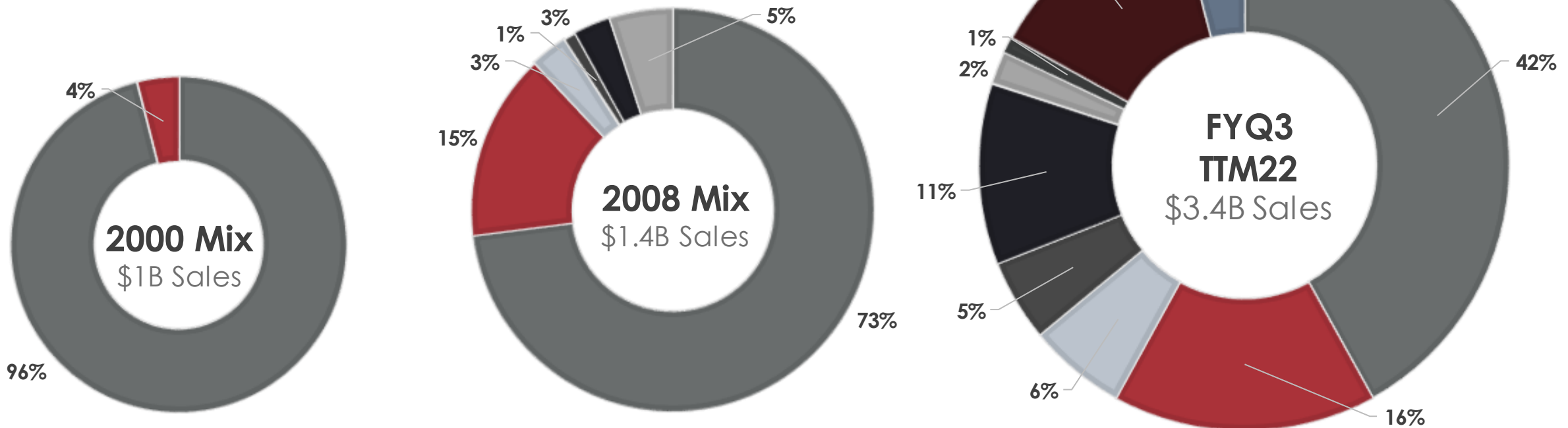
CHANNEL EVOLUTION



Source: Company information, Refers to Net Sales in Vistar operations.

CHANNEL EVOLUTION

Diversity of our customer base has led to a healthy mix, with no channel comprising more than 50% of our current business.



- Vending/OCS
- Theater/Concessions
- Corrections
- Travel/Hospitality
- Retail
- Other
- Campus
- Value
- Office Supply

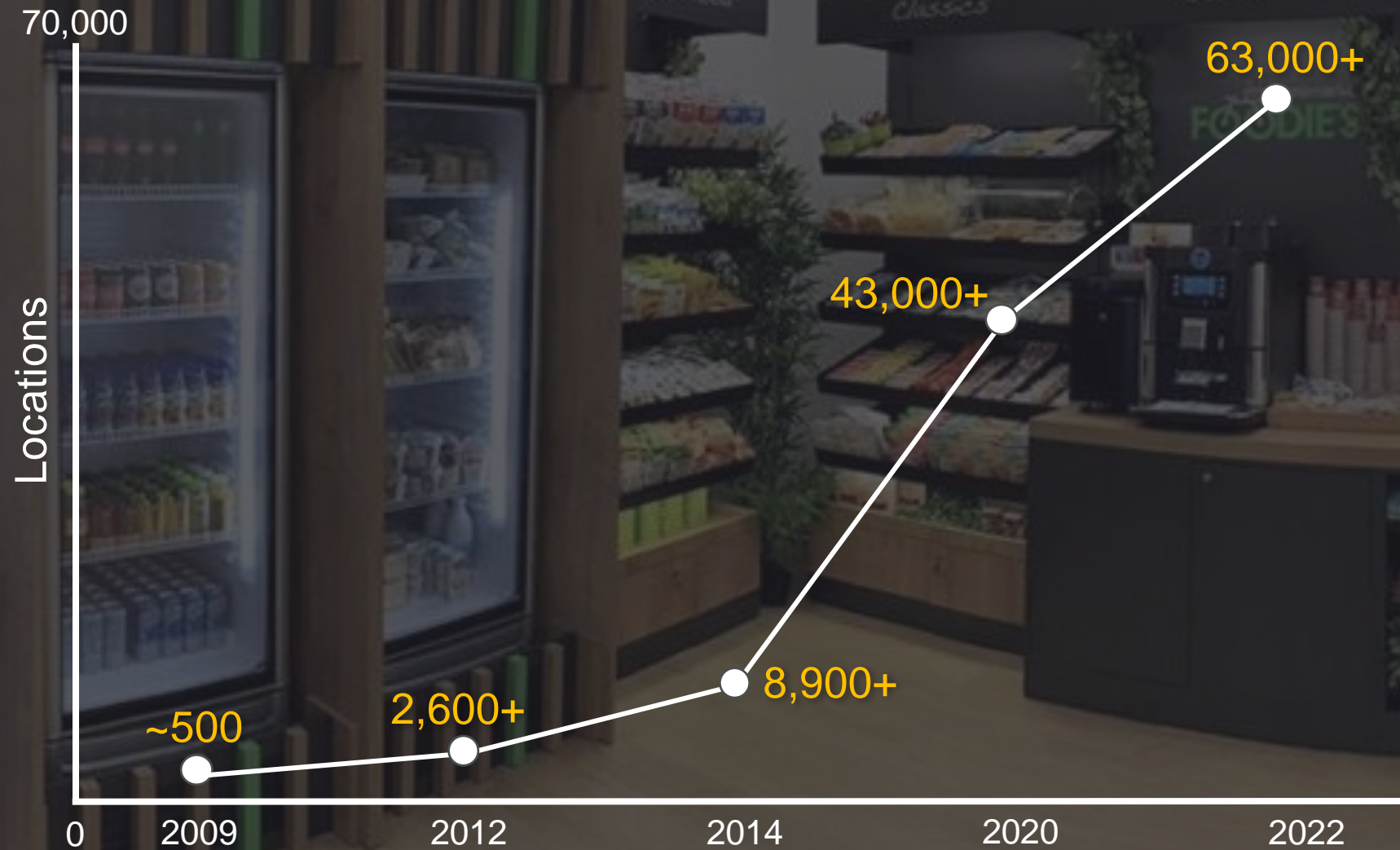
Source: Company information, Refers to Net Sales in Vistar operations.



UPDATE ON CHANNEL **TRENDS**

 **VISTAR**SM

EVOLUTION OF VENDING TO MICRO MARKETS



UNATTENDED RETAIL EXPANDS TO...



Smart Coolers



Micro Cafes



**JUST WALK OUT™
Stores**

FULFILLMENT SERVICES



3

Facilities



150

Customers across
8 channels



1.3M

Orders Annually



3M

Parcels shipped
annually

Competitive Advantage

Ability to Meet
Customer's Future
Growth Needs

New Opportunities with
Manufacturers



GROWTH TERRAINS

 **VISTAR**SM

GROWTH CHANNELS



Military



Gaming

E-COMMERCE & Q-COMMERCE



75% of Consumers Shop
Online Monthly

\$25B Total Q-Commerce
global market in 2021



UNDERSTANDING OUR **CUSTOMERS** &
MEETING THEM WHERE THEY ARE





Multiple Delivery Methods



EXPANDED CATEGORIES





INNOVATE



GROW



THINK
DIFFERENT

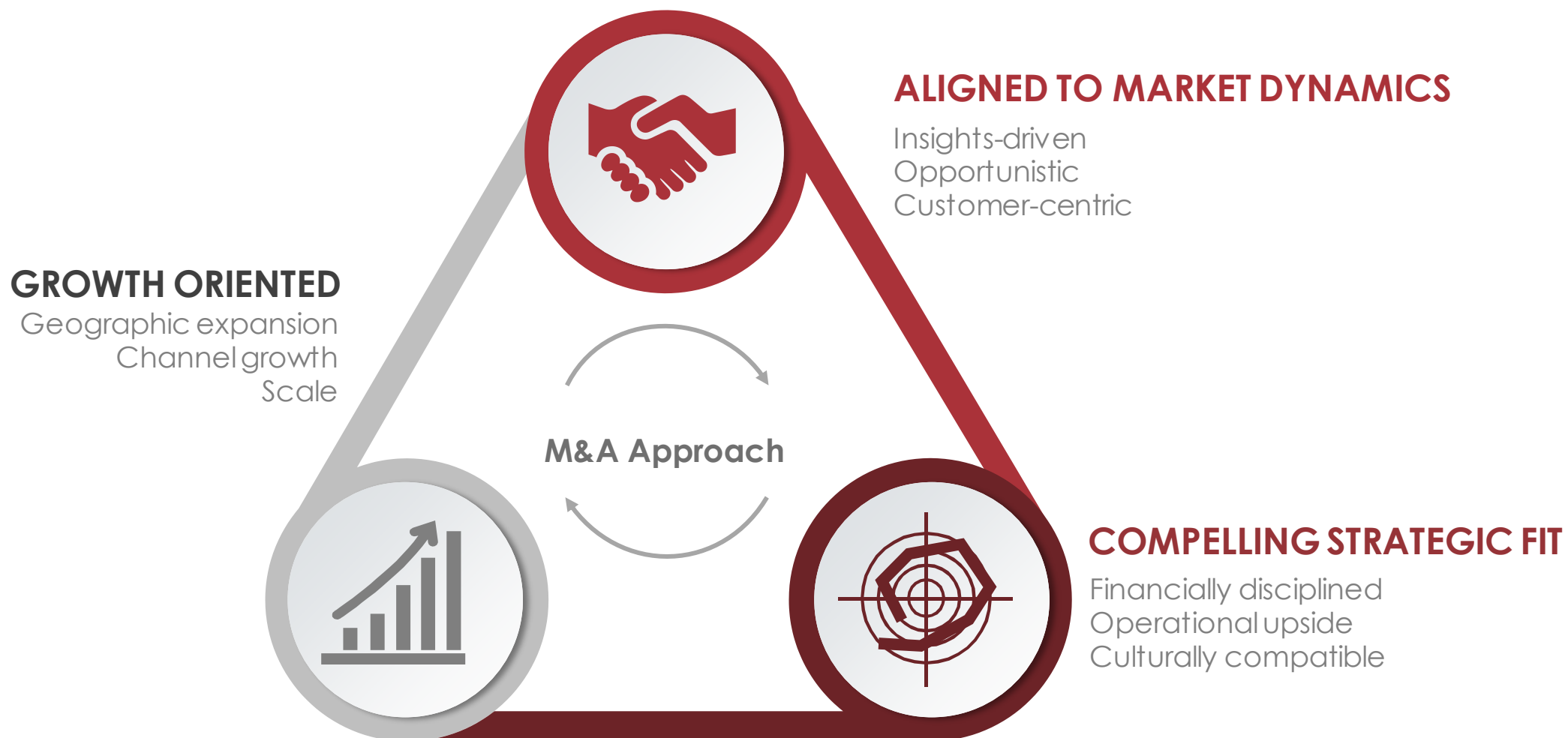


LIZ MOUNTJOY

Vice President,
Strategy & M&A



DISCIPLINED M&A STRATEGY



TRACK RECORD OF SUCCESSFUL M&A

- Recent M&A on or ahead of expectations
- Integration
- Synergy Capture ahead of schedule
- More Opportunity Ahead



TARGETED M&A TO DRIVE SHAREHOLDER VALUE

Focus

- Expand geographic footprint and capacity
- Strengthen existing channels

Impact

- Better service to customers
- Efficiencies of scale and service
- Negotiating leverage with suppliers
- Revenue and cost synergies
- Maximize associate opportunities and retention



JIM HOPE

Executive Vice President
& Chief Financial Officer

- Driving sales and market share position across all channels in which we currently participate
- Margin expansion through improving product and customer mix (private brands, independent customers), and operational efficiencies
- Advancements in technology to meet customer and supplier needs and support operational efficiencies (warehouse automation)

1

Consistent organic
sales growth

2

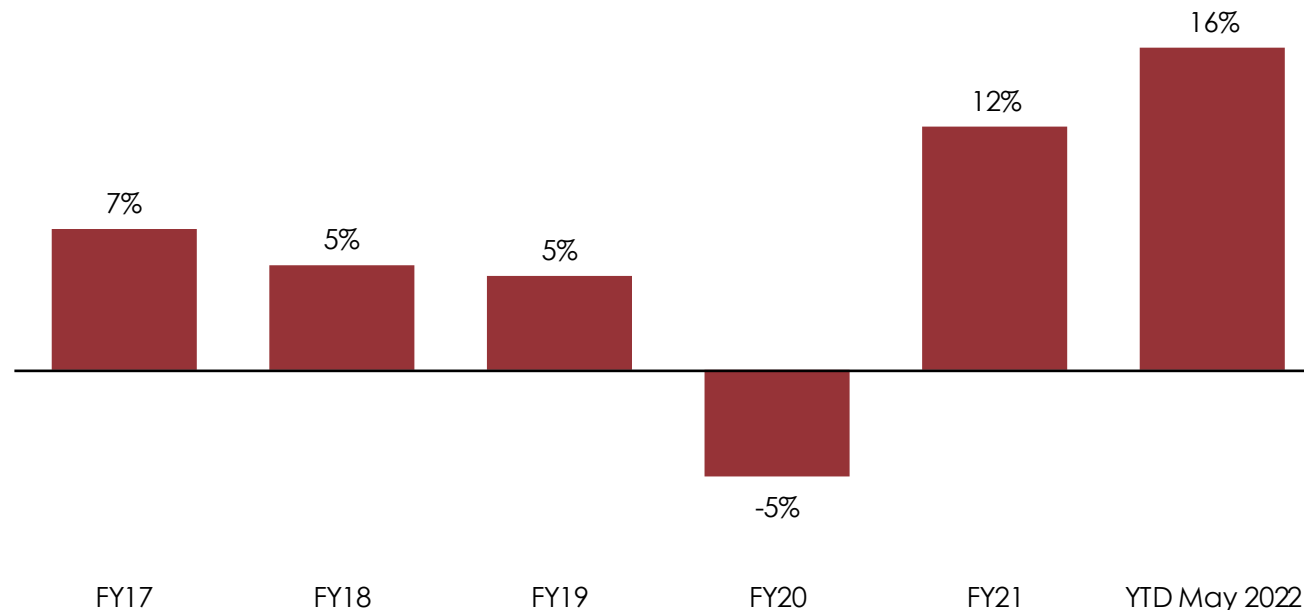
Ongoing EBITDA
margin expansion

3

Debt Reduction

ORGANIC* INDEPENDENT CASE GROWTH

An independent restaurant customer is defined as an operator with 4 or fewer locations.

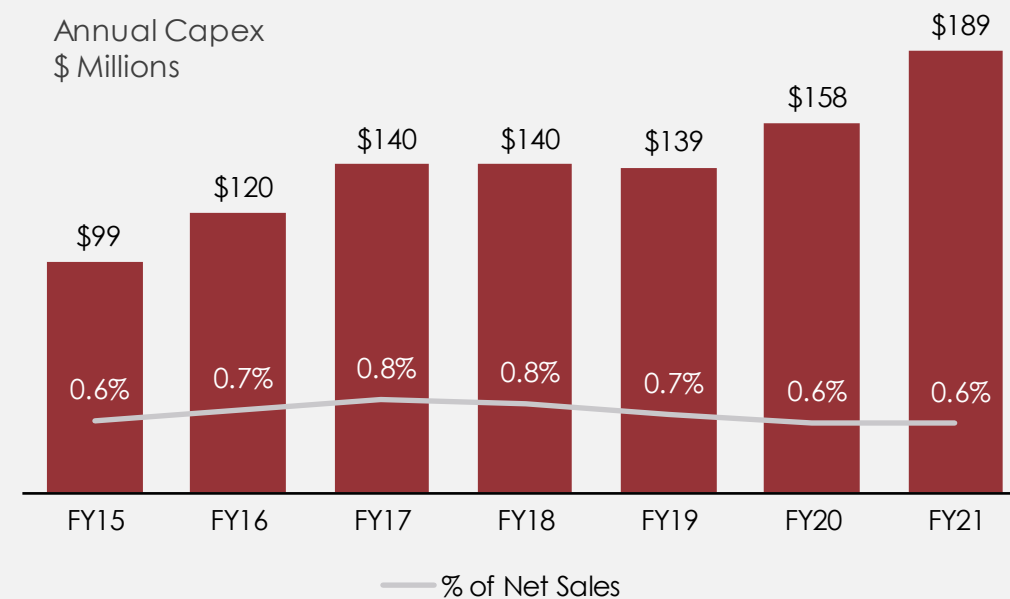


*Organic Case Growth Excludes contribution from acquisitions

DISCIPLINED USE OF CAPITAL

- Facility expansions
- Strategic M&A
- Deleverage

Capital Investments to Support Growth



3-YEAR SALES

Annual Net Revenue of
\$62 billion to \$64 billion
in fiscal 2025

*Assumes cigarette dollar sales roughly flat through 2025

3-YEAR ADJ EBITDA

Annual Adj EBITDA of
\$1.5 to \$1.7 billion in
fiscal 2025

MEETING TAKEAWAYS

- Customer Centric Culture
- Significant Addressable Market Opportunity
- Diverse channel model provides resiliency

1

Consistent organic
sales growth

2

Ongoing EBITDA
margin expansion

3

Debt Reduction





Appendix

STATEMENT REGARDING NON-GAAP FINANCIAL MEASURES

- This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA. These metrics have important limitations and should not be considered in isolation or as a substitute for measures of our financial performance or liquidity prepared in accordance with GAAP. In addition, these metrics, as presented by us may not be comparable to similarly titled measures of other companies due to varying methods of calculations.
- Our Adjusted EBITDA outlook excludes the impact of certain income and expense items that management believes are not part of underlying operations. These items may include, but are not limited to, loss on early extinguishment of debt, restructuring charges, certain tax items, and charges associated with non-recurring professional and legal fees associated with acquisitions. Management cannot estimate on a forward-looking basis the impact of these income and expense items on our reported Net income, which could be significant, are difficult to predict and may be highly variable. As a result, we do not provide a reconciliation to the closest corresponding GAAP financial measure for our Adjusted EBITDA outlook.
- Management uses Adjusted EBITDA, defined as net income before interest expense, interest income, income and franchise taxes, and depreciation and amortization, further adjusted to exclude certain items we do not consider part of our core operating results. Such adjustments include certain unusual, non-cash, non-recurring, cost reduction, and other adjustment items permitted in calculating covenant compliance under the Company's credit agreement and indenture (other than certain pro forma adjustments permitted under our credit agreement and indenture relating to the Adjusted EBITDA contribution of acquired entities or businesses prior to the acquisition date). Under PFG's credit agreement and indenture, the Company's ability to engage in certain activities such as incurring certain additional indebtedness, making certain investments, and making restricted payments is tied to ratios based on Adjusted EBITDA (as defined in the credit agreement and indenture).
- PFG believes that the presentation of Adjusted EBITDA and Adjusted Diluted EPS is useful to investors because these metrics provide insight into underlying business trends and year-over-year results and are frequently used by securities analysts, investors, and other interested parties in their evaluation of the operating performance of companies in PFG's industry.
- The following tables include a reconciliation of non-GAAP financial measures to the applicable most comparable U.S. GAAP financial measures.

NON-GAAP FINANCIAL MEASURES

ADJUSTED EBITDA RECONCILIATION

(In millions)	Fiscal year ended						
	July 3, 2021	June 27, 2020	June 29, 2019	June 30, 2018	July 1, 2017	July 2, 2016	June 27, 2015
Net (loss) income	\$ 40.7	\$ (114.1)	\$ 166.8	\$ 198.7	\$ 96.3	\$ 68.3	\$ 56.5
Interest expense	152.4	116.9	65.4	60.4	54.9	83.9	85.7
Income tax (benefit) expense	14.0	(108.1)	51.5	(5.1)	61.4	46.2	40.1
Depreciation and amortization of intangible assets	213.9	178.5	116.2	100.3	91.5	80.5	76.3
Amortization of intangible assets	125.0	97.8	38.8	29.8	34.6	38.1	45.0
EBITDA	546.0	171.0	438.7	384.1	338.7	317.0	303.6
A Non-cash items	64.9	24.8	19.8	23.2	18.8	18.2	2.5
B Acquisition, integration and reorganization	16.2	182.8	11.8	5.0	17.3	9.4	0.4
C Productivity initiatives and other adjustment items	(1.8)	26.9	5.2	14.4	15.9	22.0	22.1
Adjusted EBITDA	<u>\$ 625.3</u>	<u>\$ 405.5</u>	<u>\$ 475.5</u>	<u>\$ 426.7</u>	<u>\$ 390.7</u>	<u>\$ 366.6</u>	<u>\$ 328.6</u>

A Includes adjustments for non-cash charges arising from stock-based compensation, changes in the last-in, first-out ("LIFO") reserves and gain/loss on disposal of assets. Stock-based compensation cost was \$25.4 million, \$17.9 million, \$15.7 million, \$21.6 million, \$17.3 million, \$17.2 million and \$1.2 million for fiscal 2021, fiscal 2020, fiscal 2019, fiscal 2018, fiscal 2017, fiscal 2016 and fiscal 2015, respectively.

B Includes professional fees and other costs related to completed and abandoned acquisitions, costs of integrating certain of our facilities, facility closing costs, advisory fees paid to former private equity holders, and offering fees. Fiscal 2020 includes \$108.6 million of contingent consideration accretion expense related to the acquisition of Eby-Brown and \$9.3 million of costs related to information technology projects the Company is no longer pursuing as a result of the Reinhart acquisition. Fiscal 2015 includes a \$25.0 million termination fee payment received related to the terminated agreement to acquire 11 US Foods facilities from Sysco and US Foods.

C Consists primarily of professional fees and related expenses associated with productivity initiatives, amounts related to fuel collar derivatives, certain financing transactions, lease amendments, legal settlements and franchise tax expense, and other adjustments permitted by our credit agreement. This line item includes development costs of \$5.8 million for fiscal 2020 and \$8.0 million for fiscal 2018 related to certain productivity initiatives the Company is no longer pursuing.