



*California • Texas • South Carolina*

## **SUPPLY CHAIN DISCLOSURES**

Ruiz Foods seeks to foster a culture of food safety, legal compliance and corporate responsibility both within the Company as well as within the Companies with which we do business.

### **Corporate Disclosure in Compliance with California Transparency in Supply Chains Act (Human Trafficking and Anti-Slavery)**

Ruiz Foods has its headquarters in California – a state that has been on the forefront of encouraging corporate responsibility in the area of human trafficking and slavery. In January, 2012, the California Transparency in Supply Chains Act of 2010 took effect. This law requires large manufacturers to disclose measures used to track possible slavery and human trafficking so that consumers can make more informed choices about the products they buy and the companies they support. The following summarizes the measures Ruiz Foods takes to ensure suppliers comply with the laws against human trafficking and slavery:

#### **Verification**

Under Ruiz Foods' and its affiliates' Standard Terms and Conditions, all of its suppliers must agree to fully comply with all applicable laws and regulations, including those related to labor, immigration, health and safety, and the environment. As a condition of doing business, Ruiz Foods' suppliers must ensure that all labor utilized by them (or their downstream suppliers) is voluntary. Ruiz Foods does not request suppliers periodically verify that they have not used forced labor or engaged in human trafficking, directly or indirectly but reserves the right to audit Suppliers for compliance with this requirement in its Standard Terms and Conditions.

#### **Auditing**

Ruiz Foods requires suppliers to make their records and facilities available to the Company in order to verify compliance with the Standard Terms and Conditions. Ruiz Foods either performs on-site audits of each ingredient supplier, or otherwise utilizes third party audits, before the supplier is qualified to supply products to Ruiz Foods. After initial qualification, Ruiz Foods conducts periodic audits of existing suppliers to ensure they

continue to meet Ruiz Foods' supplier qualification requirements.

Upon completion of all audits, the identified issues and recommendations to rectify violations observed are discussed and documented with the audited facility. Supplier management is expected to address all identified issues as noted. The corrections of the identified issues are validated during a follow-up audit.

#### **Certification**

Through accepting any purchase order from Ruiz Foods for ingredients or supplies, our suppliers agree to comply with the obligations stated in the Standards and Conditions for Suppliers to comply with laws on slavery and human trafficking.

#### **Internal Accountability**

We require all Ruiz Foods team members to comply with our Code of Conduct. Suppliers, contractors and service providers are expected to act ethically and are required to comply with Ruiz Foods' Standard Terms and Conditions. Our team members, suppliers, customers and other stakeholders are able to report any violations of the Code of Conduct or other concerns to the Company through the

Company's "Speak Up For Ruiz" program, which includes 24/7 access to an anonymous hotline ([www.speakupforruiz.com](http://www.speakupforruiz.com)). Ruiz Foods investigates all alleged violations of policy, including any alleged violations of its standards against human trafficking and slavery, and will take action up to and including termination of any team member or supplier determined by Ruiz Foods to have acted contrary to its standards.

### **Training**

Ruiz Foods provides on line training to team

members with direct responsibility and oversight for supply chain management. The training is provided through online courses (e.g., through the University of Delaware) and is designed to provide foundational knowledge and skills using scenarios modified from actual business case for responsible team members to (1) Be aware of human trafficking and slavery in supply chains; (2) Identify human trafficking and slavery risks in company supply chains; (3) Support prevention and mitigation efforts when human trafficking and slavery is suspected.

Through these measures, Ruiz Foods believes its direct and indirect suppliers of packaging goods, raw materials and other inputs are reputable companies that have and follow internal standards requiring compliance with applicable laws, including laws against human trafficking and slavery. If at any time Ruiz Foods determines that its suppliers have violated its standards of food safety or people safety, Ruiz Foods will not hesitate to cease doing business with that supplier.

### **Other Corporate Disclosures**

Ruiz Foods is committed to meet its customers' and consumers' expectations for greater transparency in understanding how their food is sourced.

\*\*\*

#### **GMO Ingredient Labeling Statement**

We recognize consumers are interested in knowing which products contain GMO ingredients and value label disclosures. Ruiz Foods will comply with all required food labeling laws, including the National Bioengineered Food Disclosure Standard.

\*\*\*

#### **Cage Free Egg Sourcing Statement**

Ruiz Foods' goal is to have product offerings include 100% cage-free egg products. Recognizing that egg producers need time to phase in responsible cage-free production practices, our target timing is 2025. Ruiz Foods will identify and qualify suppliers who source from cage-free egg operations. Ruiz Foods audits all USDA FSIS vendor plants as to their efforts to ensure all relevant animal welfare, health, humane handling and inspection requirements are followed.