



 **Ventura Foods**

**2022 CORPORATE SOCIAL
RESPONSIBILITY REPORT**

Message from the CEO



To our Stakeholders,

I am pleased to present our 2022 Corporate Social Responsibility Report, which details our focus on investing in our people and communities, responsibly sourcing and manufacturing our products, and protecting our environment.

We are proud to have progressed this work despite operating under extraordinary circumstances, having navigated the COVID-19 pandemic and supply chain disruptions that have upended the food industry. In fact, more than ever, we leaned into our commitment to responsible corporate citizenship.

In the fiscal year 2022, we contributed more than \$500,000 of in-kind and cash donations, reduced the environmental footprint of our manufacturing sites, and increased our investment in developing our female leaders through our partnership with the Women's Foodservice Forum.

Most importantly, we achieved record-low workplace illnesses and injuries and reduced our lost-time injury rate by more than half compared to the previous year. Furthermore, over 80 percent of our employees and their spouses completed an annual biometric screening, giving them the knowledge to take control of their health.

Being a good corporate citizen isn't accomplished by one person, team, or initiative – it is a collective effort. I am continuously in awe of our entire Ventura Foods team, who drive this work and have done so for almost a decade. Guided by our values of Integrity, Customer Focus, Teamwork, and Personal Ownership, our employees' dedication to supporting our customers, protecting our environment, and serving our communities is unwavering.

It is gratifying to see our progress and know that more is yet to come.

Chris Furman

President and CEO

We are dedicated to making better

PRODUCTS

Innovating on trend:

**3 NEW SAUCECRAFT™
CLEAN LABEL SAUCES
LAUNCHED**



Setting the bar high:



**ALL 12 U.S. PLANTS
ACHIEVED SAFE QUALITY
FOOD LEVEL 2 & ARE
GFSI CERTIFIED**

Responsible sourcing:

**WE USE 100% MASS-
BALANCE PALM OIL IN
OUR OWNED BRANDS**

(contributing to the production of certified sustainable palm oil)



At Ventura Foods we strive every day to make quality products, support our people and help care for our planet. Our 2022 Corporate Responsibility Report explains in detail how we do so. Here are a few highlights...

We are committed to supporting our

PEOPLE



Keeping our people safe:

**CUT LOST TIME INCIDENT
RATE IN HALF** (compared to FY21)

Supporting our communities:

**DONATED MORE THAN
\$500,000 IN-KIND & CASH**



Promoting employee wellbeing:

**80% OF EMPLOYEES
COMPLETED BIOMETRIC
SCREENINGS**

Investing in our people:

**47,000+ EMPLOYEE HOURS
INVESTED IN LEARNING &
DEVELOPMENT**



We pledge to help care for our

PLANET

Reducing our footprint:

**10 OF 12 U.S. PLANTS REDUCED ENERGY,
WATER OR WASTE BY 3% OR MORE**



Committing to a sustainable future:

**536,772 GALLONS
OF RECOVERED COOKING OIL
CONVERTED TO BIOFUEL =**

**10M+ CARBON
POUND
REDUCTION**



(equal to planting 5,645 acres of forest)

About this Report

Ventura Foods' 2022 Corporate Social Responsibility (CSR) Report covers activities from April 1, 2021, to March 31, 2022, the company's 2022 fiscal year (FY22). This is Ventura Foods' seventh annual CSR report. The report describes our commitments, programs and performance across a broad range of issues material to our business. The report is specific to our U.S. operations and business and does not include reporting on operations outside of the United States. We intend to continue publishing a report annually to provide an update on our CSR efforts.

A Certified Internal Auditor from our Internal Auditing team reviewed and guaranteed the accuracy of the information presented in this report.

Our Values at Work

At Ventura Foods, our values of Integrity, Customer Focus, Teamwork and Personal Ownership are the key to our success. Our values are a key component of our [Ventura Edge](#) philosophy put into practice through our [Employee Code of Conduct](#).

Our CSR Approach & Governance

Ventura Foods' CSR strategy is built around the three pillars of Products, People and Planet, with the input of stakeholders. Our CSR work supports the following United Nations' [Sustainable Development Goals \(SDGs\)](#):



Every employee at Ventura Foods contributes in some way to our CSR efforts; however, the governance around this strategy demonstrates our company's commitments at the highest levels. Ventura Foods' President/CEO and his executive leadership team are accountable for delivering on our CSR strategy. A CSR Committee, comprised of senior leaders, is responsible for the strategies, goals, objectives and activities discussed in this report. The Corporate Responsibility Committee of our Board of Directors comprises representatives from our owners – CHS Inc. and Mitsui & Co. – and meets periodically to review our progress.

Products

Ventura Foods fuels our customers' passion for great-tasting food in the foodservice and retail sectors. We are dedicated to innovating and producing extraordinary dressings, sauces, mayonnaises, margarine & butter blends, shortenings and oils safely and responsibly.



Our Culture of Food Safety and Quality

Food safety and quality is at the forefront of everything we do. Our products are on the plates of millions of people globally, including our own families and we are proud of our dedication to delivering safe, great-tasting food.

Our culture of food safety and quality (FSQ) at Ventura Foods starts with our 12 U.S. manufacturing plants, which have achieved Safe Quality Food (SQF) Level 2 certifications and are Global Food Safety Initiative (GFSI) certified. A comprehensive and rigorous food safety and quality management system drives our high standards. Our manufacturing plants undergo third-party audits and certifications each year. Additionally, at least one mock-recall event is performed annually to help drive our continuous journey to ensure food safety and quality. In FY22, all our U.S. plant managers completed preparedness training for in-person and virtual audits by the U.S. Food and Drug Administration (FDA).

We also created and implemented a new House of Quality (HOQ) program. The HOQ is built on a foundation of team, talent and training and focuses on three key pillars: lab services, sanitation and

compliance. We are excited about this new program, which creates a footprint with built-in accountability to further drive and elevate our continuous FSQ improvement efforts.

Our commitment to food safety and quality extends throughout our supply chain, including our new risk-based supplier rating system. This system generates raw material supplier risk ratings based on non-conformance issues reported into our system and completion of required documentation. Using a centralized portal, all non-conformance reports are generated in real time and sent to the suppliers with a corrective and preventive actions (CAPA) plan for immediate completion. Using the data collected, the FSQ and Procurement teams meet quarterly to discuss trends and act proactively to mitigate future risks.

Our goal is to exceed compliance requirements and our customers' expectations.



Responsible Sourcing

As a leading producer of edible oils and related food products, our sourcing efforts and focus are aligned with key issues that impact our business. These include sustainable oil sourcing, deforestation and human rights.

Sustainable Palm Oil Sourcing

As a member of the [Roundtable on Sustainable Palm Oil](#) (RSPO) since 2010, Ventura Foods is committed to advancing the production of certified sustainable palm oil (CSPO). Ventura Foods has also been a member of the [North American Sustainable Palm Oil Network](#) (NASPON) since its founding in 2017. NASPON is an independent group of associations, consumer goods manufacturers, retailers and palm oil traders and producers who are committed to increasing the use of CSPO in North America to 100 percent.

As of the end of FY22, our owned brands use 100 percent mass-balance palm oil, which contributes to the production of CSPO. We report on our sustainable palm oil sourcing performance annually through our RSPO Annual Communication of Progress Report.

As a responsible corporate citizen, we continue to uphold the RSPO principles and criteria for the production of sustainable palm oil, including:

- No deforestation of environmentally sensitive high conservation value (HCV) lands or high carbon stock (HCS) areas.
- No development on environmentally important peatlands that absorb carbon that would otherwise make its way into the atmosphere.
- No exploitation of rights of workers, Indigenous people or local communities.
- Inclusion of smallholders, or small farms that often support entire families in the developing countries where palm oil is cultivated.

Additionally, we are proud to support our customers who are also committed to leveraging certified sustainable palm oil in their products on their sustainability journeys.

Human Rights

We are committed to protecting the human rights of our employees and all those connected to our supply chain, including our suppliers and partners. We are dedicated to conducting business in a lawful and ethical manner. Each of our stakeholders plays a key role in our efforts to manage our supply chain in a sustainable and ethical way.

Ventura Foods requires all employees, suppliers and business partners to strictly adhere to our human rights standards, which, in summary:

- Prohibit child and underage employment.
- Prohibit trafficking and forced or involuntary prison labor.
- Prohibit all and any forms of abuse, bribery, harassment and discrimination.
- Recognize and respect the rights of freedom of association and collective bargaining.
- Recognize and respect fair, legal and equitable work timeframes, working conditions (including health and safety) and wages.
- Require all labor recruitment and employment procedures to be carried out in a legal and ethical manner.

To monitor compliance with our expectations, Ventura Foods periodically audits potential new and existing suppliers to ensure they are meeting our requirements. We select suppliers for audit annually using a risk-based approach. Supplier participation in the audit is mandatory, and non-compliance with our standards may result in the discontinuation of the relationship.



Food Solutions

As the foodservice and retail industries continue to rebound from COVID-19 challenges and adapt to the “new normal,” our teams have reimagined how to meet these new demands and opportunities.

In FY22, we created a cross-functional Food Innovation Solutions Team. This best-in-class team enables quick-to-market ideation, streamlines product development and brings solutions to our customers and consumers that meet their ever-changing needs. As a part of this process, we created our new Customer Value Proposition (CVP) that clearly outlines why prospective customers should place their business in our hands. Our new CVP defines our products and services and our competitive points of difference. It is also deeply rooted in our company’s culture, The Ventura Edge. In FY23, we are excited to share and bring this work to life.

Spotlight on New Product Innovation

In the foodservice channel, we launched three new SauceCraft™ flavors – Nashville Hot, Caribbean Jerk and Ghost Chili Taco Sauce.

We developed these sauces to meet consumer demand for bold sauce flavors with clean labels. The sauces are crafted using only real ingredients that provide an exciting solution for foodservice operators.



Celebrating Foodservice Innovation

In the spirit of our commitment to crafting innovative solutions for our customers, we are a proud co-founder and sponsor of the MenuMasters Awards program. MenuMasters is a highly respected competition honoring menu R&D leaders for their personal achievements and contributions to the foodservice industry. Almost 200 awards have been bestowed upon some of the biggest culinary names and the individuals who bring exceptional food to life behind the scenes. We are proud of the 2021 MenuMasters Award winners and look forward to celebrating the 25th anniversary of the awards with our customers, talented chefs, and partners in FY23.



People

Our people are the heart and soul of our company. At Ventura Foods, we support, celebrate and encourage each other to strive for personal and professional excellence every day. We are committed to investing in our people and communities because they invest in us.





People Safety

As part of our commitment to our people, we are diligent in preventing workplace illness and injuries and promoting a culture centered on health and safety. Workplace safety is the responsibility of every employee, from our CEO to our frontline workers.

Our long-term company-wide goal is to perform in the top quartile of our industry consistently. We have not only met but exceeded this goal. In FY22, our total recordable injury rate of 1.50 outperformed our company goal and was half that of our industry's 3.0 average. Additionally, we more than halved our lost-time injury rate compared to the previous year.

Leading Safety Indicators

Our safety program, Focused Improvement, is a leader and employee-led initiative. Leader-led indicators include visible leadership opportunities and safety contacts. Employee-led indicators focus on peer-to-peer observations, near misses and safety ideas. Employing a model of leading safety indicators helps us define the actions needed to achieve our goals and develop measurable outcomes.

Our Albert Lea, MN facility celebrated more than two years with zero recordable incidents in four of its five departments. For these outstanding safety achievements, the facility was recently recognized with the Minnesota Safety Council (MSC) Governor's Workplace Safety Award in Occupational Safety.

Create A Safe Day

In FY22, as part of our Create a Safe Day program, we launched Environment, Health and Safety (EHS) baseline assessments at two of our largest manufacturing facilities. The assessment includes several focus areas, including confined space, record keeping, lockout/tagout and hazard communication, among others. This work is pivotal to informing our long-term EHS strategy, and we look forward to completing assessments across all our facilities by the end of FY23.

Our focus on Leading Safety Indicators and the Create a Safe Day program have enhanced our overall workplace safety program, generating successes we can all be proud of.

TRIR

Total Recordable
Incident Rate

1.50

LTIR

Lost Time
Incident Rate

0.25

DART

Days Away Restricted
or Transferred

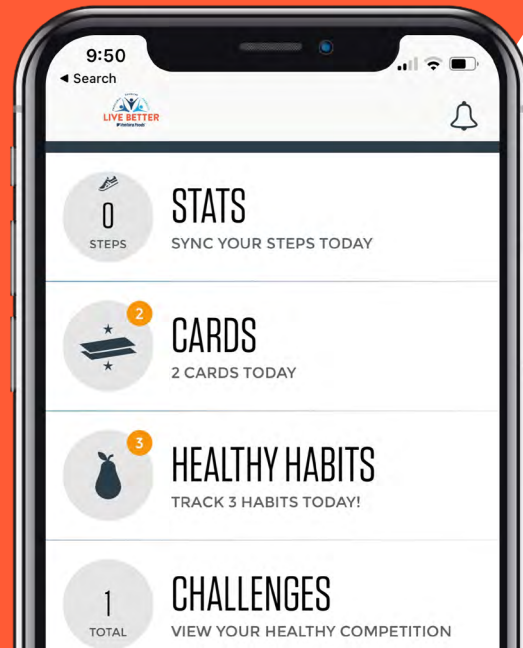
1.27

Employee Wellbeing

At Ventura Foods, we care about the long-term success of our people. We believe physical health, financial security and emotional balance are key to overall well-being. We're proud to offer various tools to help our employees and their families live happier, healthier lives.

In FY22, 80 percent of employees and spouses completed an annual biometrics screening, far exceeding the industry benchmark of 27 percent. MyQHealth is a wellness program that is available to all our employees through our Quantum partnership. It provides white glove service layered onto the medical plans to help employees navigate preventive screenings and health care services. Thanks to this resource, the number of employees and dependents accessing preventive care doubled between 2020 and 2021.

In FY22, our focus was on physical well-being. We launched a comprehensive campaign, LIVE BETTER, complete with a multi-channel communications strategy and engaging content. More than 55 percent of our employees and spouses enrolled in and actively engaged with Virgin Pulse, a wellness technology platform. This platform provides a single destination for users to access resources and support, set wellness goals, track their health journey and earn rewards points that are redeemable for products and services.



LIVE BETTER

1,800+ members
completed 2 or more actions that
support their personal wellness journey

463,400
total interactions

20 MILLION+
points earned

“ I use the Virgin Pulse app daily to track my healthy habits. I have changed the way I eat and added exercises to my daily routine. I lost 49 pounds and feel great! Every little bit helps in our journey to LIVE BETTER. ”

— Sara Schiflett,
Fort Worth Customer Solutions Center

Learning & Development

Ventura Foods is committed to creating a learning environment that supports continuous personal and professional growth of our employees. Our Learning and Development (L&D) programs go beyond the typical safety and compliance training to include strengthening personal performance, building job skills and developing future leaders.

Investing in Learning & Development

FY22 was an exciting year at Ventura Foods, with continued investment in a culture of L&D through expanded resources, initiatives, and offerings. These included:

- Expanding the L&D resources in our manufacturing facilities by 200 percent.
- Creating and launching 22 eLearning courses.
- Converting our commercial product knowledge training to digital.
- Supporting our hybrid work model.
- Supporting our new customer value proposition model with communication, change management, and training plans.

PRODUCTS

PEOPLE

PLANET

In FY23, we are excited to roll out our new holistic company-wide three-year L&D plan. It will involve implementing a Learning Management System (LMS) that consolidates all our L&D resources into a one-stop shop for the learner, among other key initiatives, that further support our employees and organizational growth.

Transforming Our Operations L&D

The launch of a new knowledge lifecycle system was a groundbreaking pilot initiative for the L&D operations team. This will allow us to train employees consistently by capturing important details of production events, sharing solutions to common problems, applying work instructions at the point of need and ensuring employees have the skills and certifications they need to succeed. It also increases capabilities on the floor by equipping our supervisors with a tool to understand their employees' skill levels and close their gaps to build cross-functional teams. We documented immediate benefits from this pilot, including reduced turnover in targeted areas and high user satisfaction. Based on this initial success, it will be implemented more broadly in the year ahead.

83,111
COURSES COMPLETED



47,199
HOURS INVESTED

Diversity & Inclusion

We value diversity and pride ourselves on providing an inclusive, respectful and caring work environment. Our goal is to attract high-performing, diverse talent who will help us grow and innovate new products that meet our consumers' preferences and needs.

Developing Our Next Generation of Talent

In FY22, our first cohort of five EXCEED associates graduated from the Ventura Foods yearlong rotational development program for recent college graduates. The EXCEED program provides cultural, technical and leadership development to grow emerging leaders. We were pleased that each EXCEED associate accepted a full-time position at Ventura Foods. Areas of the business they represented included Production Supervisor, Operational Excellence Engineer and Sales & Operations Planning Analyst roles.

We recruited three new EXCEED associates, including one who serves in active-duty military, into the program's third cohort. In FY23, we will enhance the program by diversifying and expanding included majors and concentrations beyond operations to address forward-looking staffing and talent development needs across our business.

Championing Opportunity

Ventura Foods is a long-standing supporter of the Women's Foodservice Forum (WFF), the food industry's thought leader on gender equity. The goal of our Ventura Foods WFF is to influence gender inclusion by increasing organizational awareness, developing strong female talent and providing two-way equity to empower our male allies to be strong advocates.

WFF offers a variety of rich content and engagement opportunities, workshops, lunch & learns, self-paced learning tools and networking events, which we make accessible to all our Company WFF participants, ensuring our members are able to be fully engaged and get the most out of all that WFF has to offer.

WFF engagement, interest and volunteerism is at an all-time high for Ventura Foods with nearly 200 active WFF participants across all company functions. This includes a 15-person engagement committee and 67 members who have opted in to participate in Leadership Development Circles, which is a collaborative learning program that prioritizes individual development, provides an opportunity to

network and fosters a sense of community. WFF is strongly supported by our senior leadership who champion development programming, lend their expertise as a guest/featured speaker, and who have served on WFF boards.

Over the next three years we will continue to deepen the WFF partnership and sustain our "best in class" approach. In FY23, we also look forward to leveraging our WFF model and learnings for our recent partnership with Women in Manufacturing while we continue to seek out additional organizations that support our commitment to diversity and inclusion and advance our employees.

Community Engagement

Giving back to the communities where our employees live and work has always been one of our top priorities. We impact thousands of our neighbors every year through our giving, in-kind donations and volunteer opportunities.

Each year our primary focus is supporting hunger relief and prevention, with efforts that span from hyper-local to global organizations. We also empower our manufacturing and office locations around the U.S. to support organizations focusing on issues that might be uniquely relevant to their communities. In FY22, we were proud to donate more than \$500,000 of cash and in-kind contributions to over 65 organizations.

DONATED MORE THAN \$500,000

in-kind and cash to over 65 organizations in FY22.

SPOTLIGHT on our giving

- In March, **our employees generously gave more than \$22,000**, including our dollar-for-dollar company match, to support World Central Kitchen's (WCK) hunger relief efforts in Ukraine. WCK has served more than 100 million meals to date and built the largest emergency food relief effort in Ukraine. We are humbled to do our part to support our global neighbors in need.
- As an Orange County, CA-based company, **Ventura Foods was proud to donate \$40,000** towards a new kitchen in the Orange County Ronald McDonald House (RMHOC). The RMHOC provides a warm environment of comfort, care and support for families with seriously ill children by providing a "home away from home" for families whose children are in the hospital.

Community Engagement (continued)

SPOTLIGHT *on our giving*

We are deeply committed to strengthening our communities and supporting our employees' efforts by giving of time, treasure and talent.

Waukesha, WI

After tragedy struck their community during a holiday parade, Ventura Foods supported the Waukesha manufacturing plant team in donating \$5,000 to the Waukesha Community Fund Foundation. The Community Fund and United Way raised more than \$6 million to help the families and individuals impacted by the parade attack.

St. Joseph, MO

In conjunction with Employee Appreciation Week, our St. Joseph plant held its annual food drive for Second Harvest Food Bank, which serves counties in Northwest Missouri and Northeast Kansas. The St. Joseph team collected non-perishable food items to help fill the food bank shelves and provide staples to their neighbors in need.

Opelousas, LA

When Hurricane Ida hit the eastern part of Louisiana, our Opelousas Ventura Foods team quickly responded to help their impacted neighbors. Employees mobilized to collect and donate much-needed supplies, including water, Gatorade, diapers, wipes, cleaning products and other items to be sent to the hurricane-ravaged areas. Local law enforcement picked up the donated items and promptly distributed them to families in the affected areas.



Planet

Ventura Foods is committed to reducing its operational environmental footprint. We have prioritized projects related to energy, water and waste reductions across our manufacturing operations.



Reducing Our Footprint

Ventura Foods operations teams are committed to finding new ways to reduce the energy, water withdrawals and the waste that we produce. In FY22, each of our U.S. manufacturing sites implemented a site sustainability/utility reductions (SSUR) team charged with identifying utility reduction opportunities and reducing each site's environmental footprint. The teams are cross-functional and include members from Operations, Quality, Sanitation, Operational Excellence, EHS, and Engineering/Maintenance. The SSUR teams will meet monthly and use Kaizen principles to guide issue identification and corrective action planning. Each manufacturing facility is tasked with reducing overall utility usage by five percent year-over-year. We look forward to reporting on the projects and progress from this work in FY23.

In FY22, 10 of our 12 U.S. manufacturing facilities reduced usage of at least one key utility by three percent or more compared to FY21. More than half of our plants realized these reductions across multiple utilities.

Reducing Energy Use



The Opelousas facility identified an opportunity to reduce gas usage by providing detailed training for all refinery operators and supervisors on the proper function and use of steam tracers. Steam generation is fueled by natural gas at this facility; therefore, a reduction in steam generation reduces natural gas use.

The St. Joseph, MO facility installed three new low NOx steam generators. These generators heat up faster and more than double existing steam capacity, helping to reduce energy use and emissions output.

Reducing Water Use



When Hurricane Ida shut down our Opelousas, LA facility, the team used it as an opportunity to look for water reduction opportunities not associated with plant production. During this process, they identified, traced and abated water leaks, resulting in a 28 percent reduction in water usage in the second half of FY22.

The Thornton, IL facility team worked together to reduce water withdrawals through several initiatives, including identifying and fixing major and minor leaks, optimizing clean-in-place (CIP) rinses and reclaiming air compressor water. The team reduced water use by 15 percent compared to FY21, which equates to 2.4 million gallons of water saved.

Our Chambersburg, PA facility installed *3D Trasar Technology* on all CIP skids, resulting in an estimated water savings of 3.7 million gallons annually.

Reducing Our Footprint (continued)

Reducing Waste to Landfill



Two of our 12 U.S. plants have achieved zero waste to landfill, and all our operations teams are continuously examining new ways to reduce the waste streams produced and divert waste away from landfills. In the past year, some key accomplishments include:

- 100% of waste oil at our Salem, OR facility is collected by a renewable energy partner for conversion to biodiesel.
- Our St. Joseph facility identified an innovative way to separate oil-based product liners from packaging, which has resulted in both components being recycled and diverted from the landfill.
- An assessment of the solid waste stream at our Thornton, IL facility assessed their solid waste stream and identified items flowing through the stream to solid waste that could instead be recycled. The team implemented an immediate change, diverting 100 tons of waste from the landfill.

Renewable Energy



Through our Producing Useful Renewable Energy (PURE) program, we work with our environmentally conscious customers to reclaim and convert used cooking oil into biofuel.

**RECOVERED 536,772
GALLONS OF OIL
& CONVERTED
TO BIOFUEL**



**10,516,695M
REDUCTION IN
CARBON POUNDS**
(equivalent to planting
5,645 acres of forest)

**Ventura Foods remains committed
to supporting a cleaner, healthier,
and more sustainable future.**



Ventura Foods innovates and manufactures food solutions for foodservice and retail businesses. We make exclusive products for the world's most iconic restaurants and retailers, provide ready-to-go product solutions for professional kitchens and make consumer brands everyone knows and loves. Our portfolio of Dressings, Sauces, Mayonnaise, Bases, Margarine and Oil, combined with our slate of services turns these flavor and performance ingredients into extraordinary menu items and meal ideas for our customers.

Ventura Foods is a privately held joint venture of CHS, Inc. and Mitsui & Co. Our company is headquartered in Brea, CA, with operations across the United States and Canada.

DISCLOSURE STATEMENT

Ventura Foods is proud to provide this update on progress toward our CSR commitments. We thank you for taking the time to understand how we source our ingredients and make our products, support our people and communities and help care for our planet.

We welcome your questions and feedback at www.venturafoods.com/contact/

