

LAND O' LAKES, INC.

Transportation Quality Expectations Manual

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Version 1.0

Our Product Safety and Quality Heritage

Land O'Lakes, Inc. (LOL), since its formation in 1921, has been known for and committed to the production and delivery of safe, high-quality products – a commitment that stretches across all of our businesses, from farm to fork.

LOL is one of the largest cooperatives in the United States, with approximately 10,000 employees, 3,900+ direct producer-members, and 750 member-cooperatives, doing business in more than 50 countries.

Your Role as a Carrier

As a carrier of materials, finished goods for LOL, you play an important part in helping us maintain the trust that our consumers and customers have in us. The quality and safety of the products you transport can significantly affect both our reputation and yours. It is essential that we both implement strong, prevention-based product safety and quality programs, combined with a passion for doing the right thing.

Scope of this Document

This document outlines the requirements for carriers who haul dairy foods and animal nutrition product. It includes industry programs and practices we expect to see in place. Some elements may be more critical than others, depending on the type of product produced and the nature of the relationship with LOL. This document, along with LOL's specifications and contracts, provides guidance for being or becoming an approved supplier of services.

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CUSTOMER AND CONSUMER RELATIONS REQUIREMENT

Statement of Intent: To ensure a process is in place to capture, respond to and evaluate customer and consumer contacts (e.g., complaints, inquiries, compliments).

CUSTOMER AND CONSUMER CONTACT PROGRAM

1. Each carrier must have a documented program in place regarding customer and consumer complaints.

DOCUMENT AND RECORD CONTROL REQUIREMENT

Statement of Intent: To ensure product safety and quality documents and records (e.g., requirements, programs, procedures, forms) are managed within a controlled system.

DOCUMENT AND RECORD CONTROL

1. Carrier must have a document control program and maintain a master document and record lists.
2. Documents must be created to demonstrate compliance with product safety and quality policies.
4. Records must be:
 - Completed electronically or in ink;
 - Dated with month, date and year;
 - Legible;
 - Complete and accurate;
 - Authentic.
5. Documents and records must be stored in a secure manner and be readily available for review.

MANAGEMENT COMMITMENT REQUIREMENT

Statement of Intent: To ensure the development, implementation, maintenance and continuous improvement of the processes and programs supporting the product safety and quality policy in order to ensure that risk is managed throughout the organization.

MANAGEMENT RESPONSIBILITY

1. Carrier management is responsible for ensuring compliance with quality management systems (QMS), and a focus on continuous improvement.
3. Adequate resources (human, financial, technical and training) must be provided to implement, maintain and make improvements to support the quality management system.
4. Procedures that support compliance with the QMS must be documented.

6. The carrier must conduct and document self-assessments on an annual basis to evaluate adequacy and effectiveness of meeting the QMS programs.

PRODUCT SAFETY AND QUALITY EVENT MANAGEMENT

1. Each carrier must have documented procedures for managing events where product safety, product quality, human safety, public relations, security, or environmental conditions (e.g., fire, natural disaster, water disruption, etc.) may put the business and/or operations at risk (e.g., a carrier incident management team). Procedures must include:
 - Identification of a carrier incident management team;
 - A key contact list;
 - A communications plan that addresses the different types of incidents/crises listed above. The communication plan must include who may communicate to customers, consumers, and regulatory, and how this information may be communicated.
2. Product safety and quality events must be documented and communicated per the carrier's communication plan.

PERSONNEL TRAINING, EDUCATION AND QUALIFICATIONS REQUIREMENT

Statement of Intent: To ensure all employees, contractors, temporary workers and visitors have appropriate training, education and qualifications to ensure product safety and quality.

TRAINING AND EDUCATION PROGRAM

1. Employee training and education (in appropriate languages where needed) must be provided to support the QMS requirements.
 - 1.1. In accordance with FSMA Sanitary Transport Rule, all drivers and personnel physically handling food product must receive food safety training. Records of training must be available upon request. Learning objectives are that each trainee:
 - Is aware of potential food safety problems that can occur during transportation
 - Is trained on and can properly carry out sanitary tasks associated with transporting food product
 - Understands the unique responsibilities of the carrier
2. Product safety, quality and regulatory training must be provided, relevant to the task being performed, to contractors.
3. All training activities must be documented and training records for all personnel must be maintained.

4. Trainers must be qualified through training, education or professional experience for the topics on which they are training.

REGULATORY COMPLIANCE REQUIREMENT

Statement of Intent: To ensure carrier compliance with all applicable laws and regulations governing the product, transportation process, package and service in the country of origin (where made) and country of destination (where sold).

DOMESTIC AND INTERNATIONAL COMPLIANCE

1. Carrier must have a program for managing domestic and international compliance.
 - Carriers must be registered under applicable laws and regulations.
 - Carrier companies ensure that all drivers have a valid driver's license (CDL) for the size of vehicle transporting LOL materials.
 - Carrier company ensures transportation providers are in compliance with all applicable regulatory requirements for the distribution of materials, including FSMA and HAZMAT. This includes, but is not limited to:
 - Drivers picking up at port authorities will follow the shipper/receiver requirements of having a TWIC identification. Required shipping temperatures are maintained and documented
 - LOL will be notified within 24 hours when any regulatory action or report is issued that involves LOL materials.

OPERATIONS & EQUIPMENT MANAGEMENT REQUIREMENT

Statement of Intent: To prevent contamination of final product and help ensure safe conditions for the transportation of raw materials and products.

EQUIPMENT DESIGN AND CONDITION

1. The load-carrying area, and/or product-contact area, is free of loose items, damaged floors, panels or projections that could cause a risk of damage to products.
2. The load-carrying area is maintained to prevent rain, leaks, or dampness from contaminating the product.
3. The load-carrying area is designed to be cleanable. Any such areas that are wet-cleaned are required to be completely dry prior to loading.

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4. Transfer hoses and pumps used for loading or unloading of tankers are clean, in good condition, and capped and securely contained during transport. All filters are cleaned and in good condition. All devices should be stored in a sanitary manner.
5. As required by law, including FSMA, records of the vehicle load history and cleaning interventions are maintained and available, including religious restrictions.
6. Rigid, enclosed trucks, trailers and railcars are designed to be adequately sealed.
7. Procedures are in place to ensure that road vehicles are maintained in a roadworthy condition to reduce the risk of vehicle breakdown and failure to meet customer requirements.
8. Equipment necessary to secure the load (load bars, straps, etc.) is available, clean, dry, and functioning as applicable.

MATERIALS MANAGEMENT

1. Vessels (e.g., trucks, tankers, railcars) and documentation must be inspected before loading.
 - 1.1. Trucks must be inspected for foreign material, pest activity, chemicals, odors and any other pertinent risks, which are mitigated, before loading or unloading.
 - 1.2. All spills or breakage are documented and adequately cleaned to prevent product contamination.
 - 1.3. Trucks with strong odors (good or bad) are not loaded with LOL materials.
 - 1.4. Where food allergens are transported and are of a concern, the potential risk of cross-contamination is assessed prior to loading and any additional spillage controls are incorporated.
 - 1.5. Before loading a vehicle, the history of prior loads is known and investigated to assess the risk of contamination to the future load. The carrier company has a documented policy on prior loads, which is available on demand.
 - 1.6. No evidence of pest activity, foreign material or other contaminants or odors that may cross-contaminate the load are observed in the vehicle before loading.
 - 1.7. Cleaning procedures are documented and cleaning between loads is recorded. This information is available on demand.
2. Transportation operations - Finished products and raw materials must be managed to prevent contamination and damage.
 - 2.1. Temperature control
 - Carrier has procedures to verify that the vehicle and equipment are capable of consistently maintaining the specified conditions and temperature as defined on the BOL.
 - Where temperature settings can be adjusted, measures are in place to verify temperature settings of vehicles prior to dispatch. Vehicles transporting refrigerated and frozen materials are pre-cooled before loading.
 - Automatic temperature and time-recording equipment is used to monitor and record the temperature of the load-carrying area as identified in the contract and BOL.

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- Records of trailer temperatures are made available to LOL within five (5) business days from the request.
- The driver/dispatch has a system to alert them if the temperature of the load carrying area varies from the specified limits.
- In the case of equipment failure, carrier must ensure the safety and quality of the product/material and notify LOL within 24 hours.

2.2. Food defense:

- Material is transported under secure conditions to prevent or indicate theft or malicious contamination. This includes when the trailer is parked in a lot.
- Access to all materials is restricted to authorized personnel.
- Procedures for maintaining security of the vehicle are understood by drivers and delivery staff.
- Where carrying areas are rigid, completely enclosed and full loads (non-LTL), seals are used to ensure integrity of the vehicle. Seal numbers match the documentation.
- If a seal must be broken for any reason, LOL must be contacted for approval.
- All trailers, including LTLs, must be padlocked.

DEFINITIONS

Correction: Action taken to regain control of non-conforming product or process.

Corrective Action: Action to reduce or eliminate the likelihood that a problem will reoccur; designed to address the root cause(s).

Hazard: A naturally occurring or intentional biological, chemical (including radiological), or physical threat that has the potential to have adverse health effects.

Validate: To provide documented results of effectiveness of standard operating procedure (SOP), including parameters identified as critical for the intended purpose (e.g., allergen removal, soil removal).

Verification: The application of methods, monitoring, tests, procedures, and other evaluations to determine whether a control measure is or has been operating as intended.