

January 9, 2024

In response to the questions you submitted, please see the following.

Respond to the article's findings of child labour in Darigold's supply chain.

We were surprised and troubled to learn of allegations of child migrant labor on any Northwest Dairy Association (NDA) member farms. NDA members have all agreed to adhere to a set of Standards and Guiding Principles for the operation of their farms, and the violations alleged in a recent *New York Times* article are in no way consistent with those Standards and Guiding Principles.

It is important to note that neither Darigold nor NDA own or operate any farms. NDA is a farmer-owned cooperative that owns and supplies milk to Darigold, which is the marketing and processing arm of NDA. Darigold and NDA are, and will continue to comply with all federal, state, and local laws and regulations, including but not limited to those related to child labor.

As part of our effort to ensure compliance with our Standards and Guiding Principles, NDA engages an expert third-party APSCA certified labor audit firm to conduct on-farm labor audits in a way that is consistent with the best practices across the dairy industry. To date, we have seen no evidence in those audits to support the allegations surfaced in the *New York Times* reporting.

Disclose the steps it has taken to investigate and remedy the abuses discovered there.

Any time we learn of violations to our Standards and Guiding Principles, whether within our own operations or among member farms, we conduct a thorough review to determine what exactly happened. In this case, we have identified the farm where this alleged infraction occurred and are working with the farm owner and his team to take appropriate corrective actions.

As of today, that farm has been re-audited (it was audited in March of 2023, and a second audit conducted after the *Times* piece was published), and we have modified our audit procedure to include interviews with farmworkers from each shift. Historically, audits have included interviews with farmworkers on duty at the time of the audit, with audits sometimes spanning shift changes allowing auditors to interview workers from two shifts. Under this change, auditors will interview workers from each shift, filling a gap in the audit process identified in the *Times* reporting. We are also actively engaging with other organizations across the food supply system that have dealt with similar issues to learn what we can from their experiences.

As is always the case when we find a member farm that may be out of compliance with NDA Standards and Guiding Principles, the farm is subject to a time-bound corrective plan and may face disciplinary action up to and including expulsion from the co-op.

Disclose any human rights due diligence it undertakes prior to entering into contracts with suppliers and when monitoring working conditions at suppliers, including through the use of audits.

All NDA-member farms that supply Darigold with milk agree to adhere to NDA's Standards and Guiding Principles, and are subject to expert, third-party audits in accordance with industry best practices. If ever those audits find farm partners to be out of compliance with NDA's Standards and Guiding Principles, the farm is put on a time-bound corrective plan to address the issues, and may face disciplinary action up to and including expulsion from the co-op.

While we are disappointed that actions alleged to have occurred at isolated NDA-member farms have prompted your outreach to us, we remain committed to having a robust compliance process to help ensure that our values and our Standards and Guiding Principles are reflected throughout our supply chain and will take the necessary actions to do so.