

Hawkins, Inc.

Transportation Quality Expectations Manual

January 2019 Revision



www.hawkinsinc.com

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EXECUTIVE SUMMARY



The Hawkins, Inc. Transportation Quality Expectations Manual is intended to help transportation brokers and carriers meet Hawkins, Inc.'s product safety and quality standards.

This document provides guidance for being an approved carrier company, outlining minimum standards for Hawkins contracted carrier companies that transport materials for all Hawkins, Inc. businesses. It includes basic industry programs and practices, emphasizing product safety, which are expected to be implemented and evaluated. Not complying with these expectations could prevent you from doing business with Hawkins, Inc.

All transportation carriers hauling product for Hawkins, Inc. must meet the expectations in this manual, unless there is a documented exemption in effect.

These requirements are not intended to alter or eliminate any requirements that may be included in contracts, specifications and/or government regulations.

Please send any questions about this manual to your business contact or External.Quality@hawkinsinc.com

About Hawkins, Inc.

Hawkins, Inc. distributes, blends and manufactures bulk and specialty chemicals and other health and nutrition products for its customers in a wide variety of industries. Headquartered in Roseville, Minnesota, and with 41 facilities in 19 states, the Company creates value for its customers through superb customer service and support, quality products and personalized applications. Hawkins, Inc. has several business units including Stauber Performance Ingredients, Vertex, and Ingredient Works to name a few.



Your Role as a Transportation Service Provider:

As a transportation company or broker for Hawkins, Inc., you play a key role in helping us maintain the strong brands that customers have come to trust and value. The quality and safety of the products you transport will significantly affect our company's reputation. It is up to the carrier to know, understand and follow all local, state or federal law as it pertains to transportation.

For food products, the Food Safety Modernization Act (FSMA) includes the Sanitary Transportation for Human and Animal Food final rule. The Hawkins, Inc. expectation is that you know the transportation requirements, as they pertain to your business, and are in full compliance. You are responsible for continuing to meet the requirements as defined by the contract with Hawkins.



NOTIFICATION OF SIGNIFICANT EVENTS



The supplier must establish procedures to ensure Hawkins, Inc. is immediately notified of these occurrences:

- Product tampering or the threat of tampering
- Event that could threaten product security
- Inability to meet Hawkins, Inc. transportation requirements
- Change in company legal name and/or ownership

The supplier must notify Hawkins, Inc. by a phone conversation with the External Quality manager and by email.

Phone: (612) 331-6910

Email: External.Quality@hawkinsinc.com



CARRIER APPROVAL PROCESS



All carrier companies must be approved by Hawkins, Inc., have a current contract, and carry insurance at levels outlined in the signed contract. The requirements include:

- **Monitoring Performance:** Hawkins, Inc. will monitor ongoing carrier performance and will advise each carrier of the documents/information required for this monitoring. Monitoring requirements may change from time to time depending on performance, regulatory changes, product changes, or other factors.
- **Corrective Action Plans:** If Hawkins, Inc. identifies deficiencies in complying with these expectations, the carrier must develop a corrective action plan with a timeline for review and approval by Hawkins, Inc. Maximum time allotted for completion of the corrective actions must be agreed by Hawkins, Inc.
- **Approval Status:** Hawkins has the right to change the carrier's approval status. If the status changes from Approved or Conditionally Approved to Not Approved or Disqualified, Hawkins, Inc. has the right to immediately terminate use of the carrier without liability.



REQUIRED PROGRAMS



Carriers must meet the following requirements, organized by the Hawkins Quality Management Standards:

1. Management Commitment: Senior Management at the carrier company is familiar with all Hawkins, Inc. expectations to ensure compliance, and they are fully committed to the development, implementation, and maintenance of a product safety & quality management system, including:

- An implemented and documented Quality Management System (QMS) that is reviewed at least annually and updated as requirements change.
- Clear responsibility and accountability assigned and documented for required QMS elements, including trained back-ups to cover when key personnel are absent.
- Written processes and procedures that are implemented and updated to demonstrate compliance to the QMS.
 - Training provided is documented and effective to support the expectations of the QMS and for driver security awareness.





2. Product Safety: Appropriate procedures are in place and effective to protect the product from contamination, including potential acts of sabotage, vandalism, or terrorism. Requirements include:

- Trucks receive a documented inspection for foreign material, pest activity, odors and any other pertinent risks, which are mitigated, before loading or unloading.
- All spills or breakage are documented and adequately cleaned.
- When allergens are transported, the potential risk of cross-contact is assessed prior to loading and any additional spillage controls are incorporated.
- A prior load program that ensures that before loading a vehicle, the history of prior loads is known and investigated to assess the risk of contamination to the future load. The program on prior loads and supporting documents for each load must be available on demand.
- Documented cleaning procedures between loads.
- Programs and procedures are implemented and tested to ensure product defense including:
 - Secure conditions are used for material transport to prevent or indicate theft or malicious contamination
 - Material access is restricted to authorized personnel.
 - Drivers and delivery staff understand procedures for maintaining security of the vehicle.
 - Seals are used for all non-LTL deliveries to ensure integrity of the vehicle. Seal numbers match the documentation. Documented procedures are implemented for recognizing and reporting compromised seals.
 - A padlock should be used when picking up and delivering LTL loads.
 - Comprehensive background checks are conducted for all employees
 - All employees receive annual documented product safety and product defense training, including:
 - Assessing loads for signs of product tampering
 - Direction to alert management about suspicious activity
 - Clear direction on procedures if a seal is broken



3. Equipment Design and Condition: All vehicles used for the transportation of product/materials are suitable for the purpose, maintained in good repair, and ensure the following elements:

- The load carrying area, and/or product contact area, is:
 - Free of foreign material, damaged floors/panels or projections which could cause a risk of damage to product
 - Maintained to prevent rain, leaks, or moisture from contaminating the product
 - Designed to be cleanable
- Where vehicles are equipped with transfer hoses and pumps for loading or unloading of tankers:
 - Are clean and in good condition
 - Hoses capped and securely contained during transport
 - All filters are cleaned and in good condition.
- All equipment should be stored in a sanitary manner
- Where required by law, including FSMA, records of the vehicle load history and cleaning interventions are maintained and available, including religious dietary requirements (e.g., Kosher, Halal).
- Road vehicles are maintained in a roadworthy condition to reduce the risk of vehicle breakdown and failure to meet customer requirements
- Enclosed vehicles or containers are designed to be sealed



4. Regulatory Compliance: Where product is transported, carrier companies must meet the applicable laws and regulations of the country/state, to ensure:

- Compliance with all applicable regulatory requirements for the distribution of materials
- Hawkins, Inc. will be notified within 24 hours when any regulatory action or report is issued that involves Hawkins, Inc. materials.



5. Customer Relations: Transportation carrier companies receive and track complaints, through:

- A documented program to receive complaints and escalate to Hawkins.
- Recording complaints and the investigation, resolution and corrective actions taken.
 - Documented procedures ensure all issues are investigated and damaged material is reported to Hawkins, Inc. within 24 hours, including:
 - Pictures and other pertinent information connected with the damaged product must accompany the report.
 - Disposition will be determined by Hawkins and communicated to the carrier company. Product must be placed on HOLD and securely maintained until the disposition order has been received.
 - Documented corrective actions will be implemented by the carrier company to prevent recurrence of the issue. When requested by Hawkins, the carrier company creates an effective corrective and preventive action response.
 - All claims will be communicated through the Hawkins, Inc. Transportation Team.





6. Incident Management: Documented procedures must be in place in case of vehicle breakdown, accidents or other events, e.g. truck thefts, partial thefts, other security incidents, affecting Hawkins material, including:

- Procedures to ensure product quality, safety and regulatory requirements are maintained and should include:
 - Clear instructions and emergency contact numbers for the drivers
 - Instructions for situations of theft, accident, break-in or hijacking of vehicle, include contacting Hawkins Transportation and Quality for risk assessment and disposition of product.
- Documented reports for incidents include pictures and other pertinent information of the incident and corrective actions/preventive actions taken.
- Clean-up procedures, in the case of a spill. HAZMAT procedures are followed where applicable.
- Documented Incident Management training is conducted at least annually.



7. External Quality Management: When sub-contracted services are used, the carrier company must have a contractual relationship with sub-contractors and a documented sub-contractor review process

Appendix 1

Adulterated Product: Product made impure by the addition of a foreign or inferior substance or element

Broker: an independent sales agent that works in negotiating sales for manufacturers

CAPA (Corrective Action / Preventive Action): Actions taken to eliminate the root cause of an existing non-conformity, in order to prevent re-occurrence.

Carrier: Transportation Carrier Company contracted by Hawkins, Inc.

Cleaning: The removal of soil, food residue, dirt, grease or other objectionable matter

Complaint: An expression of dissatisfaction regarding a product or service

Corrective Action: Procedures that must be taken if preventive controls are not properly implemented

Corrective Action Plan: A plan with set action items, with assigned responsibility and completion due dates for all audit findings, or daily observations requiring corrective actions

Cross Contamination: To make unfit for use by the introduction of unwholesome or undesirable elements

Deviation: Failure to meet a critical limit, or specific requirement

Disposition: The determination of what will be done with the product, e.g., release, destroy, or take other action

Distributor: An entity that buys products, warehouses them, and resells them to customers

FSMA: Food Safety Modernization Act signed into law on January 4, 2011 with rules implemented in 2015 and 2016.

GMP: Good Manufacturing Practice

HAZMAT: Hazardous Materials

Hold: a status assigned to a specific product indicating it must not be used, distributed, or sold until approval has been given and status is changed. Synonyms: quarantined, blocked, segregated, contained, embargoed

Immediate Notification: As soon as possible, but no later than 24 hours after learning of an event or product safety issue

Ingredient: Materials that are part of the formula of the finished product

Lot Code (Number): A unique identifier given to a defined quantity of a material usually based on time and location of manufacture. For materials received in bulk, the lot is usually identified as the contents of the bulk vehicle

LTL (Less Than Truckload): Carrier of small quantities of freight such as a parcel carrier

Manufacturer: A business that makes a product through a process involving raw materials, components, or assemblies. Commonly used interchangeably with producer

Pests: any objectionable animal or insect, including, but not limited to, birds, rodents, flies, and larvae

Pesticides: any substance or mixture of substances intended for preventing, destroying, repelling or mitigating any pest; use as a plant regulator, defoliant, or desiccant, or used as a nitrogen stabilizer *[adapted from EPA website]*

GLOSSARY



Product Defense: Steps to safeguard the supply-chain against intentional acts such as a mass contamination or product tampering

Reanalysis: A verification procedure to assure that the product safety plan remains valid and the product safety system is operating according to the plan

Record: An official document stating results achieved and/or providing evidence of activities performed

Regulations: A law, rule or other order prescribed by an authority, typically a governmental regulatory agency

Regulatory Agency: A government organization that ensures that laws and regulations in a particular sector are enforced

Product Release: Action taken to remove a product from Hold status after the cause of the Hold has been identified and disposition is determined

Sanitation: The promotion of hygiene and prevention of disease by maintenance of sanitary conditions

Service: Work done that does not involve producing goods, e.g. warehouse, transportation, pest control, laboratory, utilities, maintenance

Supplier: A company that provides a product or service to Hawkins, Inc.

Exemption and Deviation Application Form



Exemption Application Form

The Hawkins, Inc. Transportation Quality Expectations Manual is intended to be applicable to all organizations, regardless of type, size and product provided. Unless specifically stated otherwise, all expectations in the manual apply to all transportation carriers.

If an expectation in this manual does not apply to a carrier's operation, the warehouse may apply to Hawkins, Inc., External Quality for an exemption from the specific expectation, but not the entire manual. Exemptions may be granted after a risk assessment confirms the warehouse can continue to meet all applicable regulatory and customer requirements. If an exemption is granted, it must be reviewed during carrier re-evaluation to ensure the exemption is still warranted.

The definition of exemption is: the release from a Hawkins, Inc. Transportation expectation because the carrier does not conduct a specific activity or service at the specified location, e.g., does not have Research & Development capability

To apply, complete the following and send to: External.Quality@hawkinsinc.com

Carrier Information	
Carrier Name	
Carrier Address	
Contact Name	
Phone Number	
Email	
Exemption Request	
Clause from Hawkins, Inc. Expectations Manual	Warehouse's Justification for Exemption <i>Summarize Below &/or Attach Supporting Documentation</i>

<i>This Section for Hawkins, Inc. Use Only</i>			
Exemption Review Status			
Reviewed By:			
Date Reviewed:	Click or tap to enter a date.		
Status Decision	Acceptable	<input type="radio"/> Yes <input type="radio"/> No	Comments:
	Unacceptable	<input type="radio"/> Yes <input type="radio"/> No	Comments:
Decision Approved By:		Date:	Click or tap to enter a date.
Annual Review Date Deadline:	Click or tap to enter a date.		

Exemption and Deviation Application Form



Transportation Expectation Compliance Deviation Request Form

The Hawkins, Inc. Transportation Quality Expectations Manual is intended to be applicable to all organizations, regardless of type, size and product provided. Unless specifically stated otherwise, all expectations in the manual apply to all carrier companies.

If the carrier cannot meet an expectation in this manual, the carrier may apply to Hawkins, Inc., External Quality for an Expectation Compliance Deviation from the specific expectation, but not the entire manual. Expectation Compliance Deviations may be granted after a risk assessment confirms the warehouse can continue to meet all applicable regulatory and customer requirements and has agreed to a timeline for compliance to be completed.

The definition of an Expectation Compliance Deviation is: A temporary variance from an expectation which does not adversely affect product safety or quality. An Expectation Compliance Deviation may be granted for ≤ 1 year, and then compliance is expected.

To apply, complete the following and send to: External.Quality@hawkinsinc.com

Carrier Information	
Carrier Name	
Carrier Company Address	
Contact Name	
Phone Number	
Email	

Expectation Deviation Request	
Clause from Hawkins, Inc. Expectations Manual	Carrier's Justification for Expectation Deviation <i>Summarize Below &/or Attach Supporting Documentation</i>

Actions to be Taken Toward Expectation Compliance	
<i>List actions that will be completed</i>	
Proposed Timeline for Completion to be Compliant with the Expectation	
<i>List start date, key check point dates and completion date for all actions necessary for compliance</i>	

