

## Course of Remediation

April 19, 2024

The United States and Mexico agree to this Course of Remediation for purposes of the United States of America, the United Mexican States, and Canada Agreement (USMCA) Annex 31-A (United States-Mexico Facility Specific, Rapid Response Labor Mechanism) for the Denial of Rights determined by Mexico to exist at RV Fresh Foods, S.A. de C.V. in Uruapan, Michoacán, Mexico (RV Fresh). The agreed-upon last date for all remediation actions to occur by is June 14, 2024; however, each action specified in the Course of Remediation must occur by the date specified for such action in the Course of Remediation, and Mexico will provide evidence of each action within a week of the date specified. If no date is specified for an action, it will be understood that such action will occur at any time before the expiration of the Course of Remediation. The Parties will meet regularly to share information about and closely monitor implementation of this Course of Remediation.

1. Mexico, in accordance with its legislation, will ensure that RV Fresh undertakes the following actions:

### *Neutrality Statement and Company Guidelines*

- a. Distribute hard copies of the neutrality statement and company guidelines to all employees and contractors (Company Personnel), post them in prominent locations throughout the facility and on the company website, and make them available upon request. This was completed on March 11, 2024;
- b. Implement the neutrality statement and guidelines to ensure there is an environment where all freedom of association rights are realized without employer interference in union affairs. This includes changing company operations and thoroughly investigating allegations of violations of these company policies and applying the zero-tolerance policy for any identified violations. Penalize any Company Personnel who violate the neutrality statement or company guidelines, including by sanctioning and terminating staff, where appropriate. This will be completed no later than June 14, 2024;
- c. Provide training to all Company Personnel on the company guidelines and neutrality statements and the company's zero-tolerance policy and ensure high-level company officials attend the trainings. The Secretariat of Labor and Social Welfare (STPS), and any other experts as necessary, will be included in the development and deliverance of the training. Provide additional separate training for employees "de confianza," including supervisors, human resources personnel, and other high-level officials, on their responsibilities related to protection of workers' rights. This was completed on March 20 and 21, 2024;
- d. Commit to provide new workers hired during the term of the Course of Remediation with hard copies of the Neutrality Statement and Company Guidelines at the time of hire; to keep the statement and guidelines posted; and to provide the trainings described in paragraph c above on an annual basis;

### *Publicize Government Complaint Mechanisms*

- e. Post in prominent, high-traffic areas of the facility and on the company website information about how workers can file complaints with the Government of Mexico related to violations of their freedom of association and collective bargaining rights. Distribute the information

to workers in an easily accessible manner, such as electronically via messaging app. RV Fresh and the *Sindicato Nacional de Trabajadores y Empleados de la Industria del Comercio, Alimenticia, Textil, Automotriz, Metalúrgica, Servicios y Distribución Generalísimo José María Morelos y Pavón* (the Union) commit that there will not be any discrimination, reprisals, threats, harassment or violence against workers who contact Mexico to raise concerns. This will be completed no later than April 30, 2024;

#### *Website with Materials*

- f. Maintain on its website the neutrality statements, company guidelines, training materials, and complaint mechanisms discussed in this Course of Remediation in a location that allows workers to easily access the materials. This would be in addition to any requirements to provide printed copies. Distribute the website link to workers in an easily accessible manner, such as electronically via messaging app, and post it in high-traffic areas of the facility. This will be completed no later than June 14, 2024;

#### *Distribution of the Collective Bargaining Agreement*

- g. Distribute hard copies of the collective bargaining agreement to all Company Personnel. This will be completed no later than May 15, 2024;

#### *ILO Training*

- h. If the International Labor Organization (ILO) agrees and is available, allow this organization to provide training for workers, and non-worker representatives and leadership of the Union, on the role of labor organizations in the workplace and the intended democratic functioning of labor organizations, as provided in the 2019 comprehensive labor reform in Mexico. Training will emphasize processes under the Federal Labor Law of Mexico for affiliation and disaffiliation with a union, the right to join a union or refrain from joining a union, union democracy processes for the election of union delegates and for the revision and approval by workers of collective bargaining agreements, and any other topics deemed appropriate by the ILO to ensure workers understand their rights to freedom of association and collective bargaining under Mexican law. Such training will also include specialized sessions for managers and high-level company officials at the facility regarding the employer's obligations to respect the rights to freedom of association and collective bargaining under Mexican law. This will be completed no later than June 14, 2024; and

#### *Union Dues*

- i. Refrain from making payments to the Union, unless the payment is for union dues collected from the workers pursuant to the Union's statutes.
2. Mexico, in accordance with its legislation, will ensure that the Union undertakes the following actions:
    - a. Refrain from committing acts of extortion or obtaining gifts from RV Fresh, but may accept payment of union dues as provided in the Union's statutes;
    - b. Update its statutes and provide them to the Federal Center for Conciliation and Labor Registration (CFCRL) for review and approval;

- c. Provide the approved Union statutes to RV Fresh and all workers at the facility; and
  - d. Provide the current collective bargaining agreement to the CFCRL for review and registration.
3. The United States and Mexico observe that, on March 14, 2024, March 19, 2024, and April 4, 2024, following the United States' request for review, RV Fresh and the Union, participated in dialogue table discussions facilitated by the Government of Mexico. As a result, RV Fresh and the Union reached the "Dialogue Table Agreements," and will implement the following actions in accordance with Mexico's legislation, including the Federal Labor Law of Mexico:
- a. The establishment of the Visiting Program and Policies for Union Meetings;
  - b. The organization of elections for Union Delegates, on April 11, 2024;
  - c. The establishment of communication channels and points of contact between RV Fresh and the Union;
  - d. The installation of an electronic notification board for union affairs; and
  - e. The formalization of any salary increase for 2024 for workers and registration of such agreement at the CFCRL.
4. Mexico, in accordance with its legislation, will:

*Transparency*

- a. Issue a press release about the reasons that led Mexico to determine there were denials of rights at the facility, which was done on April 4, 2024. The STPS will circulate the press release at the facility and inform the Company Personnel and union representatives of the scope and content of the Course of Remediation. This may be accomplished through an in-person announcement or a posting of Mexico's findings in high-traffic areas of the facility. This will be completed by May 7, 2024;
- b. If received, review and investigate any complaints related to the election for union delegates that was held on April 11, 2024. If a union-related vote is scheduled at the facility during this Course of Remediation, including a vote for union delegates, the CFCRL will visit the facility prior to any vote to ensure workers have awareness of, and the relevant documentation for, the vote, in addition to ensuring compliance with all relevant obligations under law, including prohibitions on employer interference in union activities;

*Government Complaint Mechanisms*

- c. Maintain a direct email address and phone line for workers to anonymously report any allegations of potential acts of unlawful interference, or other violations of workers' freedom of association and collective bargaining rights, including intimidation, coercion, or threats with respect to their selection of a union or union activities, non-neutrality, or interference in internal union affairs. Mexico will timely investigate any allegations of acts of anti-union discrimination, unlawful interference, and violations of workers' freedom of association and collective bargaining rights and share with the United States the results of those investigations;

*Monitoring and Sanctions*

- d. Monitor the facility, including by conducting periodic visits at the facility related to the obligations of this Course of Remediation and compliance with Mexican laws related to freedom of association and collective bargaining. The STPS or CFCRL will share the results of this monitoring with the United States as well as with RV Fresh. Mexico will also investigate any allegations of potential acts by RV Fresh or the Union of unlawful interference, or other violations of workers' freedom of association rights with Mexican laws related to freedom of association and collective bargaining at RV Fresh. This includes any acts of employer interference, employer domination of the Union, or acts that violate the Federal Labor Law of Mexico; and
  - e. Initiate the sanctions proceedings provided in Mexican law on the basis of information Mexico has obtained that shows violations of Mexican law, including as a result of evidence gathered during the Government of Mexico's review conducted pursuant to USMCA Article 31-A.4, including related to employer interference in union affairs, or monitoring done during this Course of Remediation, and impose appropriate sanctions against individuals, labor organizations, or companies that have been found to violate Mexican Law.
5. The United States and Mexico will consult at the expiration of this Course of Remediation regarding whether the Denial of Rights has been remediated with a view to the prompt resolution of the matter. The United States and Mexico will endeavor to determine whether the Denial of Rights has been remediated within 30 days after the expiration of this Course of Remediation.