

Program & Commodity Pricing Updates
Effective June 1, 2016
Confidential Information

Berry Plastics

- Trash Can Liners: **Increase +2%**

The primary raw materials, and a main cost driver in can liners, is either LLDPE or HDPE resins which have been extremely volatile this year resulting in price changes. The costs of resins have shifted higher after a year of lower and lower pricing. Berry Plastics liner prices are based on contracted formula pricing and are directly affected by cost input changes.

Domino Foods

- Bulk Refined Sugars (granulated, confectioner, brown, etc.): **Increase +4.6%**

The sugar market has been on an upward trajectory over the past 16 months. Strong El Niño conditions brought an overly wet winter to Florida and flooded out operations in Louisiana, resulting in lower crop yields for the year. In addition, imports of raw sugar are down. While production and availability of refined sugar declines, demand has remained high, resulting in higher sugar prices.

Gardenburger, Inc.

- Spicy Black Bean Burgers: **Decrease -12%**

This temporary decrease is a summer promotion for Spicy Black Bean Burgers.

Commodity Driven Contracts

The contracts below are formula-based, reflect the markets and change monthly or quarterly. We will not always provide an explanation for pricing changes, as the pricing of these programs continually ebbs and flows with the markets. A yearlong snapshot of pricing gives the most appropriate view of the benefits associated with entegra's negotiated pricing, and the monthly pricing reflected does not portray the full year benefit. However, we do want to keep you informed so you can make menu and pricing adjustments as appropriate for your facilities.

Cheese & Dairy
Schreiber Foods, Inc.

- Processed Cheese: **Decrease -2.6%**

Great Lakes

- Processed Cheese: **Decrease -3%**

Processed cheeses, which have a longer production timeline than cream cheese, butter and milk, have been seeing a steady decline in pricing due to the decreased milk pricing from earlier this year.

Michael Foods, Inc. (Papetti's)

- Egg Products: **Slight Decrease**

Beef
Cargill

- Ground Beef: **No Change**
- Whole Muscle Cuts - Pot Roasts, Roast Beef and Stew Meat: **No Change**

Pork
Farmland Foods

- Raw & Cooked Bacon: **Increase +2%**
- Pure Pork Breakfast Sausage: **No Change**
- Whole Hog Breakfast Sausage: **Slight Increase**
- Ham & Deli Meats: **No Change**
- Fabricated Pork (i.e. Chops & Tenderloins): **Decrease -2.9%**
- Hot Dogs: **Increase +2.3%**
- Sausage, & Pizza Toppings: **Slight Increase**
- Fresh Pork (Ribs): **Increase +2.9%**

Supplies have improved over the past few months leading to fairly stable pricing for June and into the summer.

Commodity Driven Contracts Continued...
Poultry
Jennie-O Foods, Inc.

- Turkey Products **No Change**

Koch Foods

- Bone in Breaded: **No Change**
- Boneless/Skinless Breast: **Increase +8%**
- Breaded Nuggets and Patties: **Increase +3%**
- Pulled, Diced and Cooked Strips: **No Change**
- Breaded Strips: **No Change**
- Cooked Unbreaded Breasts and Patties: **No Change**
- Wings: **Slight Decrease**
- CVP: **Increase +5%**

The 10-day market averages for the June pricing coincided with Mother's Day which is a very high demand time of year the white meat chicken markets, including breasts, tenders, breaded nuggets and CVP products. As we head into summer, these prices will likely even out.

Seafood
Slade Gorton

- Chilean Muscles: **Increase +4.5%**

Recent labor strikes in Chile as well as an Algae Bloom off western the coast of South America has contributed to a stifled supply.

- Shrimp: **Decrease -6%**

Current shrimp markets are trending lower overall. Price decreases on certain shrimp products range from 3% to 10%, all a result of seasonality.

Oils
Ventura Foods

- Bulk Margarine **Slight Increase**
- Oil, Shortening **Increase +1.51%**

Dar Pro (formerly Darling International Kitchen Grease Pick Up Service)

- Kitchen Grease Pick Up Service **No Charge**

The Jacobson Index average for the last 30 days did not meet the threshold to trigger the monthly fee. This means that Darling and Darling Sub-Contractors will pick up waste oil at locations during this month at NO CHARGE.

To enroll in the Source1-Entegra Program with Darling International please contact your Source1 account support team at:

ClientServices@Source1Purchasing.com