

Food 4 THOUGHT

PAQ, INC. 100% EMPLOYEE OWNED

MAR 2026

Rancho San Miguel-Hammer Lane NOW OPEN!

We're excited to share that our newest store officially opened its doors this month, marking an important milestone for our company and the communities we serve. The opening was a true team effort and the results show in every aisle. Thank you to all the associates, leaders, and support teams who worked tirelessly to bring this store to life. We're thrilled to welcome our new team members and cannot wait to see the positive impact this location will make in its neighborhood.



BACK TO BASICS - UNDERSTANDING OUR ESOP

- **ELIGIBILITY** - 1 year of service, work 1000+ hours, must be 21 years of age
- **TRUSTEE** - Miguel Paredes, makes sure our ESOP is managed fairly and according to our plan documents
- **BOARD OF DIRECTORS** - Oversees the Executive Team to make sure day to day operations of the company are performed in the best interest of the employee owners.
- **SHARE** - Employees are awarded shares annually in July based on a calculation of years of service and annual income.
- **VESTING OF SHARES** - Less than 2 Years = 0%, 2 Years = 20%, 3 Years = 40%, 4 Years = 60%, 5 Years = 80% and 6 Years = 100% Vested
- **DISTRIBUTION OF SHARES** - Distribution is activated at Retirement, Upon Death or When an Employee Owner Ends their Employment. Distributions are only processed in November of each year.
- **BENEFICIARY** - Make sure you have someone as identified as your beneficiary and update as necessary.
- **BENEFIT OF BEING IN AN ESOP** - Employee Owners do not have to contribute money to receive shares. Shares converted to Free Money upon Distribution as described above.

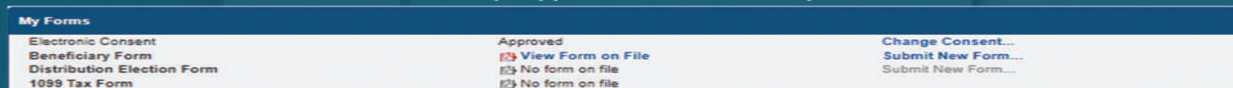
To understand more about our ESOP, please watch the Certified Employee Owner video on our intranet titled ABCs of ESOP.

To access your ESOP Share information electronically:

1. Login in to your account at <https://www.esopconnection.com/paq/>
2. Select "About You" on the menu at the top of the webpage.

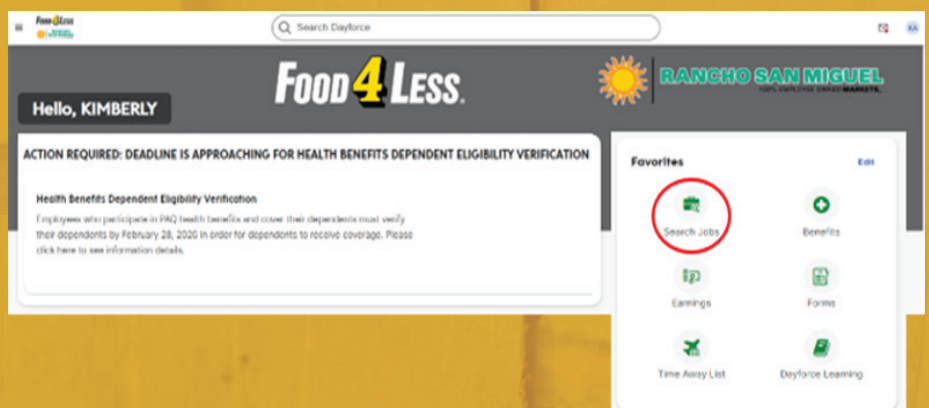


3. Go to the My Forms section at the bottom of the page
4. Change your Electronic Consent to receive information electronically.
5. Once selected it will say "Approved" as in the sample screen shot below.



INTERNAL OPENINGS at PAQ

If you are interested in an open position with PAQ, please log into Dayforce to access the HUB and select SEARCH JOBS. Search by key word or location to find a job that meets your interest for further development at PAQ!





FOOD 4 LESS & RANCHO SAN MIGUEL MARKETS SCHOLARSHIP OPPORTUNITIES!

Complete one application to be considered for **10** Food 4 Less/Rancho San Miguel Markets scholarships + more!

ELIGIBILITY REQUIREMENTS:

- Completed one year of employment (as of April 2026)
- Must be a high school senior or undergraduate student
- Full-time student dependents of full-time employees

APPLICATION
DEADLINE:
**APRIL 1ST
2026**

APPLY NOW!
ENTER CODE:
CGA



Communication Reminders

Good communication is key in the workplace and interacting with customers. Remember to THINK before you Speak or Type to provide courteous interactions with others.

BEFORE YOU SPEAK

- T** IS IT TRUE?
Is this fact or is it really an opinion or feeling?
Know & be clear before you speak.
- H** IS IT HELPFUL?
Does it help you, them or the situation?
- I** IS IT INSPIRING?
Also, does it IMPROVE on the silence?
- N** IS IT NECESSARY?
Would this be better left unsaid?
- K** IS IT KIND?
What is your motivation for communicating?



5 Rules of Email Etiquette



Food 4 Less Coast Stores Show Big Heart for San Luis Obispo Food Bank

This past month, our Food 4 Less Coast locations proudly participated in the annual "Have a Heart" instore fundraiser benefiting the San Luis Obispo Food Bank. Thanks to the generosity of our customers and the hard work of our teams, the campaign raised an impressive **\$21,827**—all of which stays local to help nourish individuals and families in need throughout SLO County.

A special shoutout goes to our Paso Robles store, who raised **\$10,281!!!!** To celebrate their outstanding effort, their team will be treating to a catered lunch.

Congratulations to John Angel and the entire Paso Robles team for an incredible job!

Notification of Breach of Protected Health Information

PAQ, Inc. has been informed of a data breach involving Conduent Inc., a partner of Anthem Blue Cross. Those who are affected have received letters from Conduent with instructions on what steps to take, including 12 months of free credit monitoring. If you did not receive a letter from Conduent, no further action is required.

INCIDENT DETAILS

Disclosure Tracking Number: 977612

Date Incident Occurred: 10/21/2024

Original Date Notified of Disclosure: 01/15/2025

Original Date Anthem Discovered Your Group Was Impacted: 01/29/2026

Description of Incident:

On January 13, 2025, Conduent Inc. discovered that they had experienced a cyber incident involving data acquisition by an unknown threat actor. This incident occurred between October 21, 2024, and January 13, 2025. Conduent engaged additional resources, including leading cyber security experts, to investigate the impacts. Conduent, our business associate, provides print mail services for outgoing correspondence, front-end digitization of inbound correspondence, and payment integrity audits.

Due to the complexity and volume of the data, extra time was required to identify and attribute the members impacted for each Conduent client. Once Conduent completed their attribution, we promptly began assigning members to the appropriate groups and on January 29, 2026, we determined impact to your membership.

Conduent took preventative steps, collaborated with the FBI, and worked with third-party analysts to expedite the investigation.

The breach was traced to compromised VPN credentials, leading to immediate containment measures. These included shutting down and rebuilding the affected ESX environment. The Conduent incident solely affected the vendor's third-party environment and did not compromise the Elevance Health network or systems.

If you have additional questions, you may call Conduent at 877-332-1658 (toll free), Monday-Friday, from 9:00 a.m. to 9:00 p.m. Eastern Time, or write to Attn: Data Incident, 100 Campus Drive, Suite 200, Florham Park, New Jersey 07932.