

# CASE FARMS CHICKEN

## CORPORATE SOCIAL RESPONSIBILITY REPORT



2018

**At Case Farms, we strive to satisfy our customers' needs. We focus on achieving consistent quality, a safer workplace, and operational excellence – all for the purpose of being the best managed and most profitable company in the United States chicken industry.**

## Our Values

HONESTY	ACCOUNTABILITY	TRUST	SUCCESS
We will maintain a behavior of integrity and sound ethics in all we do.	We will hold each other to our commitments and deliver what we promise.	Our relationships are built on mutual respect and dignity.	We are committed to achieving our goals and have the desire to be on a winning team.

## Our Quality Policy

We shall meet or exceed our customers' expectations in product quality and service.

We shall produce wholesome products of superior quality and manufacture them in a cost effective and operationally efficient manner.

We are committed to continuous improvement opportunities that enhance our customers' experience with our product and services.

# Sustainability

**Case Farms is concerned about preserving the earth's precious resources while producing wholesome, quality, safe and affordable protein for a growing global population. We view sustainability as a combination of three areas that must work in harmony – Economic, Social and Environmental. These are essential to create a sustainable future where we coexist with the resources of today and ensure resources for future generations.**

## ECONOMIC

We are committed to responsibly using resources so that chickens are raised efficiently and affordably. This allows our partner family farmers to make a living, while providing products that offer quality nourishment at an affordable price.

## SOCIAL

The welfare of the animals under our care is of utmost importance. Case Farms, alongside our contract growers, share a committed responsibility to ensure the well-being and humane handling of all animals in our care. As a leading-poultry producer, we appreciate our consumers' concerns and want to ensure the public that Case Farms is fully committed to the health and well-being of the poultry we manage.

We believe that healthy animals lead to healthy people and a healthy planet. All Case Farms chickens are raised cage-free and are fed a carefully balanced corn and soy based diet, formulated by a professional poultry nutritionist, with no added hormones, steroids or growth-promoting antibiotics. We do not use antibiotics important to human medicine on a routine basis; rather, they are used only for treatment when needed under the direct supervision of and prescribed by a licensed veterinarian. We also provide vigorous routine oversight and relentlessly pursue continuous improvements in bird health and environmental conditions.

## ENVIRONMENTAL

Land, water and energy are all important to ensure we minimize the impact on the environment. Whenever possible, we source corn, soybeans and other feedstuffs locally to support the economy where we operate, and to minimize the use of fossil fuels. We constantly strive to minimize our water usage through conservation practices in our processing plants and the use of modern drinking systems for the chickens on the farms. Additionally, we have water reuse and state of the art wastewater facilities where we treat the water used in our processes before we discharge the water to local streams and local municipalities. We also evaluate and utilize methods to safeguard our energy supply, such as the use of modern LED lighting.

# History

Thomas R. Shelton always dreamed of owning his own company. In December 1986, after gaining almost two decades of management experience in the poultry industry, Shelton purchased a small family-owned poultry operation in Ohio. The company was called Case Egg & Poultry, and included a processing plant in Winesburg, a hatchery in Strasburg, and a food distribution facility in Akron.

Shelton changed the name of the company to Case Farms. In its first year of operation, Case Farms had 140 team members, processed 135,000 chickens per week, and produced 22 million pounds of poultry products.



**1986  
DECEMBER**

Case Farms was founded by Thomas R. Shelton

**1998  
AUGUST**

Purchase of the Goldsboro, NC poultry operation

**2006  
MARCH**

Constructed new feed mill in Shelby, NC

**2006  
DECEMBER**

Constructed new feed mill in Calypso, NC

**2009  
JULY**

Constructed new feed mill in Massillon, OH

**2010  
MAY**

Constructed new Par-Fry IQF/Freezer in Goldsboro, NC

**1988  
MAY**

Purchase of Morganton, NC poultry operations

**2005  
JULY**

Construction of 40,000 square foot Par-Fry plant in Goldsboro, NC

**2008  
WINTER**

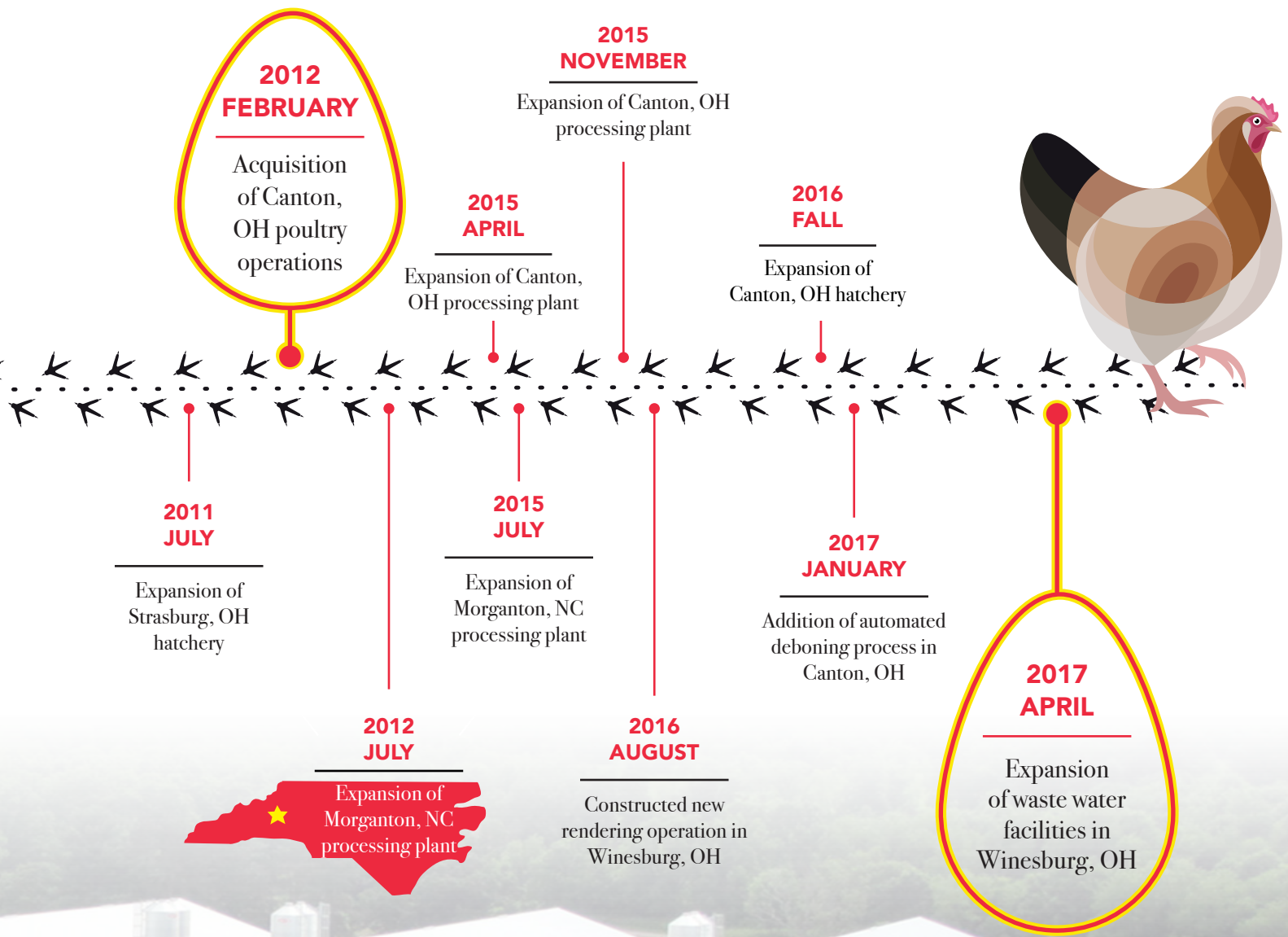
Expansion of Morganton, NC processing plant and Strasburg, OH hatchery

**2011  
JANUARY**

Constructed new Par-Fry dry-ingredient storage in Goldsboro, NC

In May 1988, Shelton purchased the Morganton, North Carolina poultry operations formerly known as Breeden Poultry & Egg. This operation included a processing plant, hatchery, and a feed mill. In August 1998, Case Farms purchased the Goldsboro, North Carolina poultry operations (processing plant, hatchery, feed mill and grain storage facility) from WLR Foods. In 2012, the Company made its latest acquisition – a Canton, Ohio facility from Parks Farms. The operations included a processing plant, cooler/freezer facility, and a hatchery.

Over the years, Case Farms continued to expand its facilities and offerings in North Carolina and Ohio. Today, the Company processes 3.3 million birds per week, and produces in excess of 1.0 billion pounds of fresh, partial-cooked, and frozen-for-export poultry products per year.



# Safety Program

Case Farms' safety vision is guided by our "Road Map for Safety Success." This is a plan of action that defines the direction of the safety program, sets measurable goals for the year and tracks the Company's progress against those goals.

We have implemented many practices which can only be considered state of the art. Case Farms strives to create a work culture and environment where our employees feel valued and safe.

Following are a few examples of initiatives and practices currently in place:

- ✓ Corporate safety structure and procedures, including training methods for our employees.
- ✓ Utilization of ProcessMAP's integrated health and safety software to aid in reporting within OSHA's workplace safety standards.

- ✓ Weekly safety team meetings
- ✓ Deployment of Alchemy software for safety training in many areas throughout our plants and necessary documentation for OSHA on all employee training. This helps us standardize our training company-wide, and ensures we are covering the necessary safety topics for all new hires.

- ✓ Weekly top management review of each OSHA recordable injury or illness.
- ✓ Weekly employee round table discussions to raise and address all employee issues and safety concerns.

In addition, we regularly evaluate our corporate safety structure and procedures, compliance reporting and training methods, and conduct safety audits of all facilities and make improvements when and where needed.

Our dedication has not gone unnoticed. The industry has acknowledged our dedication and successes in our safety program. In the past five years we have received more than a dozen safety awards from notable organizations including the American Meat Institute and US Poultry & Egg Association.

Numerous times over the years, Case Farms has achieved significant safety milestones. In many of our Ohio and North Carolina facilities, we worked more than a million consecutive hours without experiencing an Occupational Safety and Health Administration (OSHA) recordable lost time accident (LTA). In 2017, the Goldsboro processing facility achieved 2 million hours worked without a LTA, and in 2018, reached the 3 million hours worked milestone.

It is our mission to keep worker safety our highest priority. Our goal in this ongoing process is to ensure that our Company becomes an industry leader in worker safety.



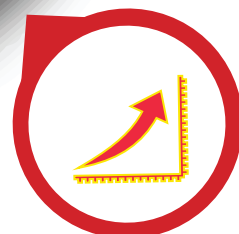
# ROAD MAP FOR SAFETY SUCCESS



**PROCEDURES**



**TRAINING**



**IMPROVEMENTS**



**CHECKS & BALANCES**



**SAFETY MILESTONES**



**SAFETY AWARDS**



More than  
**\$1,073,762**  
Donated



In the past 5 years,  
Case Farms has donated more than  
**300,000 lbs**  
of poultry – which can feed  
**1.2M people**



More than  
**240** organizations  
supported



**39 cities in  
Ohio & North Carolina**  
impacted through our  
philanthropic efforts



Awarded over  
**\$100,000**  
in scholarships

## Community Involvement

At Case Farms, we care about our team members, their families and friends, and the communities that surround them and our facilities. That is why, since our inception, we have supported organizations that help make our world a better place. Whether the focus is healthcare, education, child care, safety, community development, medical research or another worthy cause, Case Farms has always supported organizations large and small.

Each of our facilities chooses which causes they want to support at a local level, and the Company at the corporate level supports larger organizations that make a regional or national impact. In addition, we support our team members in their philanthropic efforts.

In 2005 we established the J. Leroy Cook Memorial Scholarship Program to honor long-time Case Farms' employee and former Senior Vice-President of Operations at the Company. Recognizing academic excellence and achievement at school and in the community, the Scholarship Program encourages the pursuit of a post-secondary education and provides financial assistance to qualified individuals. Scholarships are awarded annually to eligible sons and daughters of Case Farms' employees.





# Employee Health and Welfare

Case Farms is grateful to have hard-working, dedicated and loyal team members as the backbone of the Company.

Our team members come from diverse backgrounds and experiences, working together to satisfy our customers' needs with the best and most consistent quality chicken.

At Case Farms, all team members are:

- Offered a comprehensive benefits package which includes health, dental and vision insurance, flexible spending accounts, short- and long-term disability, 401(k) retirement with match (on first day of employment), tuition reimbursement, and many other benefits
- Paid competitive wages
- Provided with opportunities to grow within the Company

We strive to create a work culture in which our team members feel valued. Appreciation activities, award ceremonies, incentive programs, seniority honors, round-table discussions, Family Day events, and scholarship opportunities are some of the ways we show our gratitude towards our team members. We believe that if we consistently treat our team members with respect and dignity, as well as listen and address their concerns and issues in a timely manner, we will continue to be successful.

We presently have more than 3,200 dedicated team members in Ohio and North Carolina. In addition, we work with more than 400 contract growers who have invested in approximately 1,600 poultry houses where they, as farmers, raise our chickens for us. For many farmers, the ability to obtain poultry houses has taken idle land unsuited for other farming and made it a valuable cash flow producing asset. These poultry houses help farmers maintain the farming way of life, as they increase the family income from the existing land and provide sources of new income into the farming economy.



## Food Safety

Case Farms maintains a culture focused on accountability and commitment to product safety. We have programs in place to ensure the safety of our product from development all the way to the end consumer.

We employ team members who are subject matter experts and nationally-certified in food safety through the National Registry and Serv-Safe. These members of management are individually and/or collectively members of State and National committees focused on food safety and sit on organizational and academic advisory boards.

“Recognizing the importance of getting it right when it comes to food safety, we at Case Farms share a committed responsibility to ensure product safety is a top priority for our organization.”





**PREPARED FOODS**

Ready-to-cook  
breaded items



**ASIAN FOOD SERVICE**

Quality products for the Asian  
Food Service community



**INDUSTRIAL FOODS**

Raw materials for many  
brand name products



By holding true to our shared values  
and our commitment to quality,  
Case Farms produces products in a  
number of categories.



**FOOD SERVICE**

Both raw and marinated  
products, packaged in  
CVP or Ice Pack



**INTERNATIONAL TRADE**

Products that meet  
international specifications  
and shipping requirements



**FAST FOOD & DELI**

High quality products for the  
Fast Food & Deli Segments



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