



PRODUCT RESPONSIBILITY

GR VISION | Growing stakeholder value through global responsibility consistent with our core values

Our Global Responsibility (GR) platform formalizes our commitment to doing things the right way. It stems from our core values of quality, service, competitive price and ethics, guiding everything we do.

Throughout 2020, we intentionally leaned on these values, and the solid foundation that has supported our company over the past 70 years, to help us navigate the unknown.

This GR update provides highlights for fiscal year ending October 31, 2020 (FY2020) across five key categories. Learn more and view our past Global Responsibility reports at leprinofoods.com/global-responsibility.

OUR PEOPLE

“Guided by our core values and a dedication to teamwork, collaboration and innovation, we stayed focused on company priorities and GR commitments to make the best of a very difficult year.”

Mike Durkin
President, Leprino Foods Company

OUR COMMUNITIES

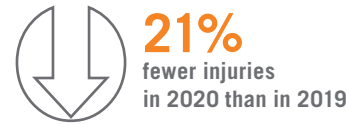


Key milestone reached in journey toward zero municipal water use

We received approval from the California Department of Food Agriculture (CDFA) for full reuse of water purified on-site at our plants. This achievement is the result of years of research and collaboration with experts within and outside of the company to chart a bold path to reduce water use while meeting food safety and regulatory requirements.



Safety performance improved



OSHA Recordable Incident Rate: 2.43
DART Rate: 2.26

Our safety performance was 40% better than the dairy products manufacturing industry average.

We increased product donations and foundation grants in 2020 to support local communities

350K+

POUNDS OF CHEESE DONATED TO 20+ LOCAL AND NATIONAL ORGANIZATIONS

The Leprino Foods Company Foundation has donated nearly

\$636K

TO 21 ORGANIZATIONS IN 2021

Since inception,

~\$2.6M

IN GRANTS SUPPORTED
146 ORGANIZATIONS

Employee Engagement

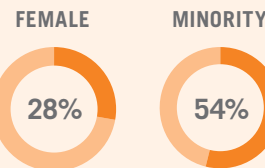
Overall employee engagement increased by 4 points to 75% in 2020, placing us at our world's best target of employees being satisfied or highly satisfied at work.

4,373

FULL-TIME EMPLOYEES AT 10 U.S. LOCATIONS

Diversity

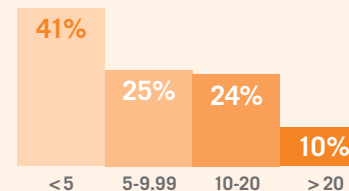
(Percentage of workforce)



We are working to close the gender gap in the dairy product manufacturing sector – where women are 23% of the workforce. Our female representation increased by 0.7% and our minority representation increased by more than 1% in 2020.

Employee Retention

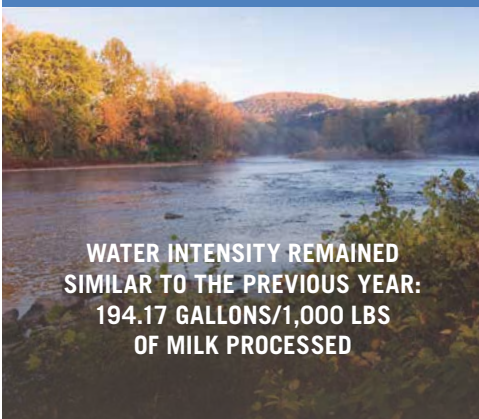
(Percentage of employees by years of employment)



An important indicator of employee satisfaction and engagement is the high number of employees who choose to build long careers with our company.



ENVIRONMENTAL RESPONSIBILITY



**WATER INTENSITY REMAINED SIMILAR TO THE PREVIOUS YEAR:
194.17 GALLONS/1,000 LBS OF MILK PROCESSED**

Every drop counts in our drive to reduce water use

Our water-reduction strategies are aimed at conserving water and increasing opportunities for reuse, as highlighted in these 2020 projects at Lemoore West:

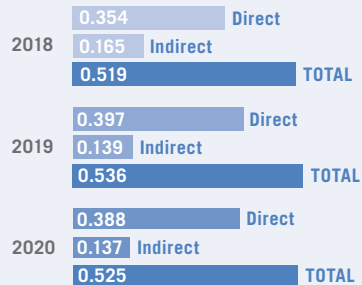
- An adjustment to hand washing sinks is saving more than 17 million gallons per year.
- Increased storage for the water captured from the cheesemaking process maximizes the opportunities for its reuse in clean-in-place processes.
- A project to capture and reuse a slip stream of the blowdown water in cooling towers, will save more than 4.8 million gallons per year.
- Enhancements to metering, monitoring and reporting systems are enabling faster identification and resolution of issues.

SUPPLY CHAIN RESPONSIBILITY

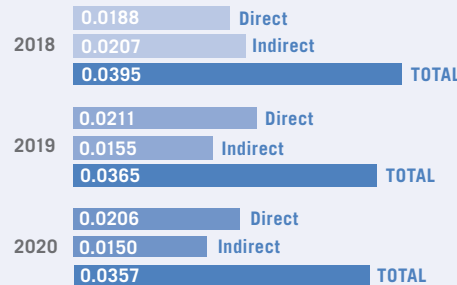


100%
OF OUR U.S. MILK SUPPLY
COMPLIES WITH OUR LEPRINO QUALITY
ANIMAL CARE PROGRAM

Energy Intensity (MMBtu per 1,000 lbs. of milk processed)



GHG Emissions Intensity (MTCO_{2e} per 1,000 lbs. of milk processed)



2.6M
POUNDS OF CO₂E AVOIDED
THROUGH OUR NEW
PRIVATE RAILCAR FLEET
DISTRIBUTION OPERATIONS

“Bold climate action is a collective effort. That’s why we have been collaborating with our milk supplier partners to better understand our value chain (scope 3) emissions and ways to improve.”

Mark Benson
Vice President, Supply Chain



96.4%
OF FULL TRUCKLOAD CARRIER
MILES WERE SMARTWAY
CERTIFIED AT THE END OF
FISCAL YEAR 2020

99.6% DIVERSION
RATE

Almost all food and non-food waste is used in beneficial ways:

- Used to feed people and animals
- Recycled or composted
- Used for industrial purposes or energy recovery



Supporting supplier diversity

An initiative to strengthen the Leprino Foods Company Small Business/Supplier Diversity Program and our status as a government contractor has enabled us to nearly triple the percentage of qualifying spend we report to the USDA Office of Small and Disadvantaged Business Utilization from 2019, far exceeding our 2020 target.

12.9% OF ACTIONABLE SPEND
IS ACROSS QUALIFYING
SMALL AND DIVERSE SUPPLIER CATEGORIES