



WHITE CASTLE CRAVER BRIEFING



2019

SOCIAL RESPONSIBILITY



Dear Cravers,

I'd like to welcome you to our first White Castle Craver Briefing: Social Responsibility. While our commitment is to serving Craver generations everywhere, we are also proud to be committed to corporate philanthropy and to serving as good stewards across three distinct categories: our Environment, our Community and our Team Members.

While this is our first briefing on the topic, this is certainly not our initial foray into taking an active role in doing what is right. In fact, much of what we do today can be traced all the way back to Billy Ingram, White Castle founder and my great-grandfather.

Billy was a business and restaurant pioneer, but he was also a true gentleman who knew that growing his fledgling business meant winning his customers and employees with kindness. In fact, Billy made White Castle one of the first businesses in the country to offer health insurance to its team members in 1924.

In the following pages, you'll learn about some of the initiatives we've undertaken to support our Environment, Community and Team Members. These are a major part of our corporate identity. Many of them came from Billy's original vision of what it means to be a good corporate citizen, and a good person, because he believed it was always best to do the right thing. That's why, more than ever, we are committed to doing all we can to create a more sustainable world. It was the right thing to do back then, and is the right thing to do today and tomorrow.

At White Castle, we are proud to nourish our Cravers while delivering on the social responsibilities so critical in today's world. Thank you for reading, and crave on!

- Lisa Ingram, president and CEO

## ABOUT WHITE CASTLE®

White Castle, America's first fast-food hamburger chain based in Columbus, Ohio, has been making Bold Moves™ as a family-owned business for more than 98 years. The company was founded in Wichita, Kansas, in 1921 serving The Original Slider® which was named the most influential burger of all time in 2014 by Time. Today White Castle owns and operates nearly 400 restaurants in 13 states. White Castle's commitment to maintaining the highest quality products extends to the company owning and operating its own meat processing plants and bakeries as well as three frozen food processing plants. The retail division markets White Castle signature products in grocery stores, club stores, convenience stores, vending operations and concessions across the United States and in a growing number of international locations, including military base exchanges around the world.

Cravers on-the-go can access sweet deals and place a pick-up order any time in the official White Castle app. Download the app today from the iTunes App Store or Google Play. For more information on White Castle visit [www.whitecastle.com](http://www.whitecastle.com).

### WHITE CASTLE STATS

Number of years in existence: **98**



Number of years providing health insurance for team members: **95**



Number of restaurants: **nearly 400**

Number of states with White Castle restaurants: **13**



Number of restaurants in China: **2**

Number of states with retail product availability: **50**



Number of team members: **nearly 10,000**

Number of generations of White Castle family leadership: **4**

Number of  hamburgers sold in 2018: **649,092,000**

Number of Original Sliders: **1**



## OUR ENVIRONMENT

*Environmental sustainability is embedded in our DNA.* Our ability to adapt and transform our business model with the changing times helps us move in the right direction to ensure that our communities have the materials and resources to thrive for years to come.

That means finding innovative ways to minimize White Castle's impact on the environment. Beginning in the 1960s, we put in place processes to drive continuous improvement in our company's environmental efficiency. For example, we began reusing the cardboard boxes that our bakeries use to ship sandwich buns to our Castles. Today, each box is reused approximately five times. Annually, this practice has saved White Castle and the environment more than one million new cardboard boxes. We also switched to recycled brown-paper sacks and corrugated Crave Cases, which were originally launched in 1931, and today are made from 100 percent recycled material.

We continue our tradition of conserving resources while producing goods and services for our customers. This includes energy and water conservation, waste minimization through efficiency and recycling and, when feasible, buying products made with recycled/renewable materials. These efforts are not just family traditions, they are values that are deliberately embedded into our business strategies.

### **REDUCING CO<sub>2</sub> EMISSIONS**

Unlike our Sliders, Earth's ozone layer is better off without holes. That's why we are committed to improving White Castle's environmental footprint by reducing greenhouse gas emissions from all of our facilities.

Our goal is to continually reduce our carbon dioxide (CO<sub>2</sub>) emissions because little changes can make a big difference. We are committed to team members' environmental education and engagement, to installing energy-reduction and energy-efficient technologies, to reducing, reusing and recycling waste streams.

One way to reduce our CO<sub>2</sub> emissions is to decrease our energy usage. Our Castles' parking lots are being converted to Light Emitting Diodes (LED) fixtures, and are approximately 85 percent complete. These fixtures last longer, consume considerably less energy than incandescent lights, are smaller, turn on faster and improve lighting consistency. In fact, our new parking LEDs have reduced our Columbus area Castles' energy usage by more than 54,000 kWh per year or 4,500 kWh per month per Castle.

"As a company, we're always **looking into cost-effective ways to reduce our waste**. This is the way the culture is moving, and we want to be at the front end of the curve."

- **SHANNON TOLLIVER**, SOCIAL RESPONSIBILITY AND ENVIRONMENTAL SUSTAINABILITY MANAGER, WHITE CASTLE



### **WASTE REDUCTION PROGRAMS**

In 2017, our Castles transitioned to a new automated napkin dispenser. This dispenser uses 64 percent fewer napkins than our previous open-faced dispenser because this dispenser distributes one napkin at a time, thereby encouraging customers and team members to think green with regards to their napkin usage. Surveys from the test Castles reveal that the dispenser is easy to operate and that the new (brown) napkin is adequate in size and environmentally friendlier than our previous napkin. The dispenser produces a win-win situation by reducing waste and saving money for White Castle, and by increasing convenience for our customers and team members.

Since January 2012, we have donated more than 4,000 pounds of marketing materials to education organizations and local schools for reuse in art rooms and classrooms across the 12 states where our restaurants are located. The previously used marketing materials, such as banners, paperboard, plastic boards and more, are donated to local schools and other organizations for a variety of creative projects.

We are pleased to give students an opportunity to learn about conservation and other important environmental practices through our recycling program. It helps raise awareness among students, teachers and parents about the positive impact environmental responsibility can have in our communities.

Teamwork is a critical part of any successful recycling program. At White Castle, our team members continually collaborate among ourselves — restaurant, regional and home office team members alike — to find environmentally minded partners who will reuse our materials.

In fact, more than 92 percent of our Castles have a recycling program in place, and White Castle restaurants use a system to deliver, distribute and recycle used cooking oil to refiners of biodiesel fuel. These waste-reduction efforts continue our tradition of trying to conserve and recycle as much as we can.



## OUR COMMUNITY

“My great-grandfather thought **everyone should have the opportunity to become the person they want to be.** We see the Ingram-White Castle Foundation scholarship program as a way to help our team members and their families achieve their educational goals.”

- **ERIN SHANNON**, CORPORATE RELATIONS MANAGER  
AND CASTLE SHARES DIRECTOR, WHITE CASTLE

### INGRAM-WHITE CASTLE FOUNDATION/CASTLE SHARES

Each year, the Ingram family, through the Ingram-White Castle Foundation and corporate contributions, donates more than \$2 million to local neighborhoods because, to us, where we do business isn't just where we happen to place a sign. It's where we live, where we work and where we raise our families.

The Ingram family continues to operate the Foundation according to the principles set forth by founder Billy Ingram in 1949. These principles include treating people fairly, investing in the future of others and sharing success with the community. The Foundation's mission is to provide nourishment to those who hunger for knowledge, self-sufficiency and advancement.

The Foundation's guiding principles have become an integral part of our company's culture. White Castle officially launched the Castle Shares initiative in 2013 to help align the many philanthropic initiatives that the company undertakes.

Foremost among the annual Castle Shares outreach has been the fundraising efforts by team members and generous contributions by customers that together raised more than \$940,000 for Autism Speaks in 2015. In the last 10 years, White Castle has donated more than \$8.3 million to Autism Speaks from multiple fundraising efforts that include donations of \$1, \$3 and \$5, as well as sales of the Original Slider-scented candle.



### CASTLE SCHOLARSHIPS

At White Castle, we believe in helping the leaders of tomorrow earn an education by providing them with additional funding for school. Education has always been a mainstay of the Ingram-White Castle Foundation's grant-making program. During the past 30 years, the Foundation has awarded more than \$29 million in grants to support programs that serve disadvantaged students and help them achieve academic success. The grants also support scholarships for team members and their dependents.

The Ingram-White Castle Foundation has awarded \$1.8 million in college scholarships to more than 900 team members and their families. In 2018, the Foundation awarded 36 scholarships to individuals in 12 states.

For more information about the Ingram-White Castle Foundation, email [infosupporting@columbusfoundation.org](mailto:infosupporting@columbusfoundation.org) or call 614-251-4000.





## OUR TEAM MEMBERS

### TEAM DIVERSITY

#### Diversity & Inclusion Statement:

At White Castle, we are proud to employ a best-in-class team since 1921 that reflects and respects the diverse communities of Craver generations everywhere. We seek out and value diverse perspectives as we build a community centered on innovation and friendship.

“Formally recognizing, promoting and **celebrating diversity and inclusion demonstrates our commitment to and respect for our team** and customers. Our people and the diverse flavor they bring to White Castle are key to our success.”

- JOHN KELLEY, CHIEF PEOPLE OFFICER, WHITE CASTLE

In 2017, we formed our first Diversity and Inclusion Committee, launching activities around three goals:

- Be the best place to work in our industry by actively attracting and retaining a workforce that is representative of the broad diversity of Craver generations everywhere.
- Ensure our industry and community engagement activities support and reflect the diversity of our workforce and customers.
- Effectively communicate, both internally and externally, our diversity and inclusion policy and strategies.



### PARTNER AFFILIATIONS



LEADERSHIP · ACTION · RESULTS



We are proud to be affiliated with many wonderful partners that expand diversity of thought, reflect the communities where our restaurants are located, and respect and promote the diverse Craver generations and team members in our Castles, plants and grocery store aisles every day.

### DEMOGRAPHICS BREAKDOWN

January 2019:

BLACK OR AFRICAN AMERICAN 46.2%

WHITE 34.9%

HISPANIC OR LATINO 11.2%

TWO OR MORE RACES 3.7%

ASIAN 3.4%

AMERICAN INDIAN OR ALASKAN NATIVE 0.4%

NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER 0.2%

#### Gender Breakdown

Female 61.3% Male 38.7%



## OUR TEAM MEMBERS *(continued)*

“For a unique brand like ours that inspires the likes of Harold & Kumar, rocker Alice Cooper, hip-hop icons Wu-Tang Clan, comic legend Stan Lee (RIP) and renowned fashion designer Telfar, **we’re proud to celebrate what we’ve known all along: White Castle unites people.**”

- **ANTHONY JOSEPH**, CHIEF ADMINISTRATIVE OFFICER,  
GENERAL COUNSEL AND SECRETARY, WHITE CASTLE

Among the new initiatives to help accomplish these goals, we instituted an Annual Compensation Study to ensure fair and equitable pay across our team members. The first study in 2017 examining General Managers’ pay rates against gender, age, race/ethnicity and tenure revealed no negative correlation. The 2018 study examining Crew Manager’s pay rates similarly revealed no negative correlations. We will continue to study these and other positions to ensure negative correlations do not arise.

We also implemented a supplier diversity policy to ensure we are sourcing talent from the broad range available within our communities. The first of these policies were formalized for our Construction and Facilities Management Department in 2017, and our Supply Chain Management group in 2018, to secure a diverse supplier policy across our Castles.

These early efforts are striking. Already, in a Team Member Engagement Survey to understand how our employees view our diversity and inclusion, we were rated significantly more favorably than the national norms across four distinct statements. In fact, 93 percent of our team members believe “someone like me can succeed at White Castle,” 17 percent higher than the national average.



### TEAM MEMBER LOYALTY

All of our team members, from the grill to the home office, are treated like family. Treating team members with fairness and respect has resulted in unequaled team member loyalty. In fact, more than 1 in 4 of our 10,000 team members have been with White Castle 10 years or more. We are proud of that fact and are humbled by the loyalty of our dedicated team members.

We believe strongly in creating careers for our team members, not just jobs. Nearly all 500 of our regional vice presidents, area supervisors, district supervisors, general managers, and regional and restaurant management teams, started behind the counter at White Castle.

Many of our team members view a position at White Castle as an opportunity to build a career, and many of them achieve that goal. We offer some of the best benefits in the industry, including health coverage, vision and dental benefits, paid vacation, retirement benefits, profit sharing, regularly scheduled reviews with pay increases and promotion from within.

We also feed our team members for free during their shifts, because we know a full stomach is one of the benefits of employment with a fast food company like ours.

All of these efforts pay big dividends in loyalty: in 1946, our founder, Billy Ingram, became the first member of the 25 Year Club. Today, 1,933 team members have qualified for membership in this club. In addition to the 25 Year Club, last year we recognized 117 team members who have been with the company for 15 years.

These long-standing team members are the foundation that will support our growth, and they are examples of how we value the dedication of our team members and treat them like family.



## TO LEARN MORE, CONTACT:

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## ADDITIONAL RESOURCES:

**White Castle Website:**

[www.whitecastle.com](http://www.whitecastle.com)

**Naturally Focused:**

[www.whitecastle.com/castle-commitments/naturally-focused](http://www.whitecastle.com/castle-commitments/naturally-focused)

**Castle Shares:**

[www.whitecastle.com/castle-commitments/castle-shares](http://www.whitecastle.com/castle-commitments/castle-shares)

**Ingram-White Castle Foundation:**

[www.columbusfoundation.org/nonprofit-center/grant-opportunities/supporting-foundation-grants/ingram-white-castle-foundation](http://www.columbusfoundation.org/nonprofit-center/grant-opportunities/supporting-foundation-grants/ingram-white-castle-foundation)