I am pleased to welcome you to Leprino Foods Company’s 2015 Global Responsibility report. I have been impressed with our recent progress in growing and formulating our Global Responsibility initiatives, which builds on our Core Value of Ethics. Simply put, it’s our commitment to doing things the right way. We continue to deepen what this means to us and how it informs and influences our actions and decisions.

Whether we’re aiming for world-class safety performance, implementing new approaches to conserve natural resources or rolling up our sleeves to help our local communities, a few things stand out:

We are propelled by our people. They are the heart and soul of our company. Our employees play an important role in Leprino Foods’ success, so we strive to bring out the best in them and empower all to do their best work. Our people – more than 4,000 strong – possess a tremendous dedication to making a positive difference. To support Global Responsibility initiatives, they are not only bringing their ideas to the table, they are taking ownership to bring these plans to life and help accomplish our objectives.

Achieving significant results takes effort and investment. We’ve set some ambitious targets for ourselves on this journey, and we’re committed to making meaningful progress. Although we face a number of challenges ahead, our relentless focus on continuous improvement will keep the momentum going and spark the kind of innovative solutions needed to achieve our goals.

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ABOUT LEPRINO FOODS COMPANY

Founded by Mike Leprino Sr. more than 60 years ago, Leprino Foods Company is a family-owned business that provides high-quality cheese and nutrition products to many of the largest food and restaurant companies in the world.

OUR VISION

Our vision encompasses our Core Values: We make every customer feel like our only customer through Quality, Service, Competitive Price and Ethics.

OUR MISSION

Our mission is to be the World’s Best Dairy Food and Ingredient Company.

We employ more than 4,000 people at 10 locations in six states across the United States. Leprino Foods’ nine production plants are some of the largest and most technologically-advanced facilities in the world. We hold more than 50 production and manufacturing patents.

We produce more than 1.5 billion pounds of cheese annually.

Cheese for pizza represents over half of our business.

Leprino Foods transforms ~6% of the U.S. fluid milk supply into high-quality cheese and nutrition products.

Leprino Foods is the world’s largest mozzarella cheese manufacturer and the world’s largest lactose manufacturer. Leprino Foods is also a leading supplier of whey protein nutrition products.

Our dairy nutrition products include lactose, whey protein and other dairy ingredients. They provide nutrition enhancement and functional improvement to infant formulas, protein beverages, nutrition bars, yogurt, reduced-fat ice cream and other foods.

LEPRINO FOODS COMPANY

Global Sales to 40+ Countries

Leprino Foods exports products to 40+ countries around the world. We have representative offices in Shanghai, China, and Tokyo, Japan.

World’s Largest Mozzarella Cheese Manufacturer

World’s Largest Lactose Manufacturer

Leading Supplier of Whey Protein

Cheese Products

Originally, Leprino cheese was sold under the Gina Marie brand, a name that is a contraction of the Italian word Regina, meaning “queen.” Today, Leprino Foods’ premium-quality cheeses are made especially for pizza and foodservice operators, frozen food manufacturers and private-label cheese packagers.

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NUTRITION PRODUCTS

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GLOBAL RESPONSIBILITY AT LEPRINO FOODS

Our Framework & Key Accomplishments

We structure our Global Responsibility strategy and approach within five broad categories. Each category contains areas of focus to prioritize our efforts. The summary below presents each category, its areas of focus and key accomplishments during the reporting period.

GLOBAL RESPONSIBILITY AT LEPRINO FOODS

Our commitment to deliver high-quality, nutritious and responsibly produced products to our customers and consumers.

QUALITY

FOOD SAFETY

• Contributed to and participated in industry efforts on pathogen control and dairy supplier management for food safety

Our commitment to strengthen relationships and benefit communities close to home and beyond.

VOLUNTEERISM/COMMUNITY INVOLVEMENT

• Developed new metrics and goals
• Strengthened Community Involvement Teams
• Launched Volunteer Portal

Our commitment to promote and ensure responsible practices throughout our supply chain.

RESPONSIBLE PROCUREMENT DAIRY SUPPLY

• Launched Leprino Quality Animal Care (LQAC) program
• Confirmed that all our milk producers have enrolled in the National Dairy FARM (Farmers Assuring Responsible Management) Program

Our commitment to compliance and the responsible use of natural resources.

ENVIRONMENTAL COMPLIANCE ENERGY & GREENHOUSE GAS EMISSIONS WATER

• Launched Resource Conservation Teams
• Completed a range of energy- and water-reduction projects across our plants
• Created California Water Task Force and set aggressive water reduction goals at California plants

Our commitment to ensure employee health and safety, while we promote an energized, empowered and engaged workforce.

HEALTH & SAFETY

• Achieved “World’s Best” safety goal for top-quartile performance in the food manufacturing industry sector for recordable work-related injuries and illnesses
• Reduced DART (days of restricted work activity or job transfer) rate to lowest rate in the company’s history

EMPLOYEE ENGAGEMENT

• Conducted first phase of employee engagement survey

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Progress on Goals

1. Achieve OSHA recordable incident rate in the top quartile of the food manufacturing industry sector by 2015.
2. Reduce energy intensity by 10 percent from 2013 baseline by 2018.
3. Reduce greenhouse gas (GHG) emissions intensity by 10 percent from 2013 baseline by 2018.
4. Reduce water intensity by 10 percent from 2013 baseline by 2018.
5. Reduce water use at our Lemoore and Tracy locations by 25 percent from 2013 baseline by the end of the 2016 calendar year.
6. Ensure that 100 percent of our U.S. milk supply is in full compliance with LQAC by Dec. 31, 2015.
7. Ensure that 100 percent of our U.S. milk supply is in full compliance with LQAC by Dec. 31, 2016.
8. Achieved
9. In progress

Note: In the period since our last report, we refined our areas of focus to better reflect the way we prioritize and organize our efforts. We moved the Dairy Supply focus area previously under the Product Responsibility category to a new Supply Chain Responsibility category with Responsible Procurement. We also refined the Our Communities focus areas.

GLOBAL RESPONSIBILITY VISION Growing stakeholder value through global responsibility consistent with our Core Values
Our Approach to Global Responsibility

Our strategy for global responsibility reflects our long-held belief in doing things the right way. Everything connects to our Core Values of Quality, Service, Competitive Price and Ethics.

From this shared foundation, we view global responsibility as a way to guide, to make meaningful progress, and to have a positive impact on our stakeholders and society at large. Our stakeholders include employees, shareholders, communities, customers, consumers, suppliers and many others that we interact with and impact as a business.

In 2015, we announced the renaming of our corporate responsibility initiative. The new name, Global Responsibility, better reflects and captures the full scope of our efforts as well as the reach of our company and our products around the world. To bring this initiative to life and make meaningful progress, we built on Leprino Foods’ As our approach to employee engagement, Leprino Quality aims to energize, empower and engage employees to continuously improve our business to be the World’s Best while creating something that cultivates our responsibility and accountability. We strengthened our overall approach over the past two years by focusing on continuous improvement and increasing opportunities for employees to get involved and lead efforts across each category. Together, these efforts have led us to achieve the initial goals we set — establishing baselines and setting targets in new areas, and further refining our global responsibility programs. To support evaluation and improvement across the categories, we implemented a data collection and reporting system. The system that follow describe these efforts and this progress our people have enabled us to make.

Responsibility as an Industry Leader

The Innovation Center for U.S. Dairy

The Innovation Center for U.S. Dairy is a public-private partnership that brings together the dairy industry and other key stakeholders in the dairy value chain. The Innovation Center is supported by the U.S. Department of Agriculture, the National Institute of Food and Agriculture, and the private sector. The center’s mission is to improve the safety of the dairy industry to work together to create

Leprino Foods in the Innovation Center

As a member of the Sustainability Committee, which we not only participate in the collaboration in dairy foods and beverages. We not only participate in the collaborative multi-stakeholder development process but also use the Guide to inform our reporting and provide feedback with our dairy suppliers.

FOOD SAFETY: Leprino Foods played a key role in establishing the Innovation Center’s Food Safety committee. The committee’s objective is to improve pathogens controls in all dairy processing facilities in order to help prevent food safety incidents and recalls. As part of our ongoing participation in the committee, we have contributed to key areas such as dairy plant food safety workshop, supplier food safety risk assessment, training and management, and leadership. Learn more on page 19.
Supporting school nutrition programs: Leprino Foods is a market leader in providing reduced-fat and reduced-sodium cheese for school meal programs. Furthermore, our culinary innovation chefs have collaborated with other key suppliers to create great-tasting, nutritious meals that meet federal and state nutrition standards and kids’ taste preferences.

Meeting a range of dietary preferences: In response to consumer preferences and market trends, many of our customers are working to improve the nutritional profile of their product portfolios and menu offerings. To support these needs and meet customer product requests, we produce cheese in a range of options, including reduced-fat and reduced-sodium varieties. Furthermore, Leprino Foods is looking at how we can make additional reductions in sodium, without sacrificing the taste, quality or safety of our products. Sodium plays several important roles in food, from helping keep products fresh to enhancing taste and texture. Although cheese contributes only 8 percent of the sodium in the U.S. diet, we are collaborating with the dairy industry, large pizza chains, food manufacturers and others to test and launch lower-sodium products that meet both consumer expectations for great taste and National Salt Reduction Initiative targets.

Our Products

Leprino Foods Company’s premium-quality cheese and nutrition products deliver milk’s inherent nutrition to people around the world. With nine essential nutrients, milk is one of the most nutrient-rich foods available. As part of the cheesemaking process, the curds are separated from the whey. Both parts are highly nutritious; therefore, we strive to utilize every valuable component in the fresh Grade A milk we receive.

Product Responsibility

**OUR COMMITMENT TO DELIVER HIGH-QUALITY, NUTRITIOUS AND RESPONSIBLY PRODUCED PRODUCTS TO OUR CUSTOMERS AND CONSUMERS**

Everything we do connects to delivering the Leprino Foods products that our customers trust and have come to expect. Product responsibility is brought to light in our relentless pursuit of world-class quality and food safety.

**CHEESE PRODUCTS**

Varieties include: Mozzarella, String Cheese, Provolone, Cheese Blends and Reduced-Fat Cheeses.
We produce a variety of cheese products to meet the needs of our customers, who have unique requirements in areas such as taste, texture, performance and nutrition. Our cheese is found in many well-known pizzerias and restaurants, school cafeterias, private-label packages and frozen foods.

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Cheese contributes high-quality protein, as well as calcium, phosphorus and vitamin A, to the American diet.

Cheese is the No. 2 dietary source of calcium for Americans.

Diets higher in protein have been shown to help keep immune levels that occur with age, help curb hunger and help maintain a healthy weight.

Calories for calories, whey protein can help people feel fuller longer than carbohydrates or fats.

Consuming whey protein post-exercise helps build and repair muscle.

Higher protein intakes, including whey protein, may help older adults to protect against age-related muscle loss (sarcopenia).

**NUTRITION PRODUCTS**

Products include: Lactose, Heat-Stable Proteins, Gelling Proteins, Whey Protein Isolate, Whey Protein Concentrates, Whey Protein Hydrolysate and Sweet Whey.

Our nutrition business has three main categories, which cover the range of ways our customers use our dairy ingredients:

- **Infant and adult:** Our unique lactose derivatives are used as the primary carbohydrate source in infant formula, which underscores our dedication to quality and food safety. Whey protein concentrate is added to a variety of beverages designed to improve health and wellness.
- **Sports and beverages:** Products such as our whey protein concentrates, whey protein isolate and heat-stable proteins boost the amount of high-quality protein in sports nutrition and other beverages.
- **Commercial ingredients:** Ingredients such as lactose, several heat-stable proteins and other whey protein derivatives provide nutrition enrichment, taste enhancement or functional improvements to a variety of food products, including yogurt, reduced-fat ice cream and nutrition bars.
What sets Leprino Foods apart from our competition is our commitment to quality. Quality has been a cornerstone of our company since the beginning. "Quality is a way of life." — our Chairman, Jim Leprino, has often said.

To ensure that we meet our high standards for quality and exceed our customer expectations, our quality management system focuses on prevention, continuous improvement and best practices. Our manufacturing facilities have rigorous, documented quality assurance programs, which include the inspection of all ingredients, process controls, finished product analysis, sanitation and environmental controls, as well as distribution controls.

Our people are the key to our success. We foster a quality mindset permeates our approach to managing quality is a true cornerstone of our company since the beginning. It’s the relentless effort of driving higher quality into every aspect of our business, starting with the way we train and engage our employees.

At Leprino Foods, food safety is not negotiable. There are no compromises or shortcuts when it comes to our responsibility to produce and distribute wholesome, safe products. That’s why we named our approach to food safety “Zero Tolerance.”

Because we take a holistic view of food safety, the Zero Tolerance philosophy is demonstrated in all aspects of our work, from the design of our plants and the use of highly advanced quality assurance technology to the way we train and engage our employees. Our responsibility to ensure food safety begins in our supply chain, permeates our direct operations – encompassing each individual in our plants – and extends across the dairy value chain.

ENSURING FOOD SAFETY IN OUR PLANTS

Our plants comply with and typically exceed regulatory standards under the U.S. Food and Drug Administration (FDA) and U.S. Department of Agriculture. In addition, we work closely with state regulatory officials and the U.S. Food and Drug Administration (FDA) and U.S. Department of Agriculture. In addition, we work closely with state regulatory officials and the U.S. Food and Drug Administration (FDA) and U.S. Department of Agriculture.

To drive continual improvement, we evaluate food safety risk in our supply chain using a supplier risk assessment tool developed by the Innovation Center for U.S. Dairy. As a result, our ability to quantify potential supplier risk areas has expanded, and we are better able to proactively prioritize our resources on identified opportunities.

Moreover, the dedicated people who focus on food safety every day make a significant contribution to our success. Each day, they bring their skills and experience to ensure that we meet our high standards for quality and exceed our customer expectations.

Energize, empower and engage employees to continuously improve our business by fostering improvement that creates responsibility and accountability. We achieve our organizational goals through leadership, communication, continuous improvement, innovation, research and recognition.


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ADVANCING FOOD SAFETY ACROSS THE INDUSTRY

Although dairy products as a whole have a very good food safety track record – due to both pasteurization and the hard work and diligence of the industry – focus on foodborne illness prevention remains mission critical. By taking a collaborative and precompetitive position on food safety, we work to foster knowledge sharing and best practices across the dairy community, and thus help elevate the entire industry. As a longtime and leading advocate of food safety, we invest in food safety research, initiate collective action and contribute expertise to advance food safety. The following examples highlight some of the ways we contribute.

Playing an active role:
Our team members serve on committees and working groups for a range of organizations dedicated to improving food safety. Two key committees are:

• The Scientific Advisory Committee of the National Conference on Interstate Milk Shipments, a nonprofit government-industry cooperative organization whose goal is to “assure the safest possible milk supply for all the people.”

• The Innovation Center for U.S. Dairy’s Food Safety committee, which is dedicated to improving conditions within dairy processing and manufacturing to help mitigate food safety risks and safeguard consumer confidence in dairy.

Supporting education and knowledge sharing:
Leprino Foods team members share their food safety expertise and experience by assisting with training events, speaking at conferences, participating on panels and contributing to publications.

• Several of our team members help design and conduct workshops sponsored by the Innovation Center’s Food Safety committee, including the Dairy Plant Food Safety and the Dairy Supplier Management Food Safety workshops.

• We worked with the Food Safety Preventative Controls Alliance, a collaboration of industry, FDA, state regulators and academia, to contribute to a course designed to help small and medium-sized food companies understand and comply with the Food Safety Modernization Act’s Preventive Controls for Human Food.

• We reviewed best practices for enhanced dairy traceability at several industry events in 2015. Leprino Foods was among the first dairy companies to commit to the voluntary practices for strengthening the U.S. dairy supply chain that are outlined in the Guidance for Dairy Product Enhanced Traceability.

• Our Vice President of Food Safety and Regulatory Compliance was lead author of “Control of Listeria Monocytogenes: Guidance for the U.S. Dairy Industry” (October 2015), working with more than a dozen food safety experts in the dairy industry as well as industry and government reviewers. The guidance document, which is the first of its kind specifically for the dairy industry, will help build knowledge and communicate best practices for effective pathogen control to a wide spectrum of food safety practitioners.

Investing in research:
In January 2015, the Innovation Center’s Food Safety committee created the Listeria Research Consortium to identify science-based solutions that further protect consumers. Leprino Foods initiated the idea for the consortium and joined with other member companies to provide funding for research that can help identify solutions that can make dairy even safer.

Leprino Foods Company’s commitment to food safety, both domestically and internationally, takes many forms: from the robust safety analysis of innovative processing in its facilities to sharing time and talent training industry personnel, and investing in food safety research. We commend Leprino Foods on its dedication and leadership to support the entire dairy industry in delivering safe and wholesome foods to consumers around the world.”

“Leprino Foods Company has led the effort to develop and distribute cutting-edge food safety practices and protocols for the betterment of the entire dairy sector and consumers everywhere. They have supported this housable goal through a focused senior executive priority and a huge commitment of staff time. They are second to none in this regard.”

Clay Hough Senior Group Vice President and General Counsel International Dairy Foods Association

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“The quality of our products begins with our suppliers; therefore, we work to ensure responsible practices across our supply chain, with an emphasis on our dairy supply.
We set high expectations for ourselves, and we expect nothing less of our suppliers. That’s why finding the right partners for building long-term, mutually beneficial relationships is so important to us. Many of our key suppliers are private or family-owned companies with which we share similar values.

To prioritize responsible sourcing and procurement efforts, we consider the percentage of procurement dollars spent and the level of risk and impact involved in a range of areas. Based upon these considerations, our milk supply is our highest procurement priority.

Comprehensive policies guide supplier selection and ongoing assessment and set clear expectations for our suppliers. Quality and food safety are the foundation on which we build our relationships. We are committed to improving our food safety processes throughout the supply chain. We are putting a significant level of influence; therefore, we strive to be a positive force in creating a culture of excellence by providing leadership and best practices.

We recognize that the scale of our operations and market position carry significant levels of influence. For that reason, we strive to ensure that every product we purchase provides a net positive impact involved in a range of areas. Based upon those considerations, we have taken steps to improve fuel efficiency and reduce emissions associated with the distribution of our products, and we also collaborate with our customers and work at the industry level to growing our SmartWay carrier base in 2016.

Moving forward, we will consider other supply categories, such as packaging, and the associated aspects and impacts of each. Future efforts will focus on our relationship with an industry-leading role as we broaden our expectations, ensuring that all suppliers, quality and logistical requirements are met while considering additional environmental and social factors.

EXTENDING RESPONSIBLE PRACTICES

We recognize that the scale of our operations and market position carries a significant level of influence; therefore, we strive to be a positive force in demonstrating and promoting responsible practices in our supply chain and the dairy community.

Supporting supplier diversity. We have begun to work on an approach that expands our evaluation and support of small and diverse businesses. We will continue efforts underway and seek new partnerships for building long-term, mutually beneficial relationships is so important to us. Many of our key suppliers are private or family-owned companies with which we share similar values.

For example, we give preference to contract transportation providers that have taken steps to improve fuel efficiency and reduce the emissions associated with the distribution of our products. One of the evaluation factors we consider for new transportation partners is participation in the U.S. Environmental Protection Agency’s SmartWay program, which helps shippers improve fuel efficiency and reduce emissions. At the end of our 2015 fiscal year, 66 percent of our use for our milk carriers was SmartWay certified, resulting in 76 percent of all over-the-road product volume being transported in SmartWay-certified trucks. The intense weather conditions in early 2015 caused many transportation challenges, leading some shippers to source freight on whichever carriers they could find. As a result, our percentage decreased from the previous year’s value. However, we are committed to growing our SmartWay carrier base in 2016.

We also collaborate with our customers and work at the industry level (described on page 7) to influence and support positive change and suppliers and vendors of energy and transportation.

Our Dairy Supply

Our dairy supply is our highest procurement priority. The dairy farmers who supply fresh Grade A milk to our plants every day are essential partners in ensuring the purity and integrity of our cheese and dairy ingredients.

In our business, it’s all about high-quality milk. The dairy farmers who supply fresh Grade A milk to our plants every day are essential partners in ensuring the purity and integrity of our cheese and dairy ingredients.

Supply Chain Overview

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For example, we give preference to contract transportation providers that have taken steps to improve fuel efficiency and reduce the emissions associated with the distribution of our products. One of the evaluation factors we consider for new transportation partners is participation in the U.S. Environmental Protection Agency’s SmartWay program, which helps shippers improve fuel efficiency and reduce emissions. At the end of our 2015 fiscal year, 66 percent of our use for our milk carriers was SmartWay certified, resulting in 76 percent of all over-the-road product volume being transported in SmartWay-certified trucks. The intense weather conditions in early 2015 caused many transportation challenges, leading some shippers to source freight on whichever carriers they could find. As a result, our percentage decreased from the previous year’s value. However, we are committed to growing our SmartWay carrier base in 2016.

We also collaborate with our customers and work at the industry level (described on page 7) to influence and support positive change and suppliers and vendors of energy and transportation.
Our People

One of our greatest assets is our people. The success of Leprino Foods and our vision to be the World’s Best dairy food and ingredient company begins with our employees. Providing a safe and engaging environment in which our employees can thrive and build rewarding careers is an essential element of our corporate philosophy and strategy.

Health & Safety

Our safety vision is “to be the world’s safest food manufacturing company, driven by the world’s safest employees.” Company leadership established this vision in 2015 to align with the Leprino Foods vision to be the World’s Best dairy food and ingredient company.

We strive to provide work processes and methods that enable people to work a lifetime with an expectation of no injuries. Our approach is rooted in our health and safety mission: “We will create a world-class safety culture through leadership, personal commitment and accountability. Together, we are all responsible to care for each other’s health and safety, and are dedicated to prevent all injuries before they happen.”

Our health and safety management systems are designed to share responsibility among everyone in the organization for the design of safe work processes, the maintenance of safe working conditions and the promotion of safe and healthy habits on and off the job. Furthermore, we have individuals with professional certifications and degrees in safety supporting all locations.

An emphasis on management systems supports our focus on prevention and helps drive continuous improvement and adoption of best practices. Since 2013, the company has conducted rigorous safety audits of our plants to measure the maturity of key safety programs and identify improvement opportunities in the processes that most influence injury and loss performance. Additionally, the reviews ensure processes are in place to maintain a high level of due diligence for safety compliance with state and federal laws and regulations.

The leadership of each facility is responsible and accountable for safety performance. The company regularly conducts executive reviews of safety performance, incident reports and safety process maturity; performs compliance risk assessments within the company; and compares our experiences with those of our industry to ensure we remain vigilant.

The launch of the new safety vision led to annual safety meetings at all locations to establish safety goals and give our people the opportunity to sign a pledge to work toward our vision. More than 4,000 employees signed this pledge and made personal commitments to improve safety for themselves and their coworkers and to strive to eliminate all injuries.

SAFETY PERFORMANCE

For the last ten decades, Leprino Foods has consistently achieved injury frequency rates far below industry averages. In 2013, we began tracking performance relative to the food manufacturing industry sector, as defined by the Occupational Safety and Health Administration (OSHA) division of the U.S. Bureau of Labor Statistics (see charts in outer column). At the same time, we established a two-year goal of reaching the top quartile of the industry, a target that we were able to surpass in 2015.

In 2015, we surpassed our top-quartile goal by 18 percent. Both results are the lowest rates in our company’s history.

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<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>OSHA Recordable Incident Rate</th>
<th>DART Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.06</td>
<td>1.97</td>
</tr>
<tr>
<td>2014</td>
<td>2.76</td>
<td>2.07</td>
</tr>
<tr>
<td>2015</td>
<td>2.30</td>
<td>1.62</td>
</tr>
</tbody>
</table>

In 2015, we surpassed our best rate ever by 18 percent.
ENGAGING EMPLOYEES IN HEALTH & SAFETY MANAGEMENT
Communication, training and employee involvement are key components in maintaining a safe work environment. Each plant drives to maintain safety committees and wellness teams with cross-functional participation. Each site dedicates a significant amount of time to safety training, communication and prevention activities. Daily pre-shift meetings and regular departmental safety-meetings promote information sharing and encourage dialogue among employees and managers. Most locations also have teams dedicated to improving critical aspects of safety such as warehouse operations, ergonomics, ammonia refrigeration, hazardous materials response and emergency planning. Employee recognition programs and sharing success stories promote safety-first behaviors, while showing our appreciation for the individuals and teams who are true champions for workplace safety.

LEMOORE EAST
Senior management created 10 Critical Safety Rules for all levels of employees to follow, which reinforces the message that employee safety truly is the first priority. This team also has worked diligently to improve safety performance through implementing proactive workplace injury reduction programs. The management team has made great strides in implementing practices that have been identified as best practices in the industry.

Curds & Whey 5K and 1 Mile Fun Run/Walk
We strive to include as many portions of registration fees for races, athletic challenges that leverage friendly competition with team support. We also have teams dedicated to improving critical aspects of safety such as warehouse operations, ergonomics, ammonia refrigeration, hazardous materials response and emergency planning. Employee recognition programs and sharing success stories promote safety-first behaviors, while showing our appreciation for the individuals and teams who are true champions for workplace safety.

PROMOTING EMPLOYEE WELLNESS
We believe our wellness strategy supports employee participation in events that foster health and support nutritious food choices. For example, Lepino Foods locations host food fairs and hold weight-loss challenges that leverage employee involvement and win a cash prize to the location with the highest employee participation.

Healthy food choices: We strive to include as many nutritious menu options in our cafeterias and break areas. In addition, many locations occasionally provide fruit and healthy snacks to employees.

HEALTH INCENTIVE PROGRAM
Leprino Foods has a health incentive program, which enables employees who practice healthy lifestyle behaviors to receive financial rewards based on our medical plan options. A third party administrators confidential and voluntary health assessments at no cost to employees and provides Leprino Foods with an aggregate health score that helps us evaluate the effectiveness of our wellness and safety strategy.

Employees participating in the program have access to a range of methods to help improve their health:
• Confidential health assessment questionnaires
• Free, confidential biometric screeners
• Free, certified health coaching
• Educational wellness information

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The Greeley plant’s impressive 85 percent participation rate earned it the prize in 2015. The total number of participants across the company was 2,126. The Greeley plant’s impressive 85 percent participation rate earned it the prize in 2015. The total number of participants across the company was 2,126.

On the job safety performance at Leprino Foods, we’ve recognized the improvements in promoting the overall health and wellness of our employees so that they can live longer lives to the fullest. We believe our wellness strategy supports employee health and well-being, helps reduce health costs – both for the company and for employees and their families – and also increases employee morale, productivity, safety and overall employee engagement.

In addition to providing medical and health benefits (see page 21), we offer a range of workplace- and location-specific initiatives to foster healthy lifestyle behaviors. Each location has a health and wellness team to provide guidance to employees who need focused tools and resources. The teams also develop and implement employee wellness initiatives for their locations.

Educational communications:
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Employee Engagement

We strive to connect with the hearts and minds of our people and to empower them to do the job we hired them to do. Fostering employee engagement at all levels of the organization helps our teams achieve professional and personal success, which in turn contributes to the success of Leprino Foods.

PROVIDING ROBUST BENEFITS

The value we place on our employees and on retaining an engaging workforce is reflected in our comprehensive total rewards package.

We continue to enhance our program by giving employees more choices. A new third-party administrator for our medical plan was introduced to employees in 2015, and in 2016 we are expanding our medical plan options. Leprino rewards packages for full-time employees – who represent more than 98 percent of our workforce – includes competitive compensation; profit sharing; a 401(k) retirement plan with employer matching and after-tax contributions; medical, dental, prescription and vision programs; paid time off; company paid life and accidental injury; company-paid income replacement in the event of a disability; and, of course, discounts on our cheese and whey products.

In 2016, we are expanding our medical plan options. We continue to enhance our program by giving employees more choices. A new third-party administrator for our medical plan was introduced to employees in 2015, and in 2016 we are expanding our medical plan options. Leprino rewards packages for full-time employees – who represent more than 98 percent of our workforce – includes competitive compensation; profit sharing; a 401(k) retirement plan with employer matching and after-tax contributions; medical, dental, prescription and vision programs; paid time off; company paid life and accidental injury; company-paid income replacement in the event of a disability; and, of course, discounts on our cheese and whey products.

In the spring of 2015, all salaried and Denver employees – more than 900 people – took part in an engagement survey we called Leprino Voice: Engaging Hearts and Minds. All employees will have the opportunity to participate in spring 2016, but the initial results already are giving us an idea of how we’re doing and providing us with insights to better measure and understand our strengths and opportunities.

We are creating action plans around these opportunities in three main areas: the creation of an employee value proposition that will be used for recruiting and retaining our highly skilled talent, improvements in the areas of communication between employees and management, and the development of strategies to better manage work-life integration.

BRINGING ON THE BEST

The variety of perspectives that our diverse workforce brings to the job helps foster an innovative spirit that is a key part of the Leprino Foods difference. We benefit from employing individuals with a diverse set of experiences and viewpoints as well as people from different cultural and ethnic backgrounds.

Our annual planning and goal-setting process maintains our focus on the important issue of diversity in our workforce. Senior members of our Legal and Human Resource departments regularly review performance to evaluate progress and identify any areas that need attention.

In 2015, we started a number of women’s leadership development initiatives to further enhance our ability to attract, retain, develop and engage women of all levels, including mentoring programs, a leadership development series, targeted recruitment efforts and retraining opportunities.

Although we recognize that we face some challenges, such as the rural location of some of our plants, we will continue to explore ways to develop a more diverse workforce at all levels of the organization. We are confident we can keep doing better.

Training & developing our employees for success

At Leprino Foods, we are proud that many employees choose to make long, successful careers with our company. In 2015, 27 percent of our workforce had more than 10 years of service – an important indicator of employee satisfaction and engagement.

We support our employees in their careers with ongoing training, professional and leadership development opportunities, educational assistance, including tuition reimbursement as well as a management bonus program for college graduates.

Our training program is critical not only to developing and retaining the best talent, but also to achieving our quality objectives. We use a combination of online tools and on-the-job training to build knowledge and skills in our technical training program. We also regularly add resources to our comprehensive library of technical information.

Career and leadership development in an essential factor in our current and future success. The use of individual development plans helps employees and managers identify and maximize individual strengths, while identifying and developing opportunities.

In 2015, we started the development of our company-wide training visioning process, the goal of which is to create a plan for direct on how they can advance their career at Leprino Foods. It outlines the progression of advancement from position to position and defines necessary skills and experience. Our Technical Services, Quality, Research and Development and IT divisions have long-standing, successful career models in place, and now other divisions are working to follow suit.

We also offer a variety of approaches specific to leadership development, including classroom and online training, behavior and personality assessments, mentoring programs and coaching.

Karla Maszko, Organizational Development Director
RECOGNIZING EMPLOYEE EXCELLENCE

We believe in the importance of acknowledging the amazing contributions made every day by individuals and teams throughout the company. Recognizing exceptional efforts occurs regularly, both in informal ways through one-on-one interactions, team meetings, town halls and recognition boards and more formally through the following company-wide award programs:

Gina Award Recipients Contribute to Global Responsibility

Although global responsibility as a distinct award category is new, over the years we have been recognizing employees who exemplify our Global Responsibility commitment in other Gina Award categories.

2014 LEADERSHIP AWARD

Jon Alby, Associate General Counsel, was honored for his significant contributions to the company’s Global Responsibility initiative, including his principal role in delivering our first corporate responsibility report and his influential role as a Leprino Foods representative and thought leader on sustainability.

2014 INNOVATION AWARD

Manny Egbuna, Lemoore West Project Engineer, was recognized for the many inventive approaches he implemented to deliver substantial reductions in the consumption of electricity, natural gas and water – contributing to an improved bottom line. His passion for sustainability and continuous improvement inspires people throughout the organization to follow his lead.

2015 GLOBAL RESPONSIBILITY AWARD

Joe Herrud, Director, Environmental Operations, was honored as the first-ever Global Responsibility Award winner for his continuous pursuit of identifying new ways to reduce water consumption, and his personal and engaging service to the Allen Cup and LQ Teams of the Year. Each year, we also recognize the plant with the highest annual performance on a set of metrics with the Allen Cup. As part of the Leprino Quality (LQ) program, we name Location Teams of the Year and a Company Team of the Year.

Gina Awards: Since 1969, Leprino Foods has recognized outstanding performance by employees who contribute to the achievement of our vision to be the World’s Best. There are nine categories, including the newly created global responsibility category that underscores the importance of being a sustainable, responsible company and to encourage employee actions and ideas.

Mike Leprino Sr. Awards: Created in 1972 in honor of the company’s founder, the award recognizes employees who exemplify the qualities most valued by Mike Leprino Sr. — strong work ethic, loyalty, tough-mindedness and a positive attitude. The award is presented annually to non-exempt employees at each of our locations.

Environmental Responsibility

OUR COMMITMENT TO COMPLIANCE AND THE RESPONSIBLE USE OF NATURAL RESOURCES

Starting with adherence to environmental regulations and laws, our environmental responsibility extends to resource conservation and minimizing impacts. Our conservation efforts and goals focus on energy, greenhouse gas emissions and water — our most significant impacts — while striving for responsible use of all resources.
We aim to reduce the resource intensity and impacts of our operations while maintaining the highest standards of quality, food safety and environmental compliance. We are dedicated to making the best use of limited resources. A mindset of doing more with less is an inherent aspect of who we are.

Compliance, efficiency and conservation form the foundation of our environmental efforts. Managing environmental performance involves both corporate direction and location-level responsibility. Plant managers develop their unique plan for their location to meet or exceed company-wide performance goals.

Our overall approach emphasizes preventing problems and continuous improvement through best practices, investment in technology and employee engagement. We recognize that improvements come in all sizes and from all levels of the organization. Therefore, we combine greener efforts and behavior change with large-scale initiatives that have broad impacts across the company. Through an evaluation of our environmental impacts, we prioritized environental compliance, energy, GHG emissions and water as our top priorities, as highlighted on the following page. In addition, we are developing enhanced business processes, procedures and policies that set a higher bar and provide clear accountability to manage environmental impacts.

Our Approach

Environmental compliance is an expectation embedded in our culture of doing the right thing. It is fundamental to our approach to managing the environmental impacts of our operations. Environmental compliance is an expectation embedded in our culture of doing the right thing. It is fundamental to our approach to managing the environmental impacts of our operations.

Lowing BARRIERS TO BREATHTHROUGH CHANGE

Over the years, Leprino Foods has made significant investments in our production plants to enable us to produce high-quality products on a large scale while reducing our resource use and utility costs. While we have accomplished a lot, we are confident that we can do more. We also recognize that making large-scale improvements often requires taking the long view to receive the necessary financial return along with anticipated environmental benefits. To demonstrate their strong commitment to achieving our environmental goals, senior leadership established dedicated funding to support investment in innovative approaches and new technology that deliver significant reductions in resource consumption.

Our headquarters and plants generate waste associated with product distribution. We strive to reduce waste overall and minimize the amount of waste that is sent to landfills. Our areas of focus in context: U.S. dairy life cycle assessment (LCA) findings

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Although the majority of GHG emissions and water use associated with the life cycle of our products occurs before milk reaches our plants, we have many opportunities to reduce the impacts of our operations.

Additional Areas

PACKAGING: Packaging safeguards our products and protects them during transit. We continually evaluate packaging, which is ~35% of dairy’s carbon footprint.

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Manufacturing accounts for ~20% of total U.S. emissions.

GHG EMISSIONS: GHG emissions are tied to our energy consumption. Gas-fired dryers and boilers are the main source of our direct GHG emissions, and purchased electricity accounts for our indirect emissions.

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Our environmental footprint.

And we strive to involve the smallest opportunities. Being attentive to the progress that comes from the incremental investments for big gains is an expectation embedded in our culture of doing the right thing.

ENERGY: Our operations rely on electricity and natural gas to power equipment, light and cool facilities, and for process water, among other uses. We continually seek opportunities for energy efficiency and conservation.

We take an all-inclusive approach to environmental responsibility, combining investments for big gains with the incremental programs that come from being attentive to the smallest opportunities. And we strive to involve the smallest opportunities. Being attentive to the progress that comes from the incremental investments for big gains is an expectation embedded in our culture of doing the right thing.

“Everyone has a role to play. Everyone has a responsibility to contribute in some way.”

Senior Vice President, Sustainability

Sustainability, Leprino Foods

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RESOURCES CONSERVATION TEAMS

People who work for them and for the company. Every employee is a partner. Most importantly, employees are engaged and learning about what and how much we consume and how they can help reduce our impacts. By empowering our people to create change through low- and no-cost fixes, our Resource Conservation Teams are the key to engaging our people to make a real difference.

Waverly Resource Conservation Team Delivers Positive Changes

With an 18-member team of employees from every department, the Waverly Resource Conservation Team (WRC-T) was established in 2015 as an improved record of improvements, both large and small. The team members started their efforts to educate themselves and their colleagues on the importance of energy conservation efforts. By lowering costs and helping the company save money, the team helped people understand the cost savings, cost savings, and the benefits to the environment.

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Energy & Greenhouse Gas Emissions

Like all businesses, our operations rely on electricity and natural gas for powering equipment to heating and cooling facilities. Creating energy-efficient products in food production, energy plays a critical role in quality and food safety through heating and refrigeration.

The energy consumed in the production of our products is the main source of our GHG emissions; therefore, our energy-efficiency and conservation efforts drive the reductions in our carbon footprint.

REDUCING ENERGY USAGE AND GHG EMISSIONS

We continue to identify and implement energy-efficiency projects and technologies at our plants to meet our energy and GHG emissions targets. The goal is to maximize the use of our resources and minimize the impacts of our operations on the environment.

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WE ARE MAKING A DIFFERENCE...

We’re finding more ways to reduce our energy use and associated costs.

ENERGY REDUCTION GOAL: Reduce energy intensity by 10 percent from 2013 baseline by 2018

GHG REDUCTION GOAL: Reduce GHG emissions intensity by 10 percent from 2013 baseline by 2018

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Most importantly, employees are engaged and learning about what and how much we consume and how they can help reduce our impacts. By empowering our people to create change through low- and no-cost fixes, our Resource Conservation Teams are the key to engaging our people to make a real difference.

WE ARE MAKING A DIFFERENCE...

We’re finding more ways to reduce our energy use and associated costs.

ENERGY REDUCTION GOAL: Reduce energy intensity by 10 percent from 2013 baseline by 2018

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We use water for the intensive cleaning, heating, cooling and sterilization processes needed to meet our stringent standards of food safety and cleanliness, as well as federal and state regulations. However, we believe we can continue to reduce our water footprint without sacrificing food quality or safety.

Using water wisely has long been a priority for Leprino Foods, California, where more than 40% of our production occurs, is struggling to adapt to the worst drought in centuries. As residents, cities and farmers are cutting back water usage, we also are doing our part to conserve.

In response to the drought, Leprino Foods has created a cross-functional leadership team to the employees working in our plants, we have embraced the careful use of our limited water supplies with projects big and small.

In response to the drought, Leprino Foods has created a cross-functional California Water Task Force, which is made up of experts in areas ranging from legal and engineering to maintenance and plant operations. The task force is embracing bold thinking and advanced water-saving technologies, as it evaluates possible ways to reduce water use and maximize milk use, including the potential for a plant that uses the water that makes a significant amount of municipal water or groundwater (see highlight on page 31).

The work we are doing in California also is informing water reduction opportunities at other locations. In April 2015, the governor of California ordered a 25 percent reduction in water use by cities. Leprino Foods already had set a goal of reducing water use by 10 percent over the five-year period beginning in 2016. However, the state of California mandated that reduction effort has spiked innovation at all levels. From our corporate leadership team to the employees working in our plants, we have captured the use of our limited water supplies with projects big and small.

To get close.

“We’re not a city or a ground-water facility – one that uses a certain amount of water and then conserves it. We have a number of ways that it’s going to require a lot of effort and investment to get there, but I’m confident we’re going to get close.”

Mike Durkin, President, Leprino Foods Company

MAKING THE MOST OF WATER RESOURCES

Reducing our demand for fresh water is just one piece of the equation. Leprino Foods also is focusing on ways to get as much value as possible from the water we use to ensure we are maximizing the benefits from this critical resource.

The raw milk that is delivered to our plants is made up of almost 90 percent water. We capture most of that water, called condensate of whey or “COW” water, at the end of the cheesemaking and whey processing stages. When we are able to reuse this unique water source in our production processes, COW water also enables all of our plants to be net generation of water, meaning the water discharged from our plants exceeds the amount of fresh water supplied to them. By leveraging the use of COW water with water conservation, treatment and storage efforts, we are striving to get close to zero municipal or private well water use as possible. Refer to the Water Cycle highlight on page 31 for more detail.

Leprino Foods’ plants also recycles water use for in several production processes, such as in “taste” cleaning applications and in coolers and boilers. In addition, we strive to use water as efficiently as possible; for example, we rinse equipment with foam-based cleaners that require less water.

As we consider new ways to reduce water use, we remain focused on not compromising food safety and quality so that we can always deliver the best and safest cheese and nutrition products.

WATER REDUCTION INITIATIVES

During the reporting period, each location worked to conserve water and to maximize opportunities for reuse, as highlighted in the following examples:

• After receiving the necessary approvals to qualify for reuse, Leomonde East was able to re-cogenerate COW water for more saline use. This new reuse opportunity saves approximately 100,000 gallons a day, reducing the plant’s usage of city water.

• The Waverly Resource Conservation Team began capturing wasted condensate whey for use in metal and made adjustments to rinse run times, for an annual savings of 3.4 million gallons.

• Leomonde West’s cooling tower blowdown reclamation project utilized a unique application for reverse osmosis membrane filtration technology to recover and recycle the evaporative condensate blowdown by removing the mineral build-up from the water that is drained from cooling equipment. Current practice was to send the blowdown to the drain. Instead, the reverse osmosis system removes over 90 percent of the total dissolved solids from the water and recycles it as make-up water for use in the evaporative condenser, reducing usage of city water by up to 260,000 gallons per day.

• The WaterCycle Recycling Convention Team began capturing wasted condensate whey for metal and made adjustments to rinse run times, for an annual savings of 3.4 million gallons.

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• The WaterCycle Recycling Convention Team began capturing wasted condensate whey for metal and made adjustments to rinse run times, for an annual savings of 3.4 million gallons.
I feel empowered to do the right things all the time. I can go home every day and feel good about what I do.”

Bryan Wischer
Environmental and Utilities Manager
Greeley

ENSURING WATER QUALITY

Because we view water as a community resource, we are committed to ensuring that the water we use in our plants meets stringent quality standards before being discharged for beneficial reuse, as described in the Water Cycle highlight on the following page.

The water that has been used in our plants contains residual traces of minerals and salts from the milk, as well as traces of the cleaning products and detergents from our rigorous quality and food safety processes. We treat this water on-site at our plants, using processes specific to each location and dependent on other factors such as where the effluent is discharged.

The treated water is stored in tanks or ponds at our plants and analyzed to ensure it meets the appropriate criteria before being returned to surface waters.

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As part of being a globally responsible company, we are dedicated to reducing our impact on the environment by minimizing solid waste. Daily operations at our headquarters and plants generate waste that is recycled, used as a soil amendment or disposed of in municipal landfills. All our plants compact or bale cardboard for recycling. We recycle paper and plastic at our headquarters and many of our plants.

Trading disposables: In September 2015, the Denver office expanded its “No Cups Fridays” to go disposable cup free. In planning the shift from disposable cups to durable, reusable ones, the Denver Recycling Committee calculated that the corporate office was using 90,000 red Solo cups and 24,000 foam cups each year. Although the Solo cups are recyclable, most ended up in the trash. Foam cups do not decompose. According to the U.S. Environmental Protection Agency, the plastic foam cups we use today will still be sitting in a landfill in 500 years.

To thank employees in Denver for helping us reduce waste and promote our sustainability efforts, we provided each individual with a Leprino Foods-branded reusable cup, which is BPA-free, made in the U.S. and usable for hot and cold beverages.

Efforts like these help raise awareness and shift habits to minimize unnecessary waste and environmental impact – not only at work but at home and beyond.
Leprino Foods has taken our commitment to community involvement and giving to a new level. In 2014 and 2015, we worked to expand and further formalize our approach to supporting our local communities, while maintaining our key areas of support for education, nutrition, fitness and local needs.

Employee-driven teams at all of our locations are active in our communities, learning more about local needs as well as causes that our employees are passionate about. To support our efforts, we have developed new tracking updates to set baseline criteria and monitor ongoing performance for volunteer hours, monetary and product donations and dairy education activities. See pages 36 and 37 for more information on our progress and highlights of community activities.

Employee Volunteerism & Community Involvement

At Leprino Foods, we believe in people helping people. Each location has a Community Involvement Team (CIT) made up of individuals who are passionate about making an impact in their community. With a reimagined focus, the teams and champions are stepping up their involvement to become active participants in decisions about how our company contributes time, talent and resources in our communities.

The employee-led teams coordinate company-sponsored events and encourage employees to get involved in their communities. Furthermore, to create an understanding of important community issues or needs, the CIT at each location work with community leaders to analyze local needs and develop community impact plans. These plans explore the potential impact of grants from the Leprino Foods Company Foundation (highlighted on page 35) to local nonprofits.

COMPANY GIVING

As a company, we are committed to being a positive force in the places where we operate. And we believe that the employees at each of our locations know how best to support the unique needs of their communities.

COMPANY GIVING includes both monetary and product donations. To empower our employees and leverage their connections in local people, we provide each location with an annual company-funded budget for charitable giving and community support.

Leprino Foods has taken our commitment to community giving to local nonprofits.

We established the Leprino Foods Company Foundation in 2015 as a separate 501(c)(3) nonprofit organization to help support and advance the success of the communities where the company and our employees are most active. The foundation strives to positively impact our communities by leveraging time, talent and resources to improve education, nutrition, fitness and local needs.

Leprino Foods has made commitments to provide up to $10 million to the foundation. In the first year (2016), the Leprino Foods Company Foundation will give a minimum of $500,000, with the majority of funding going to programs that support the communities where our nine facilities are located. The foundation will make grants in three ways:

• Results of the community impact analyses being conducted by each Community Involvement Team will help identify potential opportunities to help address significant local needs and guide the team members in making sense of opportunities to ask for great applications.

• The board will identify national nonprofit organizations that provide services in the foundation’s four focus areas of education, nutrition, fitness and local needs and that advance its mission. These partners also will support the critical work in our communities.

• Leprino Foods employees and community nonprofit organizations that support the foundation’s four areas may also request funding.

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• Leprino Foods employees and community nonprofit organizations that support the foundation’s four areas may also request funding.
Leprino Foods employees are active volunteers, giving their time and talents as individuals and as part of our community. Every year, each of our plants is involved in activities within our community. The following stories are a sampling of the ways our employees make a difference.

**PORT MORGAN** Since 2008, the plant has participated in the Fort Morgan Relay for Life event that raises money to battle cancer. Employees volunteer to help raise money for the event. The plant team has sold “The Soy Splat” more than $10,000 for the American Cancer Society. Each team member, joined by friends and family, walked a portion of the relay.

**GREELEY** The Community Involvement Team organized a cook-out for the local Salvation Army. While delivering the 750 meals, one employee noticed that the close to the organization’s kitchen in Greeley. The team immediately donated money for a new stove, and the Salvation Army has been able to serve hot meals to 750 to 1,200 people a week.

**LEMOORE EAST** Leprino Foods has been a major sponsor of the Lemoore Chamber of Commerce’s annual Central Valley Pizza Festival since its inception in 2005. In 2015, our team donated a half-crate of moon cheese, string cheese, and 1,200 pounds of cheese to the event. Leprino Foods covers the cost of the building supplies.

**DENVER** Between December 2014 and March 2015, more than 250 employees – in about half of the Denver offices – sat out of their lunch breaks to have money deducted from their paychecks to be donated to God’s Bread Box, which distributes food to about 500 people a month, and to The Soup KItchen, which feeds people in need every day. The donations enable both organizations to shop up on much-needed supplies.

**LEMOORE WEST** The annual sled dog race at Lemoore West started out with donations of canned goods. Now, employees may choose to have money deducted from their paychecks to be donated to God’s Bread Box, which distributes food to about 500 people a month, and to The Soup Kitchen, which feeds people in need every day. The donations enable both organizations to shop up on much-needed supplies.

**ALLENTOWN** In 2015, plant employees collected 126 pounds of canned and non-perishable food items for local United Way programs. In April 2015, a group of employees and family members participated in the local 2015 Susan G. Komen Race for the Cure. They raised a half sales of string cheese snacks and donated $2,800 and more than $1,000 worth of cheese to the event.

**WAVERLEY** In 2015, the plant partnered with the Salvation Army to host Wooden Spoon Challenge for 10 families in the community. Each employee brought in a food item or contributed financially to fill the baskets with Thanksgiving dinner fixings for 10 families in the community. Each employee brought in a food item or contributed financially to fill the baskets with Thanksgiving dinner fixings for 10 families in the community.

**RENSUS** The Rensus Community Involvement Team volunteers monthly for Angels of Action, a local organization that provides weekend meals and snacks for the children who do not have enough food to eat. Team members cut beets in school kitchens to take home for their families to eat over the weekend. The plant also hosted a school drive for local food pantry and donated string cheese to local organizations.

**TRACY** The plant raised more than $8,000 for Tracy’s annual Relay for Life event, which celebrates those who have battled cancer by making laps to raise money for cancer research and survivor support. Twenty-five former employees attended, including the cancer survivor’s mother and sister, who were cheered with surprise signs made by their coworkers and they completed her “Survivor Lap.”

**GINA PEACE** Payroll Clerk, Tracy

**GLENN PEACE** Involvement Team Lead.

“The best experience is when people who had never thought about volunteering, participate in an event and realize they’re making a difference. They find a passion they never knew existed. It’s also a great opportunity to build relationships with coworkers and see who are off the plant floor.”

**Supporting Efforts to Share Dairy’s Story**

Providing awareness about the daily industry is an important dimension of our community involvement. Education and outreach opportunities, such as local festivals and events, allow us to meet our neighbors and give our employees a chance to educate people about our operations and the dairy industry in general. Although safety concerns and the proprietary nature of our business prevent us from offering regular plant tours, we do invite the public to the Roswell plant during the city’s annual Chile Cheese Festival and describe to the left. We also participate in field trips, local agricultural events such as state fairs, and school events.

SPOTLIGHT on Volunteerism/Community Involvement & Company Giving

Leprino Foods employees are active volunteers, giving their time and talents as individuals and as part of our community. Every year, each of our plants is involved in activities within our community. The following stories are a sampling of the ways our employees make a difference.
CAFETERIA GOES FROM DULL TO DELIGHTFUL

In 2015, our employees brought new life to the playground by painting murals and updating equipment. The pilot program was founded by the National Dairy Council and was created in partnership with Western Dairy Association to pioneer a pilot program, which has made a big difference in the lives of students at two Denver elementary schools (see highlights to the left).

“Employee volunteer pilot program with Fuel Up to Play 60, which empowers students to make a positive change in their school and community, has been a huge success. It’s been a great experience to be part of that change and to see the reactions from the kids; they have been so thankful.”

Mike Doyle
Manager, Corporate Affairs

“Fuel Up to Play 60 is an active role in forming partnerships with higher education institutions and helping to develop a talent pool of skilled operators and maintenance technicians. The pilot effort provides an opportunity for students at the New Mexico Institute of Mining and Technology (New Mexico Tech) to be a part of a cutting-edge project with engineering students from the school. The pilot also helped Eastern New Mexico University-Roswell (ENMU-R) develop certificate and associate degree programs, and Leprino Foods also sponsors a senior design project with engineering students from the New Mexico Institute of Mining and Technology (New Mexico Tech) and to pay for campus improvements.

“I saw employees bring new life to the playground by painting murals and updating equipment. The pilot program was founded by the National Dairy Council and was created in partnership with Western Dairy Association to pioneer a pilot program, which has made a big difference in the lives of students at two Denver elementary schools (see highlights to the left).”

Mike Doyle
Manager, Corporate Affairs

“We have a complex and sophisticated business. We are also the largest private employer in the community and have a responsibility to the educational process. Not only is it great to give back to our community in the educational arena, but it gives us an opportunity to support people who may one day join our team.”

Pete Mourning
Plant Manager, Roswell

Dairy Industry Outreach & Education

We partner with dairy industry peers and educational institutions to support programs that educate people about the dairy industry—especially those that build skills in science, technology and engineering; increase knowledge of dairy and food science, as well as food safety (page 11); and encourage dairy industry careers.

“Employee volunteer pilot program with Fuel Up to Play 60, which empowers students to make a positive change in their school and community, has been a huge success. It’s been a great experience to be part of that change and to see the reactions from the kids; they have been so thankful.”

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Pete Mourning
Plant Manager, Roswell
Because we are a family-owned company employing many families, it’s second nature for us to think in terms of generations. We understand that the most important efforts and investments we make today will have lasting impact. It seemed fitting, therefore, to close this report with photos submitted by our employees to capture their personal visions of global responsibility, many of which highlight moments with their children in nature.

**LOOKING AHEAD**

We welcome your feedback on this report. Please share at GR@leprinofoods.com.

We referenced two voluntary reporting frameworks to inform report development.

- The Global Reporting Initiative’s Sustainability and Transparency Guide for U.S. Dairy (G4), the world’s most widely accepted sustainability reporting framework.
- The following reference table maps Processor and Manufacturer (PM) indicators from the Sustainability and Transparency Guide for U.S. Dairy (G4) and associated GRI G4 disclosures to their location in this report. A GRI Content Index with all reported G4 disclosures is available at leprinofoods.com.

**REPORTING INFORMATION**

We used the Stewardship and Sustainability Guide for U.S. Dairy (Version 1.3) to select, measure and communicate topics and indicators that have been developed for dairy food processors and manufacturers. Most of our areas of focus align with the topics in the guide, which are considered to be most important for the dairy industry and its stakeholders for credible, transparent reporting. Where applicable, we reported our performance based on indicators in the guide.

- To guide the development of this report, we referenced the Global Reporting Initiative’s Sustainability and Transparency Guide for U.S. Dairy (G4), the world’s most widely accepted sustainability reporting framework.

**ENDNOTES**


5. Ibid.


8. An 85% increase in methane (from 16.91 to 30.70) and a 32% increase in nitrous oxide (from 0.35 to 0.46). The adjustment involved using Greeley 2014 data, because the plant was not at full production levels during 2013, and removing the Ravenna plant, which was closed in 2013.

9. The 2013 direct GHG emissions intensity baseline value has been updated from the value published in the 2013 report due to an update in G4-DH1 data. The value in the 2013 report was based on 2009-2010 data but was revised in 2012 data. The 2013 direct GHG emissions intensity baseline value has been adjusted to reflect the U.S. EPA update of the global warming potentials (GWPs) for methane (21 to 25) and nitrous oxide (310 to 298).

10. The 2013 baseline value for water has been adjusted from the figure published in the 2013 report (from 108.18 to 108.57). The adjustment included using Weyl data 2014, because the plant was not at full production levels during 2013, and removing the Ravenna plant, which was closed in 2013.

**ACKNOWLEDGMENTS**

The Global Responsibility report team would like to extend its appreciation to the Leprino family for their leadership and support of this project. We also would like to thank all the Leprino Foods colleagues who contributed their time and expertise, as well as our report development and design partners: F. Porumb, LLC for project management and report development, and Irish Design for graphic design.

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Indicates full disclosure | Indicates partial disclosure

Photos top left to right, clockwise, submitted by Adam, Denver; Allison, Denver; Richard, Denver; Joyce, Denver; Dana, Denver; Ashley, Allendale; Nikolaus, Denver.