

Response from Sanderson Farms

The Business & Human Rights Resource Centre invited Sanderson Farms to respond to the investor statement below and to share any concrete steps the company is taking to implement the recommendations called for by investors.

- [“Investors Call for Increased Protections for Meat Processing Workers Due to Covid-19,”](#) Interfaith Center on Corporate Responsibility, 21 May 2020
- [“Investor Statement: Recommendations for Meat Processors During COVID-19,”](#) Interfaith Center on Corporate Responsibility, 21 May 2020
- [“Meat Giants Face ESG Fight With Investors Managing \\$2 Trillion,”](#) Bloomberg, 21 May 2020

On 10 June 2020, Sanderson Farms sent the following response:

“Since the beginning of this crisis, top management at Sanderson Farms has hosted three telephone conference calls with investors to discuss the steps we have taken and continue to take to protect the health, safety and welfare of our employees. We recently filed a Quarterly Report on Form 10-Q in connection with our second fiscal quarter ended April 30, 2020. In that Form 10-Q, we discussed at great length most all of the steps we have taken, as well as the other challenges presented by COVID-19. I invite you to pull that report and read it. It is, of course, publicly available.

We have, in fact, received no investor pressure regarding the issue of worker safety during this crisis. We hosted our first conference call with investors, shareholders and analysts on April 2, 2020, shortly after this crisis began, and laid out in detail the steps we were taking to protect the health, safety and welfare of our employees. We have also, in addition to our conference call in connection with our second fiscal quarter, participated in two investor conferences over the past two weeks and answered additional questions, but have received no pressure from shareholders. In fact, our conversations with investors have been well received.

We run the slowest line speeds in the industry, which contributes to the health and safety of our employees. We raised hourly wages more than \$1 per hour last June (2019), and added another wage increase effective January 1, 2020. We are also paying an additional \$1 per hour attendance bonus during this crisis.

The list of steps we have taken to protect the health, safety and welfare of our employees and their families during this crisis is too long to list here, but the list includes:

All of these steps have been taken in consultation with infectious disease specialists and epidemiologists. We communicate daily (sometimes multiple times daily) with local and state health departments and have kept them informed on every significant decision we have made with respect to employee health and safety. Our COVID Response Team meets twice daily to discuss how we can protect the health, safety and welfare of our employees. It is our top priority.

- Employees and contractors and members of their households, are not allowed to engage in personal travel outside of the US, and are not allowed to engage in personal travel to or involving: international airports, commercial cruise lines, theme parks, large non-work gatherings of 10 people or more, states or cities identified by the company as a hot spot.
- Employees are provided with and required to wear a face mask and safety glasses or face mask and clear face shield when inside the plant, feed mill or hatchery.
- Employees are asked to practice social distancing when possible and while on breaks. Additional break space has been provided with outdoor tents.
- Plexiglass partitions have been installed in all break rooms to help distance / protect employees when on break.

- Partitions have been installed throughout the processing plants where possible.
- Additional hand sanitizing stations appropriate for use in food processing facilities have been installed at all locations.
- All locations are being sanitized by a third-party sanitation company every weekend for disinfecting.
- Frequency of cleaning high traffic / common areas has increased.
- Anyone entering any of our facilities have their temperature taken with a “no touch” thermometer.
- Temps of 100°F or more are sent home and asked to contact their healthcare provider (with pay).
- Company health professionals have been trained on CDC protocols for COVID-19, including how to spot symptoms, and anyone exhibiting flu like symptoms consistent with the COVID-19 infection are asked to go immediately to their health care provider.
- Employees who test positive are sent home to self-quarantine with pay. Employees who work in close proximity of an infected employee are sent home to self-quarantine with pay and can return to work at the end of 14 days as long as no fever for 72 hours and no symptoms. Employees who test positive may return to work when they are released from their healthcare provider.
- Provided COVID-19 Hot Line for employees and growers to call with questions and concerns. 601-651-6925.
- All employees received 10 lbs. of chicken on Good Friday to enjoy with their families.
- \$1/hr. attendance bonus for hourly employees
- HERO At Work T-shirts distributed to all employees on April 24th.
- We continue to enforce strict travel restrictions for all company personnel and members of their households, as well as growers and contractors, and continue to ban all non-essential visitors from our facilities.
- We are donating chicken to local food pantries and food banks helping to feed those who have lost jobs.
- Closed our childcare facility in Collins.
- Closed our fitness center in Laurel.
- Sent around 400 employees who live in a highly affected area home to self-quarantine with pay for 14 days from our Moultrie, Georgia plant. Most have since returned.
- Constant communication is flowing to our employees through internal communication stations and the corporate app. These communications focus on and reinforce the importance of personal hygiene and social distancing practices that can help prevent the spread of the disease.
- Assisted employees at our Foods plant to file for unemployment due to hours being cut.
- Informed employees of CARE Act payments and how to register for them.
- Employees who are deemed as high risk by their healthcare provider are working from home.
- We have purchased enough masks to last through at least July at a cost of over \$2 million.
- Implemented COVID training for hourly employees to help educate how the virus spreads and how to prevent from getting it.
- Employees received 10 lbs. of chicken to share with families over Mother’s Day weekend.
- 5/22/20 – Carpooling message provided to all employees providing guidance of wearing a mask, limiting number of passengers in vehicle, sanitizing the vehicle prior to departure by wiping all touch points, passengers use hand sanitizer prior to entering the vehicle, when possible circulate fresh air by letting down windows.
- 5/22/20 – All employees received an 8oz bottle of gel hand sanitizer of which can be refilled at any SF location.
- 5/22/20 – Banners hung at all SF exits to remind employees how to stay protected from COVID-19 when away from work.

- 5/22/20 – Employee communication provided regarding carpooling guidelines.