

Naturally Focused

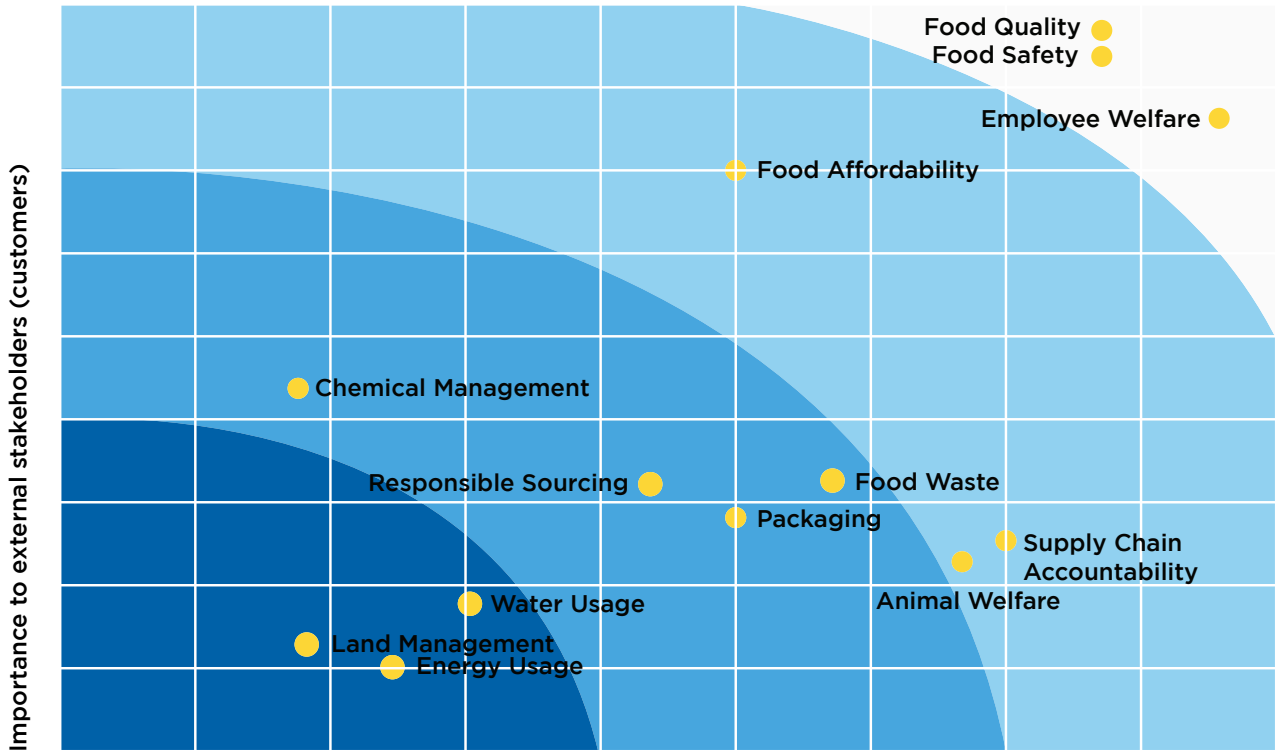
White Castle's interest in environmental sustainability issues goes back a long way, even before the word sustainability entered our business lexicon. A 1941 House Organ newsletter, for example, featured commentary from a Castle operator talking about the importance of minimizing waste, not just to save money, but also to ensure the availability of precious resources needed for the country's national defense program. In the 1960s, White Castle began implementing continuous improvement processes, like reusing cardboard shipping boxes, to reduce our impact on the environment.

Since then, sustainability has become one of the world's most pressing issues. White Castle has responded by implementing sustainable business practices that meet the needs of our company without compromising economic, social and environmental conditions. We branded these practices "Naturally Focused."





ENVIRONMENTAL SUSTAINABILITY MATERIALITY MATRIX



The Slider Sustainability Team’s first task was to identify and prioritize, according to our values and degree of importance to our business, the sustainability issues most important to our internal and external stakeholders. We asked our team members and customers which environmental sustainability attributes were important to them and to White Castle. Their responses revealed that food safety, food quality, food affordability and employee welfare are most important to our stakeholders. Above all else, they want an affordable, safe and good-quality product served from a happy team member. The second group of priority areas included animal welfare, supply chain accountability, responsible sourcing, food waste and packaging. Chemical management, water usage, energy usage and land management were the third focus area. White Castle will continue to focus on each of these environmental sustainability activities within the next few years.

Importance to White Castle (Company, shareholders and Team members)

This matrix displays all the environmental sustainability issues and their priority to White Castle customers and team members.





LEED CERTIFICATION

Our new Home Office was awarded LEED® Gold certification for interior improvements. LEED, or Leadership in Energy and Environmental Design, is the most widely used green building rating system in the world and an international symbol of excellence. Developed by the U.S. Green Building Council, LEED certification ensures buildings employ design, construction and operations practices that improve environmental and human health. White Castle achieved LEED Gold for implementing practical and measurable strategies and solutions, such as:

Energy-efficient heating, ventilation and air conditioning systems.

Electric car charging stations.

Environmentally friendly and healthy building materials and finishes, such as carpet, paint and ceiling tile.

Reusable cups, plates and silverware in the waste-free café.

Enhanced indoor air quality features, such as optimized air filters and dedicated exhaust on areas with chemicals, cleaners and printing operations.

Low-flow plumbing fixtures in the water closets, lavatories, breakroom sinks and showers.

Interior office spaces and conference rooms with movable or demountable wall systems and desks, assuring less waste and demolition when retrofitting spaces.

Efficient and long-lasting LED lighting throughout the building.



PACKAGING IMPROVEMENTS

Throughout our 100-year history our food packaging has changed dramatically. Until the 1960s, our Castles served food only on reusable ceramic plates and cups. As customers started to take food home, we offered paper boxes and bags to help keep the food hot and tasty. We have maintained the tradition of using paper boxes and bags while adding other packaging to accommodate different menu items. **Currently our brown paper sacks and Crave Cases are made from 100% recycled material** that can be recycled again where facilities exist. As trends and customer preferences change, and as new foodservice packaging is developed, we will continue to examine our packaging needs and preferences. Currently we are evaluating our plastic bag and straw usage and piloting a transition to paper straws and carryout bags in a few Castles.

WASTE REDUCTION

White Castle is working to reduce the amount of waste we generate and send to landfills. We continually pilot food waste reduction programs in different regions where a composting infrastructure is available. The food waste from these pilots is sent to a composter that blends food waste with yard waste to make nutrient-rich soil enhancements. Additionally, our manufacturing facilities have donated food to local food banks and inedible bread dough and buns to be converted to food pellets for animals.



RECYCLING

White Castle continues its years-long practice of donating unused marketing material to schools and educational organizations in the communities where our restaurants are located. The schools, in turn, use the material in their art rooms and classrooms. In addition, **more than 92% of our Castles have a recycling program** for paper, glass, metal and plastics. The Castles' used cooking oil is also converted to biodiesel fuel at a refinery. Our manufacturing facilities separate and recycle all shrink wrap, cardboard boxes, and plastic strapping. Efforts like these to recycle and upcycle material reduce our impact on the landfills.

White Castle's Naturally Focused initiative reinforces our strong commitment to sustainability. We want to embrace sustainability in everything we do. Naturally Focused allows us to continue to develop our sustainability strategy and make decisions that are based on their long-term environmental, economic and social impacts.

SUSTAINABLE SOURCING POLICY

We created a new sustainable sourcing policy that outlines our supplier standards and highlights how we continuously strive to achieve industry best practices for minimizing deforestation, conserving resources, reducing our impact on the environment and assuring the humane treatment and welfare of animals. The policy reinforces many of White Castle's already established sustainable sourcing practices, such as making Crave Case packaging from 100% recycled content, using unbleached paperboard for our retail packaging and committing to using cage-free eggs by 2025, a goal we have already achieved in some of our regions.



TRACKING GREENHOUSE GASES AND ENERGY USE

For the past five years, we have been tracking our greenhouse gas emissions (primarily carbon dioxide) as well as **our water and energy use per sandwich**. The data shows that **our greenhouse gas emissions have been steadily declining each year**, while the number of sandwiches we produce per water and energy use has increased. We love to see these results, which can be attributed to:

Installing more energy efficient equipment in our Castles and manufacturing facilities.

Increasing production at our plants, which maximizes output during energy usage.

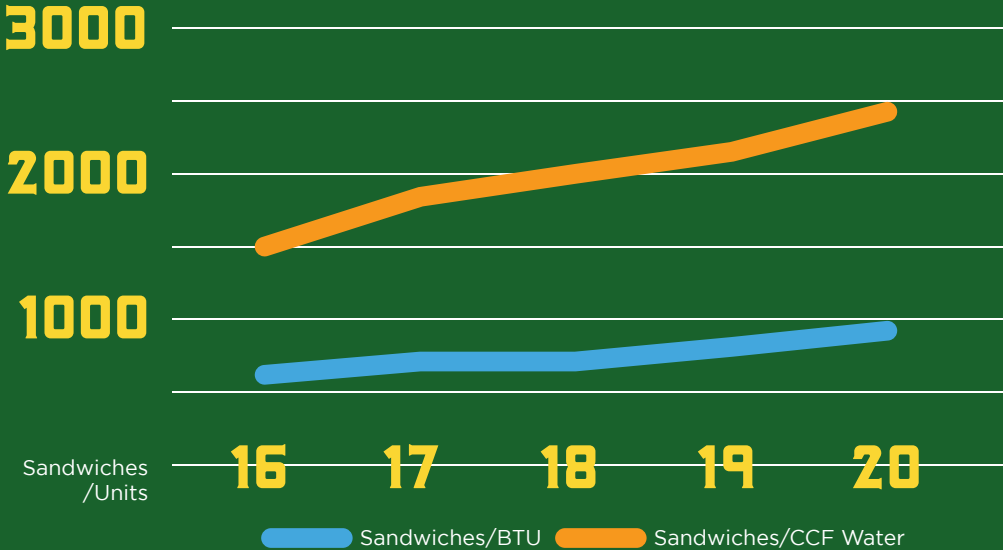
Remodeling and rebuilding older Castles.

Adding a second production line at our retail food products plant in Vandalia, Ohio.

Switching to LED lighting.

Implementing energy conservation efforts at our Castles.

WHITE CASTLE SANDWICHES PRODUCED PER UTILITY





SLIDER SUSTAINABILITY TEAM

White Castle formed an interdisciplinary group to better respond to the increased focus and interest in this area from our team members, customers and industry. Led by Shannon Tolliver, our environmental sustainability manager, this team is charged with identifying new ways to integrate sustainability practices into White Castle's business operations.

Shannon Tolliver
Corporate Support, Project lead

Jeff Channell
Supply Chain Management

Marie Cottrell
Marketing

Jenna Khourie
Retail

Kelly Merchant
Information Systems

Tony Miranda
Operations Services

Zach Plannick
Manufacturing

Chris Shaffery
Restaurant Operations

Joey Vagnier
Business Intelligence

Anthony Joseph
CAO and General Counsel
(executive sponsor)



TEAM MEMBER COMMENTS

“ I personally work to cut down my own carbon footprint, so working with a company that does the same makes me feel pleased with my decision to work in the White Castle company. ”

Lonna (Indianapolis)

“ [White Castle’s commitment to Naturally Focused] makes me feel happy because we work with many of today’s youth and we are teaching them these habits that will become routine. ”

Shelly (Chicago)

“ It’s great to know White Castle is committed to help be around for many years to come and worries about our footprint and how we can improve. ”

Zenaida (New York)

“ Makes me feel safe, and proud that they care and help to find ways to save. ”

Anonymous

“ Go Green! ”

Hilda (New York)