SOCIAL RESPONSIBILITY OVERVIEW

2014
Dear Craver,

Annual reports, lengthy prose and chart-filled corporate documents have never been part of the White Castle way of doing business. When we decided to recap some of our many social outreach programs, we wanted to do it in a way that will enlighten and inform. But we also wanted to do so in our own unique style, without all the hyperbole and bluster typically associated with such endeavors.

So, welcome to our social outreach overview. In the next five pages, we will highlight 10 White Castle initiatives that are making a difference in the communities where we live and work. As you read about these programs, please keep these few facts in mind:

- We think that smaller and fresh, like the iconic Original Slider, are great traits. So, this overview is 80 percent smaller than the typical corporate social responsibility report (30 pages), and it was assembled in the first five weeks of 2014.

- For the record, this overview is 99 percent smaller than the corporate responsibility report (558 pages) issued by a Michigan-based Fortune 15 company.

- While we will shine the spotlight on 10 aspects of our White Castle social outreach, this is far from a comprehensive overview of the impact White Castle and our team members make in our communities every day. As individuals and as a company, we try to make lives better in big and small ways, not just because it’s good business, but because we live and work in these same communities.

- While we are purposely brief in this report, please don’t take our brevity as ambivalence. We are serious about social outreach and always looking for ways to make a positive impact in our neighborhoods.

Like many of the practices that we follow every day, our community involvement and sustainability initiatives trace their origins to Billy Ingram – White Castle founder and our father, grandfather and great-grandfather.

Billy was a business and restaurant pioneer, but he was also a gentleman who knew that to grow his fledgling business meant winning customers with kindness. Billy initiated many of the programs you will read about in this report. Others sprouted from his original vision of what it means to be a good corporate citizen and a good person. That vision has served us well for 93 years.

That is why, at White Castle, we strive to feed the souls of Craver generations everywhere while feeding hunger, hope and dreams.

Crave on,

The Ingram Family
Environmental Sustainability

“When my great-grandfather started White Castle, he believed it’s 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 – because it’s the right thing for today. And tomorrow.” – Lisa Ingram, president at White Castle

At White Castle, we believe in making an extra effort to improve the quality of our communities. Environmental sustainability is embedded within our DNA. Our ability to adapt and transform our business model with the changing times helps us move in the right direction to ensure our communities have the water, 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. This practice has annually saved White Castle thousands of new cardboard boxes. We also switched to recycled brown-paper sacks and corrugated Crave cases made from 100 percent recycled material.

How Green is White Castle Survey

White Castle continues its 93-year 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 material. These efforts aren’t just family traditions; they are values that are deliberately embedded into our business strategies.

To gauge how well we’ve made these values part of our culture, White Castle conducted our second annual How Green is White Castle Survey in 2013. The survey revealed that more than 60 percent of team members felt like environmental sustainability was important or very important in their personal lives.

In general, our team members said sustainability:

- Is important for future generations
- Helps to conserve energy, water and resources
- Is important to the long-term health of people and the earth
- Saves the company money
Reducing CO₂ Emissions

Unlike our Sliders, the 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 (CO₂) emissions, and because little changes can make a big difference. We are committed to team member education and engagement, installing energy reduction and efficient technologies, as well as reducing, reusing and recycling waste streams. Since 2010, we have reduced our CO₂ emissions by approximately 1 percent every year. That takes into account more than 400 White Castle restaurants and facilities.

Waste Reduction Programs

In 2009, White Castle’s Home Office improved its existing recycling program by finding alternative outlets for specific waste streams. This included donating our marketing materials to schools and teacher resource centers. Giving our plastic drums and paint booth barrels another life as book donation and recycling containers. And lastly, we donate our used, but still in good condition sanding belts to local vocational schools. This program increased our recycling efforts by 30 percent, which reduced our waste and hauling costs by 60 percent.

These waste reduction efforts continued into our Castles and manufacturing facilities. Just three years ago, only 75 percent of our Castles and facilities provided recycling. Now 92 percent of them have a recycling program in place. The Castles that do not currently recycle either do not have a cost effective area provider or do not have enough dumpster space. Also, White Castle restaurants are using a system to deliver, distribute and recycle used cooking oil to refiners of biodiesel fuel.
Food Scraps Program

“Anything you can eat, we can compost. Here at White Castle we also add our hamburger boxes, towels, coffee filters and grounds into the mix.”
– Chris Shaffery, regional director at White Castle

White Castle wants to improve the environment and make a difference in our communities where we live and work. To make this happen, White Castle proudly kicked off a new effort in January 2013 to divert food scraps from our Castles.

The pilot started with six Castles in central Ohio, including the home office. White Castle’s discarded food is picked up and hauled to Ohio Mulch where it is made into a high quality garden compost called Green Envy Enriched Garden Compost. This product is available to the public at Ohio Mulch’s central Ohio locations.

The average monthly food scraps collection increased from 9,000 pounds to more than 20,000 pounds. The successful program now includes 15 Castles in central Ohio and we are considering this program for other regions and facilities.

Our team members are excited to participate and have embraced this new program.

New Castle Energy Efficiency

At White Castle, we are proud of our efforts to reduce waste materials at more than 400 restaurants and facilities. Our newer restaurants are 22 percent more energy efficient than the older Castles. These restaurants incorporate energy-efficient fixtures, including LED parking lot and dining room lights, HVAC units and low volume exhaust hoods. The LED lighting is expected to use 33 percent fewer kilowatt-hours per store than our traditional lighting and the longer usable life will save money on replacing the lamp.

We always strive for high-efficiency buildings, including our manufacturing facilities. Our newest frozen food plant, which opened last year in Vandalia, Ohio, will be LEED Silver certified. But our efforts don’t stop there. We continue to retrofit our manufacturing plants with efficient lighting and fixtures.
Recycled Marketing Materials

“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 at White Castle

Since January 2012, White Castle has donated more than 3,000 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, we continually communicate among ourselves – restaurant, regional and home office team members – to find environmentally-minded partners who will reuse our materials.

Ingram White Castle Foundation

“My great-grandfather thought everyone should have the opportunity to become the person they want to be,” said Erin Shannon, corporate relations manager at White Castle. “We see the scholarship program as a way to help our team members and their families achieve their educational goals.”

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 has continued 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, independence and self-sufficiency. That includes Billy Ingram’s belief in providing scholarship funds annually to team members and their families to further their educations.

The Foundation’s guiding principles have become part of our company culture, resulting in heroic efforts by team members and generous contributions by customers that raised more than $600,000 for Autism Speaks in 2013. In the last four years, White Castle has donated more than $2.4 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.

Contact us for more information about the Ingram-White Castle Foundation at infosupporting@columbusfoundation.org or at (614) 251-4000.
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 24 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 employees and their dependents.

Through the Ingram-White Castle Foundation, White Castle has awarded $1,291,360 in college scholarships to more than 800 team members and their families. In 2013, the Foundation awarded 24 scholarships to individuals in eight states.

The Foundation also offers college scholarships outside the White Castle family. For instance, last year, five scholarships valued at $1,000 each were awarded to the Voices of Freedom Essay Contest winners from the Girls Scouts of Ohio’s Heartland Council.

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 unequalled team member loyalty. In fact, more than one in four of our 10,000 team members has been with White Castle 10 years or more. We are proud of that fact, and humbled by the loyalty of our dedicated team members.

We believe strongly in creating careers for our team members, not just jobs. All 500 of our regional vice presidents, area supervisors, district supervisors and general managers, our entire regional and restaurant management team, 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 do. We offer some of the best benefits in the industry, including health benefits, vision and dental benefits, paid vacation, pension plan, profit sharing regularly scheduled reviews with pay increases and promotion from within.

In 1946, our founder, Billy Ingram, became the first member of the 25-Year Club. Today, 1,782 team members have qualified for membership in this club. In addition to the 25-Year Club, last year White Castle recognized 161 team members who have been with the company for 15 years.

These longstanding team members are the foundation for our growth and are examples of how White Castle values the dedication of its team members and treats them like family.
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Additional Resources

**White Castle Home Page:**  
www.whitecastle.com

**White Castle Sustainability Overview:**  
http://www.whitecastle.com/company/gone-green

**Ingram-White Castle Foundation:**  
http://columbusfoundation.org/giving/foundations/ingram-white-castle/

**White Castle Naturally Focused:**  
http://www.dispatch.com/content/stories/business/2013/03/12/at-white-castle-theyre-going-green.html