

Scaling Our **Sustainability** in FY2020



Message from Dolph Baker, our Chairman and Chief Executive Officer

Cal-Maine Foods is proud of our mission to serve as the most reliable and sustainable provider of fresh shell eggs in the United States. As we approach our twenty-fifth anniversary as a public company, we have renewed our commitment to customers, colleagues, investors and communities in which we have influence to uphold our “Culture of Sustainability” in all we do.

We published our first sustainability report in 2020, which outlined our support of the direction and approach of the United Nations Sustainable Development Goals (SDGs). We are pleased to continue this journey with our latest report, *Scaling Our Sustainability*, which details our organizational alignment with the SDGs and key sustainability tenets. This alignment further strengthens our ability to provide employment, steward our natural resources, care for our animals, support our communities and maintain sound corporate governance as we continue to produce nutritious and affordable fresh shell eggs and egg products.

Along with the global community, Cal-Maine Foods navigated significant challenges in fiscal year 2020 and beyond. As an essential U.S. business operating during the global COVID-19 pandemic, we continued to prioritize the health and well-being of our people as they worked tirelessly to meet our customers’ needs. We also listened to global conversations and have scaled our commitment to people in our value chain with the introduction of our *Statement on Human Rights*. Our sustainability journey is helping to enable a better, healthier and more equitable future.

In this year’s report, we discuss our commitment to people, including our support of maintaining a diverse, equitable and inclusive workplace. We highlight our robust food safety protocols that help drive strong outcomes. We highlight potential climate change risks for our enterprise and how we are engaged to measure and report on environmental impacts. We augment our conversation around the welfare of animals entrusted to our care and shine a spotlight on the social and economic impacts of our community investments. We also share how our strong corporate governance principles can help us execute for our stakeholders.

This year, we have scaled our disclosure commitments and published our alignment with the Sustainability Accounting Standards Board (SASB) framework for our industry, which we believe helps stakeholders, including investors, better understand these commitments.

I offer my gratitude to our team members for their continuing contributions to this report and our greater enterprise mission. We look forward to reporting about our progress in future reports.

Sincerely,



Dolph Baker
Chairman of the Board and Chief Executive Officer



Dolph Baker
Chairman and
Chief Executive Officer

Adolphus B. “Dolph” Baker began his career with Cal-Maine Foods, Inc. in 1986 in management training. In 1987 Baker served as Assistant to the President. In 1988 Baker was promoted to Vice President and Director of Marketing. He was promoted to President and Chief Operating Officer in 1997 and served in that capacity until 2010 when he assumed the role of President and Chief Executive Officer. In 2012 he was elected Chairman of the Board of Directors and currently serves as Chairman and Chief Executive Officer.

Baker is currently the Chairman of the Board of United States Egg Marketers, member of the Board of Directors of EggLand’s Best, LLC and EggLand’s Best, Inc. and member of the Board of Directors of Trustmark Corporation and Trustmark National Bank of Jackson, MS. He previously served as Chairman of the Board of United Egg Producers, American Egg Board, Egg Clearing House and Mississippi Poultry Association.

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People Position Statement

Tim K. serves as the General Manager of our farming operations in Siloam Springs, Arkansas. He is committed to help ensure that the health and well-being of our people continues as an enterprise top priority.



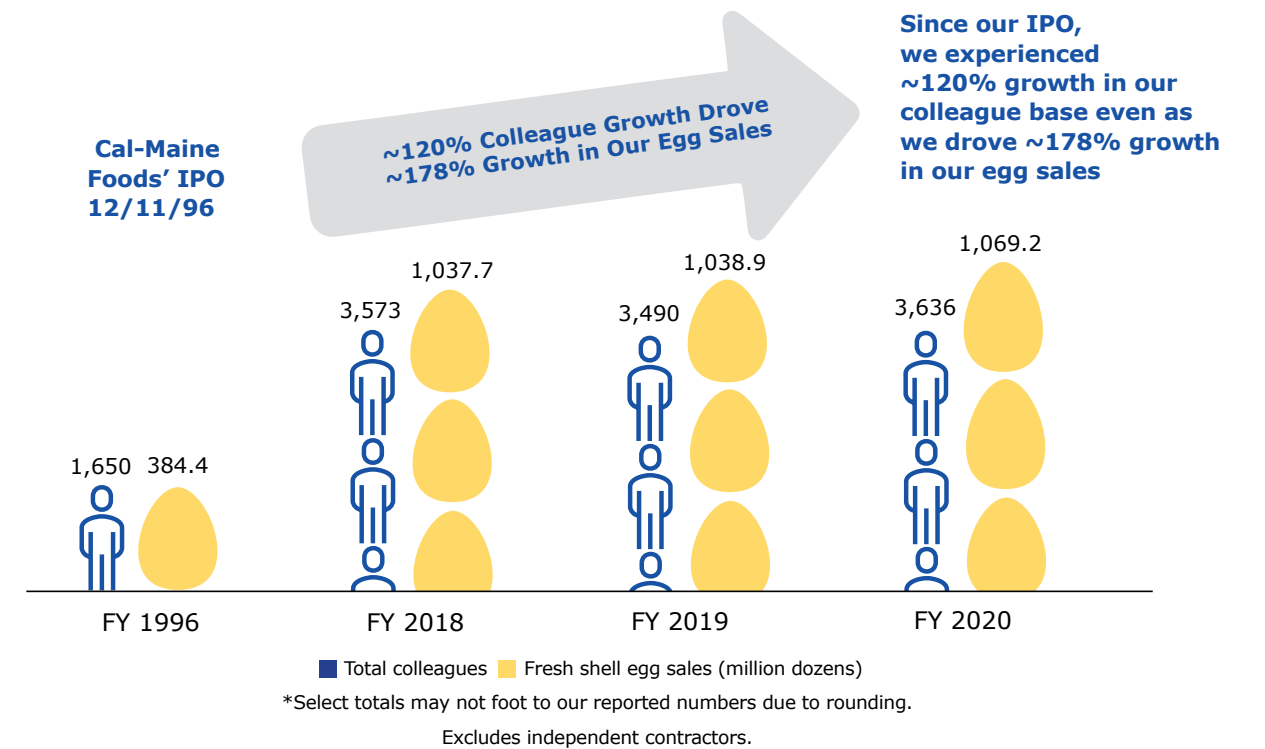
Scaling our commitment to people

Cal-Maine Foods has produced fresh shell eggs and egg products that have helped feed people for more than 60 years. We have grown into the United States' largest provider of fresh shells eggs largely because our people have continued to offer their time and talents. We are proud to employ individuals dedicated to egg production, processing, marketing, feed mill operations and administration across 16 states.

Since our initial public offering (IPO) in 1996, we have seen strong company growth. We have grown our colleague base by approximately 120%, to 3,636 colleagues at fiscal year-end 2020, while increasing our fresh shell eggs sales by approximately 178%. We are proud of our ability to continue to offer high-quality employment opportunities that help us feed a growing global population.

Cal-Maine Foods' Colleagues Have Helped Drive Robust Egg Sales' Growth

Fiscal Years 1996 to 2020*



SUSTAINABLE DEVELOPMENT GOALS



People, including our colleagues and those who are part of our greater value chain and communities in which we have influence, are essential to our mission to be the most reliable and sustainable provider of fresh shell eggs in the United States. Our stakeholders help us advance our practices with guidance from the United Nations Sustainable Development Goals (SDGs). As we continue to deliver high-quality fresh shell eggs and egg products, we recognize and will continue to review the United Nations goals to end poverty, feed people, enable the health and well-being of all people, achieve gender equality, promote decent work and economic growth, reduce inequality and enable inclusivity.

We are committed to provide safe workplaces, competitive remuneration and an environment that promotes diversity, equity and inclusivity.

Our colleagues perform a variety of functions essential to the success of our business. They hatch chicks, rear pullets and care for breeder birds and layer hens. Our colleagues process, grade and package our fresh shell eggs and egg products. Our colleagues maintain our animal housing systems, care for the land we steward and support the maintenance of our fleet operations. Our colleagues additionally maintain our safety protocols, our food safety program, market and sell our eggs and egg products, manage our supply chain and engage in executive, governance and administrative oversight, among other critical activities. While these activities are representative of our colleagues' many contributions, they are not exhaustive. As of fiscal year-end 2020, we employed 3,636 colleagues, of which 2,971 colleagues were in egg production, processing and marketing, 198 were in feed mill operations and 467, including our executive officers, were in administration. We utilize temporary employment agencies and contractors to augment our staffing needs when necessary. We strive to provide safe workplaces, competitive remuneration and an environment that promotes diversity, equity and inclusivity.

Scaling our commitment to our future workplaces

Since our founding by Fred Adams, Jr. in 1957, our company has worked to protect and support our colleagues, which includes a strong dedication to preserving their health and well-being and promoting an environment of equitable treatment. We continue to look for ways to improve our performance in providing safe, inclusive and equitable workplaces.

Statement on applicable regulatory authorities

All of our operations and employees are located in the United States, a jurisdiction with many safety and employment protections. We are subject to numerous United States federal and state laws and regulations governing our employment practices and employee health and safety. One of our primary federal regulators is the

United States Department of Labor (DOL), which has a mission to foster and promote the welfare of persons seeking employment, employees and retirees in the United States. For example, we are subject to the Fair Labor Standards Act (FLSA), which prescribes standards for wages and overtime pay and regulates the conditions of hiring and employment of younger workers in agricultural operations. We are also required to comply with the Occupational Safety and Health Act, which the Occupational Safety and Health Administration (OSHA) administers. OSHA oversees our colleagues' workplace safety and health conditions, with special safety and health standards applicable to agricultural operations. We align our corporate safety program and our Hazard Communication Program, among others, to OSHA requirements. We are subject to the Family and Medical Leave Act (FMLA), which entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. A number of United States federal and state laws also prohibit discrimination on the basis of numerous factors, including race, gender, age and disability, among others, and our policies are consistent with these laws in all jurisdictions where we operate.

In addition, we are subject to regulation pursuant to the Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA), which oversees the Motor Carrier Safety Improvement Act of 1999 and governs our compliance with commercial motor vehicle equipment and operating standards, including safety awareness. The FMCSA additionally develops standards to test and license commercial motor vehicle drivers.

Cal-Maine Foods has long believed that the safety and well-being of our people is our top priority.

Scaling our commitment to workplace safety and health

Cal-Maine Foods has long believed that the safety and well-being of our people is our top priority. We believe that our workers should enjoy secure, clean and healthy workplaces. Our emphasis on training at onboarding and throughout our colleagues' tenures, in addition to our risk management practices, helps promote the highest workplace standards that drive safe behaviors and conditions. Our senior management team governs our workplace safety and health-tied preventative controls, incident reporting and remediation plans. This team also maintains our active progressive enterprise safety plan, which promotes safety and health awareness, sets expectations for our colleagues' adherence and oversees our safety and health audits and reporting. We believe our senior leaders' ongoing vigilance drives our strong and improving safety and health outcomes.

The Cal-Maine Foods' Safety and Health Program begins with communication. At onboarding and during their tenures, we provide our colleagues with our Safety and Health Statement to help them understand and implement protocols with the assistance of the ongoing training we provide. Our Safety and Health Program is designed to promote best practices that help prevent and minimize workplace accidents and illnesses. The scope of our Safety and Health Program applies to all enterprise colleagues. Additionally, to help protect the health and well-being of our colleagues and people in our value chain, we require that any contractor or vendor adhere to the guidelines as governed by our Safety and Health Program. A contractor or vendor seeking to do business with Cal-Maine Foods must produce documentation of OSHA-aligned programs tied to hazard communication, housekeeping, hazard and machine guarding and replacement and safety inspection, among others.

Our enterprise safety committee, which comprises two corporate safety managers, eight area compliance managers, 53 local site compliance managers, feed mill managers, and general managers, oversees the health and safety of our employees. The committee regularly reviews our written policies and changes to OSHA-regulation standards, and shares information as it relates to outcomes from incidents to help improve future performance. The committee's goals include working to ensure that our engagements with our consumers, customers and regulators evidence our strong commitment to our workers' health and safety.

We encourage our colleagues to engage in dialogues with managers to bring forward ideas that help them do their jobs safely and adhere to on-site, standardized best practices. Each location maintains an on-site safety committee that meets at least monthly and comprises managers and individual contributors. Our safety committees play a critical role to help drive our enterprise safety outcomes, with goals to provide rotating, inclusive representation. Our safety committees review and process suggestions, perform incident reviews and investigations, drive innovation and identify site-specific action items related to safety and health.

Each location also maintains a standard operating procedure (SOP) manual that contains our accident and illness reporting and site-specific emergency response and notification plan. Each notification plan includes detailed communication controls and is intended to help ensure that appropriate issues are timely escalated to senior management to promote swift responses. At each of our locations, our general managers (GMs) uphold and implement our Employee Safety and Health Program in alignment with OSHA requirements. We believe that this program, which is reviewed annually by our senior management team, contributes to strong safety outcomes. In each of fiscal years 2018, 2019 and 2020, we provided 100% of applicable colleagues on-site workplace training to help them perform their jobs safely.

We encourage our colleagues to engage in dialogues with managers to bring forward ideas that help them do their jobs safely and adhere to on-site, standardized best practices.

We continue to invest in technology and equipment to promote our colleagues' health and well-being. For example, we have invested in biodefense systems in our processing facilities to help combat food-borne viruses in support of our food safety protocols. These systems also help protect our colleagues from other viruses, including potential respiratory health hazards such as those posed by the global COVID-19 pandemic.

Scaling our commitment to colleague safety and health training

Cal-Maine Foods upholds safety and health standards across our operating footprint, which we believe begins with colleague training. Our management teams develop and oversee a training program tailored for each location and the nature of the work being performed. We require that new and existing colleagues be trained for the duties that they are asked to perform and require that the training provide instruction on how to perform duties correctly. Colleague training includes on-site operations, awareness-raising and emergency response procedures and promotes safety outcomes that enhance our enterprise operational resilience.



Our safety committees help drive operational innovations. For example, our enterprise has invested in new processing equipment that reduces noise exposure for our colleagues, which we believe helps continue to promote their well-being on the job.

Statement on training at onboarding and during continuing employment

Cal-Maine Foods is committed to provide the entirety of its applicable colleague base with relevant training at onboarding. We provide multi-lingual orientation training for recently onboarded colleagues under supervision. Our training protocols emphasize the importance of helping ensure each colleague understands any relevant safety process or procedure and that training continues until each colleague has demonstrated competence in the role. A supervisor reviews relevant safety orientation topics with a recently onboarded colleague after 30 days and asks that the employee sign and acknowledge that applicable safety procedures have been reviewed. We make this acknowledgement available in the preferred language of the colleague.

Our colleagues need our support to promote their safety and well-being during their tenures. As such, our protocols require that colleagues who may be given new job responsibilities receive the appropriate training.

To help drive high-quality safety outcomes, we regularly test our equipment, including egg grading, packing and processing machines, among others, and provide scheduled rest breaks for our colleagues. We also maintain a personal protective equipment (PPE) program, which provides colleagues necessary PPE and related training. Our fleet maintenance crew regularly engages in evaluation, inspection and maintenance of our over-the-road vehicles and other equipment, our mobile agricultural equipment and the mobile equipment we use in our processing and packaging facilities, among others.

We maintain a standard operating procedure manual at each location.

“To help drive high-quality safety outcomes, we regularly test our equipment, including egg grading, packing and processing machines, among others, and provide scheduled rest breaks for our colleagues.” – **Jason Logan**
Director of Loss Control and Risk Management

Cal-Maine Foods is committed to help ensure that our safety and health protocols are aligned with relevant industry standards.

Statement on safety certification

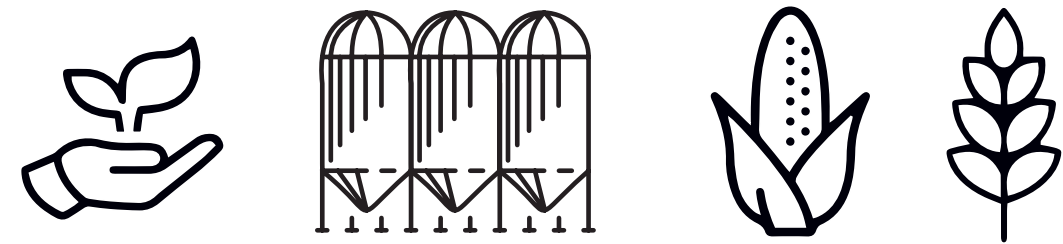
Cal-Maine Foods is committed to help ensure that our safety and health protocols are aligned with relevant industry standards and regulatory requirements. We embed enterprise OSHA-certified corporate health and safety managers who train our colleagues against OSHA Code of Federal Regulation 1910 Standards for General Industry practices.¹ We believe adherence to this standard represents the correct alignment of our Safety and Health Program given the industry in which we operate and the scope of our operations.

At fiscal year-end 2020, Cal-Maine Foods had 53 embedded, OSHA 30-hour certified local compliance managers. Each is responsible for overseeing and implementing safety training, engaging in accident and illness recordkeeping and participating in the monthly Safety and Health Committee inspection process. In each of fiscal years 2018, 2019 and 2020, 100% of our applicable locations, including farms, processing facilities and feed mills, had on-site Safety and Health Committees comprising managers and individual contributors.

Our corporate health and safety managers conduct on-site training as needed for supervisors and our management team to meet OSHA 30-hour and 10-hour certification requirements. The OSHA 30-hour safety course provides a greater variety of safety subjects and in-depth, industry-specific training, which is intended for supervisors and workers with safety and health responsibility, while OSHA's 10-hour safety course covers general safety and health hazards for entry-level workers. We believe that these certifications are appropriate given our commercial egg-raising focus.

Focus on safety in our feed mills

Cal-Maine Foods adheres to the highest standards of grain-handling safety that help protect the well-being of our colleagues who work in our feed mills. We have adopted and maintain strict protocols, which include ongoing training, checklists and documentation tied to colleagues who enter into and work in these facilities.



Protocols for colleagues who enter or work near a grain bin

We maintain strict health and safety protocols to protect colleagues who may need to enter a grain bin or silo. Each of our feed mill locations has a safety designee responsible for coordinating related safety activities tied to our feed mill operations and reviewing, analyzing and providing feedback on any reported incidents.

Our feed mill safety protocols begin with training that covers proper grain bin or silo entries for applicable colleagues. Our location managers help provide oversight for these instances and implement our protocols prior to and during bin or silo entry. We additionally have comprehensive housekeeping practices that help prevent dust accumulations on ledges, floors, equipment and other exposed services to help prevent dust-related hazards. We also monitor and assess the efficacy of our housekeeping functions. (For more information about how we protect our colleagues' respiratory health, please see our *Statement on Respiratory Health*).

¹ For more information about our OSHA General Industry Standards, visit <https://www.osha.gov/laws-regs/regulations/industry>

Cal-Maine Foods seeks to align with OSHA Standards for General Industry to help ensure that our colleagues enjoy safe, secure and clean workplaces, all of which help us drive ever more sustainable outcomes for stakeholders.





Jason Logan
Director of Loss Control and Risk Management

Jason Logan oversees loss control and risk management for Cal-Maine Foods. He has served the enterprise since 2006 after earning a Bachelor of Business Administration degree in risk management from the University of Mississippi. His areas of expertise range from fleet management to regulatory compliance and auditing, contract negotiations and surety bond and insurance programs. He works to minimize problems with risk management control implementation and review and implement compliance assurance.

In more than 14 years of service, Jason has helped lead development of Cal-Maine Foods' risk-management vision and strategy, including standardization of best practices. He conducts regular assessments and quality assurance reviews to evaluate compliance with our enterprise protocols and identify potential gaps in safety and fleet procedures and business processes. He works continuously to identify potential risks to our operations and has driven efforts to minimize losses. His efforts have helped mitigate loss rates even as our organization has experienced solid growth. Driven in part by his leadership, our OSHA incident rates track favorably to industry averages.

Jason is dedicated to educating our colleagues, managers and supervisors regarding health and safety protocols tied to building construction, contractor insurance and training programs and incident review and reporting. Jason believes his commitment to our sustainability journey is applicable to the entirety of our operations and notes, "Everything I do at Cal-Maine Foods supports the sustainability of our enterprise. We seek to enhance efficiencies and minimize risks to drive better outcomes for the safety and well-being of our colleagues and other stakeholders."

Statement on accident review

Cal-Maine Foods values transparency in reporting our accident and illness incidents. As part of our enterprise commitment, we require that each location's general manager compile and maintain a written accident investigation procedure and reporting form. We ask our colleagues to report any accident or illness immediately and document the details of any event with our approved reporting forms and OSHA logs, which includes the requirements and guidelines tied to instances of immediate reporting.

We report our Safety and Health Program efficacy on OSHA Form 300, among others. We require each location's general manager to maintain a current OSHA log in support of Form 300 that is updated not less than seven calendar days after a manager receives notice of any suspected case. Our location managers maintain our completed OSHA logs and make them available at each location for a minimum of five trailing calendar years. In each year between the months of February and April, location managers post summaries of injuries and illnesses recorded in the previous calendar year on OSHA Form 300-A. Our reporting managers also upload applicable reports to the OSHA electronic database in the prescribed timeframe.

Scaling our commitment to reporting

We engage in health and safety reporting in alignment with Occupational Safety and Health Administration (OSHA) requirements. Each of our locations maintains OSHA injury log data to calculate our reportable injury rate, days away from work cases, days away from work and job transfer or restricted work cases, among other reporting items. We believe our locations have continued to demonstrate strong compliance with OSHA-tied data collection requirements and that the reduction in our total recordable incident rate (TRIR) between fiscal years 2018 and 2020 evidences our enterprise commitment to protect the health and well-being of our people.

The Value of Reporting on OSHA Form 300

OSHA's Form 300 helps employers record all reportable injuries and illnesses that occur in the workplace, where and when they occur, the nature of the case, the name and job title of the employee injured or made sick, and the number of days away from work or on restricted or light duty, if any. We require that supervisors in our locations be trained to conduct accident investigations.

We believe that the reduction in our total recordable incident rate (TRIR) between fiscal years 2018 and 2020 evidences our enterprise commitment to protect the health and well-being of our people.

We report our workplace incidents in each of two North American Industry Classification System (NAICS) categories. We report our incident rates against NAICS category 112310, which comprises businesses primarily engaged in raising chickens for the production of eggs that may be used as table eggs or hatching eggs. We additionally report our workplace incident rates for our feed mill operations, or NAICS category 311119, which comprises establishments primarily engaged in manufacturing animal food, except for domestic cats and dogs, from ingredients such as grains, oilseed mill products and meat products. We also calculate our incident rate at the enterprise level.

Statement on incident and illness reporting and fatalities

In the unfortunate event that we must report a worker fatality, we do so within eight hours of the incident. In the event a worker experiences an amputation, eye loss or hospitalization tied to workplace conditions, we report the event within 24 hours.

Statement on antimicrobial resistance

We recognize that many consider the risk of antimicrobial resistance to be a public health issue. We believe our commitment to on-label use and administration of antibiotics under the supervision of veterinarians with whom we have established client-patient relationships helps us drive our antimicrobial stewardship obligations. (For more information about our commitment to judicious therapeutic antibiotic use, please see *Scaling our commitment to antibiotic stewardship*).

Statement on internal audit

Cal-Maine Foods compliance managers conduct monthly and unannounced audits of our facilities, including layer complexes, processing facilities and feed mills, among others. Our internal auditors serve as an important line of defense.

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Cal-Maine Foods' total recordable incident rate per 200,000 working hours (%)*			
	FY 2018	FY 2019	FY 2020
Cal-Maine Foods enterprise	5.2	4.5	3.5

Cal-Maine Foods' poultry-raising operations incident rates (%) (NAICS 112310)			
	FY 2018	FY 2019	FY 2020
Total recordable frequency	5.2	4.5	3.5
Days away / restricted or transferred (DART) frequency	3.7	3.0	2.2
Lost workday case frequency	1.8	1.5	1.2

Cal-Maine Foods' feed mill operations incident rates (%) (NAICS 311119)			
	FY 2018	FY 2019	FY 2020
Total recordable frequency	5.2	4.8	2.1
Days away / restricted or transferred (DART) frequency	4.2	2.6	2.1
Lost workday case frequency	1.0	0.4	1.3

Industry poultry-raising operations incident rates (%) (NAICS 112310) CY 2019	
Total recordable frequency	5.2
Days away / restricted or transferred (DART) frequency	3.5
Lost workday case frequency	1.4

Industry feed-mill operations incident rates (%) (NAICS 31111) CY 2019	
Total recordable frequency	3.6
Days away / restricted or transferred (DART) frequency	2.1
Lost workday case frequency	1.3

*Rates expressed as percentage. Most recent Bureau of Labor Statistics data as of calendar year 2019.

Scaling our commitment to human rights

Cal-Maine Foods has long been committed to uphold the highest principles of human rights in our operations, our value chain and those communities in which we have influence. We understand that people are our greatest assets. We appreciate their contributions, welcome their feedback and are committed to help ensure that our internal controls help us prevent and remediate violations. (For more information about our commitment to human rights, please see our *Human Rights Statement*).

Statement on fair wages and benefits

Cal-Maine Foods remains committed to offer our colleagues fair and competitive wages that are commensurate with their contributions. We compare our colleagues' wages against the prevailing wages of the poultry-raising business in the United States.² In fiscal year 2020, our colleagues' average weekly wages surpassed poultry and egg production industry average wages by approximately 4%.

Our full-time eligible colleagues may elect our health-related benefits we provide to eligible colleagues, including a voluntary, self-funded health plan, dental plan and company-sponsored insurance offerings. We believe that our health plan offerings compare favorably with our industry peers in agriculture and food manufacturing. We additionally provide eligible colleagues who may be in need with financial assistance from our employee assistance program, which our senior leaders oversee.

Health and wellness plan



Financial future planning



Insurance



Employee assistance



Statement on our retirement plan

Cal-Maine Foods remains committed to helping our colleagues plan for their futures. After completing one year of service, eligible colleagues may participate in our company-sponsored retirement plan, which is a qualified KSOP. We contribute shares of our stock or cash equivalent of 3% of pre-tax earnings regardless of colleague participation.

Statement on notable human rights controversies

Cal-Maine Foods remains committed to promote the highest standards of observance of basic human rights in our owned and contract-farm operations. In each of fiscal years 2018, 2019 and 2020, we experienced no notable controversies tied to our human rights practices.

Statement on employment security

Cal-Maine Foods is committed to retaining and promoting the development of our colleagues' careers and investing in the sustainability of our operations. In each of fiscal years 2018, 2019 and 2020, we did not engage in enterprise workforce restructuring with the goal of eliminating large-scale redundancies or imposing significant job cuts. In each of fiscal years 2018, 2019 and 2020, we were not required to provide written notice pursuant to the Worker Adjustment and Retraining Notification (WARN) Act in any of the states in which we employed colleagues.

Statement on short-service, seasonal and migrant colleagues

Cal-Maine Foods is committed to upholding the highest standards of lawful employment practices in our owned operations and value chain. In each of fiscal years 2018, 2019 and 2020 Cal-Maine Foods did not rely on short-service, seasonal or migrant colleagues as governed by DOL's National Farmworker Jobs Program (NFJP) in our owned farming operations. We expect our contract farmers to comply with the NFJP as may be applicable to their farming operations. We utilize temporary employment agencies and independent contractors to augment our staffing needs when necessary.

² The North American Industry Classification NAICS category 112310 comprises concerns primarily engaged in raising chickens for the production of eggs that may be used for table eggs or hatching eggs. Bureau of Labor Statistics NAICS data as of calendar year 2019. Cal-Maine Foods' wage data as of fiscal year-end 2020.

Scaling our commitment to diversity, equity and inclusion

Cal-Maine Foods' people comprise our greatest assets. We continue to enhance our commitment to evolve our culture of diversity and inclusion and to comply with applicable federal, state and local laws tied to workplace discrimination. We believe in the value of investing in our colleagues to help them succeed as individuals, while contributing to the short- and long-term goals of our organization.

Statement on workforce characteristics

Cal-Maine Foods remains committed to attract, retain and develop individuals who are dedicated to help us continue to feed people. Our workforce demographic characteristics reflect our ability to attract colleagues in the communities in which we operate.

Cal-Maine Foods' workforce is more diverse than our industry peers

Cal-Maine Foods' workforce characteristics (%)			
	FY 2018	FY 2019	FY 2020
White	47	48	47
Black	12	11	10
Hispanic	39	40	42
Other	1	1	1

Animal production industry workforce characteristics (NAICS 112) (%)*			
	CY 2018	CY 2019	CY 2020
White	94	94	93
Black	2	2	3
Hispanic	20	19	18
Other	1	1	0

* Bureau of Labor Statistics (BLS) data includes individuals who identify jointly and separately with racial groups. Data for racial and ethnic groups will not sum to 100 percent.

“Cal-Maine Foods seeks to employ and retain highly qualified professionals, including those who identify as females and ethnic minorities, to support our business.” – **Jim Golden**

Director of Human Resources

We welcome female representation in our enterprise and are looking for ways to improve

Cal-Maine Foods' workforce characteristics (%)			
	FY 2018	FY 2019	FY 2020
Male	70	70	70
Female	30	30	30

Animal production industry workforce characteristics (NAICS 112) (%)			
	CY 2018	CY 2019	CY 2020
Male	74	73	72
Female	27	28	28

We also remain committed to celebrating our colleagues' contributions at any age

Cal-Maine Foods' workforce characteristics (%)			
	FY 2018	FY 2019	FY 2020
Less than 45 years of age	56	54	54
More than 45 years of age	44	46	46

Animal production industry workforce characteristics (NAICS 112) (%)			
	CY 2018	CY 2019	CY 2020
Less than 45 years of age	43	43	43
More than 45 years of age	58	57	57



Jessica Quinn Hanslik
Regional Sales Manager

Jessica Quinn Hanslik oversees sales and relationships with our customers. She earned her MBA from West Texas A&M University and joined Cal-Maine Foods in 2007 after obtaining her poultry science degree from Texas A&M University. She is an ambassador for the American Egg Board and Texas Poultry Federation and serves on the Texas Farm Bureau Poultry Advisory Committee and Lavaca County Farm Bureau board.

Along with obtaining new business, Jessica's responsibilities include analyzing sales trends and managing current customer relationships. She is responsible to help drive our enterprise research effort to understand evolving consumer preferences tied to packaging, artwork, egg type and pack size and works closely with retailers, packaging suppliers and Cal-Maine Foods plants to meet their needs and expectations.

Jessica's efforts help drive Cal-Maine Foods' sustainability initiatives. Working in consultation with our customers and vendors, she has helped lead efforts in enterprise adoption of reusable packaging that helps minimize losses due to breakage. She also helped lead logistics initiatives that increased efficiencies in delivery to our customers while reducing expense for the company.

Jessica also applies our sustainability principles on the farm she operates with her husband Matt. Texas Farm Bureau bestowed on Matt and Jessica the organization's Outstanding Young Farmer and Rancher award for 2020.

Special statement on respiratory health [SASB Reference FB-MP-320a.2]

Our commitment to our colleagues' well-being includes helping minimize exposure to respiratory hazards that could precipitate acute or chronic respiratory conditions. Cal-Maine Foods does not believe that these conditions comprise a substantial risk for our colleagues. We maintain a Respiratory Protection Program (RPP) to support compliance with the OSHA Respiratory Protection Standard. Our RPP applies to company employees who work in areas that require the use of respirators. The RPP is reviewed annually by senior management and updated accordingly.

We believe that our measures to protect our colleagues' respiratory health meet or exceed current regulatory and industry standards and we continually seek ways to drive operational compliance with our RPP to minimize egg production-related respiratory risks.

Primary risks and mitigation efforts

The primary respiratory hazards in Cal-Maine Foods' operations are poultry dust, dander, grain, feed dust and pesticide fumes and mists. Poultry dust and dander is particulate matter consisting primarily of manure, feed, feathers, dander, litter and other materials, and is present in our layer houses. Ammonia generation occurs in poultry houses from the breakdown of nitrogen-containing compounds in poultry litter. In addition, feed dust is a byproduct of the feed manufacturing process.

To help minimize our colleagues' exposures, we employ ventilation systems and equipment and monitor threshold levels. We utilize dust-collection systems to remove dust and we maintain our OSHA-aligned housekeeping program to reduce dust accumulations on exposed surfaces. We routinely engage industry consultants to review the adequacy of our monitoring procedures and equipment.

In the event that poultry dust or dander, ammonia or feed mill dust in the work environment exceeds acceptable thresholds, respiratory equipment is available to protect our employees.

Other potential respiratory hazards are tied to our use of pesticides, disinfectants and litter amendments, among other substances. We use pesticides, disinfectants and other chemicals in our housing systems to control pests and disinfect equipment. Our policies limit the use of pesticides and chemicals to on-label use in conformity with applicable regulatory guidance. We additionally require training for colleagues who may handle or apply pesticides and chemicals and require that they adhere to all personal protective equipment requirements for application and use. We additionally require and maintain documentation that governs and tracks pesticide and chemical application and use.

We believe that our measures to protect our colleagues' respiratory health meet or exceed current regulatory and industry standards.

Special statement on SARS-COVID-19 respiratory health

We entered the fourth quarter of fiscal year 2020 amidst the SARS-CoV-2 (COVID 19) global pandemic. In response, Cal-Maine Foods developed and deployed an enterprise COVID-19 Assessment and Control Plan to help reduce the risk of exposure to communicable diseases such as COVID-19. As part of this program, we engaged with our general managers, among other senior leaders, to deploy protocols to communicate Centers for Disease Control (CDC) guidance tied to COVID-19 to our colleagues.

In fiscal year 2020, we provided face masks to colleagues and physical workstation dividers for those instances in which our colleagues could not maintain physical distancing. Across the enterprise, we installed additional handwashing and sanitation stations and temperature-monitoring stations. We invested in personal protective gear, including dust masks, gloves and safety glasses as tailored for each colleague's line of work. As the global pandemic progressed, our senior management team continued to communicate CDC guidance updates to our colleagues. As we enter the second half of 2021, we will continue to provide the highest-quality information and support to our colleagues as the international community continues to seek to overcome pandemic-related challenges.



Jim Golden
Director of Human Resources

Jim Golden, our Director of Human Resources, joined Cal-Maine Foods in 2013. He earned a bachelor's degree in psychology from Delta State University and a Masters of Science in public health from the Tulane University School of Public Health and Tropical Medicine. When he joined Cal-Maine Foods, he brought with him more than a quarter century of experience in human resource management and consulting experience, along with a track record of establishing relationships that contribute to optimal results. He is a Senior Certified Professional as certified by the Society for Human Resource Management (SHRM).

In helping drive our efforts to attract, retain and develop the people necessary to promote growth at Cal-Maine Foods, Jim believes that, "Commitment to our people has long been embedded in the culture of Cal-Maine Foods. Our sustainability efforts offer opportunities for continuous improvement that will be highlighted in the years to come. I am excited about partnering with our company's leadership team and stakeholders in helping to drive these improvements."



In Edwards, Mississippi, as with all our locations: our colleagues are our most sustainable resources. Cal-Maine Foods is proud to have many long-tenured colleagues at our Edwards, Mississippi location and throughout our operations. Their knowledge and contributions are foundational to the future success of our ability to continue to feed people.

31+

Average length of tenure among featured eight Cal-Maine Foods' employees at Edwards, MS

**Adam,
General Manager**

Adam joined Cal-Maine Foods in 2007 after completing his bachelor's degree from Delta State University. He began as a production supervisor and was promoted to production manager six months later. Since 2010, Adam first served as General Manager at our Pine Grove, Louisiana farm and subsequently was chosen as



General Manager at our Edwards, Mississippi farm. At Edwards, Adam is responsible for overseeing two processing facilities, two layer production complexes, a pullet complex, two breeder facilities and general farm management.

**Eddie,
Physical Security
and Biosecurity**

Eddie, who began working for Cal-Maine Foods in 1995, is often the first person visitors see when they enter our Edwards farm. He manages access and egress at the property's front gate, a physical security and biosecurity role that is important for our colleagues and the health and safety of our birds. For more than two decades of his tenure, Eddie worked in the truck shop, helping to maintain the vehicles that transport our finished eggs.



Eula Mae has long been a leader in our company by example. Multiple generations of colleagues have been inspired by her dedication and incredible work ethic. In that way, she has made a powerful contribution to the sustainability of our team and our culture.

Dolph Baker, CEO



**Eula Mae,
Housekeeper**



Eula Mae's tenure with Cal-Maine Foods began in 1970 and in June 2021, she celebrated her 51st year with the company. During more than half a century at our Edwards, Mississippi operation, she has witnessed extensive changes that enhanced our facilities and technology, but her work ethic and daily presence have been a constant during that time and an influence on those around her. Since 1974, she has been responsible for maintaining the facility's offices and break rooms and other farm facilities. Along with Ernestine, Eula Mae also has cooked many hearty breakfasts for her colleagues to sustain them through the workday.

249

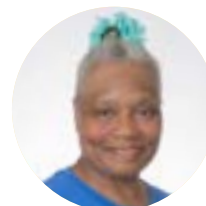
Years of cumulative service of our eight colleagues featured from Edwards, MS

**Penny,
Accounting Clerk**

Penny joined Cal-Maine Foods in 1996. After beginning her career with our company as an inventory clerk, she has served in her current role for the prior 21 years. At our Edwards, Mississippi operation, Penny is responsible for managing inventory input, performance worksheets and maintaining office supplies.



**Ernestine,
Lead Housekeeper**



Ernestine has worked for Cal-Maine Foods for 47 years. When she began in 1974, she processed and packed eggs at our Edwards farm. Fifteen years later, she shifted to production, with her efforts dedicated to provide for the welfare of our animals. After three years, she earned the promotion to lead housekeeper, a position she has held for 29 years. Among her responsibilities are reviewing monthly house charts, which involves checking water lines, ventilation, lights and feed — all of which contribute to the quality of our food offerings and sustainability of our operations.

**Brandon,
Breeder Farm Manager**

Brandon began working for Cal-Maine Foods in 2011 after graduating with a degree from Mississippi State University. Working closely with our Mendenhall, Mississippi hatchery, Brandon oversees the operation of our two breeder farms at Edwards, a responsibility he has held since 2016. Previously, he served as a breeder supervisor after working his first two years with the company in our processing plants.



**Everlean,
Housekeeper**

Everlean began working for Cal-Maine Foods in 1984. During her 37 years with the company, her roles have evolved from handling and transporting our birds to packing eggs in the processing plant, serving as a housekeeper and assisting with repair and maintenance of housing structures for the birds under our care. For the prior 20 years, Everlean has been devoted to enhancing our animals' welfare at our Edwards' farm in our processing facilities and our pullet complex, efforts that contribute significantly to the well-being of our birds and quality of our finished eggs and egg products.



**Robert,
Shipping Supervisor**

Robert joined Cal-Maine Foods 39 years ago. For 37 of those years, he has served as our Shipping Supervisor at the Edwards, Mississippi farm after beginning his career with our company as a maintenance specialist at Edwards. Robert oversees the shipment of our egg products from the Edwards farm to our customers. During his tenure he developed innovative truck load sheets that the company continues to use today. Among his other contributions, Robert helps manage the greater agricultural operations on our Edwards farm. In 2019, at age 79, he received a national award celebrating the contributions of Black farmers of the year.



Quality Food Choices Position Statement



Scaling our commitment to high-quality food choices

Cal-Maine Foods continues to be committed to produce high-quality egg choices that help feed people. Promoting the quality and safety of our shell eggs and egg products is of utmost importance to our enterprise, given the responsibility we have to our stakeholders, including our major retail partners, who offer eggs that meet their own customers' choice preferences. We are proud to provide diverse food offerings and believe our strong quality and safety track record help us continue to serve as the trusted and reliable egg producer of choice.

In 2020, driven by the worldwide COVID-19 pandemic, we saw U.S. consumers accelerate their demands for high-quality, affordable protein, including fresh shell eggs, to support at-home meal preparation and consumption. This demand trend followed the approximately 15% increase in fresh shell, or table egg, production in the United States between 2015 and 2020.² Fresh eggs represent an attractive source of high-quality protein that helps nourish families. The American Heart Association describes eggs as an efficient, rich source of protein and vitamins and suggests that eggs may promote a healthy diet.³ We believe consumers recognize the value of fresh shell eggs, given their versatility and relative health benefits, and that eggs and egg products have a role to play in helping feed a growing global population.

The World Resources Institute estimates that our planet will need to feed 10 billion people by 2050 and find a way to do so without increasing our "emissions, fueling deforestation or exacerbating poverty."⁴ Cal-Maine Foods is committed to producing shell eggs ever more sustainably to help meet the world's growing foodbasket needs.



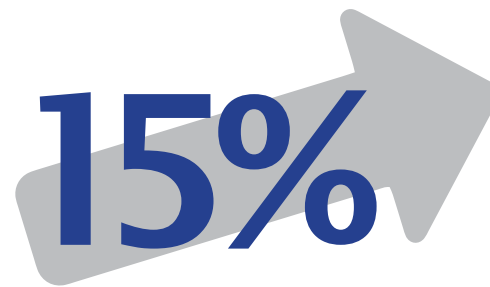
SUSTAINABLE DEVELOPMENT GOALS



We believe our commitment to provide high-quality protein choices helps augment our ability to feed a growing global population. We support the United Nations Sustainable Development Goals (or SDGs), which include commitments to Zero Hunger, Responsible Consumption and Production and Life on Land.

By the Numbers

Solid American egg consumption growth



In calendar year 2020, the USDA estimates American farmers produced 8.1 billion dozen fresh shell, or table eggs, up more than 15% since 2015. At the same time, the U.S. population increased by an estimated 3%, which implies solid demand growth for fresh shell eggs by American families.¹

¹ United Nations Population Division. Department of Economic and Social Affairs. *World Population Prospects 2018. Estimates 1950 – 2020*. Retrieved on April 28, 2021. <https://population.un.org/wpp/Download/Standard/Population/>

² USDA National Agricultural Statistics Service, *Table Egg Production Survey*. Retrieved on March 1, 2021. <https://quickstats.nass.usda.gov/>

³ The American Heart Association. Retrieved on April 28, 2021. <https://www.heart.org/en/news/2018/08/15/are-eggs-good-for-you-or-not>

⁴ The World Resources Institute. *Creating a Sustainable Food Future*. July 2019. Retrieved on April 28, 2021. https://research.wri.org/sites/default/files/2019-07/WRR_Food_Full_Report_o.pdf

plants, such as those that break and pasteurize eggs. The USDA Agricultural Marketing Service (AMS) is responsible for the Shell Egg Surveillance Program, a voluntary, fee-for-service program that provides highly trained, impartial USDA graders in our processing facilities to monitor egg quality standards and inspect our eggs. We are committed to continued participation in and financial support of this voluntary grading program given reputation benefits for our products and assurance benefits for our customers. The USDA Animal and Plant Health Inspection Program (APHIS) conducts activities to reduce the risk of disease in flocks of laying hens and administers the National Poultry Improvement Plan (NPIP), which certifies that poultry breeding stock and hatchers are free from select diseases. Participation in the NPIP is necessary for producers, such as Cal-Maine Foods, that ship interstate or internationally. The USDA Food Safety and Inspection Service (FSIS) verifies that shell eggs packaging for consumers is labeled properly and provides oversight of transportation and storage conditions of finished eggs intended for consumers.

We are also regulated by the U.S. Food and Drug Administration (FDA), which is responsible for overseeing the production of fresh shell eggs, including those of chickens, and egg processing plants that wash, sort and pack eggs. The FDA oversees the Egg Safety Rule, which governs large egg producers such as Cal-Maine Foods, and is primarily intended to direct those egg producers to implement safety standards to control risks associated with pests, rodents and other hazards; to purchase chicks and hens from suppliers who control for Salmonella in their flocks; and to satisfy testing, cleaning and refrigeration provisions to prevent *Salmonella enterica* in addition to registering their facilities with the FDA and maintaining written safety practice plans. The FDA regulates the administration of medication to livestock, including poultry, and establishes and monitors standards for feed that we provide our animals. The FDA additionally regulates the temperatures appropriate for storage and transport of our products.

The U.S. Environmental Protection Agency (EPA) regulates operations with guidelines tied to animal agriculture.

The U.S. Occupational Safety and Health Administration (OSHA) regulates the conditions in which our colleagues work. We align our Hazard Communication Program to OSHA guidance regarding the proper on-label use of any chemicals or other regulated substances in our agricultural operations.

Cal-Maine Foods is required to comply with applicable state and local regulatory bodies where we operate and sell our eggs and egg products. We strive for robust adherence to all rules, regulations and standards established by our food production regulators and are proud of our strong record of compliance, which helps us deliver high-quality food products ever more sustainably.

Scaling our commitment to produce socially beneficial food choices

Our core operations comprise the production, grading, packaging, marketing and distribution of shell eggs. In each of fiscal years 2018, 2019 and 2020 we produced conventional and specialty eggs to help meet the diverse needs of our stakeholders, including our retail partners. Specialty eggs encompass a range of food products. We classify nutritionally enhanced, cage-free, organic and brown eggs as specialty products and all other shell eggs as conventional products.

We believe that our primary product portfolio, comprising fresh shell and liquid eggs, offers social benefits tied to dietary health and nutrition for people in each stage of life and helps fulfill our commitment to help ensure that people have access to healthy and affordable food choices. We additionally believe in the greater social benefits of our value chain, including our ability to offer employment opportunities for our colleagues and donate fresh eggs to help feed people, among other benefits.

Eggs are nutrient-rich foods that provide vitamins, minerals and other health-promoting components. Consumption of nutrient-rich foods is important to support healthy diets at each stage of life, including infancy, adolescence and mid- and late life.

Eggs have long been valued as a complete protein source that offers nine essential amino acids the human body needs in adequate proportion.

Statement on the nutritional value of fresh shell eggs

We are proud to offer numerous fresh shell egg choices. Eggs have long been valued as a complete protein source that offers nine essential amino acids the human body needs in adequate proportion.⁵ Eggs are recognized to be rich in choline, biotin and Vitamin A, which support health.⁶ Research indicates that eggs “remain a good product of high nutritional quality for adults, including elderly people and children.”⁷ The USDA Agricultural Marketing Service (AMS) oversees the research and promotion program that operates as the American Egg Board (AEB), which is dedicated to advancing public awareness of the value and versatile uses of fresh shell eggs. The American Egg Board describes the egg as “one of nature’s most perfect foods” and additionally notes that eggs represent attractive, whole food choices versus egg substitutes, which may require the addition of “emulsifiers, oils, gums, polysaccharides, acids, enzymes, colorants or flavoring agents.”⁸

The USDA *Dietary Guidelines for Americans*, most recently updated in December 2020, recognizes the value of egg consumption as part of a healthy diet at each stage of life, including infancy. The updated guidelines note that eggs “offer important sources of iron, zinc, protein, choline and long-chain polyunsaturated fatty acid.” The *Guidelines* also classify an egg as a nutrient-rich food that provides “vitamins, minerals and other health-promoting components” and has “no or little added sugars, saturated fat and sodium.”⁹

Statement on composition of our fresh shell eggs

A fresh shell egg is considered to be a complete protein which, when prepared with no or little added sugars, saturated fat and sodium, comprises a nutrient-dense food. The USDA *Dietary Guidelines for Americans 2020–2025* describes eggs as providing “vitamins, minerals, and other health-promoting components” that we believe comprise healthy food choice offerings. In each of fiscal years 2018, 2019 and 2020 we were not aware of any controversies tied to our descriptions of the nutritional value of our fresh shell eggs.

Statement on our finished eggs’ labeling

We operate in an industry subject to regulatory oversight of how fresh shell eggs may be labeled when intended for sale to retail consumers and otherwise. We are required to comply with applicable regulatory labeling requirements, including FDA, USDA and state requirements, among others, and incorporate label guidance from the American Egg Board. The FDA is primarily responsible for finished egg label contents, while the USDA FSIS approves the design and application of finished egg labels, which include mandatory labeling features and from which deviation to “accommodate marketing or other communication objectives” may risk our FSIS compliance.¹⁰ Additionally, our finished eggs products that carry a USDA grade shield are labeled in compliance with USDA AMS requirements.

We believe that we engage in responsible marketing of our finished eggs and are not aware of any notable controversies in each of fiscal years 2018, 2019 and 2020 tied to how Cal-Maine Foods marketed its finished eggs.

We believe that our finished eggs carton-labeling practices evidence a strong commitment to plain, transparent language that helps consumers store, handle and consume our shell eggs safely. For example, our cartons of finished eggs carry a safe handling statement in conformance with FDA guidelines.



Each of our finished egg cartons intended for sale to retail consumers carries a statement that helps our consumers store, handle and consume eggs safely.

⁵ “The Top Four Protein Sources May Surprise You.” The Cleveland Clinic. Retrieved on May 4, 2021. <https://health.clevelandclinic.org/these-top-4-protein-sources-may-surprise-you/#:~:text=Eggs%20are%20a%20low%2Dcarb,of%20key%20vitamins%20and%20minerals>.

⁶ *Eggs*. Harvard T.H. Chan School of Public Health. Retrieved on May 4, 2021. <https://www.hsph.harvard.edu/nutritionsource/food-features/eggs/>

⁷ *Nutrition*. “The Golden Egg. Nutritional Value, Bioactivities, and Emerging Benefits for Human Health.” March 2, 2019. Retrieved on May 4, 2021.

⁸ The American Egg Board. Retrieved on May 4, 2021. <https://www.incredibleegg.org/professionals/manufacturers/product-development/market-trends/white-papers/real-eggs-make-a-real-difference>

⁹ USDA. *Dietary Guidelines for Americans, 2020 – 2025*. https://www.dietaryguidelines.gov/sites/default/files/2020-12/Dietary_Guidelines_for_Americans_2020-2025.pdf

¹⁰ USDA FSIS. *A Guide to Federal Good Labeling Requirements for Meat, Poultry, and Egg Products*. Retrieved on May 5, 2021. https://www.fsis.usda.gov/sites/default/files/import/Labeling_Requirements_Guide.pdf

Our finished shell egg carton labels contain the product name, our manufacturer name, our official identification, a USDA approval number, an ingredients statement, a net weight statement and nutrition information, among other information. In addition, our finished egg cartons sold to our retail customers display egg product gradings as governed by the USDA AMS.¹¹

Sizing up the Situation: What Egg Sizes Mean

Size refers to the minimum required net weight per dozen eggs. Some eggs in a carton may look slightly larger or smaller than others, but the total weight of a dozen eggs determines the size classification.

Egg Size and Weight per Dozen¹²



Statement on our specialty egg labeling

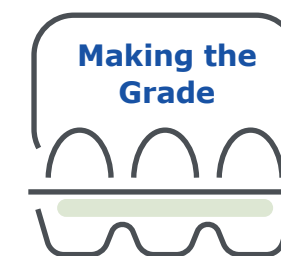
We strive to provide our consumers with transparently labeled finished egg cartons and comply with applicable regulatory requirements. The USDA AMS sets carton label certification requirements for finished eggs intended for retail purchase that seek to carry grademarks and make enhanced animal husbandry claims, which in our case primarily applies to our specialty fresh shell eggs.

Cage-Free

The AMS requires that eggs packed in USDA-grademarked consumer packages labeled as cage-free are “laid by hens that are able to roam vertically and horizontally in indoor houses and have access to fresh food and water. Cage-free systems must allow hens to exhibit natural behaviors and include enrichments such as scratch areas, perches and nests. Hens must have access to litter, protection from predators and be able to move in a barn in a manner that promotes bird welfare.”¹³ We label our cage-free shell egg finished eggs in conformity with these and other applicable regulatory requirements. We additionally require that any finished eggs labeled as cage-free we purchase from suppliers conform to the husbandry requirements as prescribed by AMS guidance.

Organics

The AMS largely requires that fresh shell egg producers who seek to sell, label or represent products as organic meet the requirements of the USDA National Organic Program (NOP). We label organic shell finished eggs in conformity with these and other applicable regulatory requirements. We additionally require that any finished eggs labeled as organic we purchase from suppliers conform to NOP requirements as prescribed by AMS guidance.¹⁴



We grade and label our shell egg cartons based on USDA requirements that include but are not limited to the following characteristics:

USDA Grade AA

- Egg white is thick and firm
- Yolks are high, round and practically free from defects
- Clean, unbroken shells

USDA Grade A

- Whites are reasonably firm
- Yolks are high, round and practically free from defects
- Clean, unbroken shells

USDA Grade B

- Whites may be thinner
- Yolks may be wider and flatter
- Shells unbroken, but may show slight stains
- Usually used in liquid, frozen & dried products

¹¹ United States Standards, Grades, and Weight Classes for Shell Eggs AMS 56. Retrieved on May 5, 2021. https://www.ams.usda.gov/sites/default/files/media/Shell_Egg_Standard%5B1%5D.pdf

¹² USDA FSIS. *Egg Size and Weight per Dozen*. Retrieved on May 12, 2021. <https://www.fsis.usda.gov/food-safety/safe-food-handling-and-preparation/eggs/shell-eggs-farm-table#10>

¹³ USDA AMS. “Shell Egg Labeling guidelines for product bearing the USDA Grademark.” Retrieved on May 6, 2021. <https://www.ams.usda.gov/sites/default/files/media/ShellEggLabelingUSDAGrademarkedProduct.pdf>

¹⁴ Select NOP-certification exceptions apply for smaller producers of eggs that carry organic claims, most of which are tied to sales volumes. USDA AMS. “Shell Egg Labeling guidelines for product bearing the USDA Grademark.” Retrieved on May 6, 2021. <https://www.ams.usda.gov/sites/default/files/media/ShellEggLabelingUSDAGrademarkedProduct.pdf>

Scaling Our Commitment to Our Specialty Egg Business
Between 2008 and year-end 2020, Cal-Maine Foods allocated approximately \$462.5 million to expand our cage-free production practices.

Statement on labeling eggs and egg products

According to FSIS, eggs are defined as the “shell egg” of the domesticated chicken, turkey, duck, goose or guinea. All of the eggs we sell are from domesticated chickens. While the large majority of our revenues are tied to the sale of finished eggs, we also sell egg products, which represented 2.9%, 3.0% and 2.3% of revenue in each of fiscal years 2018, 2019 and 2020, respectively.¹⁵

The FSIS classifies egg products as “any dried, frozen, or liquid eggs, with or without added ingredients.”¹⁶ We are required to comply with FSIS requirements tied to how we label and market egg products.

Statement on alternatives to egg protein in our portfolio

While we produce eggs and egg products that we believe help meet our customers’ current and future needs, we also evaluate other opportunities that may help us augment our abilities to provide protein choices, drive stakeholder value and enhance the social and nutritional benefits of our product portfolio.

Statement on our commitment to grow our specialty egg business

We are focused on growing our specialty shell egg business, which includes our nutritionally enhanced, cage-free, organic and brown eggs as specialty products.¹⁷ Our drive to enhance commitments to specialty egg production includes a cumulative, approximate allocation of \$462.5 million between 2008 and year-end 2020 to facilities, equipment and related operations to expand our cage-free production.¹⁸

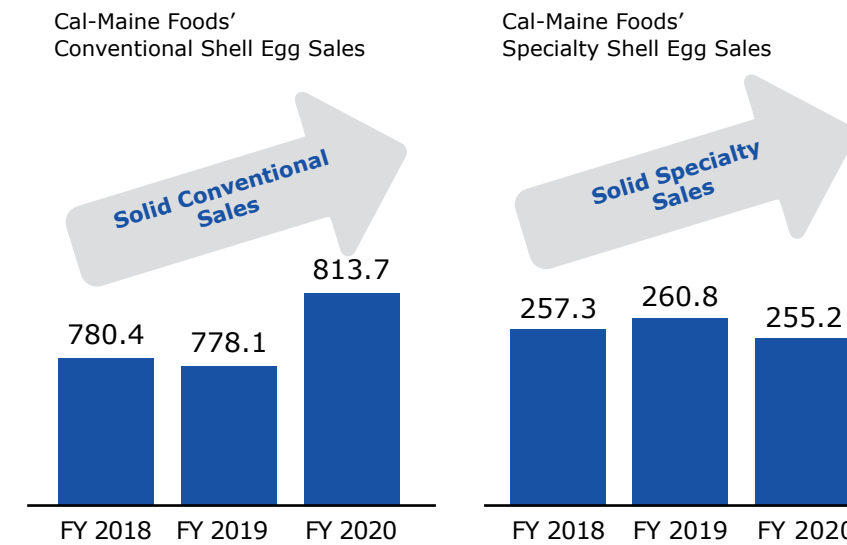


By the Numbers

Cal-Maine Foods is proud to provide high-quality fresh shell eggs that feed American families and continue our commitment to delivering solid sales growth.

Scaling Our Commitment to Quality Food Choices*

(dozen millions sold in each fiscal year)



* Select totals may not foot to our reported numbers due to rounding



¹⁵ For more information tied to our revenues, please reference our most recent Form 10-K.
¹⁶ USDA FSIS. *A Guide to Federal Good Labeling Requirements for Meat, Poultry, and Egg Products*. Retrieved on May 5, 2021. https://www.fsis.usda.gov/sites/default/files/import/Labeling_Requirements_Guide.pdf
¹⁷ For more information about our specialty shell eggs, please reference our most recent Form 10-K.
¹⁸ For more information about our cage-free production investments, please reference our most recent Form 10-K.

Our Food Safety Department helps ensure that, at onboarding and during applicable colleagues' tenures, we provide training that helps colleagues become practitioners of safe quality food production and finishing best practices.

Scaling our commitment to food safety

Cal-Maine Foods believes that our people comprise the first line of defense to uphold and augment our quality food safety practices. Given our more than 60-year history as a leading fresh shell egg provider, we have developed and maintain what we believe is a best-in-class Safe Quality Food Management Policy (Quality Food Policy), which is supervised by our Food Safety Department and regularly reviewed and approved by our senior management team at least annually. Our Food Safety Department helps ensure that, at onboarding and during applicable colleagues' tenures, we provide training that helps colleagues become practitioners of safe quality food production and finishing best practices.

We believe our Quality Food Policy helps drive our good manufacturing practices (GMP) to minimize food-related health risks and promote our retail partners' and consumers' confidence in our food products. Our Quality Food Policy's scope covers our fresh shell eggs and egg products and related processes, including colleague training tied to food safety, quality, food defense and our Safe Quality Food™ (SQF) certification requirements. Given Cal-Maine Foods' position as a large-scale producer of fresh shell eggs, we operate different facilities subject to SQF scope, including in-line processing, off-line processing and distribution centers. We customize our Quality Food Policy for each location with review and approval by our Food Safety Department and in conformance with SQF certification standards. To evidence commitment to adherence, we require that each location post its policy prominently, make it available in languages in which our staff is fluent and communicate the policy's standards to applicable colleagues during onboarding and ongoing trainings.



Sarah Wallace
Corporate Food Safety Manager

Sarah Wallace, our corporate food safety manager, joined Cal-Maine Foods in 2009. She is widely respected in her field, serving as a member of the Mississippi Poultry Association and the Eggs America Food Safety Task Force for more than 12 years. She holds a degree in poultry science from Mississippi State University. As a research associate during her undergraduate training, she co-authored peer-reviewed articles in the journal *Poultry Science* on a range of topics related to poultry biochemistry, immune reactions and stress responses.

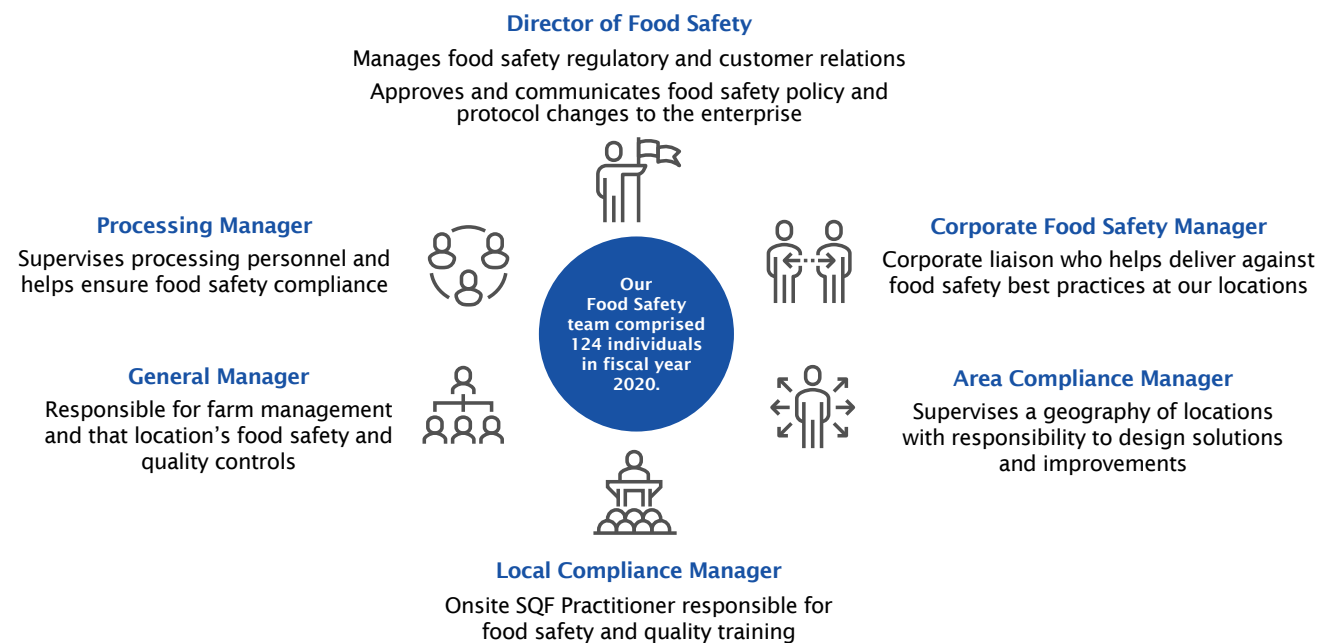
Sarah's certifications also attest to her expertise. She is poultry industry-certified in HACCP — or Hazard Analysis Critical Control Points — an internationally recognized method for identifying and managing food safety risk. She's also certified by Safe Quality Foods™ (SQF) as an internal auditor.

Sarah is deeply committed to Cal-Maine Foods' sustainability efforts, which she supports daily through her enterprise-wide responsibilities related to food safety and quality. She helps direct the SQF programs for the company's shell egg and liquid egg products facilities. She additionally liaises with our certification providers to drive strong compliance performance with our food safety and quality audits. Her work contributes directly to continuous quality improvement throughout our operations and our ability to deliver consistently high-quality food choices to the customers we serve. She notes, "I am proud to help us carry out our commitment each day to remain a leading provider of sustainably produced fresh shell eggs and look forward to producing food that feeds future families."

Statement on our internal quality food and safety program

Cal-Maine Foods' food safety compliance team supervises and designs our food quality and safety program. Our Director of Food Safety and Animal Welfare, Dr. Ryn Laster, leads our compliance team alongside our Corporate Food Safety Manager, Sarah Wallace. Their leadership drives our effort to train our colleagues at onboarding and during their continuing tenures on best-in-class quality food and safety practices. To help facilitate training for colleagues engaged in egg processing, we rely on our team of local compliance manager professionals to supervise training processes.

As part of their duties, local compliance managers complete food safety training that is certified to our SQF standards before assuming more responsibility tied to food quality and safety in our processing facilities. Dr. Laster reviews our food safety training programs annually to help ensure that we have evaluated our auditors' feedback and implemented feedback as may be applicable for our protocols. Our annual review analysis also helps us identify any potential gaps in our Quality Food Policy and related practices and consider updates. We believe our compliance team has the ability to act nimbly, meaning that we quickly address a food safety concern that we have identified either as part of our internal or external audit practices. Our compliance leaders continue to maintain strong lines of communication with our management team to help ensure they are apprised of food safety best practices, audit-tied change requests and regulatory guidance updates.



Scaling our leaders' quality food and safety responsibilities

Our Food Safety team leaders establish and maintain our Quality Food Policy. Our leaders are responsible to create, help implement and monitor compliance with the policy across applicable facilities in our operations.



Dr. Ryn Laster
Director of Food Safety and Animal Welfare

Dr. Ryn Laster has led our Food Safety team since she joined Cal-Maine Foods in 1998. She earned her Ph.D. in Food Science from Mississippi State University with an emphasis in poultry science. She leverages three decades of poultry industry experience to help oversee our enterprise food safety, animal welfare, crisis management and biosecurity programs. She also manages select regulatory relationships, including the FDA and USDA, and helps ensure compliance with applicable federal, state and local regulations, among others.

Dr. Laster leads a team dedicated to food safety, quality and compliance with our customers' food safety standards, which include retailers' evolving requirements for fresh shell eggs. In fiscal year 2020, she led the team of compliance professionals dedicated to develop, maintain and supervise our corporate safety protocols. She holds a Safe Quality Food™ (SQF) certification and served on the Senior Technical Advisory Committee from 2010 to 2016. Dr. Laster serves as our enterprise liaison to help ensure that processing equipment, practices and technology-focused investments meet or exceed our requirements.

Dr. Laster currently serves as president of the Mississippi Egg Marketing Board and as Vice President of the Mississippi Poultry Association. She is passionate about driving our commitment to corporate culture and notes, "Cal-Maine Foods is a family to me. Together, we have worked very hard to implement our food safety programs and promote strong compliance outcomes. We are proud that our SQF audit scores reflect our hard work and dedication to produce high-quality food choices for our customers that are produced ever more sustainably."

Our Food Defense Program (FDP) is a critical protocol that aids in the protection of our products.

Scaling our commitment to our Food Defense Program

Our Food Defense Program (FDP) is a critical protocol that aids in the protection of our products. To support our FDP, we require regular risk assessments of functional facilities' areas, including our perimeter, our processing plant entrances, entrances for incoming supplier products, finished product storage and transport and our water supply and utilities, among others. We perform this risk assessment to better understand how we may continue to implement and augment operational controls that help minimize food safety-related risk. Our functional area risk assessment helps us control and limit access to our facilities to approved resources known to our management team, protect the integrity of inputs in our value chain, maintain our storage and transport area security and protect our water supply. Our compliance managers routinely evaluate each facility for conformity with our risk assessment standards to help ensure our commitment to continuous improvement.

Statement on our commitment to Good Manufacturing Practices

Cal-Maine Foods remains committed to Good Manufacturing Practices (GMPs) that help our organization manage and mitigate risk tied to our egg production and processing. The FDA maintains jurisdiction for the production and processing of shell eggs in accordance with good manufacturing practices, and FDA representatives routinely visit shell egg plants to observe our facilities and practices. In addition, we comply with USDA guidelines tied to sanitation and good manufacturing practices, which is evidenced by the application of a USDA grademark on our finished egg cartons.

Scaling our commitment to quality food certification and audit

Cal-Maine Foods believes our commitment to food safety is of utmost importance. We formalized our company's dedication to quality food choices in 2009 with adoption of Safe Quality Food™ (SQF) certification, the scope of which covers the entirety of our applicable owned operations and self-produced finished product volumes.¹⁹ The Global Food Safety Initiative™ (GFSI) recognized the SQF program in 2004 as GFSI-compliant. Our stakeholders have broadly recognized the value of GFSI recognition of our SQF program, and we continue to strive to deliver strong compliance against our program goals.²⁰

We are proud to have demonstrated our ability to meet or exceed SQF standards. In each of fiscal years 2018, 2019 and 2020, 100% of our processing facilities, or the entirety of facilities in scope, attained SQF certification. Additionally, substantially all of the finished eggs we purchased, which comprise eggs that have been processed from outside suppliers, carried SQF certification in each of fiscal years 2018, 2019 and 2020.²¹ We require our suppliers to provide evidence of certification with presentation of an SQF Certificate of Conformance prior to purchase and delivery of outside suppliers' fresh shell eggs.²²

In each of fiscal years 2018, 2019 and 2020, 100% of our processing facilities, or the entirety of facilities in scope, attained SQF certification.



¹⁹ The SQF program has been owned and managed by the Food Marketing Institute (FMI) since 2003 and was first recognized in 2004 by the Global Food Safety Initiative (GFSI) as a standard that meets its benchmark requirements. *SQF Code*, Edition 8.1.

²⁰ As of June 1, 2021, our enterprise transitioned to certify against SQF Edition 9 standards. We believe that SQF certification is appropriate for our operations, given its focus on processing, packaging and distribution of our egg products.

²¹ In each of fiscal years 2018, 2019 and 2020, the percentage of suppliers' eggs that were not SQF-certified was less than 1.0% and were provided to customers that did not require SQF certification.

²² SQF certification scope comprises the processing of fresh shell eggs that leads to finished eggs.



Katie Heads
Area Compliance Manager

Katie Heads serves as Cal-Maine Foods' area compliance manager (ACM). She joined the company in 2013 after earning her bachelor's degree in psychology from the University of Arkansas. She works directly with facilities to oversee compliance and continuous quality improvement efforts.

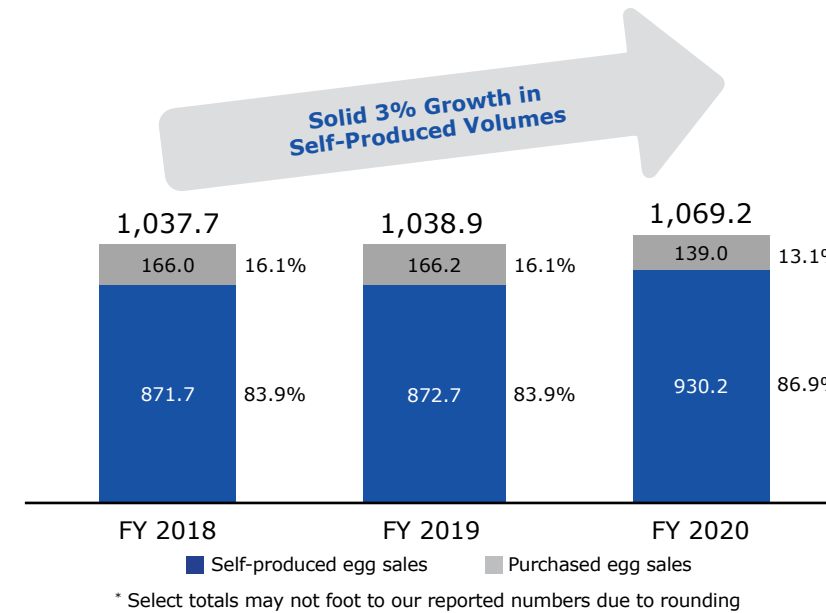
With responsibilities that extend across our processing facilities in Arkansas, Mississippi, Louisiana and Alabama and to a hatchery in Mendenhall, Mississippi, Katie oversees a team that includes six compliance managers and six general managers, whom she supports in their own efforts to drive our food safety and quality goals. Her skills in Safe Quality Foods™ (SQF), HACCP, OSHA 30-Hour, continuous quality improvement and employee training help equip her to carry out her strong commitment to food safety and providing people with high-quality food choices.

Katie is dedicated to help ensure the work she performs supports our company's sustainability initiatives. "I enjoy helping drive our food safety and quality compliance efforts. I also enjoy helping promote Cal-Maine Foods' commitment to best practices and quality assurance, which enhances our customers' confidence in the value of our products. I believe we are leaders in agriculture and can continue to advance change to feed people ever more sustainably."



Scaling Our Commitment to Produce and Source High-Quality Eggs*

Cal-Maine Foods' Self-Produced and Purchased Egg Sales
(millions of dozens sold in each fiscal year)



Statement on our commitment to external audit

We are proud of our strong track record of food safety and quality compliance. Each of our processing facilities is audited to SQF certification standards, which is recognized by the Global Food Safety Initiative (GFSI).²³

In fiscal year 2020, Cal-Maine Foods' SQF audit major non-conformance rate was 0.04, which was corrected in accordance with our SQF certification program under audit, and our minor non-conformance rate was 0.72, which is calculated from 18 total minor non-conformances divided by 25 audited processing facilities. In fiscal year 2020, our auditors' procedures were impacted by the worldwide COVID-19 pandemic, which impacted our facilities' auditing frequency. The company's minor non-conformance corrective action rate was 100 percent for 2020, given that we implemented timely corrective action plans, which our SQF auditors subsequently accepted.

We are proud to have demonstrated our ability to meet or exceed SQF standards.

²³ SQF Code, Edition 8.1, defines a major non-conformity as "an omission or deficiency in the SQF System producing unsatisfactory conditions that carry a food safety risk" and "is likely to result in a system element or good practices element breakdown." A minor non-conformity is an omission or deficiency in the SQF System that produces unsatisfactory conditions that if not addressed may lead to a risk to food safety but not likely to cause a system element breakdown.

As part of our commitment to external audit, we participate in numerous customer-conducted audits, which we believe helps augment our customers' confidence in our processes and product tied to our food safety commitments.

Cal-Maine Foods' SQF audit major non-conformance rate for fiscal year 2019 was zero, and our minor non-conformance rate was 2.04, which is calculated from 84 total minor non-conformances divided by 41 audited processing facilities. The company's minor non-conformance corrective action rate was 100 percent for 2019, given that we implemented timely corrective action plans, which our SQF auditors subsequently accepted.

Cal-Maine Foods' SQF major audit non-conformance rate for fiscal year 2018 was zero, and our minor non-conformance rate was 0.20, which is calculated from eight total minor non-conformances divided by 40 audited processing facilities. The company's minor non-conformance corrective action rate was 100 percent for 2018, given that we implemented timely corrective action plans, which our SQF auditors subsequently accepted.

As part of our commitment to external audit, we participate in numerous customer-conducted audits, which we believe helps augment our customers' confidence in our processes and products tied to our food safety commitments. We additionally welcome our customers to visit our egg processing facilities in conformance with our biosecurity protocols and under the supervision of trained personnel.

Scaling our commitment to product traceability and marketability

Cal-Maine Foods has a robust product identification system to help ensure that inputs for our finished eggs are clearly identified at each stage, including receipt, production, processing, packaging, shipping and transportation. We review the effectiveness of our finished product trace systems at least semi-annually with our mock recall protocols, which are part of our standard product recall and withdrawal rehearsal and review. Our product recall protocols additionally allow us to act nimbly to identify, segregate and dispose of the potentially affected eggs and engage in stock reconciliation practices. We maintain robust documentation tied to the entirety of our finished eggs, which helps us segregate and identify products with a high degree of accuracy, speed and efficacy.

Cal-Maine Foods' finished eggs have not been subject to voluntary or involuntary recalls in fiscal years 2019 and 2020. In fiscal year 2018, we issued a recall tied to 23,400 dozen eggs that were purchased from another producer. Using our traceability protocols, we implemented a recall and were not subject to corrective actions tied to the eggs we recalled.



Todd Walters
Vice President of Operations

Todd Walters is the vice president of operations for Cal-Maine Foods' South Texas division and has served the company since 1997.

Todd earned his bachelor's degree in agriculture, with a focus on poultry science, from Mississippi State University in 1995. He is committed to advance agricultural practices, develop his fellow colleagues' careers and provide families with sustainable, high-quality shell egg choices.

Todd's experience spans our enterprise footprint. He currently supervises more than 700 colleagues across the South and has previously managed our operations in Mississippi, Kansas, New Mexico and Ohio. Todd's industry-leading agricultural expertise and contributions are widely sought. He currently sits on the board of the Texas Poultry Federation, where he previously served as president, and previously served as president of the Texas Egg Council. He also previously served on the Ohio Poultry Federation board of directors.

Todd is passionate about promoting sustainability and has led efforts to improve Cal-Maine Foods' feed efficiency even as we increase our egg production. He has also led efforts to improve enterprise water and energy efficiency in our animal housing systems and driven our enhanced focus on fleet fuel economy.

Todd knows that our colleagues help make our sustainability initiatives possible. Todd notes that, "Our people are the heart and soul of the company and our most precious resource. I am dedicated to educate and engage with them to continue to promote the Cal-Maine Foods' sustainability mission."

Statement on fresh shell egg product bans

The USDA AMS monitors and reports on political jurisdictions that may impose fresh shell egg export restrictions on U.S.-produced products tied to avian influenza and Virulent Newcastle disease concerns, among others. We market our finished eggs and egg products in the United States. We are not aware of any jurisdictions outside the United States in which we sought to market any notable amounts of finished shell eggs in each of fiscal years 2018, 2019 and 2020 that imposed restrictions on our products.

Scaling our commitment to quality food choices, technology and innovation

Cal-Maine Foods continuously pursues opportunities to invest in resources, processes and technology that drive food safety and quality outcomes. As part of our investment in technology to drive innovation, 100% of our flocks are certified to the National Poultry Improvement Plan (NPIP), which comprises “a cooperative industry, state, and federal program through which new diagnostic technology can be effectively applied to the improvements of poultry and poultry products throughout the country.”²⁴ The USDA Animal and Plant Health Inspection Service (APHIS) governs and administers the poultry improvement plan, which includes a commitment to test and monitor for disease as part of normal operating processes. We additionally commit resources toward sustaining the American Egg Board, which oversees an AMS-administered research and promotion program tied to fresh shell egg production. We believe that our participation in these programs, including regular membership contributions with representation on the Board of Directors of AEB, helps advance our commitment to continuous improvement.



²⁴ National Poultry Improvement Plan. Retrieved on May 3, 2021. <http://www.poultryimprovement.org/default.cfm>

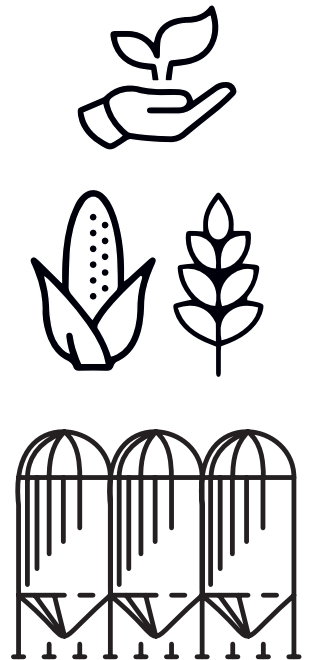
Statement on technology investment in our food production and processing operations

We have continued to scale our commitment to investment in our operations. We have installed dry hydrogen technology devices at Cal-Maine Foods’ processing facilities that help promote best sanitation practices, enhance air quality and reduce microbial loads on processing plant surfaces that are in contact with air. We have augmented our commitment to biosecurity tied to transportation in select locations to minimize vehicle traffic and travel times. In addition, we have selectively invested to replace plastic in our processing facilities with stainless steel, which we believe enhances our ability to maintain the highest levels of cleanliness with a focus on prevention of bacterial growth. These efforts, in addition to our ongoing commitments to food safety, help us continue to maintain the highest food safety standards and augment our position as a trusted provider of quality egg choices.

Cal-Maine Foods’ farming location leaders also promote a mindset of continuous improvement tied to innovation in our food quality and safety practices. Our farms’ general managers help monitor possible improvements for each processing location, which could include enhanced safeguards to protect the well-being of our colleagues, novel training and practices, facilities enhancements and equipment upgrades.

Scaling our commitment to responsible use of chemicals in our value chain

In select cases, we apply and use chemical agents in our agricultural production practices, which are required to be in compliance with applicable regulatory guidelines. We recognize potential challenges tied to the application and use of chemicals, including pesticides, herbicides, cleaning agents and maintenance supplies, among other items. To help minimize risks associated with chemicals tied to our food production, processing and finishing, we maintain a robust, OSHA-aligned Hazard Communication Program (HCP), a written protocol that governs how we label containers of hazardous chemicals, maintain safety data sheets tied to our



We design our Animal Food Safety Plan in alignment with FDA regulatory guidance and customize the plan to meet the needs of each facility involved in production of animal feed.

inventory, hazardous chemicals and train our colleagues on use, among other items. In addition, our Hazard Communication Program is aligned to the United Nations Globally Harmonized System (GHS) of Classification and Labeling of Chemicals, which includes visual and textual criteria for the classification of health, physical and environmental hazards, as well as specifying what information should be included on labels of hazardous chemicals and safety data sheets. We believe that GHS alignment helps protect our colleagues and food safety goals with its language-agnostic, globally recognized pictogram labeling system. To help drive our HCP, we maintain site-specific training documentation that tracks colleagues who have been given instruction on chemical application and use tied to special circumstances.

To help minimize risks tied to potential chemical contamination of our food products, we additionally rely on current Good Manufacturing Practices and protocols tied to our Animal Food Safety Plan (AFSP). We design our AFSP in alignment with FDA regulatory guidance and customize the plan to meet the needs of each facility involved in production of animal feed. Our AFSP includes hazard analysis, preventative controls, recall protocols, provisions for monitoring the performance of effective controls, corrective action protocols and verification procedures, among other features. We believe our strong adherence to these practices helps us continue to provide food to our animals that supports the production of eggs and egg products that are safe and healthy for human consumption.

Scaling our commitment to antibiotic stewardship

We recognize that the potential for antimicrobial resistance is a public and animal health issue. We continue to be committed to act as a judicious steward of antimicrobials and believe our commitment to on-label use and administration of antibiotics under the supervision of veterinarians with whom we have established client-patient relationships helps us fulfill our stewardship obligations. (For more information about our commitment to judicious therapeutic antibiotic use, please see *Scaling our commitment to medical treatment.*)



Environmental Stewardship Position Statement



As with many of our colleagues, **Cody H.** grew up on a family farm in Arkansas, where he helped raise chickens and cattle and developed a passion for agriculture. He and his family reside on our Siloam Springs, Arkansas farm, where Cody serves as processing manager. His efforts help us continue to provide eggs for generations.

SUSTAINABLE DEVELOPMENT GOALS



We support the principles of United Nations Goals to promote Zero Hunger, Good Health and Well-Being, Clean Water and Sanitation, Responsible Consumption and Production and Life on Land given our commitment to conscientious stewardship of natural resources required to maintain and augment our enterprise mission.

Scaling our commitment to environmental stewardship

Message from Sherman Miller, our President and Chief Operations Officer

Cal-Maine Foods has been devoted to farming for more than 60 years. We believe in the value of our mission, which is to serve as the most sustainable provider of fresh shell eggs in the United States. Our commitment to environmental stewardship is essential to this mission.

In fiscal year 2020, we provided more than 12.8 billion protein servings to help feed people.¹ Given our responsibility to provide high-quality, affordable food choices, we take seriously our obligation to care for resources we need to continue as farmers and stewards of our natural world.

We understand the growing global concern surrounding climate change. This concern prompts us to reflect on how we produce food, minimize waste and use the land we care for. We recognize opportunities to augment our environmental stewardship programs, including how we measure our carbon emissions, minimize ecological impacts, conserve forests, promote biodiversity, steward water resources, manage waste and implement best-practice environmental management principles. We also recognize the risks to the sustainability of our business operations if the international community does not meet these challenges.

I offer thanks to my Cal-Maine Foods colleagues as we scale our commitment to environmental stewardship. We will partner with them and other valued stakeholders as we continue this journey. We look forward to reporting our progress.



Sherman Miller
President and Chief
Operations Officer

Sherman Miller was elected President of Cal-Maine Foods in March 2018. He was elected Chief Operations Officer in May 2011 and elected to the Board of Directors in July 2012. Miller joined Cal-Maine Foods in 1996. He served as vice president of operations while working in the company's Chase, Kansas office, where he was previously the general manager. He has served in management positions at the company's processing plant locations in Delta, Utah and Edwards, Mississippi. He completed a summer internship with Cal-Maine Foods at the Edwards, Mississippi location prior to his graduation from Mississippi State University in 1997 with a bachelor's degree in poultry science. He is a member of the board of the U.S. Poultry and Egg Association.

¹ For more information about our shell egg sales, please review our most recent Form 10-K. In fiscal year 2020, Cal-Maine Foods sold 1,069.2 million dozen shell eggs. We rely on our finished egg labeling to calculate serving information. A Large, or 50 gram, shell egg comprises one serving of six grams of protein.

Statement on applicable regulatory authorities

All of our operations are located solely in the United States.

The primary regulator tied of the environmental impact of our operations in the United States is the U.S. Environmental Protection Agency (EPA), which administers the Clean Air Act (CAA). Select components of our operations are subject to the CAA. For example, we operate grain elevators, which receive, store, weigh and transfer grain. We are required to comply with New Source Performance Standards (NSPS) that regulate levels of air pollutants, as applicable for our operations.

The EPA also administers The Clean Water Act (CWA), including CWA Sections 402 and 404, which establishes a program to regulate the discharge of dredged or fill materials into waters of the United States. The EPA sets standards for animal feeding operations (AFOs) in the National Pollutant Discharge Elimination System (NPDES) program, with which we comply. An AFO that meets the regulatory definition of a concentrated animal feeding operation (CAFO) may be regulated in accordance with the NPDES permitting program. The NPDES program regulates the discharge of pollutants from point sources to waters of the United States. The NPDES program additionally regulates discharges from pesticides consistent with CWA Section 402 for those areas and activities where states are not authorized to issue Pesticide General Permits (PGPs). In most of the states in which we operate, the state environmental protection regulatory agency is the NPDES permitting authority and issues NPDES permits for activities in that state, including those tied to AFOs. We additionally obtain various state permits that relate to our water management practices.

The EPA interprets and regulates the Emergency Planning & Community Right to Know Act (EPCRA), which governs hazardous chemical inventory reporting (Tier I and Tier II). The EPA regulates reporting on the physical and health hazards of our Tier II hazardous waste and the Occupational Safety and Health Administration (OSHA) provides guidelines for the Hazard Communication Standards (HCS) for physical and health hazard classes and Tier II reporting.

EPCRA also governs emergency planning notification protocols for extremely hazardous substances. The EPA administers the Spill Prevention, Control and Countermeasure (SPCC) rule, which requires agricultural operations and other concerns to develop, maintain and implement oil spill prevention programs.

We are regulated by the U.S. Department of Agriculture (USDA), which oversees our Comprehensive Nutrient Management Plans (CNMPs) to help ensure operators' compliance with the National Environmental Policy Act, the Endangered Species Act and the National Historic Preservation Act, among others.

The Department of Transportation (DOT) regulates the interstate trucking industry on public roads, which our fleet uses in the normal course of operations.

The Federal Motor Carrier Safety Administration (FMCSA) provides guidance for administration and supervision tied to commercial driver licenses, hours of service regulations and driver-vehicle inspection reports and pre-employment safety screenings, random and post-incident alcohol and substance use testing, among other forms of oversight, which are applicable to drivers in our fleet. The FMCSA also regulates interstate transportation tied to commerce. The U.S. National Transportation Safety Board (NTSB) is charged with determining the probable cause of transportation accidents and promoting transportation safety and may engage in investigations of our fleet operations, with which we are required to comply.

We are additionally subject to OSHA regulations that govern the safety and health of the workers and the responsibilities of employers to ensure their safety at the warehouse, dock, construction site and in other places truckers go to deliver and pick up loads throughout the country. We are subject to and required to comply with other applicable federal, state and local laws and regulations. We believe we are well-positioned to meet or exceed our regulators' expectations and create ever more sustainable business operations.

Our stakeholders, including our colleagues, customers, investors and those in the communities in which we have influence, have expressed interest in a better understanding of the risks tied to climate change impacts on our operations and value chain.

Scaling our commitment to minimize greenhouse gas emissions

As the largest producer and distributor of fresh shell eggs in the United States, Cal-Maine Foods primarily operates in an industry devoted to poultry and egg production.² We hatch chicks, rear pullets and care for layer and breeder hens to produce fresh shell eggs and egg products that we market to retailers and other partners.³ The United Nations International Standard Industrial Classification of All Economic Activities (ISIC) classifies our business as the *Raising of Poultry*, which includes, “Raising and breeding of poultry: fowls of the species *Gallus domesticus* (chickens...), production of eggs and operation of poultry hatcheries.”⁴ We believe this sector is an appropriate category against which to measure the sustainability of our operations.

Our stakeholders, including our colleagues, customers, investors and those in the communities in which we have influence, have expressed interest in a better understanding of the risks tied to climate change impacts on our operations and value chain. The EPA notes that greenhouse gas (GHG) emissions are “the most significant drivers of climate change since the mid-20th century.”⁵ Potential climate change impacts could pose risks for our operations, including those resulting from extreme weather, natural disasters and other events, which could negatively impact our business.⁶

In fiscal year 2020, we augmented our commitment to identify, inventory and manage our GHG emissions. We are engaged to align these efforts with the GHG Protocol, which we believe is the most suitable standard to guide and influence our emissions’ accounting. We are committed to evaluate how we may align with principles of relevance, completeness, consistency, transparency and accuracy as we account for and report our GHG emissions.

We anticipate using future sustainability updates to report our progress.

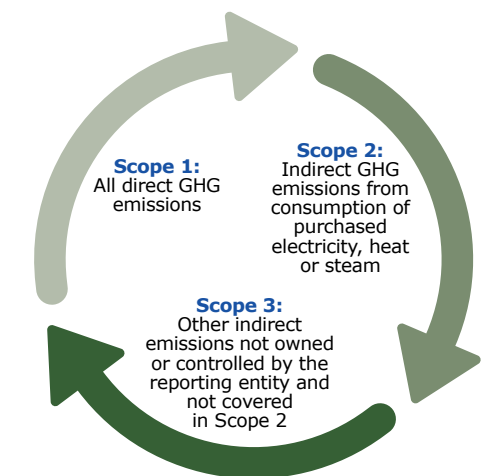
Statement on GHG emissions

We primarily operate in the poultry sector of the agricultural industry. Poultry-raising operations for egg production create GHG emissions tied to mechanical and non-mechanical production sources. Our mechanical emissions sources arise from energy combustion, mobile machinery, stationary machinery such as feed mills, and refrigeration and air conditioning, among others. Our non-mechanical emissions arise from manure management and application, land use and composting, among others. We believe there is opportunity for the agricultural industry, including shell egg operations, to enhance understanding around GHG emissions tied to food production.

We continue our work to inventory and eventually report our GHG emissions. We believe in the value of reporting our emissions as CO₂ equivalents (CO₂e), which is a standard metric for comparing emissions of different GHGs, as guided by the Intergovernmental Panel on Climate Change (IPCC).

We are engaged to establish baselines and gross and density-based GHG targets. We may also consider adopting Science-Based Targets (SBTs). We will look to the Science Based Targets initiative (SBTi) Forest, Land and Agriculture project (FLAG) for guidance that will address gaps for GHG-related standards for companies engaged in agriculture.⁷

GHG Protocol Scope of Emissions

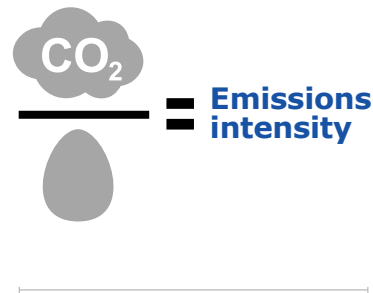


² Cal-Maine Foods leases land to third parties for select agricultural production, including grain operations, cattle grazing and haying, which is an immaterial and non-core business.
³ North American Industry Classification Systems (NAICS). Visited on April 23, 2021. <https://www23.statcan.gc.ca/imdb/pg3VD.pl?Function=getVD&TVD=307532&CVD=307535&CPV=1123&CST=01012017&CLV=1&MLV=5>. We also produce hatching eggs to support the growth of our future flocks.
⁴ United Nations. *International Standard Industrial Classification of All Economic Activities* (ISIC). Rev. 4. New York. 2008. Retrieved on May 27, 2021. https://unstats.un.org/unsd/classifications/Econ/Download/In%20Text/ISIC_Rev_4_publication_English.pdf
⁵ EPA.gov. *Climate Change Indicators: Greenhouse Gases*. Retrieved on May 27, 2021. <https://www.epa.gov/climate-indicators/greenhouse-gases>
⁶ For more information about risk factors for our business, please reference our most recent Form 10-K.

⁷ Science-Based Targets initiative. Retrieved on June 17, 2021. <https://sciencebasedtargets.org/sectors/forest-land-and-agriculture#about-the-sb-ti-flag-project>

Factoring an Intensity Ratio

Intensity ratios express GHG impact per unit. In the case of Cal-Maine Foods, our GHG intensity is tied to finished eggs and egg products.



Statement on our relative GHG impacts

We consider our climate impacts in relation to our responsibility to feed people. We intend to ground our enterprise GHG reduction goal-setting in context with the high-quality protein servings we provide. We also balance potential impacts of GHG generation in the context of preserving water quality, biodiversity and the welfare of animals entrusted to our care, among other considerations. We continue to prioritize the health and safety of our colleagues in any enterprise undertaking, including our GHG-tied efforts.

We believe that poultry raising for the purpose of commercial egg production comprises a relatively low source of global protein-related GHG emissions. The Food and Agricultural Organization (FAO) of the United Nations estimates that chicken supply chains worldwide are responsible for approximate emissions of "...0.6 gigatonnes CO₂e, representing 8 percent of the livestock sector's emissions."⁸

While we believe our operations contribute a small amount of global agricultural GHG emissions, we believe we have opportunities to better understand and lessen our GHG emissions' impact.

Statement on our operations' GHG emissions intensity

In addition to relatively lower global GHG emissions, fresh shell egg production is also associated with a relatively lower emissions intensity. While a combination of factors influence emissions intensity, we believe that our relatively favorable feed conversion ratio is a benefit.

The FAO estimates that fresh shell egg production in the United States creates about 0.47 kilograms of CO₂e per kilogram of product given shell eggs' emissions intensity.⁹

Statement on our feed efficiency

The FAO estimates that, globally, feed production for egg laying hens contributes about "69 percent of emissions" tied to fresh shell egg production.¹⁰ While we recognize that the lifecycle of feed is important for agricultural carbon accounting, we believe that poultry-raising for the purpose of shell egg production is relatively feed efficient. Data also suggests that fresh shell egg production attains about a 25% efficiency ratio, meaning that 25% of protein in animal feed inputs were "effectively converted to animal product,"¹¹ which in our case is fresh shell eggs and egg products.

We remain committed to better understanding the impact of feed production and other factors on our finished eggs and egg products' emissions intensities.

Statement on specialty egg production's GHG impacts

In light of growing customer demand for cage-free eggs, we plan to continue to evaluate closely the continued need to expand and convert our own facilities to increase production of cage-free eggs to meet the anticipated needs of our customers.¹²

We believe that expanded specialty production may increase our enterprise GHG impacts. Research indicates that cage-free housing systems require more heat during colder days and have lower feed efficiencies, among other impacts.

Getting efficient with feed

Feed conversion is a "measure of the efficiency with which an animal converts feed into dozens, usually expressed in terms of kilograms of feed per kilogram of output."¹³

⁸ Greenhouse gas emissions from pig and chicken supply chains. A global lifecycle assessment. Food and Agriculture Organization of the United Nations Animal Production and Health Division. 2013. p. xviii. Retrieved on June 1, 2021. <http://www.fao.org/3/i3460e/i3460e.pdf>

⁹ FAO.org. Emissions intensities. <http://www.fao.org/faostat/en/#data/EI>

¹⁰ Greenhouse gas emissions from pig and chicken supply chains. A global lifecycle assessment. Food and Agriculture Organization of the United Nations Animal Production and Health Division. 2013. p. xviii. Retrieved on June 1, 2021. <http://www.fao.org/3/i3460e/i3460e.pdf>

¹¹ Ourworldindata.org. Meat Production. Retrieved on May 27, 2021. Retrieved on May 27, 2021. <https://ourworldindata.org/grapher/protein-efficiency-of-meat-and-dairy-production>

¹² For more information about our increases in cage-free egg production, please review our most recent Form 10-K.

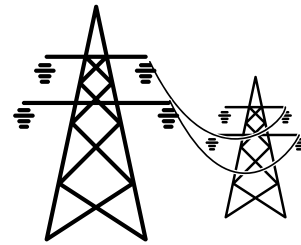
¹³ Greenhouse gas emissions from pig and chicken supply chains: A global lifecycle assessment. Food and Agriculture Organization of the United Nations Animal Production and Health Division. 2013. p. xiv. Retrieved on June 1, 2021. <http://www.fao.org/3/i3460e/i3460e.pdf>

Scaling our commitment to responsible power consumption

Cal-Maine Foods is seeking ways to inventory and manage our power consumption. Our primary power source comprises purchased energy from interconnected networks dedicated to electricity delivery (the grid). We additionally purchase diesel, gasoline and propane fuels that we combust in our operations.

We utilize our grid-sourced electric power to support a range of operations across our enterprise. We use electrical power to maintain ambient temperatures and provide water and food to support the welfare of the chickens entrusted to our care. We consume power in our facilities to capture, wash and process, grade and package our eggs and to maintain our eggs and finished eggs at the ambient temperatures required to store and transport food safely. We rely primarily on electrical power to maintain and upgrade our facilities to help promote our workers' health and safety and to enhance efficiency at our farms and at our administrative, distribution and other facilities. We also rely on electric power to help manage manure removal, support the maintenance of our fleet and drive operational resilience.

We combust gasoline and diesel to deliver fresh shell eggs and egg products to customers, collect eggs from contract farmers and deliver feed to our facilities, among other operations. We use gasoline and diesel in our administrative, sales and marketing operations and our farms use gasoline and diesel to operate rolling stock. We consume fuel in the normal course of facility maintenance and in the refurbishment and replacement of our animal housing facilities, processing plants and other facilities, among other uses. We rely on diesel and propane to operate secondary power sources, or generators, in the rare instances in which our primary power source, which is electricity, may become unavailable. We are evaluating the methods to report our power consumption and anticipate reporting our progress in future sustainability updates.



We are committed to understand and inventory our power sources and develop goals tied to future power management.

Statement on our GHG minimization efforts

Cal-Maine Foods remains committed to minimizing our GHG footprint. As opportunities have allowed, we have converted our lighting from incandescent and fluorescent to LED. We have converted some of our open-flame boilers to tankless heating systems and have upgraded our processing equipment to be more efficient. We have additionally invested in our fleet management program to help streamline our routes, employ lighter-weight and more fuel-efficient vehicles and engage with our drivers to reduce idling, or down time, during their hours of operation. We will continue to look for opportunities to enhance enterprise GHG efficiencies.

Scaling our commitment to land use stewardship

We recognize that our operations have diverse ecological impacts. As of each of fiscal year-ends 2018, 2019 and 2020, we managed approximately 27.3, 27.5 and 28.4 thousand acres of land, respectively. We have continued to grow our operations, largely driven by acquisitions of other companies that primarily operate in the poultry-raising sector. Since 1989, we have completed 23 acquisitions ranging in size from 160 thousand layers to 7.5 million layers largely driven by acquisitions.¹⁴

While we have primarily grown by acquisition of existing operations, we have also growth through greenfield opportunities as well as conversion opportunities that may help us enhance our ability to meet our customers' needs for high-quality egg choices. We remain committed to responsible land use stewardship that aligns to our growth profile and helps meet the needs of our customers.

While we have primarily grown by acquisition of existing operations, we also consider greenfield opportunities as well as conversion opportunities that help us enhance our ability to meet our customers' needs for high-quality egg choices.

¹⁴ For more information about our acquisition history, please review our most recent Form 10-K.

Statement on land use impacts

We remain committed to deepening our understanding of our land use impacts, including the effects of animal litter and manure we generate in the course of producing eggs and egg products from facilities that implement nutrient management plans. We also expect that our contract growers will continue to comply with their nutrient management plans and permitting provisions, as may be applicable.

We currently do not report on the amount of animal litter and manure generated in our operations and are examining the best methods to use for reporting in the future.

Statement on CAFOs

In each of fiscal years 2018, 2019 and 2020, 100%, or all, of our owned fresh shell egg production operations were CAFOs and produced 793.2, 794.1 and 846.5 million dozen eggs, respectively. This production does not include eggs produced by our contract growers, purchased from outside suppliers or eggs sold as breaking products and byproducts.

Animal feeding operations that meet the regulatory definition of a CAFO may be regulated in accordance with the EPA's NPDES permitting requirements. A key element of NPDES permitting is a compliant nutrient management plan (NMP). According to the EPA, "...an NMP is predicated on the use of manure as a source of nutrients for a crop."¹⁵ The EPA also notes that, "Manure contains many useful, recyclable components, including nutrients, organic matter, solids, energy, and fiber.... manure can be used more efficiently and in more ways than ever, which should mitigate many of the environmental impacts that result when manure is treated as a waste."¹⁶

Our operations generate wet, dry and slurry manure, which we either land apply as a nutrient-rich fertilizer or transfer to third parties for land application for beneficial reuse. In cases in which we land apply our manure, we do so in strict compliance with our NPDES permitting and at the agronomical rates appropriate for each location.

In cases where our manure, litter or process wastewater is sold or otherwise transferred, we follow robust protocols and best management practices pursuant to binding agreements and permitting requirements. We expect that parties who receive our manure will utilize recognized best management practices, including application at agronomic rates, monitoring setbacks and maintenance of properly calibrated equipment, among others, and comply with all applicable laws and regulations tied to their land applications of our manure products as fertilizer.

We believe that our responsible oversight and deployment of NMPs on our farms help us minimize the land use and ecological impacts.

The agronomic rate is designed to provide the amount of nitrogen needed by the food crop, feed crop, fiber crop, cover crop or vegetation grown on the land, among other purposes.

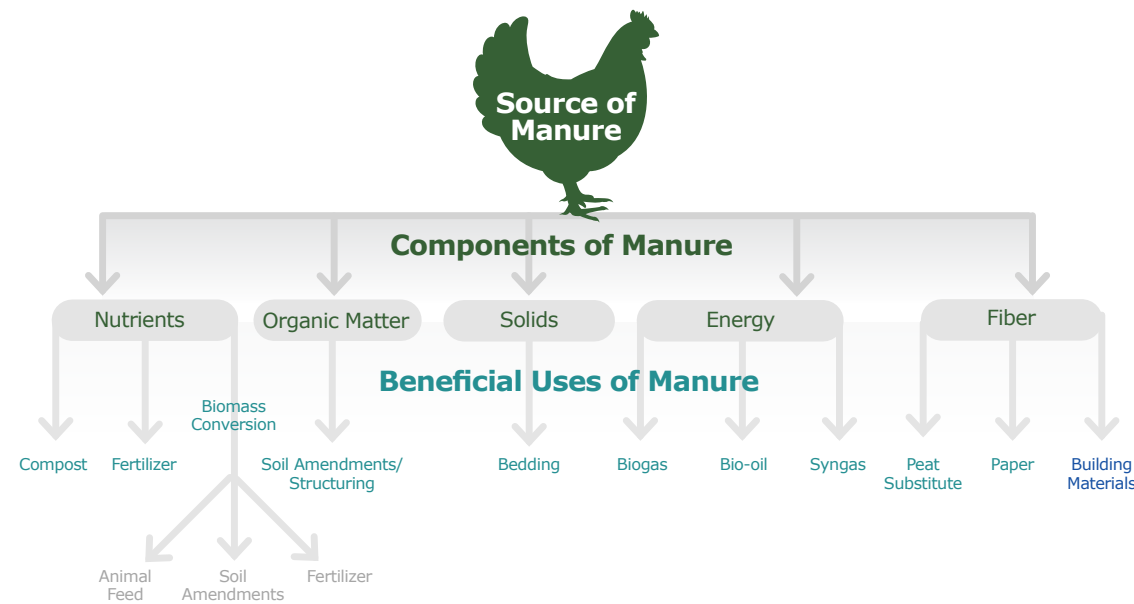
Our NMPs govern process wastewater, which includes any water that contacts any raw materials, products, or byproducts, including manure, litter, feed or eggs.



¹⁵ NPDES Permit Writers' Manual for CAFOs. Chapter Six. Retrieved on June 9, 2021. https://www3.epa.gov/npdes/pubs/cao_permitmanual_chapter6.pdf
¹⁶ EPA.gov. National Pollutant Discharge Elimination System (NPDES). Retrieved on June 10, 2021. <https://www.epa.gov/npdes/animal-feeding-operations-uses-manure>

The Beneficial Uses of Manure and Environmental Protection

The value of manure is found in its nutrients, organic matter, solids, energy potential and fiber. A variety of products and byproducts can be generated using manure. Its constituents can be used as a resource for crop production, improvement of soil quality and other purposes, while leading to water quality improvements.¹⁷



Each of our NMPs is developed in accordance with the USDA Natural Resources Conservation Service (NRCS), which provides generally applicable criteria for management of “nitrogen, phosphorus, and potassium that considers the crop requirements and all potential sources of nutrients, including animal manure, compost, wastewater, organic matter and soil nutrient availability, removal of crop materials and irrigation water, among others.¹⁸ For our owned operations, Cal-Maine Foods maintains each facility’s NMP on a nearly real-time basis. This information helps us determine the formula for nutrient application, dashboards the results of nutrient additions after each application event and provides status updates against the nutrient management parameters pursuant to each location’s NMP. We believe we meet or exceed the nine minimum requirements of nutrient management for permitted CAFOs in each jurisdiction in which our owned operations operate.

EPA’s Nine Minimum Requirements of Nutrient Management for Permitted CAFOs*



1. Ensuring adequate storage of manure, including procedures to ensure proper operation and management of the storage facility.



2. Managing mortalities to ensure that they are not disposed of in a liquid manure, stormwater or process wastewater storage or treatment system that is not specifically designed to treat animal mortalities.



3. Ensuring that clean water is diverted, as appropriate, from the production area.



4. Preventing direct contact of confined animals with waters of the U.S.



5. Ensuring that chemicals and other contaminants handled on-site are not disposed of in any manure, litter, process wastewater or stormwater storage or treatment system unless specifically designed to treat such chemicals and other contaminants.



6. Identifying appropriate, site-specific conservation practices to be implemented, including as appropriate buffers or equivalent practices, that control runoff of pollutants to waters of the U.S.



7. Identifying protocols for appropriate testing of manure, litter, process wastewater and soil.



8. Establishing protocols to land apply manure, litter or process wastewater in accordance with site-specific nutrient management practices that ensure appropriate agricultural utilization of the nutrients in the manure, litter or process wastewater.



9. Identifying specific records that will be maintained to document the implementation and management of the minimum elements described above.

* NPDES Permit Writers’ Manual for CAFOs. Chapter Five. Retrieved on June 9, 2021.

¹⁷ EPA.gov. *Beneficial Uses of Manure and Environmental Protection*. Retrieved on June 10, 2021. https://www.epa.gov/sites/production/files/2015-08/documents/beneficial_uses_of_manure_final_aug2015_1.pdf

¹⁸ NRCS at the USDA. *Nutrient Management. Code 590*. Retrieved on June 9, 2021. https://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb1192371.pdf

Our goal is to continue to provide sustainable protein choices that help feed a growing global population.

Scaling our commitment to minimize deforestation and preserve biodiversity

We understand the growing global concern around deforestation and biodiversity impacts tied to agriculture. Our goal is to continue to provide sustainable protein choices that help feed a growing global population even as we seek to minimize deforestation and preserve biodiversity.

Statement on animal feed sourcing

We operate in an industry in which finished feed comprises a substantial input necessary to produce high-quality fresh shell eggs and egg products and support the sustainability of our animal welfare program. Feed is a primary expense component in the production of shell eggs and egg products and represented 55.4% of our costs in fiscal 2020. We manufacture substantially all of our feed and in fiscal year 2020, required 1.7 million tons of finished feed to support the health and quality of our flock.¹⁹

We purchase most of our primary feed ingredients, mainly corn and soybean meal, from others. We recognize that, globally, the clearcutting of forests to provide animal feed presents a risk of deforestation and biodiversity loss. Given our feed-sourcing practices, we believe that the vast majority of our feed point of origin is the U.S., a jurisdiction with strong regulatory oversight over potential deforestation risks.

Carbohydrates are essential as an energy source for poultry. “Corn, grain, sorghum, wheat and barley contribute most of the carbohydrates to poultry diets.”²⁰ We rely on corn, among other ingredients, to support the carbohydrate needs of birds in our flock as is appropriate for each stage of life. In a typical layer hen’s diet, corn represents approximately 55% - 65% of finished feed inputs, which we customize to the type of desired egg production.

Protein is also an essential component of our finished feed ingredients. Soybeans offer high-quality vegetable protein and are used globally in animal feed production. In a typical layer hen’s diet, soybean meal represents approximately 20% - 30% of the finished feed inputs, which we customize to the type of desired egg production.

We recognize the potential risks associated with soy sourcing that may contribute to deforestation and biodiversity impacts around the world and continue to consider how to optimize our procurement practices. We anticipate reporting about our soy engagement, monitoring and tracing efforts in future sustainability updates.

Statement on bioengineered organisms and biodiversity

The World Health Organization (WHO) defines genetically modified organisms (GMOs) as those plants, animals or microorganisms in which the genetic material (DNA) has been altered in a way that does not occur naturally by mating and/or natural recombination.”²² We recognize the concerns around the rise in utilization of genetically modified organisms as potential risks as outlined by the WHO, including the risks to global biodiversity. Cal-Maine Foods does not produce or sell genetically modified, or bioengineered, eggs or egg products as defined by the WHO and as identified by the USDA in the United States.

The USDA Food Disclosure Standard defines bioengineered foods as “those that contain detectable genetic material that has been modified through certain lab techniques and cannot be created through conventional breeding or found in nature.”²³ The USDA AMS maintains the List of Bioengineered Foods (BE Foods) to “identify the crops or foods that are available in a bioengineered form throughout the world and for which regulated entities must maintain records.”²⁴ Fresh shell eggs and egg products are not defined as BE Foods by the USDA and we are not a regulated entity under the scope of the Food Disclosure Standard.

The FDA notes that, “More than 95% of animals used for meat and dairy in the United States eat GMO crops. Independent studies show that there is no difference in how GMO and non-GMO foods affect the health and safety of animals.... Similarly, the DNA from GMO animal food does not make it into the meat, eggs, or milk from the animal. Research shows that foods like eggs, dairy products, and meat that come from animals that eat GMO food are equal in nutritional value, safety, and quality to foods made from animals that eat only non-GMO food.”²⁵



Zea mays, commonly known as corn, is a primary driver of helping feed Americans. According to the USDA, corn is the most widely produced feed grain in the United States.²¹



Glycine max, commonly known as soybean, soja bean or soya bean, is a source of high-quality vegetable protein in animal feed worldwide.

¹⁹ For more information about our feed and expense risk factors, please reference our most recent form 10-K.
²⁰ National Academies of Sciences, Engineering, Medicine. *Nutrient Requirements of Poultry: Ninth Revised Edition, 1994.*

²¹ USDA Economic Research Service. Retrieved on June 11, 2021. <https://www.ers.usda.gov/topics/crops/corn-and-other-feedgrains/>
²² WHO.org. Retrieved on June 14, 2021. <https://www.who.int/news-room/q-a-detail/food-genetically-modified>
²³ USDA. BE Disclosure. Retrieved on June 14, 2021. <https://www.ams.usda.gov/rules-regulations/be>
²⁴ USDA. List of Bioengineered Foods. <https://www.ams.usda.gov/rules-regulations/be/bioengineered-foods-list>
²⁵ FDA. *GMO Crops, Animal Food, and Beyond*. Retrieved on June 14, 2021. <https://www.fda.gov/food/agricultural-biotechnology/gmo-crops-animal-food-and-beyond>



The FDA notes that eggs that come from animals that eat GMO food are equal in nutritional value, safety and quality to foods made from animals that eat only non-GMO food.

We believe that our finished feed products help our layer hens produce safe, high-quality, affordable and nutritious eggs. Given our commitment to provide protein choices, we balance our feed procurement practices against our mission to support the variety of consumer preferences for select specialty shell eggs. Where our consumers prefer eggs that are produced without GMO feed, we strive to meet their needs. For example, our Egg-Land's Best® and Farmhouse Eggs® organic brands are certified by USDA-accredited certifying agents. To meet USDA organic regulations, "farmers and processors must show they aren't using GMOs and that they are protecting their products from contact with prohibited substances, such as GMOs, from farm to table."²⁶ We remain committed to complying with our certifying bodies' standards as it applies to the exclusion of GMO inputs from products marketed as organic.

Scaling our commitment to water management

We believe that access to clean water to support the health and well-being of people is a human right. Cal-Maine Foods is committed to responsible stewardship of water, which is an essential natural resource. We continue to evolve our water management practices, including withdrawals, discharges and disappearances that comprise our blue, green and gray water footprints. We are currently engaged with a third party to deploy operational innovations that will help us measure our water usage. We anticipate reporting additional information about our water management practices, including withdrawals in regions of stress, in future sustainability updates.

Cal-Maine Foods is committed to evolve our understanding and management of our blue, green and gray water footprints in alignment with guidance from leading scientists and our poultry-raising experience.²⁷



The blue water footprint refers to consumption of blue water resources (surface and groundwater) along the supply chain of a product. Consumption refers to loss of water from the available ground-surface water body in a catchment area. Losses occur when water evaporates, returns to another catchment area or the sea or is incorporated into a product.



The green water footprint refers to consumption of green water resources such as rainwater insofar as it does not become run off.



The gray water footprint refers to pollution and is defined as the volume of fresh water that is required to assimilate the load of pollutants given natural background concentrations and existing ambient water quality standards.



To meet USDA organic regulations, the feed we provide our hens that produce certified organic finished eggs must be GMO-free. We market our organic products under the Egg-Land's Best®, Farmhouse® and other brands.

Statement on palm oil sourcing

We have no known exposure to palm oil in our value chain and have no palm-oil associated deforestation and biodiversity risks. We continue to remain vigilant against any risks tied to palm oil that may enter our value chain as it may relate to our finished feed.

²⁶ USDA. Organic 101: Can GMOs be Used in Organic Products? June 14, 2021. <https://www.usda.gov/media/blog/2013/05/17/organic-101-can-gmos-be-used-organic-products>

²⁷ UNESCO-IHE Institute for Water Education. *The Green, Blue and Grey Water Footprint Of Farm Animals and Animal Products Volume 1: Main Report* M.M. Mekonnen and A.Y. Hoekstra. December 2010. Value Of Water Research Report Series No. 48. Retrieved on June 16, 2021. [https://waterfootprint.org/media/downloads/Rend's Land'sreport-48-WaterFootprint-AnimalProducts-Vol1.pdf](https://waterfootprint.org/media/downloads/Rend's%20Land'sreport-48-WaterFootprint-AnimalProducts-Vol1.pdf)



Scaling our commitment to blue water management

All of our operations are located in the United States, where our owned farms, contract growers and egg suppliers engage in blue water withdrawal and usage under strong regulatory oversight.

Our owned operations engage in blue water withdrawal primarily to:

- Promote the health of animals in our care;
- Wash and process our shell eggs;
- Clean our egg processing facilities, feed mills, distribution and administrative offices;
- Advance our biosecurity measures, including disinfection of vehicles that may enter our biosecure locations;
- Provide potable sources for human consumption and provide for sanitation needs across the enterprise;
- Maintain our physical plant, property and equipment and irrigate our grounds;
- Maintain our rolling stock;
- Clean our animal housing systems
- Maintain appropriate ambient temperatures in our housing systems that promote our animals' welfare.

We also monitor groundwater quality at applicable locations. For example, at USDA-regulated sites, which are primarily our egg processing facilities, we test for coliform and iron and send two water samples annually for testing in compliance with regulatory expectations.

We expect our contract growers to engage in water management practices consistent with federal, state and local regulations in areas in which they operate. Each of our contract farmers is expected to be permitted to the farming operation's needs. As with our owned operations, we continue to evaluate how we may assist our growers in measuring their water withdrawal practices and uses tied to egg production.

We have enhanced our efforts to minimize our owned operations' blue water withdrawals, including technological investment tied to prevention and detection of water leaks in our watering systems. We are mindful of equipment design, selection and deployment practices that help us minimize freshwater disappearance.

Statement on water recycling

We recycle our shell egg-washing water and continue to evaluate how we may improve our shell egg washing operations' efficiency to capture, recycle and transfer the blue water we withdraw for this purpose. Egg washing at our facilities helps maintain the safety and quality of our fresh shell eggs. USDA-graded eggs must be washed at the processing plant in accordance with FDA-approved guidelines.

We also recycle precipitation that accumulates in our impoundments to help move waste from our housing systems to collection tanks, and ultimately, retention control structures (RCSs) for future application as beneficial fertilizer on our owned farms or third-party operations.

Statement on water recirculation to drive our animals' welfare

Across our enterprise, Cal-Maine Foods has invested in evaporative cooling technology, which utilizes recirculated water, to help maintain appropriate temperatures in our pullet and laying hens' housing facilities. We believe that evaporative cooling represents a relatively energy-efficient source of ambient temperature control, which we largely rely on across the enterprise.

Egg washing at our facilities helps maintain the safety and quality of our fresh shell eggs. USDA-graded eggs must be washed at the processing plant in accordance with FDA-approved guidelines.

Evaporative cooling uses heat from the air to vaporize water, which results in reduced air temperatures and increased humidity.

Evaporative cooling uses heat from the air to vaporize water, which results in reduced air temperatures and increased humidity. Our closed cooling systems, which largely rely on recirculating water with pad technology, use plumbing systems, including sump and pumps, to reuse water withdrawn from our on-site wells and in select circumstances, municipal water systems.

While some of the recirculated water is lost to evaporation, we believe that this cooling method represents a relatively water-efficient choice to provide for our animals' welfare. Other cooling systems employ mister systems, which are more inefficient given the water lost and given that chicken feathers insulate the birds from much of the cooling effects of the mist. Additionally, mister systems increase moisture levels in the house and on the litter. We only employ mister systems in select housing situations in extreme temperatures and only to preserve our animals' welfare.

Scaling our commitment to green water management

We primarily rely on withdrawn blue water and finished feed to support the health and well-being of our flocks and do not primarily engage in green water consumption.²⁸ We recognize that green water consumption support inputs tied to our feed and fibers that carton and package our finished eggs, among other green water consumptive uses in our value chain.

Scaling our commitment to gray water management

We generate wastewater in the course of operations, the bulk of which is captured and either applied onsite or transferred offsite for land application and beneficial use.

The EPA defines process wastewater for CAFO operations as "water directly or indirectly used in the operation for the animal feeding operation for any or all of the following: spillage or overflow from animal or poultry watering systems; washing, cleaning, or flushing pens, barns, manure pits, or other AFO facilities; direct contact swimming, washing, or spray cooling of animals; or dust control. Process wastewater also includes any water that contacts any raw materials, products, or byproducts, including manure, litter, feed, milk, eggs, or bedding."²⁹

Our operations apply and transfer wastewater, most of which is tied to nutrient management plans for our permitted operations, and all, or 100%, is regulated by applicable authorities. This applied and transferred wastewater is intended for future beneficial reuse of nutrients as fertilizer. We also generate domestic wastewater, which is managed by municipal or our owned operations' treatment or septic systems.

As part of our NPDES permitting at applicable locations, we drive compliance with water safety and discharge measures, particularly as it relates to our manure management systems. We engage in the storage of gray water, or process wastewater, in RCSs, or impoundments, at select locations. We design our RCSs and other storage facilities to contain manure, litter and process wastewater accumulated during the storage period and consider the precipitation from the 25-year, 24-hour storm and diverting runoff in our production area from this extreme storm event, among other factors. We also design and maintain our RCSs with consideration for the residual solids left when liquid has been removed. In each of fiscal years 2018, 2019 and 2020, Cal-Maine Foods had no material instances of wastewater discharges that would require disclosure pursuant to Regulation S-K Item 103 as adopted by the Securities and Exchange Commission.

We track the process wastewater we generate tied to shell egg and egg products' in our owned operations. In each of fiscal years 2018, 2019 and 2020, we generated wastewater that we applied to our owned farms in accordance with our NMPs or transferred to third parties for their own beneficial applications. Given the nature of our operations, we believe the net amount of process wastewater we generate from our direct operations is relatively consistent. However, we cannot control or estimate precipitation levels or their effects on our RCSs. The gross amount of wastewater we generate is largely tied to precipitation and may fluctuate substantially year to year. We are evaluating how to measure and report our wastewater generation. We believe for our owned operations that will be in the context of the eggs we produce.

The 25-year, 24-hour rainfall event.

The 25-year, 24-hour rainfall event is the mean precipitation event with a probable recurrence interval of once in 25 years, as defined by the National Weather Service in Technical Paper No. 40, "Rainfall Frequency Atlas of the United States," May, 1961, or equivalent regional or state rainfall probability information developed from this source.³⁰



²⁸ Cal-Maine Foods leases land to third parties for select agricultural production, including grain operations, cattle grazing and haying, which is an immaterial and non-core business. These operations may consume green water for their production practices.
²⁹ EPA.gov. U.S. EPA Interim Revised NPDES Inspection Manual. 2017. Retrieved on June 15, 2021. <https://www.epa.gov/sites/production/files/2017-03/documents/npdesinspect-chapter-15.pdf>

³⁰ University of Illinois Extension. https://web.extension.illinois.edu/ezregs/ezregs.cfm?section=viewregs_byq&QuestionID=8&searchTerm=&ProfileID=5

Our gray water management practices include Stormwater Pollution Prevention Plans (SWPPs) in select facilities to help ensure that hens, their feed and manure do not come into contact with rainwater, or if they do, that the resulting stormwater is properly contained, prevented from discharging and land applied in accordance with applicable federal Clean Water Act requirements. Our stormwater permits set baselines for discharges that are monitored for compliance, typically annually, and are governed by the terms of each location's NMP.

We maintain robust protocols at each location in which we feed our flocks to help minimize any feed contact with exposure to rainwater. We conduct daily visual checks to collect and properly dispose of any feed that may have become exposed. We are also vigilant during manure removals from our housing systems to minimize contact with stormwater.

We continue to consider alternatives to manage our process wastewater, including anaerobic digesters, which would help us treat and manage wastewater and produce biogas, or biomethane, among other benefits. We consider these alternatives in the context of our duty to be responsible stewards of our capital, manage our land use impacts and execute against our enterprise strategic initiatives.

Scaling our commitment to minimize waste

Cal-Maine Foods is committed to improve management of waste in our value chain. We believe we have opportunities to continue to reduce waste tied to how we package and transport our products, source the upstream inputs required to preserve the safety and quality of our food and provide administrative, marketing and sales support for farming operations. We are engaged to inventory our waste to help drive efficiencies and augment our sustainability efforts. The scope of our waste management focus extends across our enterprise.

We continue to make progress against our waste tracking and management goals. For example, we track hatchery waste at each of our two hatchery locations. We have reduced the amount of shrink

wrap we use to prepare our eggs for transportation in recent fiscal years and continue to deploy reusable baskets, racks and containers to pack, ship and display individual cartons of eggs, which helps displace non-reusable solutions such as cardboard. We continue to enhance our commitment to use sustainably produced cardboard packaging certified by the Sustainable Forestry Initiative, where possible. We additionally divert material from landfills by repurposing breaker eggshells from select facilities into our nutrient management plans for future beneficial land application.

Statement on finished egg cartons

Cal-Maine Foods has been engaged to reduce waste tied to how we finish and transport our products. Our finished eggs are those that are packed and transported to our customers in cartons and other forms of protection. We partner with our retail customers to satisfy their carton preferences for the varieties of eggs we offer, including quantity choices, in ways that uphold our food safety protocols and help ensure that consumers enjoy safe and high-quality products. We carton our eggs with an eye toward food quality and safety, the mode of egg transport, the distance the eggs need to travel, climate conditions and expense, among other factors.

Cartons purchased by retail customers may hold six, 12, 18, 30, two dozen or five dozen eggs, among other quantities. Cartons are also sized to accommodate the grade of the egg. (For more information about egg weight and sizing, please review *Sizing up the Situation: What Egg Sizes Mean.*)

Egg cartons are typically manufactured from pulp, polystyrene (foam) or extruded polyethylene terephthalate (PET), which is commonly called plastic. We do not believe that we use cartons that contain substances of concern that would migrate and impact the health and well-being of those who consume our finished eggs.³²



The Sustainable Forestry Initiative (SFI) is an "independent, nonprofit organization that collaborates on solutions for local and global sustainability challenges."³¹

³¹ Sustainable Forestry Initiative. <https://www.forests.org/>

³² We believe the risks of migration of substances of concern from egg cartons to our shell eggs is *de minimis* assuming that the products are stored and handled in accordance with our labeling instructions. For more information about our products labeling, please review our *Statement on our specialty egg labeling*.

We work with our retail customers to carton the varieties of eggs we offer, including quantity choices, in ways that uphold our food safety protocols and help ensure that consumers enjoy safe and high-quality products.

We provide Farmhouse Eggs® cage-free brown egg choices in pulp cartons, among other offerings.



We provide Sunups® conventional white eggs in foam cartons, among other offerings.

We provide Egg-Land's Best® cage-free, nutritionally enhanced brown eggs in plastic cartons, among other offerings.



Pulp egg cartons are typically manufactured from a mix of paper, some of which may be reclaimed and biodegradable fiber, cardboard and other materials. Pulp cartons may also be recycled into other materials. Many of our customers select pulp egg cartons based on price and the ease with which pulp cartons may be recycled by consumers. In each of fiscal years 2018, 2019 and 2020, we produced conventional and specialty eggs that we finished and marketed in pulp cartons.

Foam cartons are typically manufactured from polystyrene. In some cases, our retail customers prefer foam cartons to help preserve a cold chain from the time the eggs are packed to the point of consumption and to help provide additional product protection. We recognize the challenges that consumers may encounter when they attempt to recycle foam cartons. However, we continue to see broader availability of recycling options for polystyrene in communities and continue to work to better manage this type of carton waste in our value chain. In each of fiscal years 2018, 2019 and 2020, we produced conventional and specialty eggs that we finished and marketed in polystyrene cartons.

Plastic cartons are typically manufactured from PET, which is designed to be lightweight for transport and offer superior egg protection. We market Egg-Land's Best®, among other egg offerings, in plastic cartons, which we believe are commonly accepted in

municipal waste recycling programs as #1 plastic. In each of fiscal years 2018, 2019 and 2020, we produced conventional, nutritionally enhanced brown, cage-free brown and free-range brown eggs that we finished and marketed in plastic cartons.

Statement on reusable packaging solutions

We uphold the highest standards of food safety and quality in our packaging program. We strive to finish, store and transport our products with solutions that protect our shell eggs and egg products, minimize food waste and help us optimize packaging materials. We have continued to drive adoption of packaging solutions that help us minimize waste.

Reusable packaging plays a large role in meeting our waste objectives. We continue to increase our use of reusable packaging, including baskets, racks and containers in our egg sales, which helps us reduce the amount of paper, cardboard and fiber in our value chain. Reusable packaging also helps reduce food waste due to its ability to add a layer of more rigid protection and to help maintain appropriate ambient temperatures.

Between fiscal years 2018 and 2020, we increased our dozens sold in reusable packaging by approximately seven percent. We estimate that this reduction in non-reusable packaging such as cardboard helped us save more than 795,224 trees, cumulatively, and avoided the loss of more than 571 acres of forest clearcutting, among other benefits.³³



Egg cartons that are labelled as #1 PETE are among the most commonly recycled plastics while egg filler flats are typically made from reclaimed fibers and are recyclable and compostable.



Reusable packaging, such as the blue trays featured, helps us store and deliver our products safely and minimize waste.

³³ The EPA estimates that Americans can save between 15 and 17, or on average 16, mature trees by avoiding the creation of or recycling one ton of paper waste. We estimate that pine stand clearcutting generates roughly 80-105 tons of timber per acre, with an average clearcutting producing 87 tons of timber. We estimate the tons of corrugated cardboard avoided based on our excluded volumes of FDA-compliant corrugated cardboard containers that hold 30 dozen eggs. We assume that each ton of paper not produced saves approximately 682.5 gallons of oil and saves approximately 7,000.6 gallons of water. EPA.gov. Retrieved on June 18, 2021. <https://archive.epa.gov/epawaste/conservation/smm/wastewise/web/html/factoid.html>
The World Counts. Retrieved on June 18, 201. <https://www.theworldcounts.com/stories/Paper-Waste-Facts>

Our investment in reusable packaging solutions between fiscal years 2018 and 2020 helped us save more than 795,224 trees and helped preserve 571 timber acres from clearcutting. We additionally saved 347 million gallons of water and avoided using 33 million gallons of oil.

SAVED 795,224+ trees and 571 timber acres

SAVED 347 million gallons of water

AVOIDED USING 33 million gallons of oil

Statement on minimizing feed waste

We have continued to work to reduce our feed spoilage and waste, which includes a focus on more efficient grain transportation and delivery, handling, processing and provision of finished feed to animals in our care. We perform routine inspections of feeding equipment and continually consider ways in which to calibrate our feeding systems to reduce our feed waste, which helps drive expense efficiencies and helps us produce eggs more sustainably. We also expect our contract growers to be responsible stewards of the finished feed that we supply to support their operations.

Statement on minimizing egg waste

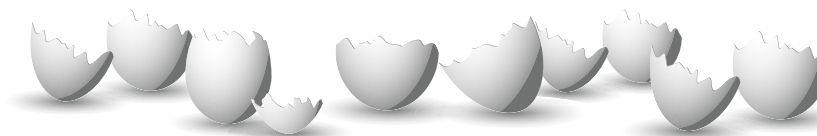
As farmers, we understand the importance of minimizing shell egg waste given our mission to help feed people sustainably. We believe our flocks' nutrition programs and our egg processing protocols help drive higher shell egg quality even as we minimize loss and waste in processing and finishing. Our nutrition programs, which include optimized calcium rations for each stage of life, help our layer hens produce strong eggshell structures that help us avoid loss. We additionally focus on optimizing our breeder hens' diets to drive higher chick livability ratios and minimize unhatched waste.

Driving egg-related waste out of our processing operations is also important for our profitability. At each of our locations that produce or process eggs, our management teams develop efficiency goals against which to score egg waste performance with incentives that align to expected outcomes. In cases in which our processing protocols exclude shell eggs from finishing based on size, shell quality or other indicators, we are largely able to reserve those eggs for breaking as future egg products. While we primarily intend to produce eggs that are finished and graded, our ability to repurpose otherwise excluded shell eggs drives down our waste and powers our sustainability goals.

In 1951, the first commercial egg-breaking machine was introduced and helped drive egg products' market growth. More than 100 years later, we continue to look to technology to help us capture and process more of our layer flock's production. At our Texas Egg Products' facility in Waelder, Texas, we package and sell pasteurized egg products to commercial food accounts, which include bakeries, ice cream manufacturers and food brokers, among others. We additionally capture value by repurposing eggshells for plant fertilizer.

In our Waelder breaking operation, when we increased our egg-breaking output, we needed additional conveyor capacity to divert crushed shells from the breaking machine to containers for future marketing and sales. In partnership with our design consultants, we tested multiple samples to determine the eggshells' bulk densities and determined we needed to support between 26 and 29 pounds of cubic feet of eggshell density and required conveyor system capacity of 156 cubic feet per operational hour. With input and assistance from our engineers, we designed and manufactured a food-quality-appropriate, stainless steel screw conveyor with built-in sanitation to help support routine cleaning—and the harvest and processing of even more eggshells in our waste-diversion efforts.

We continue to look to technology to help us capture and process more of our layer flock's production.



Powered by enhanced technology, our egg breaking operations help us pasteurize the liquid from our fresh shell eggs and capture more value from our flock production.

Cal-Maine Foods has long been committed to a culture of continuous improvement.

Statement on managing mortalities, chemicals and hazardous waste

Cal-Maine Foods is committed to the safe transport, handling, storage and disposal or treatment of waste and byproducts in our value chain. Our CAFO permitting requires us to demonstrate our contingency plans for emergency situations. Our mortalities are handled in such a way as to prevent the discharge of pollutants to surface water and in accordance with applicable regulations. We align with our regulatory requirements regarding processes to identify chemicals used on site and drive compliant disposal methods.

Our operations use and store materials defined as Tier II hazardous waste by the EPA, which includes fuel and other substances. We are required to comply with all applicable laws and regulations tied to potential spills of hazardous waste, toxins or other pollutants. Our handling procedures and storage for these materials are outlined in each of our applicable facilities' NMPs and include procedures for spill remediation, including clean-up and documentation of actions taken. Our Spill Prevention and Control (SPCC) plans govern our compliance efforts tied to secondary containment, proper operation requirements, emergency contacts, recordkeeping, and emergency response training. We additionally are required to comply with emergency notification protocols and maintain documentation that would support any instance in which we need to engage with regulatory and other authorities in the course of Tier II reporting.

Scaling our commitment to enterprise environmental management

We are committed to a culture of continuous improvement in support of our mission to serve as the most reliable and sustainable provider of fresh shell eggs in the United States. To help drive our environmental management goals, we monitor operational performance and colleague training and customer product requirements. We also maintain standard operating procedures across

the enterprise and host third-party audits and inspections of our land application areas, our RCSs and storage locations, and our processing facilities and feed mills, among others. We develop and continue to refine our environmental protocols with the guidance and supervision of industry-leading agricultural engineers. We continually evaluate our protocols to help drive our business operations and meet or exceed our regulators' expectations.

We rely on the data that we collect and maintain to help us deploy operations' environmental planning and practices. In support of our data-driven business planning, our senior management team engages and reviews our enterprise environmental data frequently. Cal-Maine Foods centralized our enterprise environmental data in a dashboard-style platform beginning in 2014 and we continue to enhance the scope of our data management.

Statement on air quality

Our operations are domiciled solely in the United States, a jurisdiction with strong regulatory oversight of air quality, which is overseen at the federal level by the EPA and by individual state environmental regulatory bodies in addition to applicable local governing authorities. We are required to comply with applicable federal, state and local air-quality emissions guidelines. Select feed mill operations, among others, are subject to state oversight of air-quality emissions. Our fleet operations are also subject to air-quality emissions oversight.

We maintain protocols to address any instances of odor complaints that may arise. In each of fiscal years 2018, 2019 and 2020, we experienced no notable controversies tied to air-quality emissions' compliance or odor complaints.

Statement on notable environmental controversies

In each of fiscal years 2018, 2019 and 2020, we experienced no material environmental controversies tied to our enterprise operations. We report any material controversies, including fines or penalties assessed, in our Forms 10-K.³⁴

We rely on the data that we collect and maintain to help us deploy environmental planning and practices.

³⁴ For more information about risk factors related to our business, please reference our most recent Form 10-K

Cal-Maine Foods is committed to improve our enterprise fleet fuel economy and achieve logistical efficiencies that help us better serve our customers.

Statement on our enterprise fleet operations

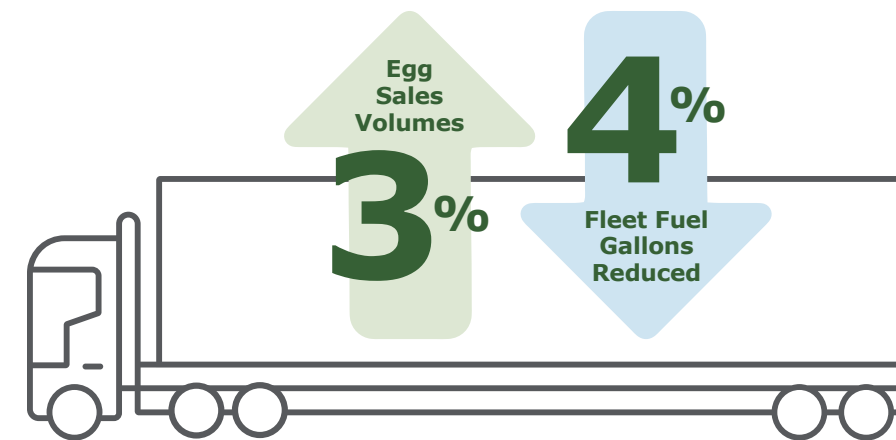
Cal-Maine Foods is committed to improve our enterprise fleet fuel economy helps us serve our customers better and achieve expense efficiencies. Our top priority is the health and safety of our colleagues and those with whom we share the roadways. Our fleet professionals are engaged to deliver against this priority.

Our colleagues transport grain to our owned and contract farmers' operations to feed the animals in our care. Our drivers transport our animals, when necessary, in time-efficient and climate-appropriate conditions to support our animal welfare protocols. Our colleagues operate vehicles to collect, transport and deliver our eggs and egg products, including finished eggs destined for our customers and those quantities we donate to help alleviate hunger in the communities in which we operate. On the farms, our colleagues use rolling stock to maintain and manage our properties, housing systems and processing plants. Our colleagues use our vehicles to support our marketing, sales and administrative efforts, which includes engagements with our retail customers to help them provide their own customers with high-quality, affordable egg products. These are the primary, but not exhaustive, uses of rolling stock.

Our fleet maintenance professionals help ensure that our vehicles are maintained and operated safely to protect our colleagues and those with whom we share the roadways. Where possible, we strive to maintain hub operations close to the markets we serve, which helps us provide egg choices that meet our customers' needs, enhance our expense and operational efficiencies and augment our sustainability journey.

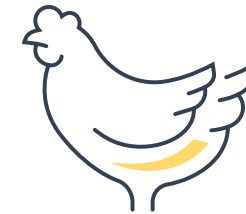
Since 2015, our enterprise has increased its focus on tracking fleet operations, including those tied to our vehicle maintenance and upgrade programs, use of lighter and more fuel-efficient vehicles, enhanced cargo-density efficiency and vehicle idle-time reduction.

Our fleet efficiency efforts have helped to improve our fuel economy. Between fiscal years 2018 and 2020, we increased our egg sales' volumes by approximately three percent even as we reduced our fleet fuel gallons per dozens sold by approximately four percent. Our fleet managers remain committed to find opportunities to implement fuel efficiencies across our enterprise.



Between fiscal years 2018 and 2020, our egg sales increased by approximately three percent, even as we reduced our fleet fuel gallons per dozens sold by approximately four percent.

Animal Welfare Position Statement



Gallus, Gallus Domesticus

The domesticated chicken is one of the most common domesticated animals and has provided people with shell egg protein for more than 4,000 years.

Scaling our commitment to animal welfare

Cal-Maine Foods continues to be committed to the highest welfare standards that promote the well-being of animals in our care. As an integrated producer of fresh shell eggs, we understand our duty to protect the health and well-being of our domesticated chickens at each life stage, including newly hatched and older chicks, pullets, breeder and layer hens. The sustainability of our flocks is of utmost importance given our mission to provide high-quality egg choices that feed people. We believe our commitment to care for our animals also advances our ability to deliver value for stakeholders.

Cal-Maine Foods is proud to have created and upheld what we believe is a leading poultry Animal Welfare Program (AWP). We have aligned our AWP with regulatory, veterinary and our certifying bodies' guidance to govern welfare of animals in our direct care, our contract farmers' care and our farmer-suppliers' care. We continually review our program to monitor and evolve standards that guide how we hatch chicks, rear pullets and nurture breeder and layer hens. At each stage of our animals' lives, we are dedicated to providing welfare conditions aligned to our commitment to the principles of the Five Freedoms of Animal Welfare. Our standards apply to our enterprise and are tailored for our owned and contract grower operations with oversights and approvals from senior members of our compliance team.

We believe robust animal welfare standards help augment sustainable agricultural practices required to feed a growing global population. We support the United Nations Sustainable Development Goals (SDGs), generally. In particular, we support the UN's commitment to Zero Hunger that seeks to "end hunger, achieve food security and improved nutrition



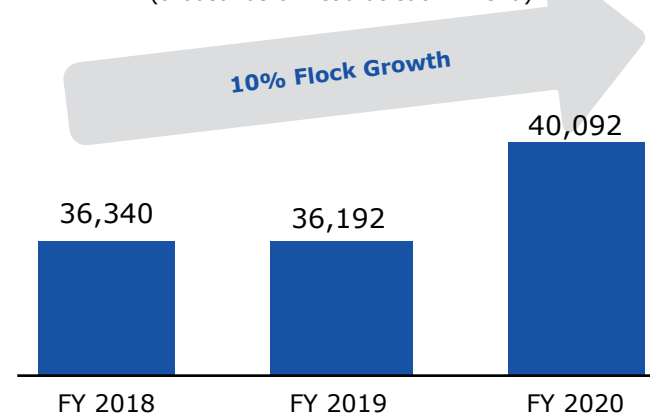
We support the United Nations goals of Zero Hunger and Responsible Consumption. We believe our commitment to robust animal welfare standards helps augment the sustainable agricultural practices required to feed a growing global population and promote responsible consumption and production.

By the Numbers

Cal-Maine Foods has increased the number of layer hens in our care to ~40 million at fiscal year-end 2020, up 10% versus fiscal year-end 2018.

Scaling Our Commitment to Nurture our Flocks

Cal-Maine Foods' Layer Hens
(thousands of head at each FY end)



and support sustainable agriculture.” We additionally support the United Nations Goal of Responsible Consumption and Production as we strive to be the most sustainable producer of fresh shell eggs in the United States.

The United Nations reports there are “clear links between human health and animal well-being.”¹ Cal-Maine Foods believes our record of strong animal welfare compliance supports human health, enhances fresh shell egg hen-laying productivity, minimizes food waste in our value chain and helps drive the United Nations goal to end hunger. We also believe our commitment to sustainable production helps us advance the United Nations goal of responsible consumption and production.



In Siloam Springs, Arkansas, Layer Supervisor Samantha Z. (at left) and Contract Production Manager Darla W. are part of an experienced team that oversees compliance at our company’s contract farms.

Scaling our animal welfare program

Cal-Maine Foods cares for our animals in alignment with industry-recognized welfare programs and certifications, including United Egg Producers (UEP), the American Humane Association and Humane Farm Animal Care, recognized as Humane Certified™, among others. We primarily rely on UEP’s *Animal Husbandry Commitments* to certify animal welfare practices tied to our conventional egg-producing operations and to certify select practices tied to our specialty egg-producing practices.²

We believe that UEP certification is important for our farming operations given its broad recognition and adoption by fresh shell egg producers and major food retailers represented by the Food Marketing Institute (FMI), which require UEP certification requirements for eggs sold in their stores. In addition, the UEP’s independent Scientific Advisory Committee is a recognized leader that advises on well-being during laying hens’ lifecycles.³ UEP certification encompasses broadly recognized and adopted animal welfare standards against which we report select sustainability-driven initiatives. Our welfare program aligns with UEP standards that address nutrition, housing, treatment and handling, transportation, end-of-life care and other key indicators of how we care for our animals.

Our AWP practices meet or exceed the standards set by UEP and our other certifying bodies. Our senior leadership team, which includes our chief operations officer, vice presidents and Compliance oversight team, monitors and maintains our AWP, reviews our practices and identifies opportunities to enhance our commitments.⁴

Statement on applicable regulatory authorities

Cal-Maine Foods’ operations are domiciled solely in the United States. Our primary regulators tied to animal welfare include the United States Department of Agriculture (USDA) through its Agricultural Marketing Services (AMS) Audit Services Branch unit, which provides accreditation for poultry and livestock auditing and verification programs. The Food and Drug Administration (FDA) governs administration of medication and our Veterinary Feed Directive (VFD). We are also required to comply with applicable state and local regulatory authorities in jurisdictions in which we operate and sell eggs. We have aligned our Animal Welfare Program to meet or exceed our regulators’ expectations.

Scaling our commitment to colleague training

Cal-Maine Foods’ robust colleague animal welfare education and training program drives our efforts to help ensure our flocks mature through their lifecycles, thrive and produce high-quality eggs. Our colleagues complete in-person, video and hands-on training to help implement and safeguard our AWP, which begins with oversight and education during the onboarding process and continues during the colleagues’ tenures. The entirety of applicable operations is governed by our Standard Operating Procedures (SOPs), which are in line with our enterprise welfare program. We engage in continuous trainings across our enterprise, which include multilingual engagements on subject matter including but not limited to:

- **The Responsibility to Report**, a multilingual training module provided to colleagues responsible for care that outlines the obligation and protocol to escalate any suspected violation of our welfare standards.
- **Adherence to the UEP Code of Conduct for Poultry Caretakers**. UEP provides the *Code of Conduct* for its members, which includes standards of care for each growth stage of the bird.
- **Water and nutrition**, including a comprehensive review of watering and food systems.



Dr. Ryn Laster, our Director of Food Safety and Animal Welfare, along with Corporate Food Safety Manager Sarah Wallace and Area Compliance Manager Katie Heads, among other team members, are dedicated to compliance with federal, state and local regulations and with our customers’ food safety standards.

¹ *The Future Is Now-Science for Achieving Sustainable Development. Global Sustainable Development Report 2019.* United Nations. https://sustainabledevelopment.un.org/content/documents/24797GSDR_report_2019.pdf

² *Animal Husbandry Guidelines for U.S. Egg-Laying Flocks.* United Egg Producers 2017.

³ As of April 14, 2021. United Egg Producers certification for conventional and cage-free eggs available at uepcertified.com

⁴ Our Compliance team comprises our director of food safety, area and local compliance managers and general and production managers.

- **Proper layer hen placement**, including a focus to help ensure our housing conditions are optimized when we introduce layer hens to a farm.
- **Handling and transportation**, including best-practice education. We conduct handling training in advance each time we place and transport our animals.
- **Documentation instruction**, which includes records maintenance that helps us maintain our certifications and track welfare outcomes.
- **As-needed trainings** that help augment our colleagues' abilities to adhere to our Animal Welfare Program as supervised and approved by our compliance managers.

Statement on the responsibility to report

Our colleague training programs help us protect and care for our animals. We have long recognized the importance of having protocols to facilitate reporting and escalation of any suspected violation of our welfare program. During training, we require colleagues who handle animals to acknowledge their responsibilities as outlined by our *Code of Conduct*. Additionally, our training materials, which include a multilingual module dedicated to animal welfare reporting, outline escalation protocols to notify managers of a suspected violation and includes a plan for our highest level of supervisory review, which include members of our senior management team.

In the rare event that a colleague may not choose to escalate reporting through the supervisory chain of review, our training protocols instruct colleagues to use the Animal Welfare Hotline in service of their *Responsibility to Report*. The hotline number is displayed prominently with signage in each location that houses animals and is additionally included in our onboarding and other training materials. Our senior leadership team is notified in any instance of hotline reporting. Our protocol is to investigate and resolve swiftly any allegation of violation of our animal welfare policy. We believe that these protocols continue to promote a very strong record of colleague compliance with our welfare program.

Scaling our commitment to the early health of our future-laying hens

Cal-Maine Foods is committed to best practices that promote the early health and well-being of our future breeder birds and layer hens. We believe this commitment drives our future laying hens' abilities to thrive at our owned and contract growers' farms. Our chick management program includes customized nutrition and access to fresh water, calibrated lighting and other early life care we design for this growth stage. We judge the success of our hatching efforts and animal welfare program by key indicators that include overall bird health and chick livability.

Our best-in-class hatching operations are foundational to the future health and productivity of our egg-laying flock. In fiscal year 2020, two Cal-Maine Foods' hatcheries were dedicated to providing chicks to place at our farms. Since 2017, these hatcheries have complied with UEP guidelines for animal welfare to support our chicks' growth.

Our preparation to introduce chicks to our flock starts well before the hatch. We begin our chick-rearing program with careful breed selection to help ensure we will be well-positioned to grow animals destined to become strong pullets which, in turn, become healthy layer hens that are well-suited to thrive. We additionally engage in extensive planning prior to placing chicks in our facilities. Our preparation for their arrivals includes feed waiting on paper and accessible water lines that serve their growth-stage needs. We calibrate our thermal environments and lighting systems in conformance with our AWP and industry best practices.

We believe that our hatchery operations embody a commitment to best-in-class facilities in the United States. We support our colleagues who dedicate themselves to monitor and enhance our chicks' welfare and provide continual training on best practices that drive compliance with our welfare goals.



We have long recognized the importance of having protocols to facilitate reporting and escalation of any suspected violation of our welfare program.



Wil Webb
Vice President of Operations

welfare best practices. Wil additionally contributes to our senior management team's review of our Animal Welfare Program, our compliance standards and our hatcheries' productivity.

Wil is dedicated to evolving agriculture and poultry management innovation. He believes that "Cal-Maine Foods has an obligation to our colleagues, customers, investors and the animals we care for to be good stewards of resources we choose to deploy in our research and development and supply chain practices. I am committed to strengthen our understanding and adoption of science-based practices that influence our breed selection. I believe that dialogue and strong relationships with our bird suppliers and the poultry management scientific community help continue to pave the way for Cal-Maine Foods' abilities to feed people and care for our animals ever more sustainably."



Wil Webb is our Vice President of Operations and has served at Cal-Maine Foods since 1997. Wil earned his Bachelor's degree in Agricultural Economics from Mississippi State University and has dedicated his 20-year career to advance agricultural science. He is a recognized and widely consulted poultry management industry leader with a specialty focus in fresh shell egg production and animal welfare outcomes. Wil's substantial contributions help drive Cal-Maine Foods' research and development program, which seeks to optimize our animals' abilities to thrive and helps us evolve our sustainability initiatives.

Wil currently manages Cal-Maine Foods' breeder, hatchery and layer operations and supervises a team of about 215 professionals across the Mid-South. His efforts drive our research tied to breed selection, our best practices in monitoring our chick and pullet key welfare indicators and our commitment to a mindset of continuous improvement in animal

Scaling our commitment to greater animal well-being

Cal-Maine Foods believes it is essential that our Animal Welfare Policy encompass more than the humane treatment of animals to meet basic hygiene and disease management standards. We support the principles of the Five Freedoms of Animal Welfare (or the Five Freedoms), as maintained by the Farm Animal Welfare Committee (FAWC) and recognized by UEP.⁵ We evidence our commitment to the principles of the Five Freedoms with a focus on protocols, training, documentation and a robust *Responsibility to Report* standard for alleged animal welfare violations. Our compliance managers additionally monitor execution against our welfare program and participate in periodic reviews to help augment our protocols.

Freedom from hunger or thirst

Cal-Maine Foods upholds the principle that animals in our care should be free from hunger or thirst throughout their lifecycles. Our welfare program requires that our owned and contract farms provide appropriate nutrition and fresh water that meets or exceeds our certifying bodies' standards. We continue to look for ways to enhance our suppliers' compliance with our own and our certifying organizations' animal welfare standards. We evidence commitment to fresh water and nutrition compliance with extensive monitoring and performance testing, among other items.

Freedom from hunger: access to nutritious food

With more than 60 years' experience as a fresh shell egg producer, Cal-Maine Foods continues to value the importance of high-quality, nutritious feed that enhances animal welfare. We primarily feed our birds corn and soybean meal-based diets fortified with customized vitamins and trace mineral blends. We additionally provide supplemental calcium and phosphorous to support eggshell formation as well as skeletal health and integrity.

We feed our birds in accordance with nutrition standards we have developed under the supervision and direction of our Director of Nutrition, Bob Loar II, Ph.D. We refine our nutrition program based on industry best practice, regulatory and third-party



We monitor feed consumption of the average chick that we hatch during the first 16 and 18 weeks of life for brown and white birds, respectively. We track this consumption as a key indicator of the future ability of our chicks to thrive. We also monitor our hatched chicks' feed conversion, which our senior management team reviews, to help us better understand how we may continue to promote the growth of our birds and minimize waste in our value chain.

⁵ The UEP Certified Program addresses the *Five Freedoms of Animal Welfare*, which seeks to help drive excellent care and quality of life for animals engaged in fresh shell egg production. <https://uepcertified.com/>



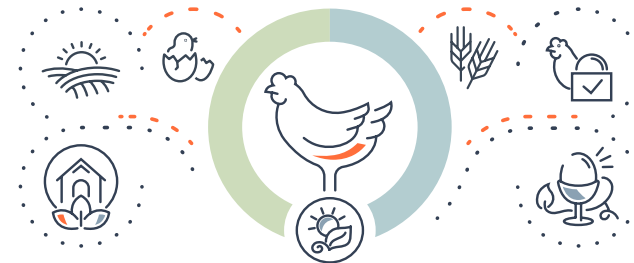
The corn that our birds receive as part of their diets is fortified with customized vitamins and trace mineral blends.

guidance and our track record of experience. We formulate feed customized for the growth profile of our birds, climate, geographic location and our animals' stages of life. To help promote our birds' health and welfare, we rely, in part, on the protocols of our Finished Feed Monitoring Program (FFMP), which includes a commitment to testing. Our testing program helps us determine the efficacy and nutrient composition of finished feed and the overall efficiency of our feed milling process, which helps us drive greater animal welfare outcomes.

Cal-Maine Foods engages in extensive planning to nurture our animals during their lifecycles. From the day of hatch until the birds are ready to begin laying eggs, we plan our animals' diets to support their growth and maturation, which includes a focus on promoting strong skeletal systems that help drive welfare outcomes. We closely monitor feed intake and weight gain as the birds mature to help ensure their optimal growth and development. As our birds approach the egg-laying phase, we transition their diets to help support egg laying, while still providing nutrients needed to promote growth and maturation. All the while, we carefully monitor the amount of feed our animals consume. As part of our sustainability commitment, we continue to seek ways to improve our feed conversion rates, which helps promote welfare outcomes and minimize waste in our value chain.

Not just chicken feed: what's on the Cal-Maine Foods' bird dietary menu

Our high-quality, nutritious feed helps us promote our animals' health and egg-laying productivity. We customize our feed mixes to support our animals' life stages.



Chick: ~0-4 weeks

- We help train our chicks to find their water and feed sources.
- We adjust lighting and temperature to mimic nature's environment.

Pullet: ~5-18 weeks

- We focus on nutrition and lighting to help them grow and develop strong skeletal structures.

Laying hen: ~19-108 weeks

- We focus on feed, water, lighting, ventilation and continuous monitoring as the core drivers of our laying hens' health.

Scaling our commitment to pullets in our care

Our pullets are immature layer hens. We value the importance of growing pullets to the optimal body weight and composition, which strengthens their ability to produce eggs at the onset of laying. Our nutrition program helps ensure that pullets have access to appropriate feed and rearing conditions until they mature into laying hens at about 16 to 19 weeks of age.

Scaling our commitment to breeder birds in our care

Breeder birds are mature male and female chickens. Breeders produce fertile eggs that we hatch as chicks intended to support our future production flocks. We do not rely on breeder bird eggs as a source of fresh shell eggs for human consumption. We provide our breeder birds with custom diets to support reproductive performance, fertility, egg quality and overall health in an effort to manage our future flocks more sustainably. We fortify our breeders' diets with vitamin and trace mineral blends we have developed in line with peer-reviewed guidance and after consultation with poultry feed management experts.



Scaling our commitment to layer hens in our care

Layer hens provide us the fresh shell eggs that we process, package and deliver to our customers. Cal-Maine Foods is strongly committed to the health and well-being of layer hens in our care given our focus on fresh shell egg production. When we place a layer hen into our flocks, we offer her a nutrient-dense diet to support her continued maturation and egg production. As a laying hen reaches her mature body weight, her growth slows, and she enters her laying peak. We support this lifecycle stage with nutrients such as vitamins and amino acids in carefully calibrated adjustments in her feed to help support her continued health and production even as we minimize nutrient waste. We supply minerals in her feed that are essential to support her skeletal health and her eggs' shell quality. We supply Vitamin D and trace minerals to support her production as she matures.

We additionally support hens producing specialty eggs with customized feed. For example, select hens in our nutrition program receive a tailored diet to support health and productivity and enhance the profile of our fresh shell eggs marketed under the Egg-Land's Best™ brand. We provide layer hens dedicated to organic production a diet comprising organically grown and certified grains. Our nutrition professionals review and monitor these layer hens' diets to help ensure our animals' nutrition is optimized and that we continue to produce eggs that meet our customers' choice preferences.

Statement on freedom from thirst: access to fresh water

Cal-Maine Foods is committed to provide our animals clean and accessible fresh drinking water to support their freedom from thirst. To promote fresh-water accessibility, we require daily water pressure checks at applicable husbandry locations, including those of our contract growers, to monitor water infrastructure performance. If a colleague or monitoring sensor detects a fresh-water supply risk, our protocols help ensure that our site management teams receive timely alerts to facilitate prompt remediation. We conduct daily performance checks of watering systems to help ensure that functionality and accessibility meet our welfare requirements. Our conformance standards include minimum capacity requirements for water delivery across our locations aligned to certification standards for the type of production. Additionally, we require that our housing systems be configured to deflect contaminants from fresh water through filtration and that watering systems are visually monitored for water pressure and recorded daily. We believe our fresh-water delivery protocols, among others, help drive our strong animal welfare outcomes.



Water, water everywhere. And more than enough to drink.

To help provide constant fresh-water access, we design our drinking systems to suit the size and age of the birds. We continually look for ways to innovate and improve the efficiency of these drinking systems to drive our water-delivery efficiency.

Freedom from discomfort

Cal-Maine Foods is dedicated to providing appropriate shelter and resting spaces for our animals that support their freedom from discomfort. Our environmental protections include suitable air quality, including ventilation customized to the type of shell egg production, lighting and proper thermal environments. Our housing shelter systems in our owned farms and across our contract-farmer network meet or exceed standards of our primary certification body, UEP, and other certification frameworks with which our animal welfare production practices align. We continually evaluate opportunities to innovate our housing environments, which include production-appropriate shelter and resting space. Each of our locations requires a checklist of welfare-related key items, which our compliance managers regularly review and approve. These checklist items include but are not limited to recording water pressure, feed, ventilation and light intensity. In the event of an emergency, personnel are trained to report animal welfare issues to a manager or supervisor onsite.

Scaling our commitment to house our animals safely

Cal-Maine Foods is committed to provide animals in our care with housing that offers shelter from weather changes, primarily precipitation, and refuge from predation, among other safeguards. We additionally require that our contract growers' operations conform to our housing welfare standards.

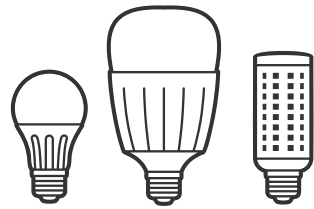
We design our owned farming operations' housing to provide shelter in times of temperature fluctuation, which includes our commitment to a dual power source in the event that weather-related or other factors interrupt the provision of the primary source of power for any housing system. Our contract growers must demonstrate equivalent capabilities at applicable locations.

To help ensure that our housing environments do not experience a loss of power that would impede our ability to maintain appropriate air quality and temperature, we require that, among other safeguards, houses with automatic feeding and ventilation systems maintain functional standby generators and alarm systems. We monitor our generators and alarm systems weekly and monthly. We additionally exercise our generators on a weekly basis to help ensure we experience no lapse in our power supply.

Cal-Maine Foods is dedicated to providing appropriate shelter and resting spaces for our animals that support their freedom from discomfort.

Statement on suitable air quality

The USDA Poultry Industry Manual instructs that “poultry houses should be designed to provide a continuous flow of fresh air for every bird.”⁶ Our commitment to fresh air includes daily checks of our ventilation systems by qualified and trained personnel. We have additionally invested in computer monitoring technology at select locations, which helps improve our teams’ operational risk and resilience profile planning and response times for any required remediation.



We believe in the value of providing optimal lighting conditions for the animals in our care. To support high-quality lighting that promotes natural egg-laying behaviors tied to sunlight, we have engaged in lighting systems upgrades. Between fiscal years 2018 and 2020, we installed LED bulbs to augment laying hens’ lighting environments. These upgrades helped promote our animals’ welfare and additionally benefited our efforts to reduce the energy we use in our operations.

Statement on lighting and proper thermal environments

Our AWP governs the lighting and proper thermal environments suited to the animals’ life stages. We have developed our lighting program, which includes a program to install LED lighting in select locations and thermal conditions, to help ensure our animals are in comfortable and suitable surroundings.

We believe in the value of providing optimal lighting conditions for the animals in our care. To support high-quality lighting that promotes natural egg-laying behaviors tied to sunlight, we have engaged in lighting systems upgrades. Between fiscal years 2018 and 2020, we installed LED bulbs to augment laying hens’ lighting environments. These upgrades helped promote our animals’ welfare and additionally benefited our efforts to reduce the energy we use in our operations.

Statement on resting spaces

For our specialty birds engaged in cage-free production, we believe in the value of resting spaces, and we provide access to perches, nest pads and a scratch area. For all other birds in our layer flocks, we comply with UEP space requirements for resting.

Statement on humane practices during molt

Chickens, along with wild fowl, shed their feathers in a natural process, or molt, and renew their plumage, usually in preparation for colder temperatures and the migratory season. In commercial egg-laying operations, seasonal factors that would typically induce molt in wild fowl are not present. The American Veterinary Medical Association (AVMA) states, “Induced molting extends the productive life of commercial

chicken flocks and results in substantial reduction in the number of chickens needed to produce the nation’s egg supply. Induced molting also has a positive impact on the environment through reduction of waste and natural resources needed for growing more birds for egg production.”⁷

We believe that managed molts are an important part of producing high-quality, fresh shell egg protein in a sustainable manner. We align our molting practices to UEP guidelines, which prohibit the practice of feed withdrawal to induce molt in commercial egg-laying hens. UEP certification guidelines describe molting as a “normal process of chickens and other feathered species”⁸ and further outline acceptable molting practices.

We believe that our molting practices promote sustainability in our value chain and help meet our customers’ needs. For example, select major retailers, including some of our largest customers, are committed to offering eggs in their value chains produced with non-feed-withdrawal practices. We are proud to supply our customers with eggs that meet or exceed their enterprise welfare requirements and value our partnerships as we continue to work to feed people ever more sustainably.

Freedom from pain, injury or disease

Cal-Maine Foods is committed to help our animals enjoy freedom from pain, injury or disease, consistent with highest industry standards. We continue to invest in biosecurity measures, medical treatment protocols and our feed management program that help our animals thrive. (Please reference *Statement on animal feed sourcing for our poultry-raising operations.*)

Scaling our commitment to biosecurity

Cal-Maine Foods has long recognized the critical role that biosecurity plays as a primary driver of our animals’ health. The United States Department of Agriculture (USDA) describes biosecurity as “everything that’s done to keep diseases and the pathogens that carry them – viruses, bacteria, fungi, parasites and other microorganisms – away from birds, property and people.”⁹ The USDA additionally advises that biosecurity plans should include structural and operational components.

⁶ https://www.aphis.usda.gov/animal_health/emergency_management/downloads/documents_manuals/poultry_ind_manual.pdf

⁷ American Veterinary Medical Association. *Welfare Implications of Induced Molting of Layer Chickens*. <https://www.avma.org/resources-tools/literature-reviews/welfare-implications-induced-molting-layer-chickens>

⁸ *UEP Animal Husbandry Guidelines for U.S. Laying Egg-Laying Flocks*. 2017 Edition.

⁹ USDA. Animal and Plant Health Inspection Service. U.S. Department of Agriculture. Biosecurity. <https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/animal-disease-information/avian/defend-the-flock-program/df-biosecurity>



Our farms include changing quarters for footwear and biosecure suits to help minimize the risk that biomatter is introduced to our biosecure locations.

Structural components include measures in the physical construction and maintenance of “coops, pens, poultry houses, family farms, commercial farms, and other facilities.”

Operational components include “practices, procedures” and “policies that are consistently followed.”¹⁰

We believe our structural and operational biosecurity measures are best-in-class in the fresh shell egg industry. Our commitment to structural security includes ensuring that our biosecure properties display robust signage indicating status and have installed check-in stations at applicable locations. We additionally employ lines of separation systems that work to eliminate the introduction of off-premises soil and biomatter into applicable facilities. Our farms include changing quarters for footwear and biosecure suits to help minimize the risk that biomatter is introduced to our biosecure locations.

Our operational biosecurity includes restricting access to our poultry buildings to necessary guests to minimize pathogen-introduction risk. We maintain disinfection stations for vehicles entering the property and require visitors who enter biosecure areas to be accompanied by trained supervisors. We additionally seek to minimize pathogen-introduction risk by working to prevent wild birds, rodents and other animals from being near to or entering our poultry houses.

Scaling our commitment to medical treatment

Cal-Maine Foods operates solely in the United States, a jurisdiction with strong scrutiny over antimicrobials, primarily overseen by the FDA. We recognize the important work the World Health Organization has done to advance science regarding the potential risk of antimicrobial resistance and take our obligation of antibiotic stewardship seriously. We also understand the importance of our duty to help protect our animals’ health and well-being. As such, we track instances of antimicrobial administration, including usage and withdrawal.

We have eliminated the majority of medically approved antibiotics for preventative use in our animals. In an instance in which we administer antimicrobials indicated for human and veterinary use that the World Health Organization designates as “Critically Important,” “Highly Important” or “Important,” we do so in compliance with FDA’s antimicrobial stewardship guidance. FDA-issued Guidance for Industry 209 limits the use of medically important antimicrobial drugs to “Uses in food-producing animals that are considered necessary for ensuring animal health,” and limits the administration to “uses in food-producing animals that include veterinary oversight or consultation.”¹¹

We manage our vaccination program to help minimize our administration of antimicrobials. This program is incorporated into each applicable location’s standard operating procedures, which we develop and deploy across the enterprise. When applicable, we administer vaccines under the supervision and direction of licensed veterinarians with whom we have established client-patient relationships.

Cal-Maine Foods does not use artificial hormones in the production of its eggs. Hormone use in poultry and egg production has effectively been banned in the United States since the 1950s.

Statement on our judicious therapeutic use of medically important antibiotics

Our commitment to the early health of our birds includes our use of antibiotics pursuant to our Veterinary Feed Directive (VFD). Cal-Maine Foods conforms its use of medically important antibiotics in our animal feed to FDA’s Guidance for Industry 152 when prescribed for treatment by a licensed veterinarian, consistent with the Guidelines for Judicious Therapeutic Use of Antimicrobials in Poultry authored and maintained by the American Association of Avian Pathologists. We administer a single medically important antibiotic in less than one percent of the feed we provide to our animals with supervision from licensed veterinarians with whom we have established client-patient relationships.

We understand the importance of our duty to help protect our animals’ health and well-being.

¹⁰ USDA. Animal and Plant Health Inspection Service. U.S. Department of Agriculture. Biosecurity. <https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/animal-disease-information/avian/defend-the-flock-program/df-biosecurity>

¹¹ FDA. *Guidance for Industry #209*. April 13, 2012. Retrieved on May 12, 2021. <https://www.fda.gov/media/79140/download>

Statement on our veterinary feed directive

The use of antibiotics in animal feed is approved by the FDA, which is the primary applicable regulating authority for United States fresh shell egg producers. Cal-Maine Foods administers medically important antibiotics as outlined by our VFD, which is maintained in conformance with FDA Guidance for Industry 209 and 213 in addition to Code of Federal Regulations 558. Cal-Maine Foods does not use antibiotics for growth promotion or performance enhancement. Our director of nutrition supervises our VFD, which is applicable in scope to the entirety of our owned and contract-grower operations.

Statement on antibiotic therapeutic alternatives

We believe the fresh shell egg sector may continue to explore innovation tied to biosecurity measures, housing and production systems that will help reduce or remove the need for the administration of antimicrobials. While we continue to consider opportunities for therapeutic alternatives, we also seek to ensure that our administration of antimicrobials is in line with regulatory guidance and always performed under the supervision of licensed veterinarians with whom we have established client-patient relationships.

Scaling our commitment to freedom from pain and injury

Our colleagues' commitment to our animals is critical to help support their welfare. We train our poultry caretakers to handle birds in ways that minimize potential for injury and promote freedom from discomfort. Our scope of focus includes colleagues who handle chicks, pullets, breeders and layers. We believe our training helps poultry caretaker colleagues become knowledgeable and skillful in handling animals across their lifecycles. We are additionally committed to animal housing and conditions designed to avoid and minimize pain and injury. In our industry, the primary sources of potential future injury include limb and pecking injuries, which we strive to minimize.

Statement on minimizing bone injury

We believe that minimizing limb injuries in layer hens begins with nutrition. Cal-Maine Foods is committed to provide sufficient access to calcium and phosphorus in our customized feed mix that help support skeletal health. In addition, our training program teaches our colleagues to use best poultry handling practices to minimize pain or discomfort from limb injuries. We require that pullets and hens be caught in a manner that avoids bird crowding and that noise and disturbances, including bright lights, be minimized. Colleagues involved with placement and catching of birds are provided special training in advance of each handling and transportation event and supervised by qualified and experienced personnel in conformance with our welfare program and UEP requirements.¹² Additionally, we support our colleagues' handling education as our compliance managers regularly review handling events.

To help drive best husbandry practices in our value chain, we require a UEP Certificate of Conformance for the service of Handling and/or Transportation from our pullet suppliers. We continue to help ensure that the animals we purchase experience husbandry that aligns to UEP standards.

Statement on minimizing pecking injury

The fresh shell egg industry in the United States selectively practices beak management, including beak treatments and trimming that meet or exceed UEP, American Humane and Humane Farm Animal Care standards. We believe these management practices substantially reduce injury rates, including those tied to pecking, in flocks. The USDA notes that trimming is a "routine husbandry procedure" that promotes, among other benefits, reduction in feather pecking-related injuries.¹³ Pecking injuries are common in chicks, pullets and breeder and layer hens, and we believe that beak management in the early stage of a bird's life reduces the risk of future injuries and enhances an animal's quality of life. In addition, we continue to pursue opportunities to invest in technology, including infrared-based tools in our hatcheries, that help us enhance operational efficiencies and reduce animal discomfort.

Cal-Maine Foods is committed to provide sufficient access to calcium and phosphorus in our customized feed mix that help support skeletal health.

¹² United Egg Producers. *Animal Husbandry Guidelines for U.S. Egg-Laying Flocks*. 2017 Edition. https://uepcertified.com/wp-content/uploads/2020/02/Caged-UEP-Guidelines_17.pdf
¹³ USDA ARS. *Laying Hen Welfare Fact Sheet*. Fall 2010. <https://www.ars.usda.gov/ARSUserFiles/50201500/beak%20trimming%20fact%20sheet.pdf>

We continue to consider welfare innovations, including those tied to breed genetics, that would help us minimize pecking injuries in our flocks in the future. We consider those innovations in the context of our obligation to support our animals' freedom from pain or injury throughout their lifecycles.

We are committed to minimize discomfort our animals may experience tied to treatment and trimming. Our colleagues are regularly trained to perform beak management procedures. Additionally, any outside contractors are trained to our standards. To support and nurture our chicks, we provide Vitamin C or Vitamin K in chick feed before and after procedures in line with our welfare program and UEP certification standards. We additionally seek to enhance the well-being of chicks with adjusted water and feed levels that our colleagues monitor daily. We maintain high sanitation standards for any beak-management procedures, with documentation that healing has occurred.

We continue to consider welfare innovations, including those tied to breed genetics, that would help us minimize pecking injuries in our flocks in the future. We consider those innovations in the context of our obligation to support our animals' freedom from pain or injury throughout their lifecycles.

Statement on end-of-life care

Cal-Maine Foods believes our training prepares colleagues to perform end-of-life care with compassion and competence. We are committed to humane euthanasia of our birds if the need to cull arises and at end of life. Our euthanasia methods are approved by the American Veterinary Association, the American Association of Avian Pathologists and the USDA. We provide on-farm, end-of-life care in alignment with UEP standards at end-of-life events in accordance with our animal welfare program.



Freedom to express behaviors

Cal-Maine Foods believes that animals in our care thrive when they have access to environments that allow them to express their instinctive behaviors. We have dedicated substantial resources to help ensure that our housing facilities and those of our contract growers provide our animals sufficient space, proper facilities and socialization opportunities in accordance with the standards appropriate for the type of production.

Scaling our commitment to freedom of movement

We are committed to the freedom of movement for animals in our care. Our animal husbandry conventional egg production program requires that our pullet and layer hens must be able to stand upright and be unimpeded when doing so. We additionally design and install housing solutions, including fittings and openings, among other items, to help prevent injury and help us protect animals from pathogens, manure-borne disease, predation and other welfare risks.

We design our housing systems to be compliant with our certifying bodies. Our conventionally produced eggs are produced in alignment with UEP standards. We produce our organic eggs in alignment with American Humane or Humane Farm Animal Care space standards. For select production practices, we comply with American Humane space requirements tied to single and multi-tiered housing systems.



Statement on proper facilities

We design our facilities to support a desired type of egg production and to meet or exceed our certification standards. As is applicable for each type of production, our facilities include readily available fresh-water systems customized for the size and growth of the bird and certification-compliant housing environments to promote wing spacing.

Statement on freedom of company of own kind

Cal-Maine Foods promotes the freedom our animals have to associate with their own kind across their lifecycles. Healthy birds are never kept in isolation and have access to company of their own kind at all times.

Freedom from fear and distress

Scaling our commitment to breed selection

We continually evaluate our welfare program and follow best practices in support of our breed selection. Our welfare program begins with focus on selection of higher-welfare breeds for placement as future laying hens. We believe that higher-welfare breeds comprise building blocks for conditions that help promote animal health and well-being.

The white Leghorn produces the majority of our conventional and specialty eggs. Based on our data and industry research, we believe this bird thrives in its respective conventional and specialty egg-production housing environments. We believe our focus on higher-welfare breeds promotes animal welfare and reduces waste in our value chain tied to enhanced productivity and reduced injury and mortality, which drives our sustainability goals. Our certification standards additionally emphasize the value of reduced injury and mortality rates.



The white Leghorn produces the majority of our conventional and specialty eggs.

Scaling our commitment to humane treatment during transport

We are committed to the humane treatment of animals before, during and after transportation events. We believe our strong focus on proper handling, water and nutrition provision, thermal conditions and dual-driver staffing helps us minimize transit-tied disruption and relocation time. Our transportation standards apply at each stage of a bird's lifecycle and across the entirety of our owned and contract-grower operations.

Preparation for transportation begins with housing design. For our conventional production operations, we design housing which, whenever possible, enables transport vehicles or containers to be proximate to the location where the birds will be caught or released. This design feature allows us to handle birds more efficiently with less stress on the animal and enhances our ability to expedite relocation. For our specialty egg production, we require that birds should be caught and handled in line with our welfare program and that transport containers allow each bird to rest comfortably. Our policy is never to transport visibly unfit animals. We provide our pullets, breeders and layer hens food and water until immediately prior to transport.

When our birds need to travel relatively longer distances, we typically employ two personnel to reduce the need for extended stops or rest periods. We require our drivers to be vigilant about climate conditions and adjust equipment as may be necessary to maintain our animals' health and comfort.

Scaling our commitment to sustainable third-party certification

Cal-Maine Foods believes in transparency regarding our third-party certification standards. Our third-party certifications include United Egg Producers, which certifies our operations tied to birds engaged in conventional egg production. American Humane certifies our specialty cage-free white and brown egg production practices. Humane Farm Animal Care certifies select organic and white and brown cage-free production practices. We are proud of our record of strong conformance, which we believe demonstrates our commitment to animal welfare standards and ways to provide ever more sustainable fresh shell eggs that feed people.



In each of fiscal years 2018, 2019 and 2020, all of our owned- and contract-farms' products were certified to third-party standards.

Scaling our commitment to audit transparency

Cal-Maine Foods drives compliance with our animal welfare program given the dedication and care of our valued colleagues, particularly the poultry caretakers who are responsible for the day-to-day health and well-being of our animals. Our team members inspect our company farms each day of the year to help ensure standards' adherence.

Our external auditors are important stakeholders who help promote our animals' welfare. We are primarily audited by UEP Certified™, USDA Agricultural Marketing Service and Validus Services™, which conducts UEP's audits. We have demonstrated strong external audit compliance, which we believe evidences our commitment to promote animal welfare and provide high-quality food choices for families. In each of fiscal years 2018, 2019 and 2020, 100% of our applicable facilities subject to external audit tied to animal welfare received certification.



Ed Scott
Director of Corporate Recruiting

Ed is a widely respected agricultural industry leader who currently serves on the Board of Directors of the International Poultry Welfare Alliance. Ed acts as Cal-Maine Foods' liaison to facilitate best-in-class thought leadership. Previously, Ed served on the Board of Directors of the U.S. Roundtable for Sustainable Poultry & Eggs.

Ed notes, "I have dedicated my career to promote agriculture as a socially beneficial industry that offers opportunities to develop high-quality careers. I've had the privilege of helping colleagues grow and evolve their contributions, which is made possible by the strong culture embedded within the Cal-Maine Foods family. When I meet with undergraduates who may be considering a career in agriculture, I am proud to tell them that, in the many decades of my career, I've been eager to go to work each day. My goal for our future farmers is for them to realize their full potential."



Ed Scott was responsible for recruiting Contract Production Manager Darla W. (at right) and Layer Supervisor Samantha Z. to the company. Darla and Samantha have been close friends since their days at the University of Arkansas.

Ed Scott is our Director of Corporate Recruiting and has served at Cal-Maine Foods for 42 years. Ed is a 1979 graduate of Mississippi State University with a degree in poultry science. Ed currently serves as the Director of Corporate Recruiting and dedicates his time to meet with undergraduate students and champion high-quality internship and full-time employment opportunities that Cal-Maine Foods offers. Ed also introduced the company's first *Sustainability Report* for fiscal year 2019.

Ed has completed multiple assignments across the enterprise. In 1993, Ed's responsibilities evolved to assume management of our flagship Edwards, Mississippi location. He served in this management role for 21 years and supervised more than 120 colleagues.

Scaling our commitment to animal welfare in our value chain

Cal-Maine Foods' commitment to the highest standards for animal welfare extends to our suppliers of animals and fresh egg products and to customers. We look forward to opportunities to engage further with key stakeholders to identify opportunities to promote our shared values as we produce sustainable food that feeds people.

Statement on our supplier partnerships

We rely on our standards and those set by our primary certifying body, UEP, to confirm our suppliers' animal welfare compliance. In each of fiscal years 2018, 2019 and 2020, substantially all of our purchased eggs from outside suppliers met or exceeded the standards of UEP product certification.¹⁴ We require documentation of UEP certification and supplier attestation before we accept outside fresh shell eggs. Though a small part of our total fresh table eggs sold are from outside sources, we are committed to drive animal welfare compliance through our value chain.



¹⁴ In each of fiscal year 2018, 2019 and 2020, our outside purchases not certified to UEP standards comprised less than one percent. Of those outside purchases of fresh shell eggs, our customers accepted UEP or greater requirements.

Statement on our customer partnerships

Our customers are increasingly scaling their commitments to sustainably produced protein. As part of these commitments, select major retailers, including our top customers, require that our finished eggs, which are processed and packaged shell eggs, carry UEP certification. We believe these retailers' requirements demonstrate broad stakeholder adoption of our operations' primary UEP certification standards. We are proud to be able to supply high-quality products to customers that value animal welfare and seek to advance those partnerships as we continue our sustainability journey.

Scaling our commitment to animal welfare innovation

The Cal-Maine Foods family understands its obligation to help feed a growing global population and advance responsible production and consumption practices. To do so, we must provide for the health and well-being of animals in our care.

Cal-Maine Foods is proud to have a seat on the Board of Directors of the International Poultry Welfare Alliance (IPWA), the U.S. Roundtable for Sustainable Poultry & Eggs (US-RSPE) and other leading industry boards. We believe that our engagement helps enhance the poultry industry's animal welfare best practices, among other important contributions.



Community Position Statement



Our Benton County Foods farm in Siloam Springs, Arkansas partners with local contract growers to produce conventional and specialty eggs.



Brian is a valued contract farmer and partner. He and his family produce cage-free brown eggs at Happy Hen Farm, in Southwest City, Missouri.



We are proud to operate in communities where our colleagues live, work and play. Our Siloam Springs, Arkansas farm provides high-quality employment opportunities that support the economic health and development of northwest Arkansas and surrounding areas.

SUSTAINABLE DEVELOPMENT GOALS



Cal-Maine Foods is committed to making a positive impact in our communities in a manner informed by the United Nations Sustainable Development Goals. We seek to demonstrate our commitment to the communities in which we operate and have influence by eliminating poverty with competitive employment opportunities, mitigating hunger and food insecurity with our food and financial donations, and supporting good health and well-being with our philanthropic efforts. We additionally provide educational scholarships to college-bound students and seek to employ and retain qualified female and minority colleagues to support our business.

Scaling our commitment to community support

Cal-Maine Foods has been supporting the communities in which we live, work and have influence for more than 60 years. Our mission to be the most sustainable and reliable supplier of fresh shell eggs in the United States depends on having healthy people and communities where we seek to do business. Our credo, “Do the right thing and then some,” inspires our strong culture of corporate commitment to hunger relief, investment, educational support and volunteerism, among other initiatives, focused on building thriving local communities.

Our colleagues are essential to the support of our ongoing community engagement initiatives and we rely on their collective personal and professional experience to help guide our philanthropic efforts. We believe that corporations, including our enterprise, have responsibilities to help their employees support communities with their time, talents and other investments.



Jia Scott, Director of Tax, and Dr. Ryn Laster, Director of Food Safety and Animal Welfare, help oversee Cal-Maine Foods’ philanthropic efforts. They are engaged to help promote our corporate philanthropy related to hunger relief, education and community investment, among others. Their efforts help Cal-Maine Foods continue to support our local communities. Jia has her own distinct take on corporate giving. She notes that:

“Philanthropy through corporate giving creates strong connections between Cal-Maine Foods, our partners and those we strive to serve. Our common philanthropic partnerships are invaluable, intangible assets that can only be created through corporate giving, which generates unique social and economic benefits.

“I’ve had the pleasure of serving as a volunteer and a leader of several nonprofit organizations within my greater community. It has always been my belief that leading with a grateful heart will create and promote volunteerism. Individual and collective involvement with corporate philanthropy will help drive positive impacts in our communities and highlight the obligation that corporations have to be responsive to evolving societal and economic issues.”

Dr. Ryn Laster, Director of Food Safety and Animal Welfare, left, and Jia Scott, Director of Tax, are essential to help drive Cal-Maine Foods’ philanthropic efforts.

Statement on applicable regulatory authorities

All of our operations are located in the United States. The U.S. Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS) serves as one of our primary regulators, overseeing how we label, market and sell our products. USDA's Agricultural Marketing Service (AMS) is responsible for the Shell Egg Surveillance Program, a voluntary, fee-for-service program that provides highly trained, impartial USDA graders in our processing facilities to monitor egg-quality standards and inspect our eggs. We are committed to continued participation and financial support of this voluntary grading program, which enhances our product reputation and provides assurance benefits for our customers. The USDA, Food and Drug Administration (FDA) and the Federal Trade Commission (FTC) share jurisdiction over claims made about food products. The FDA assumes primary responsibility for regulating food labeling, and the FTC assumes primary responsibility for regulating food advertising. The FTC is charged to protect consumers and competition by preventing anticompetitive, deceptive, and unfair business practices through law enforcement, advocacy, and education without unduly burdening legitimate business activity.

We are also subject to our federal, state and local taxing authorities' oversight of the tax treatment of our cash and saleable product donations, among other items.

Cal-Maine Foods' policies require adherence to all rules and regulations, and we seek to meet and even exceed our regulators' expectations.

Scaling our commitment to hunger relief

Cal-Maine Foods maintains our longstanding commitment to fighting hunger and food insecurity, which we believe is a chronic problem in select portions of the United States. Estimates indicate that approximately 13 percent of American households live in low-income areas with low access areas to food. We believe that lack of access to affordable, quality food choices contributes to the persistent problem of food insecurity in the United States.

The Food and Agriculture Organization (FAO) describes the conditions under which a person may be considered food insecure, which includes a lack of enough safe and nutritious food for normal growth and development and an active and healthy life. The USDA tracks what are commonly known as food deserts, where underserved rural and urban household members reside that are far from a large grocery store. We believe that many of our key retail partners play a role in serving those who are hungry, food insecure and who live in food-challenged areas. We also believe our continued partnership with these retailers is essential to help promote access to nutrition for all families.

We believe that our strategy to continue to provide affordable and nutritious conventionally produced eggs plays a key role in combating hunger. Our ability to achieve expense efficiencies has helped, in part, to deliver real purchasing power improvements for consumers of fresh shell eggs in the United States in the prior 25 years. The real cost of eggs, which reflects the purchasing power of the U.S. dollar adjusted for inflation, has continued to demonstrate the affordability of egg products in America's food basket and nutritional profile in the prior 25 years. Between calendar years 1995 and 2020, the average inflation-adjusted price for one dozen Grade A eggs declined approximately seven percent, while the real cost of one pound of sliced bacon increased during the same period by approximately nine percent.

We believe that our strategy to continue to provide affordable and nutritious conventionally produced eggs plays a key role in combating hunger.

Fresh shell eggs sold in the United States continue to remain a nutritious and affordable source of protein and have contributed to purchasing power leverage that benefits American households.

Inflation-adjusted average price in 2020 USD		
Calendar Year	One pound of bacon, sliced	Grade A dozen eggs
1995	\$5.14	\$1.63
2010	\$5.49	\$1.83
2020	\$5.58	\$1.51
Cumulative real price change (%)	8.6%	-6.8%

We believe that eggs remain an affordable protein choice, and that our sustainable production of eggs aligns with the United Nations Sustainable Development Goal of Zero Hunger.

Statement on egg donations that fight hunger and food insecurity

We increased our donation of fresh shell eggs each year between fiscal years 2018 and 2020, donating approximately 2.2 million dozen fresh shell eggs, or more than 26 million servings of fresh egg protein, to local communities in which we operate, and beyond.¹ In many cases, our teams increased the quantities of longstanding, recurring donation commitments, which helped to drive even more meaningful impacts for underserved people.

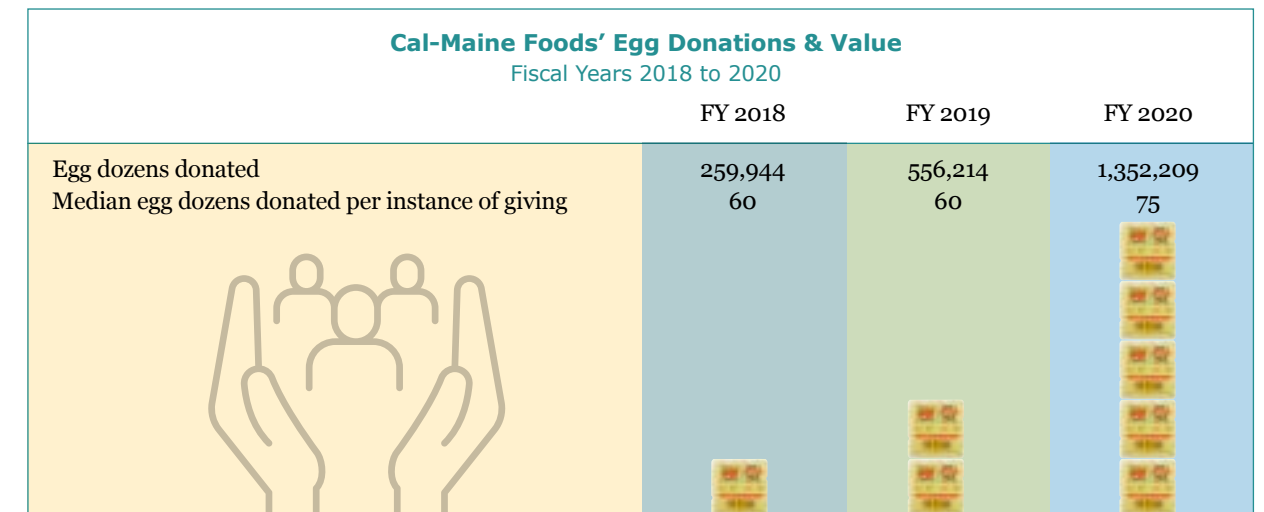
For example, as part of our ongoing commitment to fight hunger, during the height of the 2020 COVID-19 global pandemic, we increased our donations of fresh shell eggs to food-insecure and hungry people.

Our commitment to fight hunger extends beyond donating larger quantities of eggs. As farmers who live and work in often small and rural communities, we understand the importance of helping people gain access to affordable, high-quality food to support their overall health and well-being.

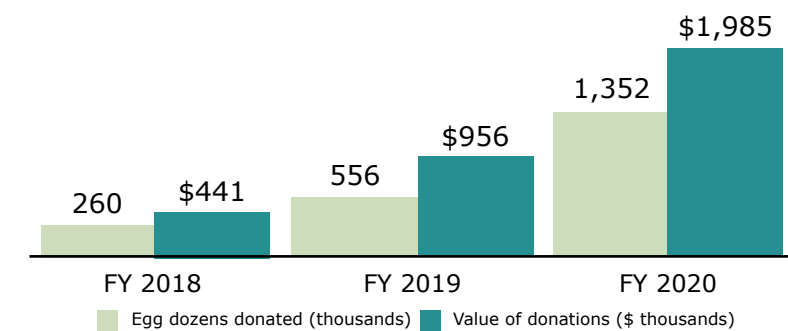


A Large fresh egg provides one serving, or six grams of protein, and 70 calories.²

¹ We rely on our finished egg product labeling to calculate serving information. A Large, or 50 gram, shell egg comprises one serving of six grams of protein.
² Our finished egg that carry a USDA grade shield are labeled in compliance with USDA AMS requirements. For more information please review our Statement on our finished egg labeling.



Between fiscal years 2018 and 2020, we increased the volume of our egg donations by 420% and the saleable value of our donated products by 350%.



We believe our finished eggs, which are nutrient dense, are important to help people meet their nutritional needs. With each egg we donate, we deliver 70 calories and one serving, or six grams of protein, which comprises about 10 percent of the protein required to support a 2,000-calorie daily nutrition need.³

Our farms' general managers (GMs) make our enterprise donations possible and maintain community ties needed to identify those organizations or individuals who may be experiencing food insecurity or hunger tied to natural disasters or economic disruption, such as that experienced during the global COVID-19 pandemic, and other factors.

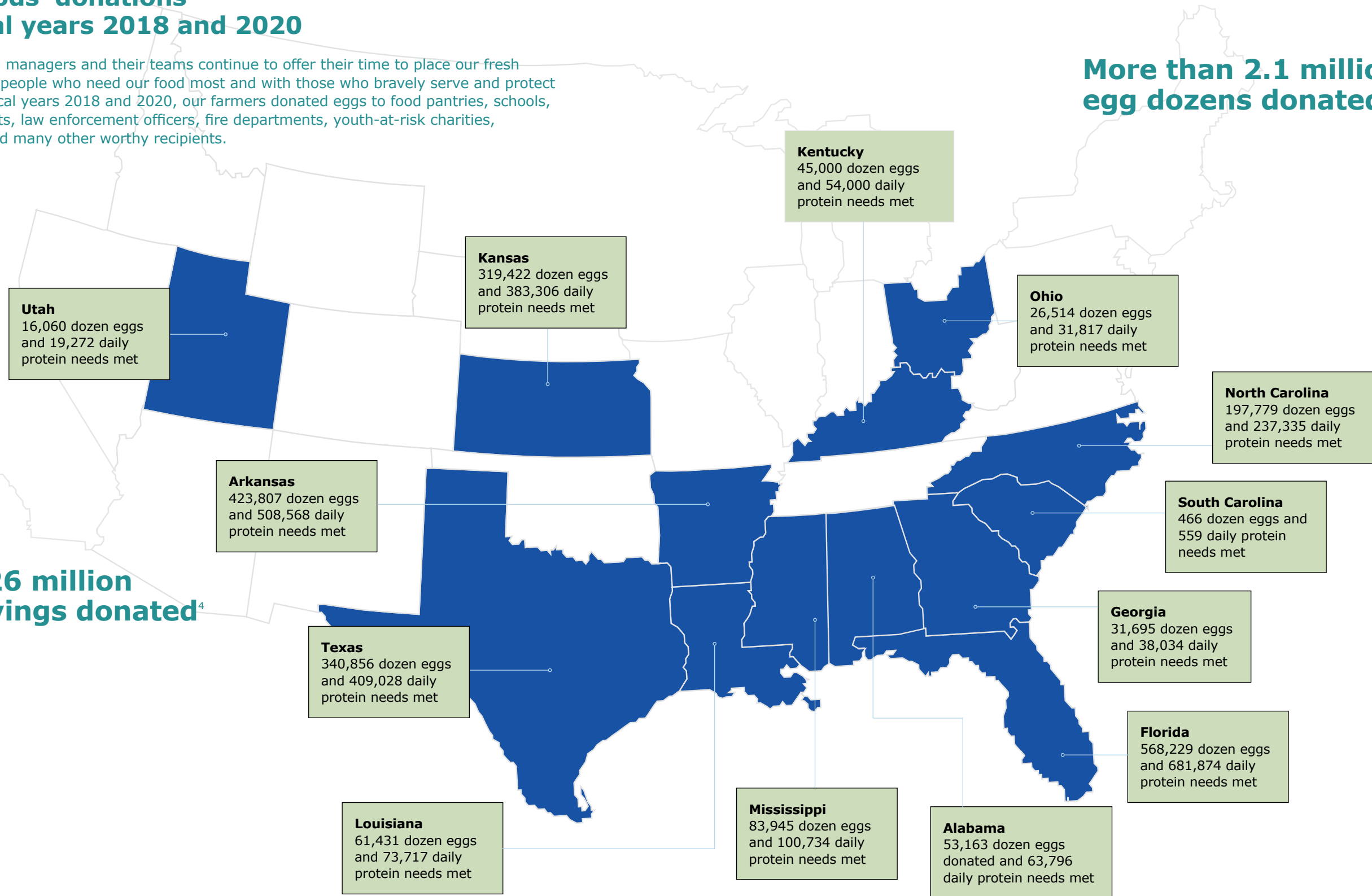
³ For more information about the nutrients provided in fresh shell eggs, visit the USDA Agricultural Research Service FoodData Central. *Egg, whole, raw, fresh*. Retrieved on June 24, 2021. <https://fdc.nal.usda.gov/fdc-app.html#/food-details/171287/nutrients>

Cal-Maine Foods' donations between fiscal years 2018 and 2020

Cal-Maine Foods' general managers and their teams continue to offer their time to place our fresh shell egg donations with people who need our food most and with those who bravely serve and protect our country. Between fiscal years 2018 and 2020, our farmers donated eggs to food pantries, schools, hunger-focused nonprofits, law enforcement officers, fire departments, youth-at-risk charities, faith-based ministries and many other worthy recipients.

More than 2.1 million egg dozens donated

More than 26 million protein servings donated⁴



⁴ We rely on our finished egg labeling to calculate serving information. A Large, or 50 gram, shell egg comprises one serving of six grams of protein.

We believe the core of our product portfolio, which is the source of most of our revenues, consists of socially beneficial products, namely, eggs – an important source of low-cost protein, vitamins and minerals.

Statement on the social impacts of our product portfolio

Our core product portfolio comprises fresh shell eggs and egg products. We believe the core of our product portfolio, which is the source of most of our revenues, consists of socially beneficial products, namely, eggs – an important source of low-cost protein, vitamins and minerals. In each of fiscal years 2018, 2019 and 2020, our finished egg revenues comprised 97%, 97% and 98% of our net revenues, respectively. The USDA describes shell eggs as nutrient-dense foods that, when prepared with little or no added sugars or fats, promote health and well-being at each stage of life. (For more information about the nutritional quality of our finished eggs, please see *Statement on composition of our fresh shell eggs.*)

We remain committed to the highest principles of identifiability when we market our fresh shell eggs and egg products. For example, our marketing communications are clearly distinguishable from editorial engagements, including thought leadership commentary, from designated representatives of Cal-Maine Foods. We do not engage in undisclosed editorial product placement and do not employ marketing styled as market research. Neither do we primarily rely on crowd-sourced or user-generated content to market our products. We operate solely in the United States, a jurisdiction with strong regulatory oversight over the production, processing and labeling of finished eggs and egg products. When we label our products for market, we do so in alignment with the USDA AMS requirements, as applicable, for finished eggs that bear a grademark. We continue to uphold the highest standards of transparency for nutrition, animal husbandry and environmental claims tied to our finished eggs and egg products. We strive to exclude any unsubstantiated claims from our sales and marketing practices. In fiscal years 2018, 2019 and 2020, we experienced no notable controversies tied to product claims for finished eggs and egg products.

While we primarily market our finished eggs to adult retail consumers with our paid, earned and owned media. We believe our finished egg carton labeling and marketing is prudential and appropriate as it may relate to children.

We are not aware of any communication, including marketing communications, which could be judged as offensive or inappropriate based on currently prevailing standards of decency.

Scaling our commitment to philanthropic partnerships

We remain committed to partnering with select nonprofit organizations for multi-year engagements given our belief that longer-term commitments help us optimize our impacts. We have recently begun to support Canopy Children's, Step Up for Students and The Palmer Home for Children, among other beneficiaries. We believe that our corporate gifts can be even more impactful when we engage with nonprofit organizations to understand their objectives. Our colleagues regularly engage in dialogues with key stakeholders from nonprofits we support to understand their goals and how we may advance our partnerships.

Cal-Maine Foods is proud to have partnered with these organizations with financial giving.⁵



Canopy Children's Solutions' mission is to help children thrive and families overcome extraordinary challenges by providing a continuum of behavioral health, educational, and social service solutions.



Step Up for Students empowers parents to pursue and engage in the most appropriate learning options for their children with an emphasis on families who lack the information and financial resources to access these options. By pursuing this mission, Step Up for Students helps public education fulfill the promise of equal opportunity.



The Palmer Home for Children provides superior care to children through four specialized services. By meeting each child at each stage of life, The Palmer Home provides healing and support, allowing children to grow and thrive. The Palmer Home's four specialized services include campus care, foster care, family care and transitional care.

⁵ Cal-Maine Foods provided financial support to the Palmer Home for Children beginning in fiscal year 2021.

Scaling our commitment to financial giving

We believe that financial giving is an important component of corporate philanthropy. In each of fiscal years 2018, 2019 and 2020, we supported multiple causes with financial gifts, including local Chambers of Commerce, 4-H clubs, local libraries, fire departments, little league baseball teams, crisis centers for people in distress, high schools, homes for children and educational scholarships, among others. Between fiscal years 2018 and 2020, we gave more than \$1.2 million to support deserving nonprofits that we believe can make demonstrable impacts and contribute to building ever more sustainable communities.

Cal-Maine Foods remains committed to financial giving			
	FY 2018	FY 2019	FY 2020
Cal-Maine Foods' financial giving (\$ thousands)	\$154.1	\$550.6	\$531.1

Statement on our commitment to fund education and enrichment

We believe that access to education and focused enrichment is essential to promoting the health and well-being of our youth. In each of fiscal years 2018, 2019 and 2020, we engaged in recurring financial giving that supported education and enrichment efforts for children and adolescents.

Our financial giving also includes educational scholarships to support the future farmers of our country. During fiscal years 2018, 2019 and 2020, we awarded scholarships to the Future Farmers of America (FFA), 4-H, and other livestock-related organizations in Arkansas, Kentucky, Florida, Mississippi, Ohio, Texas and Utah, in addition to support of the FFA national umbrella organization. We believe our commitment to agricultural education helps young people who are interested in farming careers reach their potentials.

Scaling our commitment to volunteerism

Cal-Maine Foods empowers our colleagues to give back to our communities with investments of their talents and time. Our community engagement efforts range from volunteer activities such as coaching little league baseball teams to organizing fundraising events to help people in the community with special needs to serving as leaders in local civic organizations and statewide industry associations.

We are committed to our long-term partnerships and give our time, financial support and talents to support these efforts. For example, we have continued to partner with the Mississippi Food Network, which operates in a relatively underserved state, to supply egg donations and company-supported volunteer time to distribute foods and goods through its 430 members agencies.

Cal-Maine Foods' colleagues are committed to serving communities with their time and talents. Our colleagues' volunteer spirits span our enterprise and operating footprint and we are proud to feature select highlights.

Chris, general manager of our Green Forest, Arkansas location, has been involved with his local volunteer fire department for 25 years. He serves as assistant chief, while recruiting others in our Cal-Maine Foods' family to participate.

Dustin, processing manager at our Green Forest, Arkansas location volunteers in state 4-H activities. Dustin is dedicated to helping adolescents learn skills and discipline through showmanship camps and grooming clinics for goats.

Terry, fleet driver at our Shady Dale, Georgia operation, has organized go-kart racing events that help provide safe and fun family-focused experiences that raise funds to help people with special needs in his local community.

Dr. Ryn Laster, Director of Food Safety and Animal Welfare based in our Ridgeland, Mississippi corporate office, is dedicated to providing her time and talents as she serves on the board of the Mississippi Food Network, which aims to eliminate poverty-related hunger in its service area.

These are only a few highlights of the many contributions of the Cal-Maine Foods' family volunteer efforts to create meaningful impacts for their communities.



Our Benton County Foods team, along with their families in Siloam Springs, Arkansas are dedicated to giving back to the local communities where they live and work. They serve the community through volunteer efforts that range from facilitating fresh egg donations that feed families to participating in nutritional education efforts, among other community impact efforts.

Scaling our commitment to investment

Cal-Maine Foods believes that investment in our people, our capabilities and the communities in which we seek to do business is essential to support our operational resilience. We believe that our primary business, the commercial egg business, creates substantial economic multiplier effects when we invest in our local communities, including direct impacts on local earnings and economic value added.⁶ As we continue to deploy our capital to build capabilities that support our customers' food choice preferences, we consider many factors, including the economic and other job-creation impacts we may generate. We are proud that agricultural industry investment continues to generate strong relative multiplier effects.

Agricultural investment generates relatively attractive economic multipliers in all 50 U.S. states⁷

Industry	Median U.S. state final demand output multiplier (2019)	Rank
Agriculture, forestry, fishing and hunting	1.1372	1
Nondurable goods manufacturing	0.3785	2
Wholesale trade	0.2576	3
Transportation and warehousing	0.0698	4
Real estate and rental and leasing	0.0313	5
Professional, scientific, and technical services	0.0307	6
Finance and insurance	0.0222	7
Administrative and support and waste management and remediation services	0.0154	8
Utilities	0.0133	9
Management of companies and enterprises	0.0124	10
Durable goods manufacturing	0.0108	11
Information	0.0107	12
Other services	0.0071	13
Retail trade	0.0063	14
Construction	0.0053	15
Mining, quarrying, and oil and gas extraction	0.0033	16
Food services and drinking places	0.0031	17
Arts, entertainment, and recreation	0.0008	18
Accommodation	0.0007	19
Educational services	0.0005	20

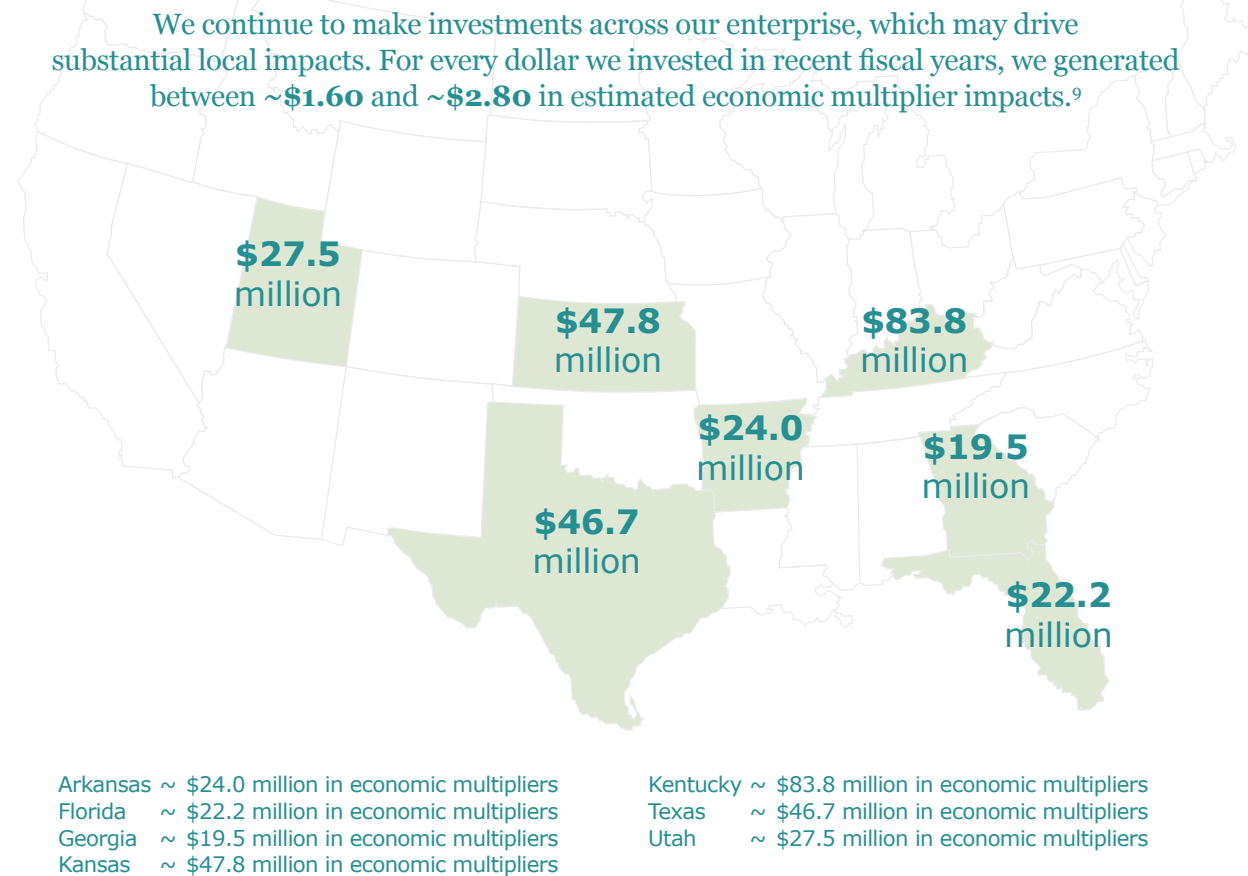
Bureau of Economic Analysis (BEA) estimates indicate that agriculture, including the raising of poultry for commercial egg operations, generates the highest economic impact per each dollar invested in all 50 states as compared to all other industries.⁸

⁶ United States Bureau of Economic Analysis. BEA.gov. *RIMS II. An essential tool for regional developers and planners*. Retrieved on June 25, 2021. https://www.bea.gov/sites/default/files/methodologies/RIMSII_User_Guide.pdf

⁷ Median results of each U.S. state and the District of Columbia. United States Bureau of Economic Analysis. United States Bureau of Economic Analysis. 2012 U.S. Benchmark I-O data and 2019 Regional Data. NAICS Code 1123000. Poultry and egg production multipliers by state.

⁸ United States Bureau of Economic Analysis. 2012 U.S. Benchmark I-O data and 2019 Regional Data. NAICS Code 1123000. Poultry and egg production multipliers by state.

Cal-Maine Foods' capital deployment multipliers; select investments between fiscal years 2016 and 2019



Statement on investment in our contract farmers

Our contract farmers are essential partners who are committed to providing high-quality, safe food that feeds families. In each of fiscal years 2018, 2019 and 2020, we relied on our contract farmers to produce approximately 78.5, 78.5 and 83.7 million dozen eggs, respectively, an approximately seven percent increase during the period.

^{*} In each of fiscal years 2018, 2019 and 2020, we relied on our contract farmers to produce approximately 78.5, 78.5 and 83.7 million dozen eggs, respectively. Select data may not foot to our reported numbers due to rounding. For more information about our egg sales, please reference our most recent Form 10-K.

⁹ United States Bureau of Economic Analysis. 2012 U.S. Benchmark I-O data and 2019 Regional Data. NAICS Code 1123000. Poultry and egg production multipliers by state.

We work closely with our contract farmers each day to help ensure that they uphold our food safety, quality and animal husbandry protocols. Each week, our colleagues visit our contract farms as part of our commitment to monitor the health of our flocks, husbandry conditions and compliance with applicable federal, state and local regulations. Many of our colleagues come from family farms themselves and are personally invested to help ensure that our contract farmer partners receive support and resources they need to deliver against our quality and sustainability goals.



Brian works to place cage-free brown eggs into sanitary, reusable trays at Happy Hen, a farm he owns and operates in southwest Missouri. His partnership with our Benton County Foods farm in Siloam Springs, Arkansas helps further our goal to provide food choices to retail partners in or near the communities in which we operate.

Cal-Maine Foods' contract farmers help us continue to grow*			
(dozen millions)	FY 2018	FY 2019	FY 2020
Total eggs sold	1,037.7	1,038.9	1,069.2
Self-produced egg sales	871.7	872.7	930.2
Purchased egg sales	166.0	166.2	139.0

^{*} In each of fiscal years 2018, 2019 and 2020, we relied on our contract farmers to produce approximately 78.5, 78.5 and 83.7 million dozen eggs, respectively. Select data may not foot to our reported numbers due to rounding. For more information about our egg sales, please reference our most recent Form 10-K.



Darla W.
Contract Production Manager

Darla serves as production manager for our contract farms in and around Siloam Springs in northwest Arkansas. She joined the company in 2011 after graduating from the University of Arkansas with a degree in poultry science. In her current position, which she has held since 2015, Darla and her team of four supervisors oversee production for approximately 35 layer farms and six pullet farms contracted with Cal-Maine Foods.

The supervisors (or field techs) visit each farm weekly, staying in close touch with the farmers to help ensure that their birds receive their prescribed diet, water consumption and lighting to help promote health and egg production. “It is very important to ensure that our contract growers are supported in their work as they are the first line of contact with the birds and eggs on a day-to-day basis,” says Darla, who grew up on a family farm.

Sustainability is ingrained in operations that Darla and her team oversee. From egg production and feed efficiency optimization to the maintenance of the health and welfare of the animals in our care, Darla is committed to find opportunities to improve outcomes and reduce waste that augment Cal-Maine Foods’ commitment to produce safe, high-quality, affordable food choices that help feed people. She and her team rely on a local feed mill and processing plant to make trucking eggs and feed more efficient, and they focus heavily on reducing feed waste. Darla notes, “We’re always eager to learn and implement more sustainable practices that help us continue to support our local communities.”

Samantha Z.
Layer Supervisor

Samantha, who supervises our laying hen operation in Siloam Springs, Arkansas has a dozen years of experience in the poultry industry. She joined Cal-Maine Foods in 2017 and holds a degree in agriculture, with an emphasis in poultry science, from the University of Arkansas.

Samantha, whose family has farmed the same land for three generations, manages compliance at Benton County Foods’ contract farms. She interacts daily with contract farmers to help ensure the highest standards of food safety and quality. She also liaises with the production team to facilitate certifications and audits and to communicate best production practices tied to regulatory and specialty brand requirements.

All of those responsibilities, Samantha notes, connect inextricably to Cal-Maine Foods’ sustainability efforts. “I work to ensure that our reputation precedes us as a diligent company when it comes to providing organic eggs that are produced in alignment with our animal husbandry standards,” she says. “Our commitment and care to our birds and our customers are first and foremost. I work with our contract growers to help ensure that they share and maintain this commitment. We all work as a team to provide options in the egg markets to meet our customers’ egg-choice preferences.”



Scaling our commitment to sustainable local employment

We know that people are our greatest assets. Our founder, Mr. Fred Adams, Jr., established a tradition to serve and rely on our local communities for talent and other resources. We have continued to honor Mr. Adams' founding principles to attract, retain and develop highly talented individuals who will maintain strong connections with the communities in which we operate. We believe that our operational focus strengthens communities and our operational resilience. At fiscal year-end 2020, we had 42 shell egg farms across the United States, each of which seeks to provide high-quality employment to individuals dedicated to farming.

Our colleagues put down deep local roots



Christian is the Processing Manager for the Waelder, Texas Complex 2 facility. Christian began his career with Cal-Maine Foods as a palletizer. Through his years of hard work and dedication, Christian has excelled in every role that has come his way. Christian's positive attitude, people skills and work ethic have created an environment for his operation and employees to thrive in. Along with being a dedicated husband and father, Christian also excels in the community as a lieutenant for the local volunteer fire department.

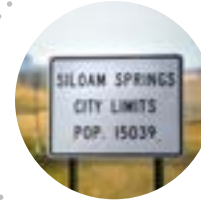


Eula Mae is a housekeeper at our Edwards, Mississippi location and has been with Cal-Maine Foods for 51 years. She began working at the Edwards location in 1970 and has participated in the many transitional and structural changes that the Edwards complex has seen over the last 50 years. Her knowledge and experience from decades of service to Cal-Maine Foods shine brightly through her work ethic and her impact within the community. From maintaining office and breakroom areas to cooking hearty breakfasts for the many employees of Edwards, you can always count on Eula Mae and her willingness to help in whatever ways she can. (For more information about Eula Mae's contribution to our company, please see *Scaling our commitment to diversity, equity and inclusion.*)



Marcelo was born in Bolivia in South America and hired in January 2002 by Cal-Maine Foods with an H-1B visa. He started as a production manager at our Guthrie, Kentucky farm on what at the time was one of our company's newest complexes under construction and which would eventually house more than 1.5 million layers in 14 barns. In August 2013, he was asked to help at our newest cage-free operation in Bremen, also in Kentucky. A short time later, Marcelo became the complex manager, initially in charge of the pullet and layer operations at the site; as time progressed, he took over the site's processing plant responsibilities. In June 2017, he was promoted to general manager and took over the responsibilities of our conventional and cage-free farms with their respective production, processing and shipping and receiving facilities at our Bremen location.

Benton County Foods' fresh egg operations help sustain local communities





Tim K.
General Manager

Cal-Maine Foods brought Benton County Foods in Siloam Springs, Arkansas into the family in 2007. Tim came on board at that time and quickly earned his promotion to the role of general manager. He currently supervises a team of approximately 60 colleagues who have helped contribute to the farm's expanded capabilities. During his tenure, Tim has seen Benton County Farms evolve from a single inline layer operation and processing facility to a multi-product processing and finish site, including conventional, cage-free, organic and free-range processing and finishing. Tim's time on the farm is driven in part by his focus on continuously improving the farm's efficiency through the adoption and deployment of innovative technological solutions. As always, Tim and his team remain committed to meeting our customers' needs. He notes, "Our farm strives to be best-in-class in every respect, from customer service and demand to working with our local family egg farmers."

Tim oversees all aspects of the Benton County Foods operation with help from a leadership team that comprises two production managers, a processing manager, a compliance manager and an accounting manager, among others. Together, they are dedicated to run the farm to enhance efficiency, promote animal welfare and support our sustainability goals.

Tim's connection to northwest Arkansas and the surrounding community is longstanding. He was raised in the area on a family farm and chose to attend the University of Arkansas to earn a bachelor's degree in agriculture with an emphasis in poultry science. He and his wife also chose to raise their family in northwest Arkansas, and operate a 386-acre cattle farm near Fayetteville, where he cares for his animals' welfare, mends fences and bales hay, among other critical activities to help a farm thrive. Tim believes that his avocation helps him remain connected with his neighbors, including local farmers who help sustain the Arkansas economy and businesses that serve area residents.

Cal-Maine Foods continues our work of feeding people because we have leaders such as Tim, who believes that, "It is great to work with a farming operation such as Cal-Maine Foods, which focuses on the sustainability of our company and our communities."

As general manager, Tim oversees all aspects of the Benton County Foods operation in Siloam Springs, Arkansas. During his tenure, he has seen Benton County Foods grow from a single inline layer operation and processing facility to a multi-product processing and finishing site.

Janet C.
Accounting Manager

Each farming operation has that one person that everyone in the operation can count on. At Benton County Foods, that person is Janet. People have been counting on her, in fact, for 37 years. Growing up on a dairy farm, Janet knew from an early age that she wanted to be in the agriculture business. She started her career with the company in 1983 as a receptionist. But as with her days on her family's farm, she seldom stays still for long. "Thanks to a focus on mentorship," she says, "I was able to learn each aspect of the business." Colleagues in turn learned they could depend on Janet. Advancing in responsibility, she became accounting manager for the operation in Siloam Springs.

The farming operation has changed significantly during the nearly four decades of Janet's tenure. When she started, for example, desktop computers and accounting software weren't staples of the business, but Janet and her team applied these tools in support of our birds and our customers. In fact, she helped lead an initiative involving a software services provider to implement a new flock accounting program on the company's Benton County Foods farm. The new system, which currently serves as the gold standard, enabled the production team to obtain more robust data on the performance of the birds under their care, which contributed to improved efficiency and the delivery of high-quality eggs for our customers.

Janet's work also demonstrates how a focus on sustainability helps drive our human capital management practices. Drawing on her experience at Cal-Maine Foods, Janet works to mentor her colleagues as others mentored her. "People here are passionate about what they do," she says. "I am excited to continue growing with the company as we move forward with new programs to streamline our processes to help the company become ever more sustainable."



Janet serves as the accounting manager at Cal-Maine Foods at our Benton County Foods operation in Siloam Springs, Arkansas. She has served our company for more than 37 years.



Cody serves as processing manager at our Benton County Foods operation in Siloam Springs, Arkansas. He is one of our many professionals who graduated with a degree in agriculture from the University of Arkansas and has chosen to share his time and talents with Cal-Maine Foods.

Cody H. **Processing Manager**

As with many of our colleagues, Cody grew up on a family farm, where he helped raise chickens and cattle and developed a passion for agriculture. Eventually, that passion led him to major in poultry science and agribusiness at the University of Arkansas, and then to become part of our farming operation at Benton County Foods in 2012.

After about a year of service, Cody was quickly promoted to the role of processing manager. He is part of General Manager Tim's team and supervises 28 colleagues. Cody is responsible for the entirety of the farm's processing operation, including capital and expense budgeting, inventory management, order fulfillment and oversight of his direct reports.

As all farmers understand, success depends on production, conservation and using resources efficiently. Cody is proud of efforts he helped lead at Benton County Foods to minimize waste and conserve resources in the processing operation. He oversaw a remodeling and retrofitting of the Siloam Springs facility that involved installation of new equipment that optimizes efficiency and conserves energy; he also helped implement an upcycling program for reusable materials. Cody notes, "We went from 84-hour work weeks — 12 hours a day, seven days a week — to 60-hour weeks, because our production improved as we were so much more efficient. I am proud to be part of a company that is committed to sustainable production of healthy food for a growing population."

Carter B. **Production Manager**

Carter has worked hands-on with the flock at our Benton County Foods farm since his first day in 2015. After graduating with distinction from the University of Arkansas with a degree in poultry science, he began as a technician who helped oversee the pullets we rear in the farm's cage-free housing structures. A year later, he began overseeing day-to-day operations at our conventional laying hen farm in Siloam Springs, Arkansas.

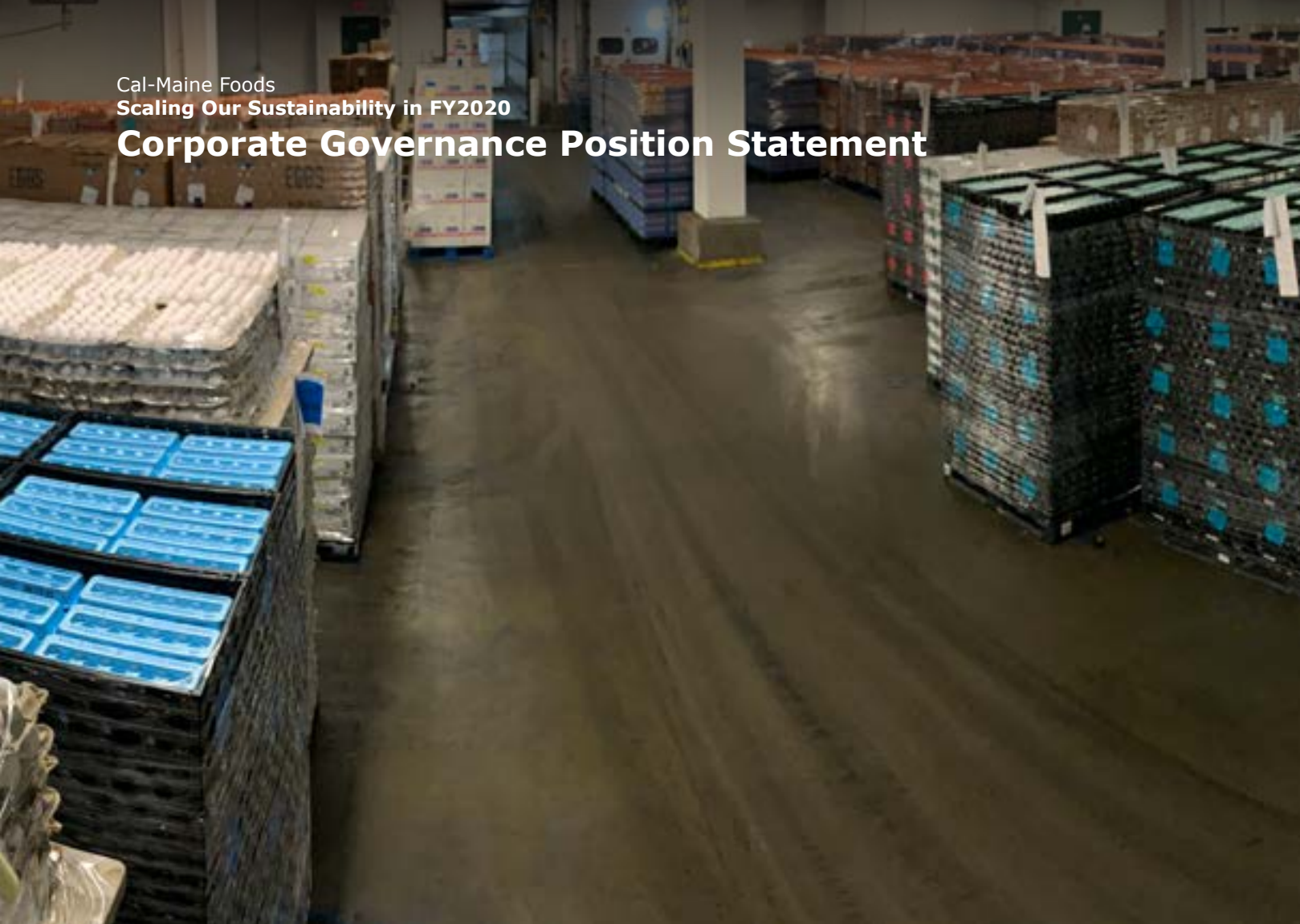
Carter and his team work to see that the birds receive a properly tailored diet and abundant fresh water to promote their health and productivity, that ventilation systems provide a continuous flow of fresh air and that the birds enjoy optimized lighting conditions that promote natural egg-laying behaviors. Sometimes the work on the farm involves maintaining and upgrading of our animal housing systems. "We try hard to give them the best environment possible to help our layers succeed in producing high-quality eggs for our customers," he says.

Carter and his team are committed to help ensure the health of birds, which necessarily promotes sustainability. He is equally passionate about the role that careful, environmentally sensitive management of waste plays in supporting the company's sustainability efforts. And he understands that, while farms raise and care for animals, they operate through people, and supporting people who work on the farm also contributes to sustainability. "Part of my responsibility," Carter says, "is to do what we can to see that our colleagues have an enjoyable place to work each day."



As production manager at our Benton County Foods farm in Siloam Springs, Arkansas, Carter works hands-on each day with our birds to promote their well-being and help them succeed in producing high-quality eggs for our customers.

Corporate Governance Position Statement



SUSTAINABLE DEVELOPMENT GOALS



Cal-Maine Foods is committed to maintain the highest standards of corporate governance, which we believe helps us deliver against the United Nations Sustainable Development Goals. We believe our ongoing governance focus helps us promote decent work and economic growth and drive our industry, innovation and infrastructure best practices. We believe that solid corporate governance also helps drive reduced inequalities and allows us to continue to contribute toward building sustainable communities. Given our commitment to be the most reliable and sustainable provider of fresh shell eggs in the United States, we ground our governance strategy with commitments to responsible production of fresh shell egg and egg products.

Scaling our commitment to corporate governance

Message from Max Bowman,
our Chief Financial Officer

Strong corporate governance helps drive Cal-Maine Foods' continued ability to operate our business and create longer-term enterprise value. Our scaling focus on sustainability includes adopting augmented environmental, social and governance best practices that support our growth objectives. Our board of directors provides strategic oversight of our governance efforts and sets standards for our leadership team.

We remain committed to providing nutritious, quality food choices and recognize that governance is critical to that mission. In fiscal year 2021, we established a Sustainability Stewardship Council comprising senior leaders and subject matter experts who are helping lead sustainability operationalization and reporting. We believe the Stewardship Council will advance our engagement around diversity, equity and inclusion, the potential impacts of climate change on our business and our risk management framework, among other governance matters. Our deep bench of talent will help us continue to uphold the highest principles of corporate conduct and compliance as we execute against our business strategies.

Along with the global community, our business navigated unusual challenges in fiscal year 2020. With oversight from our board of directors, our colleagues worked successfully under challenging circumstances to maintain sound financial controls, produce informative and transparent financial reporting and engage in robust risk management. We believe that strong execution against our mission to feed people evidences our commitment to prudential governance that supports operational resilience.

We thank our many stakeholders for their continued partnership and feedback as we continue to meet or exceed their expectations.



Max Bowman
Vice President and
Chief Financial Officer

Max P. Bowman was elected as director and chief financial officer on October 5, 2018.

Previously, he served as the vice-president of finance. Prior to joining the company, he was CFO of Southern States Utility Trailer Sales, Inc. and H & P Leasing, Inc. from October 2014 until June 2018. From 2003 to 2014, Mr. Bowman was co-founder, president and director of Tenax LLC and Tenax Aerospace, LLC. Mr. Bowman also served as a board member and executive officer of WGS Systems, LLC. From 1997 until 2003 he served as the chief financial officer for ChemFirst, Inc. He is a Certified Public Accountant and holds an undergraduate degree in accounting from Mississippi State University.

Statement on applicable regulatory authorities

Our food production operations are domiciled solely in the United States. The regulators that oversee our corporate governance include the Securities and Exchange Commission (SEC), which oversees the Securities Exchange Act of 1934 that governs securities traded on the secondary market after issuance. The SEC oversees the Sarbanes-Oxley (SOX) Act of 2002, which is meant to protect investors in public securities from corporate fraudulent accounting activities. The SEC also exercises oversight of the rules and regulations tied to our reporting compliance, including our annual report and proxy statement.

As a listed company on the NASDAQ exchange, we are required to comply with NASDAQ's corporate governance rules. Both the SEC and NASDAQ require us to provide extensive disclosures regarding our corporate governance in our periodic reports and proxy statements filed with the SEC or posted on our website.

We are subject to federal antitrust laws that require regulatory approval of acquisitions that exceed select threshold levels of significance. Federal antitrust laws are enforced by the U.S. Department of Justice (DOJ) Antitrust Division and the Federal Trade Commission (FTC).

Our corporate tax program is subject to federal, state and local taxing authorities' jurisdictions.

We are subject to a variety of United States federal and state laws governing animal welfare requirements, including minimum space requirements and, in some cases, cage-free requirements for the hens in our commercial egg operations.

We believe we are well-positioned to meet or exceed our regulators' expectations and drive continued robust corporate governance.

Scaling our commitment to sustainability governance and reporting

Cal-Maine Foods has long been committed to strong corporate governance that helps drive our sustainable business goals. In fiscal year 2021, we formed our Sustainability Stewardship Council (SSC) comprising senior leaders and internal subject matter experts who work to further our sustainability mission. In fiscal year 2021, the SSC met formally on five occasions to discuss sustainability planning and set strategic sustainability goals for the company. The SSC plans to continue its strong participation and engagement to help drive sustainability operationalization and reporting. The subject matter experts who serve as SSC leaders represent a diversity of backgrounds, including deep experience in food safety, risk management, environmental matters, animal welfare and industry innovation, particularly as it pertains to technology uptake in our commercial egg operations, among other skills and attributes.

We expect the SSC to continue to deliver roadmaps for our sustainability journey and anticipate reporting our progress in future updates.

Cal-Maine Foods' Sustainability Pillars



People

Our people and their well-being are our greatest responsibility.



Quality Food Choices

Providing high-quality, sustainable food choices is at the heart of all we do.



Environmental Stewardship

We strive for robust natural resource management to help meet future food needs.



Animal Welfare

The wellness of our animals is of utmost importance as we provide high-quality egg choices that feed people.



Community

We understand and support our local communities with focus on education, hunger relief and financial investment.



Corporate Governance

Our commitment to corporate stewardship helps us continue to provide healthy, affordable food to America's families.

Statement on our board of directors' contributions

We recognize the important contributions our board of directors makes to our enterprise initiatives, including our sustainability journey. Our board oversees our company and management and provides direction for our sustainability efforts, including topics such as diversity, equity and inclusion and efforts to address climate change, among other environmental, social and governance topics.

The members of our board of directors were elected to their roles given their business experiences, qualifications, attributes and skills related to their relevant expertise and proven operating talents. We believe that our board members' expertise extends to industry knowledge, financial and accounting oversight, food safety, human capital management, industry innovation, risk management, communications and public affairs, among other areas.¹

Statement on public materiality assessment

Cal-Maine Foods is currently considering how we may undertake a formal materiality assessment tied to internal and external views surrounding environmental, social and governance issues, among others. We anticipate reporting our progress in future sustainability updates.



Statement on peer benchmarking

With input from our management team and our Sustainability Stewardship Council, we continually review our sustainability performance versus our industry peers. We also consider our performance as reported by the Collier FAIRR Protein Producer Index, and we consider the Sustainability Accounting Standards Board (SASB) framework for the meat, poultry and dairy industries, among others. We look forward to enhancing our commitment to peer benchmarking and analysis and reporting our findings.

Statement on key person risk and succession planning

Our colleagues are our most sustainable resources, and we believe that robust corporate governance includes prudential management of key person risk and succession planning. Our senior management team comprises individuals who have dedicated themselves to becoming skilled in their professions. We believe that our key person risk is minimal given the broad bench of in-house talent that collectively drives our organization's performance and resilience. We do not rely in undue measure on the skill of any single individual to help develop our enterprise strategy and operationalize our goals. We believe that we have sufficient internal and external human capital resources to support our continuity initiatives.

Our colleagues are our most sustainable resources, and we believe that robust corporate governance includes prudential management of key person risk and succession planning.

¹ For more information about our Board of Directors' relevant business experience, qualifications, attributes and skills, please review our most recent proxy statement.

Statement on tax-base erosion and transfer pricing

Cal-Maine Foods' operations are domiciled solely in the United States and as such do not engage in transfer pricing outside the United States and do not do business in taxing jurisdictions that enable tax-base erosion and profit shifting.



Jia Scott
Director of Tax

Jia Scott is Cal-Maine Foods' Director of Tax, a role in which she has served since joining the company in 2013.

She earned a Bachelor of Administration in accounting from Jackson State University and a Masters of Accountancy from Millsaps College. She is licensed by the State of Mississippi as a Certified Public Accountant.

As a member of the company's senior financial management team, including the tax team, Jia is responsible for the management of each aspect of taxation that affects the company and its affiliates, including tax compliance, tax incentive and tax planning matters and preparation of required tax-related information reported in the company's quarterly and annual SEC filings. In addition, she is responsible for overseeing general accounting processes and for the financial accounting review of the company's marketing and promotional division.

Jia is deeply committed to the company's sustainability focus and to the contribution she and her team make. She notes, "Whether through identification and elevation of best practices or transfer and reporting of data via the most efficient electronic footprint, all corporate business service functions are vital to the company's sustainability efforts."

Statement on public policy engagement

Cal-Maine Foods believes in the value of our participation in sustainability dialogues in the United States and international communities. We remain committed to engaging with trade groups and public policymakers, among others, to advance these dialogues.

Cal-Maine Foods' colleagues represent our company with trade group participation and engagement on common industry issues, including protecting human health and well-being in the workplace, sustainable food safety and quality initiatives, understanding climate change risks, water footprint management, waste and toxicity management, land use impacts, antimicrobial stewardship and animal welfare matters, among other matters. For example, we have long provided representatives to the U.S. Roundtable for Sustainable Poultry & Eggs (US-RSPE), which in April 2021 announced its intention to launch a "multi-stakeholder sustainability reporting framework for the full U.S. supply chains for chicken, turkey and eggs from producer to final customer."²

We send representatives to the International Welfare Poultry Alliance (IWPA), which has a mission statement to "support sustainable poultry production that is ethically, socially, scientifically and economically responsible." Cal-Maine Foods colleagues also represent our company with the United Egg Producers, a collaboration of U.S. farmers committed to "advance responsible egg production, assure proper hen care, produce safe eggs and preserve the environment for future generations."³ Our colleagues also represent our interests with select other trade groups that focus on key sustainability issues.

We additionally engage to help shape and promote public policy tied to sustainability in select situations. For example, Cal-Maine Foods has provided representation to the Environmental Protection Agency (EPA) Animal Agriculture discussion group. The EPA is committed to "a strong partnership with the agricultural community to assist in fulfilling our mission of protecting human health and the environment."⁴

We remain committed to participating in and contributing to the public dialogue surrounding environmental, social and governance issues for our industry. We look to these dialogues as a way to contribute and benefit from ideas tied to sustainability operationalization and reporting.

Cal-Maine Foods believes in the value of our participation in sustainability dialogues in the United States and international communities.

² US-RSPE.org. Retrieved on July 2, 2021. <https://www.us-rspe.org/documents/US-RSPE-Framework-for-the-Future.pdf>

³ United Egg Producers. Retrieved on July 2, 2021. <https://unitedegg.com/>

⁴ EPA.gov. Retrieved on July 2, 2021. <https://www.epa.gov/agriculture>

Cal-Maine Foods is proud of our strong track record of prudential governance and corporate controls that seek to inculcate the highest principles of ethics into our culture.

Scaling our commitment to ethics and compliance

Cal-Maine Foods is proud of our strong track record of prudential governance and corporate controls that seek to inculcate the highest principles of ethics into our culture.

To support this culture, we maintain a robust *Code of Ethics for Directors, Officers and Employees (Code of Ethics)* that is overseen by our Board of Directors. Our *Code of Ethics* is publicly available, and we expect and require our colleagues, including our directors and officers, to adhere to it.⁵ The Audit Committee of our Board of Directors oversees compliance with ethical standards adopted by Cal-Maine Foods.

We remain committed to transparency with regard to our ability to drive ethical business operations. In any instance in which we are subject to material legal or regulatory fines or settlements tied to violations of bribery, corruption, or anti-competitive standards, we disclose the details of such in our Annual Reports on Form 10-K filed with the SEC and in other periodic reports.⁶

Statement on ethical business dealings

Cal-Maine Foods strives to compete and to succeed through superior performance and products and without the use of unethical or illegal practices. We do not tolerate corrupt practices in our operations or knowingly tolerate corrupt practices within our greater value chain. In any location in which we conduct or seek to conduct business, we expect that our colleagues' conduct will exemplify our company's commitment to the highest standards of ethical business dealings. We prohibit bribery or any inappropriate or prohibited behavior tied to our interactions with elected officials and others who may influence our ability to conduct our business. In each of fiscal years 2018, 2019 and 2020, we were not subject to any notable controversies tied to bribery or corrupt practices in our operations.

We do not tolerate self-dealing in our operations. We expect and require that colleagues will act in the best interest of our enterprise in all matters and disclose any potential conflicts of interest in alignment with the requirements of our *Code of Ethics*. The *Code* requires that Cal-Maine Foods' colleagues shall not accept any significant gift or benefit from any customer or vendor seeking to do business with the company. Our *Code of Ethics* extends to our supplier interactions. We continue to seek to deal fairly with our suppliers and do not pass on undue costs to our suppliers for, among other matters, marketing purposes, and remain committed to satisfy our accounts payable obligations in accordance with the terms of payment.



Rob Holladay
General Counsel

Rob Holladay is Vice President and General Counsel for Cal-Maine Foods. He has served in that position since joining the company in 2011. Rob earned his J.D. from the University of Mississippi School of Law. He holds a Bachelor of Accountancy and a Master of Taxation from the University of Mississippi. He is a member of the Mississippi Bar Association, Mississippi Corporate Counsel Association, the Association of Corporate Counsel and the American Agricultural Law Association.

Rob serves as legal advisor to the board of directors, senior executives and management of the company, and he is responsible for the company-wide legal function. His team manages transactions and cases across the company's enterprise. Additionally, Rob manages the company's relationships with outside counsel across the country to reach the company's goals and objectives.

Rob is deeply committed to Cal-Maine Foods' efforts to drive sustainability. "I help the company navigate various federal, state and local regulatory regimes so that our organization not only complies with applicable laws and rules but understands them, and the issues they present, so we can operate ever more sustainably, efficiently and productively," he says. Rob serves on the Environmental Protection Agency's Animal Ag Discussion Group, which works to enhance common understanding between the EPA, state regulators and the agriculture industry.

⁵ Cal-Maine Foods' *Code of Ethics for Directors, Officers and Employees*. https://www.calmainefoods.com/media/1006/code_of_ethics.pdf
⁶ For more information about our disclosures, please reference our most recent Form 10-K.

We expect that in the course of any trade group engagement, our colleagues will adhere to our enterprise commitment to exclude anti-competitive conversations, data-sharing and practices.

Statement on antitrust and anti-competitive practices

We operate in a highly regulated industry subject to federal antitrust and anti-competitive practices oversight from the FTC and DOJ, among other federal and state regulatory bodies. As we engage in industry activities with our peers, we remain vigilant to help ensure adequate safeguards are in place. For example, we maintain strong controls over information tied to our future plans and take steps, including engaging in various forms of training, help ensure that our colleagues do not share inappropriate information with competitors, industry or financial analysts or suppliers. We protect information tied to our supply chain practices, in particular our pricing information, among others.

In those instances in which we may be asked to provide data for an industry or governmental study or initiative, we carefully consider the type and age of the data requested and the specific identifiability of our organization as a reporting entity. We take steps to help ensure that we do not share any inappropriate data or material, non-public information. If we share information with a trade group or governmental entity, we take steps when appropriate to help ensure that the data is appropriately anonymized and that confidentiality is maintained. We expect that in the course of any trade group engagement, our colleagues will adhere to our enterprise commitment to exclude anti-competitive conversations, data-sharing and practices.

We believe that in the United States, where our operations are domiciled, the fresh shell egg production industry remains highly fragmented. We are aware of no reasonable concerns that a cartel or that an operator with dominant power exercises outsized influence in our market.

Statement on financial reporting

Cal-Maine Foods remains committed to making full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws, rules and regulations in all reports and documents we file with, or submit to, the Securities and Exchange Commission and in all other public communications made by or on behalf of the Company as outlined in our *Code of Ethics*.⁷

Each senior officer of Cal-Maine Foods seeks to ensure that financial statements and other disclosures comply with all applicable laws, rules and regulations. The Audit Committee of our Board of Directors is responsible for overseeing the “integrity of the company’s quarterly and annual financial statements and the company’s accounting and financial reporting processes and financial statement audits.”⁸

In each of fiscal years 2018, 2019 and 2020, we experienced no notable controversies tied to our financial reporting.

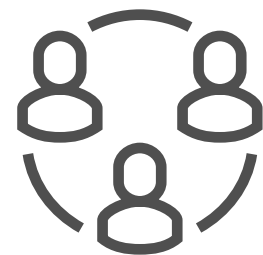
Scaling our commitment to remuneration alignment

Cal-Maine Foods remains committed to helping ensure that our directors, officers and other colleagues’ incentives are aligned with our enterprise best interests. It is our intent to compensate our employees at a level that will appropriately reward them for their performance, minimize the number of employees leaving our employment because of inadequate compensation and enable us to attract sufficient talent as our business expands.⁹ We continue to monitor our compensation arrangements, including our incentive plans, to drive the continued sustainability of our ability to provide high-quality food choices that feed people.

⁷ Cal-Maine Foods’ *Code of Ethics for Directors, Officers and Employees*. https://www.calmainefoods.com/media/1006/code_of_ethics.pdf

⁸ *Charter of the Audit Committee of the Board of Directors of Cal-Maine Foods, Inc.* <https://www.calmainefoods.com/media/1005/charter-audit-12272013.pdf>
⁹ *Proxy Statement For Annual Meeting Of Stockholders To Be Held October 2, 2020*. Retrieved on July 4, 2021. <https://calmainefoods.gcs-web.com/static-files/co40c7bc-da76-4e45-868c-22aa7c4e32cd>

Cal-Maine Foods' respect for human rights is embedded in our enterprise.



Cal-Maine Foods Human Rights Statement

Cal-Maine Foods' respect for human rights is embedded in our enterprise. Our founder, Fred Adams Jr., established and developed a culture that values each individual's contribution and encourages productivity and growth. We remain committed to enhance Mr. Adams' vision, which includes the belief that access to nutritious and affordable food is a fundamental human right. Mr. Adams' foundational values also inspire our mission to serve as the most reliable and sustainable provider of high-quality, fresh shell eggs and egg products in the United States.

All of our operations are located in the United States and the vast majority of our significant suppliers operate exclusively or primarily in the U.S. We are fortunate that the United States has among the best human rights laws, protections and enforcement mechanisms in the world. In addition, we endeavor to operate our business in ways that support people, including our colleagues, people in our value chain and those in communities in which we have influence, in enjoying fundamental human rights.

To further this commitment, Cal-Maine Foods supports the goal of human rights protections as outlined in this *Statement*. Our approach to human rights issues is informed by the United Nations *Guiding Principles on Business and Human Rights (Guiding Principles)* and the United Nations *Universal Declaration of Human Rights*, among other internationally recognized human rights instruments.

Statement on scope

While the primary responsibility to uphold and protect human rights lies with governments, we recognize the important role public and private enterprise has to support human rights. Our enterprise operations are domiciled entirely in the United States, a jurisdiction with legal human rights oversight and protections, and our policies require compliance with federal, state and local laws applicable to our business. Our enterprise remains committed to supporting human rights within our organization and across our value chain.

Our operational commitment extends to Cal-Maine Foods, Inc., the entities we own and in which we hold a majority interest and operations under our control. Our focus on lawful treatment extends to recruitment, employment applications, hiring, placement,

job assignments, career development, training, remuneration, benefits, discharge and other matters tied to terms and conditions of employment. We also believe our responsibility to support federal, state, and local laws, including those aimed at human rights, extends beyond our enterprise and expect our suppliers to uphold these laws as well.

Cal-Maine Foods introduced our *Human Rights Statement* in fiscal year 2022. To develop our *Statement*, we considered the objectives of multiple stakeholders, including our colleagues, customers, communities in which we have influence and investors, among others. We intend to engage in dialogue that helps us listen to and incorporate their feedback as we further integrate our human rights support into our operations.

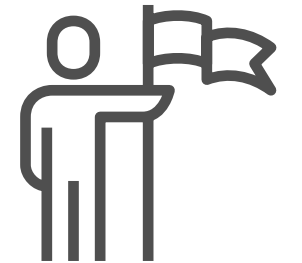
Statement on due diligence

Cal-Maine Foods believes that material human rights-tied risks should be identified and mitigated where possible throughout our value chain. We believe that due diligence could help us build more resilient operations and enhance our ability to drive positive impacts for our colleagues, customers and the communities in which we have influence. We also believe that a focus on diligence could help us avoid or remediate human rights-tied issues in those relationships in which we have reasonable choices or influence. As such, we intend to conduct a material risk assessment in the future and develop a program designed to identify and address any material risks to human rights identified in our value chain.

Statement on freedom of association

At Cal-Maine Foods, we promote a culture that respects and values our colleagues' contributions. We encourage their feedback and believe that we are well-positioned to communicate with them directly. We value the contributions of positive change-influencers and encourage colleagues to communicate freely with their managers.

We respect freedom of association and the right not to associate. We believe in the free exchange of speech and information, provided there exists no harassment, intimidation, or business or operational disruption. We provide our colleagues with channels to escalate grievances, including those outlined in our employee handbooks, our *Code of Ethics*, and on employee bulletin boards, and provide anonymous reporting mechanisms, including an employee hotline.



We are committed to offer our colleagues opportunities commensurate with our operational needs, their experiences, goals and contributions.



Statement on diversity, equity and inclusion

We are an Equal Opportunity Employer that prohibits, by policy and practice, any violation of applicable federal, state, or local law regarding employment. Discrimination because of race, color, religion, sex, pregnancy, age, national origin, citizenship status, veteran status, physical or mental disability, genetic information, or any other basis protected by applicable law is prohibited. We value diversity in our workplaces or in work-related situations.

We maintain strong protocols to help our colleagues perform their jobs free from harassment and discrimination. We are committed to offer our colleagues opportunities commensurate with our operational needs, their experiences, goals and contributions.

Statement on colleague peace of mind

At Cal-Maine Foods, we work to provide our colleagues the peace of mind that their workplaces and work-related situations are free of harassment, bullying, intimidation, supervisory retaliation and disruptive, threatening or violent behavior. We maintain safeguards and reporting mechanisms for suspected instances of unacceptable behavior and investigate and remediate where appropriate.

Statement on freely chosen employment

All of our employees are located in the United States, the laws of which prohibit child labor, forced labor, human bondage, bonded labor, indentured servitude and slave labor. We prohibit the hiring of persons who are under the age of 18 for positions in which hazardous work may be required. We may employ persons who are 16 or 17 years of age in select cases subject to our managers' discretion, corporate safety guidelines and in compliance with applicable federal, state and local laws and statutes. We expect our suppliers who may employ young workers to uphold the highest standards of commitment to their human rights.

Statement on healthy and safe workplaces

Our commitment to support human rights begins with our colleagues. We design our health and safety protocols with the goal of ensuring that our workplaces promote our colleagues' health, well-being and personal development and to meet or exceed the robust federal, state, and local laws and statutes under which we operate. We believe this commitment helps us uphold human rights across our enterprise, value chain and in the communities in which we have influence. Our senior leaders, including our management team, review and evaluate our health and safety protocols and outcomes and remain committed to drive enhancements.

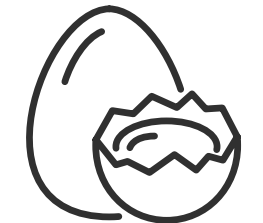


Statement on fair wages

Cal-Maine Foods is committed to provide fair wages to our colleagues that are commensurate with their contributions. We offer competitive remuneration and benefits that we believe meet or exceed agricultural industry practices in the areas in which we operate.

Statement on our products' nutritional value

We remain committed to transparent labeling of our fresh eggs and egg products to help our consumers make nutritional choices for themselves and their families. We also provide information that helps our consumers understand how our fresh eggs are produced and how to store and handle our finished eggs safely.



Statement on human rights in our value chain

Cal-Maine Foods expects our suppliers and customers to support human rights. We engage with many of our suppliers and customers and value these opportunities to support human rights within our areas of influence. While we are not aware of any material risks to human rights in our value chain today, we continue to evolve our supply chain and customer relationships in alignment with our human rights commitment.

Statement on our colleagues' human rights vigilance

Cal-Maine Foods is committed to offer workplaces in which our colleagues feel respected and valued. We expect and require our colleagues to be vigilant and report instances of suspected non-conformance with our human rights values. To help facilitate this vigilance, we provide colleagues with our reporting protocols and expectations. Any colleague who believes a conflict exists between our human rights commitment and workplace practices should indicate these concerns through our reporting mechanisms described above. We will investigate and respond to any report and engage in appropriate action, including remediation, if needed.

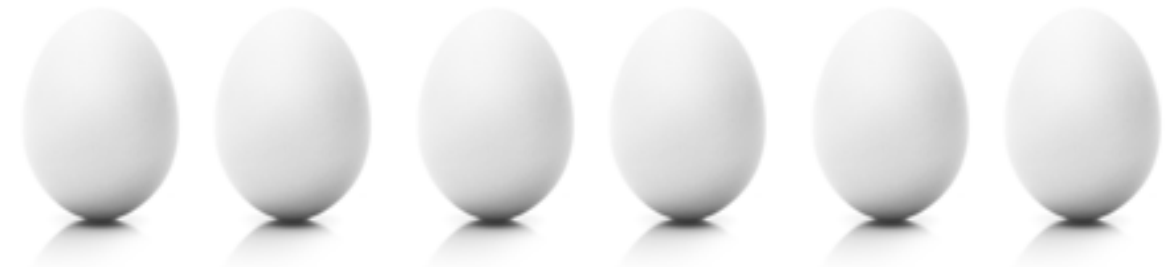


Statement on governance and reporting

Our human rights policies and practices are overseen by our Board of Directors and our senior officers. In addition to this *Human Rights Statement*, our *Code of Conduct* articulates how we promote our culture of integrity across the company and serves as a foundation of our approach to human rights. We plan to periodically provide additional detail on our human rights practices through our *Sustainability Report* and other corporate communications.

Approved

The Cal-Maine Foods Board of Directors approved this *Human Rights Statement* on July 20, 2021.



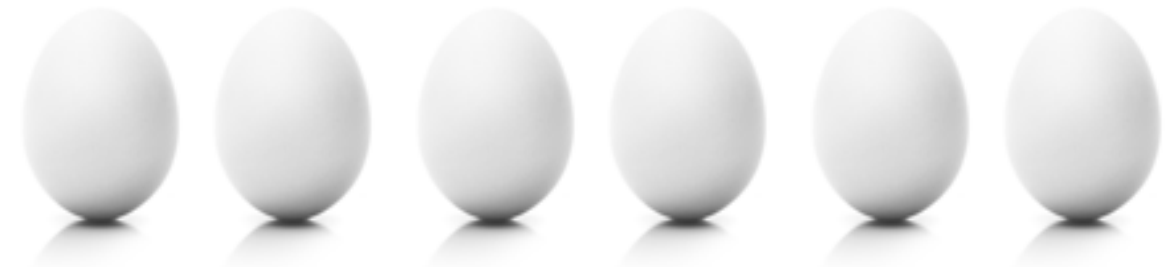
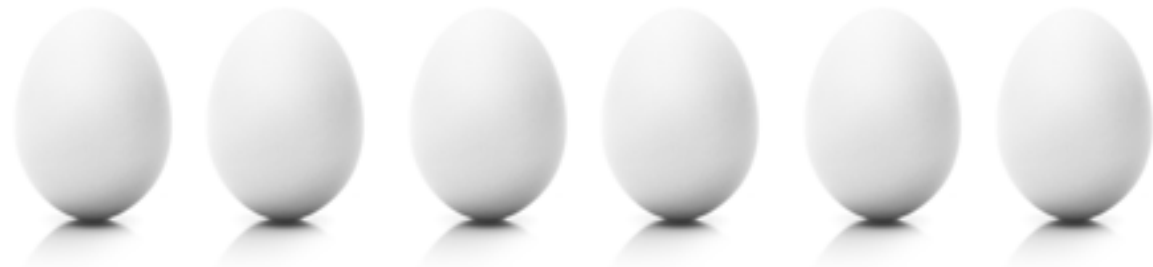
Cal-Maine Foods' Sustainability Pillar	SASB Category	Accounting Metric	Category	Unit of Measure	Code	Response
Environmental Stewardship	Greenhouse Gas Emissions	Gross Global Scope 1 Emissions	Quantitative	Metric tons (t) CO ₂ -e	FB-MP-110a.1	We are reconsidering how we measure and report our Gross Global Scope 1 Emissions. We anticipate reporting our progress in future sustainability updates.
Environmental Stewardship	Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions-reductions targets and an analysis of performance against those targets	Discussion and analysis	N/A	FB-MP-110a.2	To read our discussion, please see <i>Scaling our commitment to minimize greenhouse gas emissions</i> .
Environmental Stewardship	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-MP-130a.1	In each of fiscal years 2018, 2019 and 2020, 100%, or all, of our owned operations' electricity needs were provided from the grid. We are considering how to measure our total energy consumption, including our utilization of grid electricity and renewables. We anticipate reporting our progress in future sustainability updates.
Environmental Stewardship	Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	FB-MP-140a.1	We are considering how to measure our total water withdrawn, our total water consumed and the percentage of each activity in regions of High or Extremely High Baseline Water Stress. We anticipate reporting our progress in future sustainability updates.
Environmental Stewardship	Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	N/A	FB-MP-140a.2	To read our discussion, please see <i>Scaling our commitment to water management</i> .
Environmental Stewardship	Water Management	Number of incidents of non-compliance with water quality permits, standards, and regulations	Quantitative	Number	FB-MP-140a.3	We report in alignment with the disclosure requirements pursuant to Regulation S-K Item 103 as adopted by the Securities and Exchange Commission, which is a modification of this metric. In each of fiscal years 2018, 2019 and 2020, Cal-Maine Foods had no material instances of wastewater discharges that would require disclosure pursuant to Regulation S-K Item 103. To read our discussion, please see <i>Scaling our commitment to gray water management</i> .
Environmental Stewardship	Land Use and Ecological Impacts	Amount of animal litter and manure generated, percentage managed according to a nutrient management plan	Quantitative	Metric tons (t)	FB-MP-160a.1	We do not report the amount of animal litter and manure generated in our operations. We are considering the best reporting method and anticipate reporting our progress in future sustainability updates.
Environmental Stewardship	Land Use and Ecological Impacts	Percentage of pasture and grazing land managed to Natural Resources Conservation Service (NRCS) conservation plan criteria	Quantitative	Percentage (%) by hectares	FB-MP-160a.2	We do not report the percentage of pasture and grazing land managed to NRCS conservation plan criteria. In each of fiscal years 2018, 2019 and 2020, as an immaterial and non-core part of our business, we leased land to third parties for agricultural production, including grain operations, cattle grazing and haying operations.
Environmental Stewardship	Land Use and Ecological Impacts	Animal protein production from concentrated animal feeding operations (CAFOs)	Quantitative	Metric tons (t)	FB-MP-160a.3	We report the amount of animal protein production from our owned CAFO operations in egg dozens, which is a modification of this metric. In each of fiscal years 2018, 2019 and 2020, our owned CAFO operations produced 793.2, 794.1 and 846.5 million dozen eggs, respectively. This production does not include eggs produced by our contract growers, eggs purchased from outside suppliers or eggs sold as breaking products and byproducts. To read our discussion, please see <i>Statement on CAFOs</i> .

Cal-Maine Foods' Sustainability Pillar	SASB Category	Accounting Metric	Category	Unit of Measure	Code	Response
Quality Food Choices	Food Safety	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-MP-250a.1	<p>In each of fiscal years 2018, 2019 and 2020, our processing facilities were audited to SQF certification standards, which is recognized by the Global Food Safety Initiative.</p> <p>In fiscal year 2018, our major audit non-conformance rate was zero. Our minor non-conformance rate was 0.20, which is calculated from eight total minor non-conformances divided by 40 audited processing facilities. The company's minor non-conformance corrective action rate was 100 percent.</p> <p>In fiscal year 2019, our major non-conformance rate was zero. Our minor non-conformance rate was 2.04, which is calculated from 84 total minor non-conformances divided by 41 audited processing facilities. The company's minor non-conformance corrective action rate was 100 percent.</p> <p>In fiscal year 2020, our major non-conformance rate was 0.04, which was corrected in accordance with our SQF certification program under audit. Our minor non-conformance rate was 0.72, which is calculated from 18 total minor non-conformances divided by 25 audited processing facilities. The company's minor non-conformance corrective action rate was 100 percent.</p>
Quality Food Choices	Food Safety	Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program	Quantitative	Percentage (%)	FB-MP-250a.2	<p>We report our supplier facilities' GFSI certification as a percentage of our fresh shell egg purchases, which is a modification of this metric. In each of fiscal years 2018, 2019 and 2020, the percentage of suppliers' fresh shell eggs that were not SQF-certified was less than one percent of our finished eggs sales and was provided to customers that did not require SQF certification.</p> <p>To read our discussion, please see <i>Scaling our commitment to sustainable third-party certification</i>.</p>
Quality Food Choices	Food Safety	(1) Number of recalls and (2) total weight of products recalled	Quantitative	Number, metric tons (t)	FB-MP-250a.3	<p>We report our product recall information in finished egg dozens, which is a modification of this metric. In fiscal year 2018, we issued a recall tied to 23,400 dozen eggs that were purchased from another producer. In each of fiscal years 2019 and 2020, our finished eggs were not subject to voluntary or involuntary recall.</p>
Quality Food Choices	Food Safety	Discussion of markets that ban imports of the entity's product	Discussion and analysis	N/A	FB-MP-250a.4	<p>To read our discussion, please see <i>Statement on fresh shell egg product bans</i>.</p>
Quality Food Choices	Antibiotic Use in Animal Production	Percentage of animal production that received (1) medically important antibiotics and (2) not medically important antibiotics by animal type	Quantitative	Percentage (%) by weight	FB-MP-260a.1	<p>We report the percentage of animal production that received medically important antibiotics and not medically important antibiotics by animal type as a percentage of the feed we provide, which is a modification of this metric. In each of fiscal years 2018, 2019 and 2020, we administered a single medically important antibiotic in less than one percent of the feed we provided to our animals under supervision from licensed veterinarians with whom we had established client-patient relationships. To read our discussion, please see <i>Statement on our judicious use of medically important antibiotics</i>.</p>
People	Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate	Quantitative	Rate	FB-MP-320a.1	<p>In each of fiscal years 2018, 2019 and 2020, our enterprise TRIR was 5.2%, 4.5% and 3.5%, respectively. Unfortunately, in fiscal year 2019 we had one fatality.</p> <p>To read our discussion, please see <i>Scaling our commitment to reporting</i>.</p>
People	Workforce Health & Safety	Description of efforts to assess, monitor, and mitigate acute and chronic respiratory health conditions	Discussion and analysis	N/A	FB-MP-320a.2	<p>To read our discussion, please see <i>Statement on respiratory health</i>.</p>
Animal Welfare	Animal Care & Welfare	Percentage of pork produced without the use of gestation crates	Quantitative	Percentage (%) by weight	FB-MP-410a.1	<p>This metric is not applicable to Cal-Maine Foods' operations.</p>

Cal-Maine Foods' Sustainability Pillar	SASB Category	Accounting Metric	Category	Unit of Measure	Code	Response
Animal Welfare	Animal Care & Welfare	Percentage of cage-free shell egg sales	Quantitative	Percentage (%)	FB-MP-410a.2	We do not report our percentage of cage-free shell egg sales.
Animal Welfare	Animal Care & Welfare	Percentage of production certified to a third-party animal welfare standard	Quantitative	Percentage (%) by weight	FB-MP-410a.3	<p>We report our percentage of production of animal protein produced by our owned operations and our contract farmers that is certified to third-party standards as a percentage of egg dozens sold, which is a modification of this metric.</p> <p>In each of fiscal years 2018, 2019 and 2020, 100%, or all, of the fresh shell eggs produced by our owned and our contract farmers was certified to third party-animal welfare standards, which represented 84%, 84% and 87%, respectively, of finished eggs we brought to market. To read our discussion, please see <i>Scaling our commitment to third-party certification</i>.</p> <p>In each of fiscal years 2018, 2019 and 2020, 100%, or all, of the fresh shell eggs produced by our owned and our contract farmers for egg-breaking operations was certified to third-party animal welfare standards.</p>
Environmental Stewardship	Environmental and Social Impacts of Animal Supply Chain	Percentage of livestock from suppliers implementing the Natural Resources Conservation Service (NRCS) conservation plan welfare standards	Quantitative	Percentage (%) by weight	FB-MP-430a.1	This metric is largely not applicable to our operations as our outside purchases of livestock are minimal. We engage in selective purchases of breeding stock and other birds as is standard for our industry.
Animal Welfare	Environmental and Social Impacts of Animal Supply Chain	Percentage of supplier and contract production facilities verified to meet animal welfare standards	Quantitative	Percentage (%)	FB-MP-430a.2	<p>We report our percentage of supplier production of animal protein certified to third-party standards as a percentage of egg dozens sold, which is a modification of this metric.</p> <p>In each of fiscal years 2018, 2019 and 2020, we purchased 16%, 16% and 13%, respectively, of finished eggs we brought to market from outside suppliers. In each of these fiscal years, 100%, or all, of those eggs was certified to third-party animal welfare standards. For more information, please read <i>Statement on our supplier partnerships</i>.</p>
Environmental Stewardship	Animal and Feed Sourcing	Percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by contract value	FB-MP-440a.1	We do not report the percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress. We anticipate reporting our animal feed sourcing practices in future sustainability updates.
Environmental Stewardship	Animal and Feed Sourcing	Percentage of contracts with producers located in regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by contract value	FB-MP-440a.2	We do not report the percentage of contracts with producers located in regions with High or Extremely High Baseline Water Stress.
Environmental Stewardship	Animal and Feed Sourcing	Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change	Discussion and analysis	N/A	FB-MP-440a.3	We are considering the opportunities and risks to feed sourcing and livestock supply presented by climate change. We anticipate reporting our progress in future sustainability updates.
Activity Metric	Activity Metric	Number of processing and manufacturing facilities	Quantitative	Number	FB-MP-000.A	As of fiscal year-end 2020, Cal-Maine Foods operated three breeding facilities, 23 feed mills, two hatcheries, 44 processing and packaging facilities, 28 pullet facilities, 42 shell egg production facilities and two egg products processing facilities. We additionally operated six distribution centers and five offices that provided administrative and other general support to our enterprise.
Activity Metric	Activity Metric	Animal protein production, by category; percentage outsourced	Quantitative	Various, Percentage (%)	FB-MP-000.B	In each of fiscal years 2018, 2019 and 2020, 100%, or all, of our animal protein production and animal protein we brought to market comprised shell eggs and egg products. In each of fiscal years 2018, 2019 and 2020, we purchased 16%, 16% and 13%, respectively, of finished eggs we brought to market from outside suppliers.

Updates since post-first-production

Our Cal-Maine Foods' family made this report possible.
We thank them all for the many contributions
to our sustainability efforts.



CORPORATE INFORMATION

Corporate Information

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**Independent Registered
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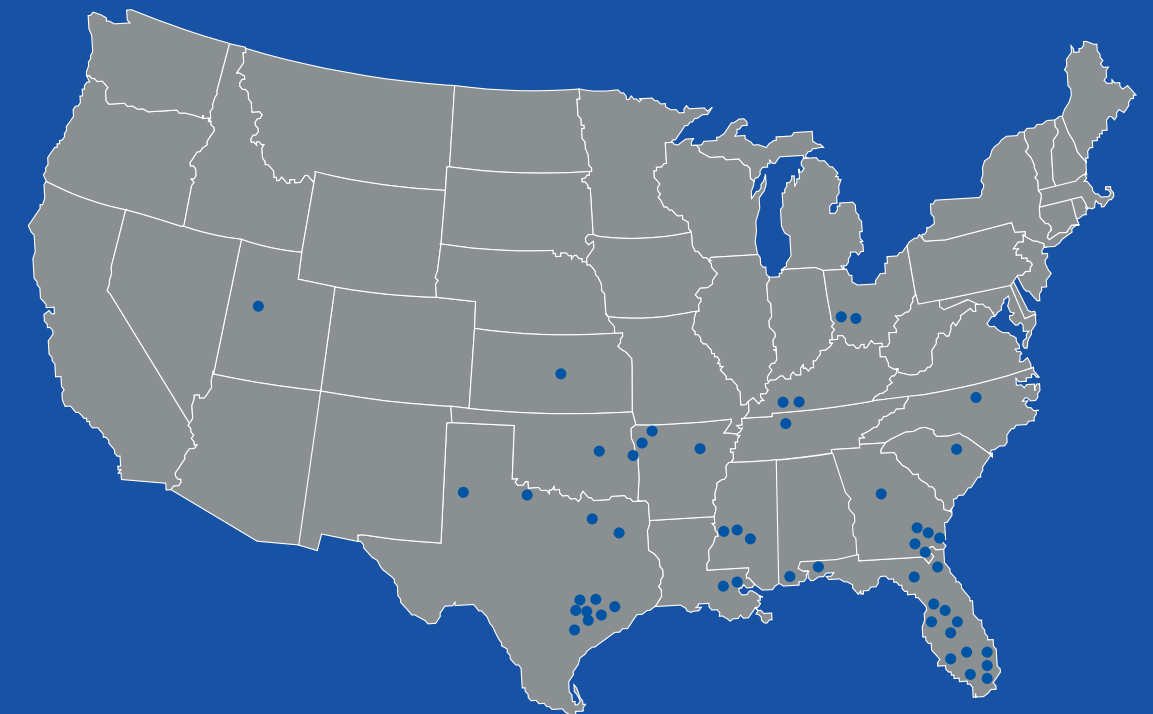
Frost, PLLC
425 West Capitol, Suite 3300
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Form 10-K

The Form 10-K, including the financial statements and schedules thereto, for the year ended May 30, 2021, as well as other information about Cal-Maine Foods, Inc. may be obtained without charge by writing to Ms. Lisa Russell, Investor Relations, at the Company's corporate offices.

Cal-Maine Foods, Inc. is primarily engaged in the production, grading, packing and sale of fresh shell eggs, including conventional, cage-free, organic and nutritionally enhanced eggs. The Company, headquartered in Jackson, Mississippi, is the largest producer and distributor of fresh shell eggs in the United States with fiscal 2020 sales of approximately 1.069 billion dozen shell eggs, representing approximately 19 percent of domestic shell egg consumption in the United States.

The common shares of Cal-Maine Foods, Inc. are traded on the Nasdaq Global Select Market under the symbol CALM.



CAL-MAINE FOODS LOCATIONS

Alabama Robertsdale	Mascotte Miami Okeechobee	Kansas Chase	North Carolina Louisburg	Texas Bogata Boling Chillicothe Farwell Flatonia Harwood Klesel Marion Pittsburg Sandy Fork
Arkansas Green Forest Searcy Siloam Springs	Trilby Wellborn Zephyrhills	Kentucky Bremen Guthrie	Ohio Rossburg Union City	Waelder Wharton
Florida Bushnell Callahan Dade City Indiantown Kathleen Lacoochee Lake City Lake Wales	Georgia Blackshear Hoboken Moniac Patterson Shady Dale St. George	Louisiana Hammond Pine Grove	Oklahoma Nebo Watts	South Carolina Bethune
		Mississippi Edwards Ridgeland <i>(Corporate Offices)</i> Mendenhall	Tennessee Clarksville	Utah Delta



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