

2021 Herbruck's Poultry Ranch Sustainability Report

Herbruck's Poultry Ranch | Saranac, Michigan



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Our Mission

It's our mission to bring some wholesome goodness back into the world.

We respect the bird, love the eggs.

That's why each hen is given what she needs to lay the absolute best version of nature's perfect food — eggs.



It's been an exciting year for Herbruck's Poultry Ranch.

We continued construction of our sustainable cage-free egg-laying facility, Blue Springs Egg Farm, in Mercersburg, Pennsylvania. We brought the solar array at our Green Meadow Organics facility online and made leadership transitions that will help us continue our momentum toward the future. It's also been another challenging year of navigating the COVID-19 pandemic, but we've continued to prioritize our values as they guide how we move through difficult times.

At Herbruck's, we supply nearly 3 billion eggs and 55 million pounds of liquid egg product to retailers and food service outlets across the nation each year. Our flock of 10 million birds continues to grow.

As the CEO at Herbruck's, I have tremendous faith in our team to continue focusing on our four key pillars of sustainability: People, Planet, Products and Prosperity. These are our guiding principles in terms of current and future planning for Herbruck's and will continue to shape the decisions we make every day.

In 2021, we made strides that align with our four key pillars.

For our People, we have worked hard to keep our team members safe and healthy during the COVID-19 pandemic with the continued use of our onsite wellness clinic and health care resources for our employees and their covered family members. Our People pillar also encompasses care for the communities we serve, and in the spirit of being a good neighbor, we donated 1.8 million eggs last year, and collected gifts and essentials for local families.

For our Planet, our 2-megawatt solar array at our Green Meadow Organics facility, where we produce premium organic cage-free eggs and all-natural fertilizers, is now providing enough electricity to meet about a quarter of the power demand at that facility. We continue to assess how we can incorporate solar energy into ongoing and future projects.

For our Products, we continued providing our flocks with the best care, handling, nutrition and environmental conditions. We remained a leader in cage-free care, with 75% of our operation cage-free, and plan to be 100% cage-free by 2024. The cage-free lifestyle is beneficial to the health of our flock, and those benefits also extend to product safety and quality.

Finally, **our Prospersity pillar** defines how we position our family business to grow toward the future. We've made a significant investment in Blue Springs Egg Farm, which is set to begin operations this year. This \$100 million sustainable facility will have a huge economic impact on the Mercersburg area and beyond, and support future growth for Herbruck's.

> Our values continue to drive us forward. You will see in this report how we put **People, Planet, Products, and Prosperity** first in everything we do, keeping our fourth-generation family business on track for a sustainable future and supplying hundreds of thousands of people across the country with ethically sourced, nutritious eggs.

Treg leibrick

Greg Herbruck CEO, Herbruck's Poultry Ranch

People

Herbruck's is a fourth-generation family business. Our employees are part of our extended family, so we take great strides to take good care of them. We dedicate a large amount of our resources to making sure our employees and their families are healthy through the use of our on-site wellness center, that our team members have the support they need to grow in their career and that they are well-informed and are a part of Herbruck's company culture.

Our People Pillar also covers how Herbruck's strives to be a good neighbor, making egg donations, as well as supplies and monetary contributions to local organizations. Last year, we donated 1.8 million eggs to local organizations, and we hope to top that in 2022. This year we also hope to donate 3,000 volunteer hours to our community.





our

"We can't begin to express how much we value our partnership with Herbruck's, and we are so thankful for the donation of eggs for the families we serve. Many of the people we serve are struggling through the continuing pandemic, so we're grateful to be able to give to support them in any way we can."

BRU

Kenneth R. Estelle President and CEO Feeding America West Michigan

39.41



"At Herbruck's, we work to continuously exceed the national safety standards and average scores for our industry. And while the numbers are an important benchmark for us to ensure we're putting safety first, they come secondary to the daily safety of our team members."

Jamison Boyd Compliance Manager

Using creative and engaging safety programs, combined with a unique set of monthly safety challenges and the ability of every team member to make a difference, at Herbruck's our team is instilling a culture of "safety is everyone's responsibility."

Planet

Herbruck's is on a continuous mission to do right by our planet. We demonstrate our commitment to environmental stewardship in everything we do – from utilizing solar energy, to creating perimeter fields that provide habitat for pollinators that will benefit the environment. We reduce byproducts and waste by processing chicken litter into organic, nutrient-rich fertilizers that complete the organic cycle when they are used to grow grain for our hens. Environmental initiatives are a top priority for us and that's how we meet and exceed government regulations when it comes to sustainability.

This year, we're deeply focused on further decreasing waste, conserving water and working with our customer base to increase the usage of packaging that is made from post-consumer materials, such as the pcrPET packaging, to further reduce the environmental strain.

In 2021, Herbruck's recycled over 12,731 tons of materials. diverting 99.6% of materials from landfills.



"A key part of Herbruck's growth is ensuring we do our part to take care of the environment around us, and our solar project at Green Meadow Organics is just one way we make sustainability central to everything we do. Bringing clean energy to a rural part of the state is very exciting for us and the surrounding community. It's good for business, good for Michigan and good for the planet."

Cody Herbruck Director of Processing and Operations

Products

In all aspects of our business, we're here to serve the bird. The health and welfare of our animals is central to everything we do. Providing our flocks with the best care, handling, nutrition and living conditions is paramount to us. Herbruck's has an outstanding reputation in animal care, and every day we are innovating and planning for how we keep that excellence moving forward toward the future.

In 2022, we're focusing heavily on our goal of being 100 percent cage-free by 2024. Currently, nearly 80 percent of our operation is cage-free. We're also working with our customers to adjust to cage-free and better offerings for their consumers. Going cagefree allows birds to exhibit natural behavior while providing more space to socialize, which will ultimately lead to better products and a more delicious, nutritious egg.

"We use the behavior of our birds to guide our growth."

Max Pfund Director of Michigan Production

At Herbruck's, our standard of animal welfare not only meets, but exceeds, the requirements that our customers and consumers expect. Through continued innovation in housing, nutrition and veterinary care, we give our hens the respect they deserve. All this care is delivered by our trained and caring team members.







Prosperity

From expanding our facilities and taking on projects that will lessen our impact on the environment, to investing in our future, Herbruck's continues to look forward. We have three key indicators for prosperity, including ethics, growth opportunities, and process improvements and cost savings. In 2021, we began construction on Blue Springs Egg Farm, a \$100 million sustainable cage-free egg-laying facility in Mercersburg, Pennsylvania. This year, we will bring that facility online and hire nearly 200 people from the local area to work there.

Our Pennsylvania expansion is just one way we're looking toward the future to ensure Herbruck's continues growing. This year, we announced leadership transitions that will help move our fourth-generation family business forward, furthering our leadership in the poultry industry and on sustainability. The fourth generation of Herbruck's is looking bright as the future leaders of this company.

We will also be focusing on innovation, with our latest house designs which feature improved lighting and ventilation systems to encourage better hen behavior and reduce that amount of dust that occurs when birds dust bathe in an aviary environment "Blue Springs Egg Farm will be an exciting economic boost to the Mercersburg community and entire surrounding region, and we've worked hard to incorporate community input into the project. Blue Springs will be a sustainable egg-laying facility on 335 acres, including eight barns, an egg processing plant and a litter pelletizing/storage building. We'll use the most innovative technology in our industry to organically process hen litter into fertilizer, which eliminates odors, flies and provides nutrient-rich organic fertilizer for farmers. Our innovative design of the entire property ensures it blends in with the surrounding typography to ensure minimal impact on the environment and overall aesthetic of the area."

Melanie Herbruck Jones Owner and General Manager



The values that guide Herbruck's ensure we're putting our best foot forward and doing the right thing by the people, our customers, our community, and our planet. It makes for good business, but it's also just the right thing to do.

Through our four pillars – **People, Planet, Product and Prosperity** – we're on the path toward a better, brighter, greener future. As we continue to grow and change our fourth-generation family business, these values remain constant for Herbruck's.



