

SANDERSON FARMS, INC.
CORPORATE LOBBYING REPORT
FISCAL YEAR 2020

Corporate Lobbying Policy and Procedures

Our management team and our board of directors consider it good corporate practice and in the best interests of our company and our stakeholders to maintain relationships with elected officials and with government relations advisors. All of our lobbying activity and contacts with elected and other government officials must be lawful, ethical and in compliance with our [Corporate Code of Conduct](#).

It has been our long-standing practice to retain several government relations firms on an annual basis. These firms keep us informed about state and federal legislative developments that could affect us, our industry or domestic and international commerce generally. Historically, we have very infrequently lobbied for or against specific legislative or policy initiatives. In recent years, our lobbying activity has related mostly to promoting international trade agreements and infrastructure projects in the states where we operate.

In addition to keeping us informed about relevant legislation, our government relations advisers consult our senior management about our views on proposed and pending legislation and public policy, particularly in the state of Mississippi. They then convey those views to appropriate persons in the legislature.

Our advisers also assist us in arranging meetings between our managers and officials at government agencies that regulate us. For example, they have helped our scientific and technical team to arrange meetings with officials at the United States Department of Agriculture to discuss regulations related to food safety.

We do not have an in-house government relations or lobbying staff. We also do not have a political action committee, or PAC. We have a policy prohibiting our company from endorsing political candidates, making independent expenditures advocating for or against candidates and making contributions to PACs formed to benefit a particular candidate or political party.

Management reports annually to the board of directors on routine lobbying and legislative monitoring expenditures made in the ordinary course of our business. Management reports to the board more frequently about any lobbying activity that is significant, and would obtain board approval before undertaking any lobbying activity that is both material to us and outside the ordinary course of our business.

Lobbying Expenditures

During fiscal year 2020, the Company incurred the following expenses from its governmental relations advisors, which were primarily for legislative monitoring services (amounts are rounded to the nearest thousand):

Recipient	Amount
Capitol Resources LLC	\$ 301,000
Squire Patton Boggs	225,000
Crossroads Strategies, LLC	113,000
Ward and Smith, P.A.	61,000
Weeks & Co.	30,000

In fiscal 2020, the Company did not engage in lobbying efforts with respect to any specific legislative initiative, and it did not engage in any grassroots lobbying activities.

During fiscal year 2020, the Company was a member of the following trade associations or other tax-exempt organizations that the Company is aware engage in lobbying activities or write and endorse model legislation. The only payments made to these organizations in fiscal 2020 other than the dues listed below were for registration fees associated with, or sponsorships of, conventions, seminars and special industry events sponsored by the organizations, which payments were de minimis. Amounts below are rounded to the nearest thousand:

Organization	Total Dues Paid	Estimated Amount of Dues Attributable to Lobbying
National Chicken Council	\$ 209,000	\$ 20,000
Mississippi Manufacturers Association	25,000	13,000
Mississippi Poultry Association	84,000	8,000
Texas Broiler Council	51,000	2,000
Georgia Poultry Federation	40,000	2,000
North Carolina Poultry Federation	10,000	2,000
Louisiana Association of Business and Industry	3,000	1,000

Our management executive committee decides whether we will join a trade association after we conduct due diligence about the association and whether its interests align with ours. The executive committee also monitors on an on-going basis the activities and initiatives of the associations we are a member of to ensure our continued membership remains in our company's best interests. We do not always agree with all the positions of the organizations listed above or their other members. However, they have meaningful and influential roles in our industry and on issues that are important to us, so we currently believe that our membership in these organizations is in the best interests of our company.

The Company did not incur any other direct or indirect expenses for lobbying in its 2020 fiscal year other than those reflected on this report.

We will provide this report annually on our website with links to reports from prior years.