



## **Leading Independent Proxy Advisory Firm ISS Recommends that Farmer Brothers Stockholders Vote “FOR” All Three of Farmer Brothers’ Director Nominees**

November 25, 2019

### **Urges Stockholders to Vote “FOR” Farmer Brothers’ Director Nominees on the WHITE Proxy Card**

NORTHLAKE, Texas, Nov. 25, 2019 (GLOBE NEWSWIRE) -- Farmer Bros. Co. (NASDAQ:FARM) (the “Company” or “Farmer Brothers”) today announced that a leading independent proxy advisory firm, Institutional Shareholder Services (“ISS”) has recommended that Farmer Brothers stockholders vote “FOR” all three of the Company’s highly qualified and experienced director nominees – Charles Marcy, Deverl Maserang and Christopher Mottern – on the **WHITE** proxy card in connection with the Company’s 2019 Annual Meeting of Stockholders to be held on December 10, 2019.

In its November 22, 2019 report, ISS concluded<sup>1</sup>:

- “The board has proactively recruited several new directors and a new CEO who appears appropriate for the endeavor, and it is addressing the primary operational concerns raised by the dissident, which has failed to articulate a convincing argument in favor of its nominees or to offer solutions that the board is not already exploring.”
- “FARM has made directional progress since the departure of the former CEO, as evidenced by positive 1Q FY20 results. Given these encouraging developments, it is unclear how the dissident nominees would be additive to the turnaround process.”
- “The dissident has not offered solutions that the board is not already exploring, and the dissident has failed to make a compelling case that the institutional knowledge and experience held by its nominees would be more valuable than the perspectives held by the incumbents.”
- “The proposed declassification enhances board accountability to shareholders. Therefore, support for this proposal is warranted.”

Commenting on the ISS report, Farmer Brothers issued the following statement:

The recommendation from ISS to support all three of Farmer Brothers’ highly qualified and experienced director nominees underscores our belief that the Company’s Board has the right mix of expertise, company knowledge and fresh perspectives to maximize value for all stockholders.

As ISS recognizes, our Board has taken necessary steps to obtain the proper collection of skills, expertise and experience among the directors and has been committed to continuously reviewing its capabilities. Accordingly, in the last two years, the Board has appointed five new directors, four of whom are independent, and all of whom have brought valuable additional skills and knowledge.

In addition, the Board is committed to driving the business forward, delivering sustainable long-term growth and value creation for stockholders. To that end, in May 2019, the Board determined it was necessary to transition the leadership of Farmer Brothers and appointed Board member, Christopher Mottern, as Interim Chief Executive Officer, and subsequently identified and appointed Deverl Maserang as President and Chief Executive Officer. In recent quarters, the Farmer Brothers team has laid the foundation for the Company’s turnaround and established a strong framework to return Farmer Brothers to consistent growth and profitability.

Additionally, under Chuck Marcy’s leadership as Chair of Farmer Brothers’ Nominating and Governance Committee, our Board has continued to evaluate the Company’s corporate governance and looked for ways to enhance our current practices. As a result, our Board believes that declassifying the Board is best practice and will best serve the interests of our stockholders.

We strongly believe that replacing any of the Company’s director candidates with the Grossman Group’s nominees would deprive the Company of skills and expertise that significantly contribute to the progress we are making. Electing the Grossman Group’s nominees will not only jeopardize Farmer Brothers’ return to consistent growth and profitability, but will also put stockholders’ investment at risk.

We strongly urge stockholders to follow ISS’s recommendation and protect their investment by voting “FOR” Farmer Brothers’ director nominees – Charles Marcy, Deverl Maserang and Christopher Mottern on the WHITE proxy card.

Farmer Brothers reminds stockholders that every vote is important, no matter how many or how few shares it represents. **The Company urges all stockholders to use the WHITE proxy card to vote “FOR” the Company’s highly-qualified and experienced director nominees TODAY.**

**If you have any questions or require any assistance with respect to voting your shares, please contact the Company’s proxy solicitor**

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#### **About Farmer Bros. Co.**

Founded in 1912, Farmer Bros. Co. is a national coffee roaster, wholesaler, and distributor of coffee, tea, and culinary products. The Company's product lines include organic, Direct Trade and sustainably-produced coffee. With a robust line of coffee, hot and iced teas, cappuccino mixes, spices, and baking/biscuit mixes, the Company delivers extensive beverage planning services and culinary products to its U.S. based customers. The Company serves a wide variety of customers, from small independent restaurants and foodservice operators to large institutional buyers like restaurant and convenience store chains, hotels, casinos, healthcare facilities, and gourmet coffee houses, as well as grocery chains with private brand coffee and consumer-facing branded coffee and tea products, and foodservice distributors.

Headquartered in Northlake, Texas. The Company's primary brands include Farmer Brothers®, Artisan Collection by Farmer Brothers™, Superior®, Metropolitan™, China Mist® and Boyds®.

#### **Forward-Looking Statements**

Certain statements in this communication constitute "forward-looking statements." When used in this communication, the words "will," "expects," "anticipates," "estimates" and "believes," and similar expressions and statements that are made in the future tense or refer to future events or developments, are intended to identify such forward-looking statements. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include, but are not limited to, the timing and success of our DSD restructuring plan, the Company's success in consummating acquisitions and integrating acquired businesses, the impact of capital improvement projects, the adequacy and availability of capital resources to fund the Company's existing and planned business operations and the Company's capital expenditure requirements, the relative effectiveness of compensation-based employee incentives in causing improvements in Company performance, the capacity to meet the demands of our large national account customers, the extent of execution of plans for the growth of Company business and achievement of financial metrics related to those plans, the ability of the Company to retain and/or attract qualified employees, the success of the Company's adaptation to technology and new commerce channels, the effect of the capital markets as well as other external factors on stockholder value, fluctuations in availability and cost of green coffee, competition, organizational changes, the effectiveness of our hedging strategies in reducing price risk, changes in consumer preferences, our ability to provide sustainability in ways that do not materially impair profitability, changes in the strength of the economy, business conditions in the coffee industry and food industry in general, our continued success in attracting new customers, variances from budgeted sales mix and growth rates, weather and special or unusual events, as well as other risks described in this presentation and other factors described from time to time in our filings with the SEC.

These statements are based on management's current expectations, assumptions, estimates and observations of future events and include any statements that do not directly relate to any historical or current fact; actual results may differ materially due in part to the risk factors set forth in our most recent annual, periodic and current reports filed with the SEC. Undue reliance should not be placed on the forward-looking statements in this communication, which are based on information available to the Company on the date hereof, and the Company assumes no obligation to update such statements.

#### **Important Additional Information and Where to Find It**

Farmer Bros. Co. has filed a definitive proxy statement and accompanying WHITE proxy card with the SEC in connection with the solicitation of proxies from the Company's stockholders in connection with the matters to be considered at the Company's 2019 Annual Meeting. Additional information regarding the identity of participants, and their direct or indirect interests, by security holdings or otherwise, is set forth in the Company's definitive proxy statement, including the schedules and appendices thereto.

THE COMPANY URGES ITS INVESTORS AND STOCKHOLDERS TO READ CAREFULLY AND IN THEIR ENTIRETY THE DEFINITIVE PROXY STATEMENT (INCLUDING ANY SUPPLEMENTS OR AMENDMENTS), THE ACCOMPANYING WHITE PROXY CARD AND ANY OTHER DOCUMENTS THAT THE COMPANY MAY FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

Farmer Bros. Co., certain of its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from the Company's stockholders in connection with the matters to be considered at the Company's 2019 Annual Meeting. Information regarding the names of the Company's directors and executive officers and their respective interests in the Company by security holdings or otherwise is set forth in the Company's definitive proxy statement for its 2019 Annual Meeting. To the extent holdings of the Company's securities have changed since the amounts set forth in the Company's definitive proxy statement for the 2019 Annual Meeting, such changes have been reflected on Initial Statements of Beneficial Ownership on Form 3, Statements of Change in Ownership on Form 4 or Annual Statements of Changes in Beneficial Ownership of Securities on Form 5 filed with the SEC. These documents are available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov).

Copies of the definitive proxy statement (including any supplements or amendments), the accompanying WHITE proxy card, and any other documents filed by the Company with the SEC are available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies are also available free of charge at the Investor Relations section of the Company's website at [www.farmerbros.com](http://www.farmerbros.com).

#### **Contacts**

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<sup>1</sup> Permission to use quotations neither sought nor obtained.



Source: Farmer Bros. Co.