



**Grow**  
RESPONSIBLY



**Deliver**  
PROGRESS

**Sustain**  
OUR WORLD



## 2019 SUSTAINABILITY REPORT



# Approach

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We take a holistic approach to sustainability focused on social, environmental and economic stewardship.

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## Our Business



We are a company guided and grounded by our purpose:  
raising the world's expectations for how much good food can do.

For more than 80 years, we have been committed to revolutionizing the food industry. John Tyson built our company on providing generations of families with wholesome, great-tasting chicken. We are proud of our heritage. Today's Tyson Foods is much more. As values and behaviors around food have changed, so have we. Today, we're innovators uniquely positioned to reshape what it means to feed our world. Our broad portfolio of high-quality products and brands include:

- **Value-Added Chicken:** Our value-added chicken products primarily include breaded chicken strips, nuggets, patties and other ready-to-fix or fully cooked chicken parts.
- **Prepared Foods:** Products primarily include ready-to-eat sandwiches, sandwich components such as flame-grilled hamburgers and Philly steaks, pepperoni, bacon, breakfast sausage, turkey, lunchmeat, hot dogs, flour and corn tortilla

products, appetizers, snacks, prepared meals, ethnic foods, side dishes, meat dishes, breadsticks and processed meats.

- **Commodity Meat and Poultry:** Fresh chicken, beef and pork, and specialty meats.
- **Alternative Proteins:** Investments in alternative protein ventures, as well as our own line of plant-based and blended proteins.

### Reach

We make food in 10 countries, on three continents and sell food all over the world. During the year, we sold products in approximately 145 countries, with major sales markets in Australia, Canada, Central America, Chile, China, the European Union, Japan, Malaysia, Mexico, the Middle East, South Korea, Taiwan and Thailand.

### Scale & Scope FY2019

**\$42.4  
Billion**  
REVENUES

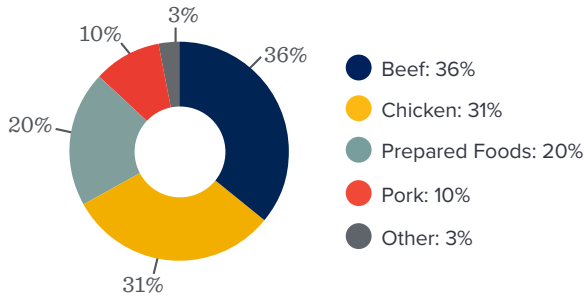
**141  
Thousand**  
EMPLOYEES

**\$97  
Million**  
RESEARCH AND  
DEVELOPMENT SPENDING

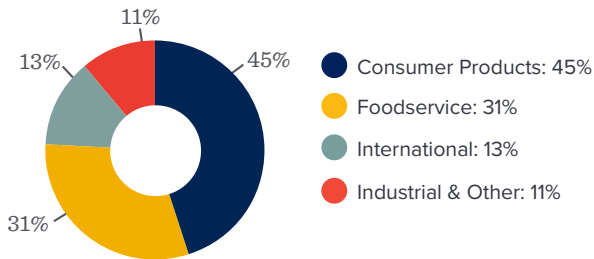
**\$33.1  
Billion**  
TOTAL ASSETS

## By-the-Numbers FY2019

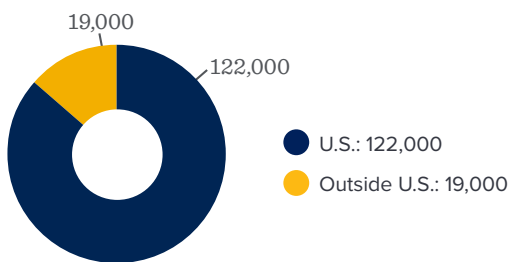
### SALES BY SEGMENT



### SALES BY DISTRIBUTION CHANNEL



### GLOBAL WORKFORCE (U.S./INTERNATIONAL)



Beef  
**155,000**

APPROX. AVG. HEAD PER WEEK  
AVG. CAPACITY UTILIZATION **85%**



Pork  
**461,000**

APPROX. AVG. HEAD PER WEEK  
AVG. CAPACITY UTILIZATION **90%**



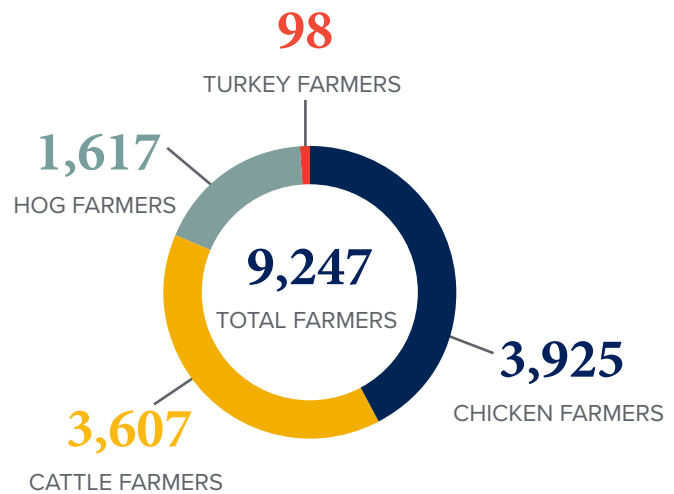
Chicken  
**45,000,000**

APPROX. AVG. HEAD PER WEEK  
AVG. CAPACITY UTILIZATION **87%**



Prepared Foods  
**76,000,000**

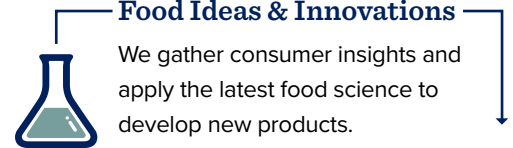
APPROX. AVG. POUNDS PER WEEK  
AVG. CAPACITY UTILIZATION **86%**





## A Global Supply Chain Built on Innovation

Continuous research and development inform every choice we make about our products — from growing animal feed more sustainably to improving animal welfare outcomes to lowering the carbon footprint of our operations to innovating new products.



### Procurement

#### CHICKEN

Young chicken stock are purchased from poultry breeding companies and are raised on farms that produce hatching eggs. We also purchase day-old chicks from independent hatcheries which are raised as broilers.



#### CATTLE

We employ cattle buyers to visit independent feed yards and public auctions to buy live cattle that are sent directly to processing.



#### PIGS

The majority of our live pig supply is purchased from independent producers and sent directly to processing.



#### TURKEY

We buy day-old turkey poults from an independent hatchery, and most are raised by independent contract growers until they are transported for harvest.



#### RAW MATERIALS

We procure meat and other animal ingredients such as eggs or cheese to include in our high-quality food products.



### Raising Animals

#### CHICKEN

Hatching eggs are transported to the hatcheries for incubation. Twenty-one days later, the broiler chicks are moved to broiler farms and raised by independent contract growers until they are ready to harvest.



#### PORK

We raise a small number of sows. We work with independent contract producers to raise the offspring of those sows to market weight.



### Feeding Animals

We procure the ingredients and produce our own scientifically formulated feed that primarily includes corn and soybean meal for poultry and the limited number of sows that we raise.



### Rendering

Animal byproducts from processing are used in animal and pet food.



### Processing

Live animals are harvested and converted into high-quality food.



### Distribution

Finished food is transported to retailers, stores, schools and institutions, or exported.



# A Message from Our CEO



**At Tyson Foods, we're focused on the safety, health and well-being of our team members.**

Our team is the foundation we rely upon to be *The Protein Company™* for consumers around the world today and for generations to come. COVID-19 has changed the way we all think, work, eat and live. Our 140,000 team members are continuing to produce safe, nutritious and sustainable food. This not only reflects the principles we've lived by since the early days of our company, but it also gives us direction to positively impact the world as we move forward.

Information will be the key to emerging from this pandemic; science and data will help us move forward. I'm excited to introduce our 2019 Sustainability Report—Grow, Deliver, Sustain. The report details how we are growing our business responsibly, while delivering on our goals and commitments linked to sustaining the world with high quality, accessible and nutritious protein. We've made great progress. I'm proud of our team members' commitment and hard work to continuously improve our business.

Raising the world's expectations for how much good food can do has taken on an expanded meaning and importance over recent months. Our world has changed greatly as we have all faced the COVID-19 pandemic—together. One thing that remains constant is the need to provide the world with good food and we at Tyson are working every day to do our part. Our commitments are unwavering—to keep our people safe, to be good stewards of animals and resources, and to advance sustainability to serve our customers.

Stay safe. We are all in this together.



Noel White  
CEO, Tyson Foods

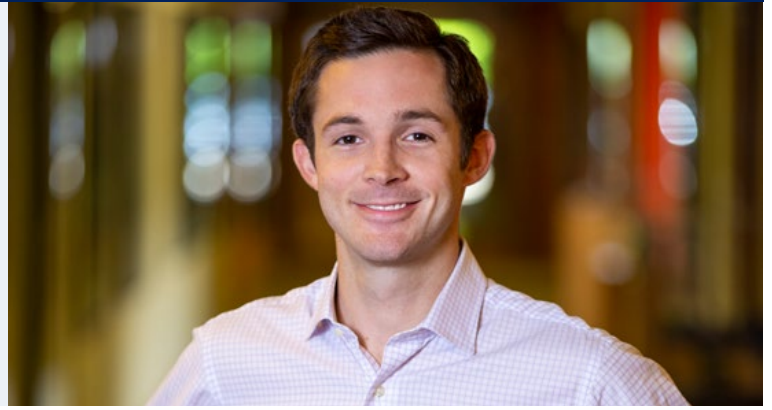
## AWARDS & RECOGNITION

**America's Most Responsible  
Companies 2020**  
*Newsweek*

**Innovative Partnership Certificate for our  
work with Environmental Defense Fund (EDF)**  
*Center for Climate and Energy Solutions  
and The Climate Registry*

**#2 (tied)**  
**Corporate Religious Equity**  
*Diversity and Inclusion (REDI) Index ranking  
of Fortune 100 companies emphasizing  
faith in the lives of employees*

# A Message from Our Chief Sustainability Officer



## I am proud to introduce our 2019 Sustainability Report—“Grow-Deliver-Sustain.”

At Tyson we strive to do good every day, and we start by making the health and safety of our team members our top priority. I am thankful to my colleagues for their work making great food, taking care of the animals entrusted to us, and caring for the planet.

The world has changed significantly in recent months due to COVID-19. In the face of the uncertainties created by this pandemic, the resilience of a safe, nutritious and sustainable food supply has become more important than ever. I'm amazed with the work that happens around the world at Tyson Foods every day, and I'm proud to say that our company is stepping up to help feed the world. We will get through this together.

In 2019, we made great progress across our five sustainability focus areas of Environment, Animal Welfare, Food, Workplace, and Community. We publish this report because it promotes transparency in our work, because it increases collaboration, and because it makes us better. It also drives accountability for all and provides context to stakeholders about the sustainability improvements we are realizing as we produce “good food” for people all over the world.

Most importantly, I want to thank everyone with whom we collaborate to advance our sustainability programs and to recognize the dedication of our more than 140,000 team members whose work



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—

helps us deliver on our commitments. It takes all of us working together to make progress. We know we can't do it alone, and we're thankful to be in it together with all of our partners. Today, there is an increased focus on sustainability and a greater investment for innovation taking place in the food system, unlike anything we've ever seen before. I'm optimistic about our shared future.

A handwritten signature in black ink that reads "John R. Tyson".

John Randal Tyson  
Chief Sustainability Officer, Tyson Foods





# Sustainability Strategy



**Our integrated strategy aims to sustainably feed the world with the fastest-growing protein brands.**

Everything we do at Tyson Foods starts with our purpose: to raise the world's expectations for how much good food can do. We don't just try to meet expectations; we try to exceed them, every day, and then consistently challenge ourselves to improve even more. We want to make a difference in the environment, in our workplace, the communities in which we operate and in animal welfare—so that we can sustainably feed the world, together.

- Increase transparency and engagement with key stakeholders, including our team members, customers, investors, consumers and NGOs.
- Build innovative tools, processes and performance metrics to ensure accountability and drive lasting impact in the food industry.

Our approach to sustainability is multidimensional and holistic. We seek answers to improve outcomes across all of our focus areas, understanding that animal welfare, the environment and worker safety are all interconnected. This holistic approach allows us to drive improvements in all areas of sustainability at an accelerated pace.

We are committed to achieving four objectives to deliver safe, affordable, sustainable food for generations to come:

- Establish public, bold and enterprise-wide commitments across our material sustainability issues and report regularly on our progress.
- Build a pipeline of new sustainability initiatives to deliver on our new commitments, while continuing to execute on existing programs.

*At Tyson Foods, we're committed to feeding the world and doing it responsibly. Watch a video about our Journey to Sustainability.*



Tyson Foods' strategy will advance sustainability in five key areas:



## Food

We are focused on delivering the highest levels of food safety, working closely with independent farmers to reduce human-use antibiotics, as well as innovating, offering and communicating new products and their nutritional benefits across key business segments.

## Animal Welfare

We are committed to delivering excellence in animal health, animal handling and humane harvesting through leading-edge, third-party monitoring and continuous internal improvement through research and pilot projects.



## Environment

Our dedication to environmental leadership is grounded in developing bold, outcome-based targets across several environmental focus areas for our direct operations and supply chain, as well as targeting material compliance with regulations.

## Workplace

We foster a workplace where our team members are safe, healthy and empowered to reach their unique potential. We strive to be an employer of choice with competitive compensation and benefits, inclusive business practices and a high-performing, diverse team. We are committed to improving workplace health and safety for our team members, as well as workplace retention.



## Communities

We are dedicated to building strong communities where we work and live. Our community engagement work focuses on reducing food insecurity and enhancing team members' stability, resiliency and quality of life through programs such as Upward Academy.



# Commitments

Ambitious goals hold us accountable for meaningful and measurable progress.

Status Key: Achieved Performing at or above target Performing below target Encountering significant challenges

## GOAL STATUS PROGRESS TO DATE

### Commitment: Improve our environmental footprint as we feed the world

Reduce greenhouse gases (GHG) by 30 percent by 2030		<ul style="list-style-type: none"> <li>Established road map and working toward science-based target for GHG reduction</li> <li>Making progress by setting facility-level energy and emissions targets and investing in a more fuel-efficient fleet</li> </ul>
Reduce water intensity by 12% by 2020		<ul style="list-style-type: none"> <li>Decreased 6.8 percent since FY2015 (baseline)</li> </ul>
Increase sustainable land stewardship practices on 2 million acres by 2020		<ul style="list-style-type: none"> <li>Launched a pilot with MyFarms to educate farmers on the value of soil conservation practices</li> <li>Incentivized farmers to shift practices through a pilot with Farmers Business Network</li> <li>Joined the Ecosystem Services Market program to help shape land stewardship practices and incentives</li> </ul>

### Commitment: Sustainably feed the world with safe, high-quality and nutritious food products

Sustainably offer protein and food products that consumers want		<ul style="list-style-type: none"> <li>Launched 582 new products in 2019 and invested \$97 million in R&amp;D</li> <li>Introduced Raised &amp; Rooted™ plant protein nuggets, making Tyson Foods the largest U.S. meat producer to enter the growing alternative protein segment with its own products</li> </ul>
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### Commitment: Enable our team members to reach their unique potential

Build a highly engaged team with a 10 percent increase in retention		<ul style="list-style-type: none"> <li>Recorded a 5.42% increase in retention from FY2018 to FY2019 as a result of measures to promote a culture of safety and caring</li> <li>Despite this positive trend, we remain short of our goal due to wage pressure and low unemployment rates in the U.S.</li> </ul>
Create a safe workplace by reducing OSHA recordables by 10% year-over-year		<ul style="list-style-type: none"> <li>Reduced OSHA recordables by 15.7 percent from FY2018 to FY2019</li> </ul>
Aspire to offer English as a second language and financial literacy training to all employees		<ul style="list-style-type: none"> <li>Upward Academy is currently available to team members in 56 locations, and financial literacy options were expanded in FY2019</li> </ul>

### Commitment: Support the communities we serve where help is needed most

In 2015 pledged \$50 million in cash or in-kind donations to fight hunger by 2020		<ul style="list-style-type: none"> <li>Met our goal one year early, donating nearly \$60 million, including \$33.4 million in FY19 alone</li> </ul>
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### Commitment: Continuously improve the welfare of the animals entrusted to our care

Be a leader in animal welfare through research, innovation and transparent communication		<ul style="list-style-type: none"> <li>Reported six key welfare indicators for broiler chickens and cattle &amp; hogs</li> <li>Completed the construction of a new Research Farm at the Tyson Foods Center for Sustainable Broiler Welfare Research</li> <li>Trained more than 1,000 team members in the U.S. Poultry and Egg Association's Poultry Handling and Transportation Certification Program</li> <li>Earned Professional Animal Auditor Certification Organization (PAACO) certification for our FarmCheck® audit program for broilers</li> </ul>
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# Governance



**We're dedicated to responsible corporate governance through strong accountability practices that uphold the public's trust in the company while maintaining the interests of our shareholders.**

Our comprehensive Code of Conduct and Corporate Governance Principles guide our Board of Directors and management in effective and ethical governance. We are committed to building a Board of Directors that brings to the table a diverse set of experiences, backgrounds and leadership skills. Our Board members sit on various committees, including:

- Audit Committee
- Compensation and Leadership Development Committee
- Executive Committee
- Governance and Nominating Committee
- Strategy and Acquisitions Committee

At the end of FY2019, our Board of Directors consisted of 12 members, 10 of whom were independent, including a lead independent director. In addition, in February 2020, our lead independent director was given the additional role of vice chairman of the board. He will take on additional duties and responsibilities to assist the chairman with board matters, support the executive team on company matters and focus on key strategic initiatives. The board's appointment reflects our commitment to sound governance to sustain the future of our company. Of the 12 members serving on the Board, there were three women and two minority members. During FY2019, one new director was appointed. Director compensation includes Tyson Foods stock. For more information about our Board of Directors and corporate governance measures, visit Investor Relations, Leadership and refer to our 2019 Proxy Statement.

## Sustainability Governance

Our approach to sustainability is multidimensional, and we maintain an integrated strategy that allows us to drive improvements in all areas of sustainability. This strategy is supported by our CEO, with oversight from our Board of Directors.

John R. Tyson, our Chief Sustainability Officer, who reports to our CEO and regularly interacts with the company's Board of Directors, is responsible for leading and implementing our sustainability strategy. John is supported by a team of sustainability professionals who facilitate our goal-setting efforts, including actions to manage or mitigate risks, as well as the pursuit of continual improvement opportunities related to animals, communities, the environment, food and the workplace.

Our sustainability governance structure is bolstered by internal senior leaders who serve as sustainability champions for each of our business operating segments. With support from procurement, engineering, sustainability, environmental services, human resources and other key corporate functions, these leaders are responsible for developing and launching activities that support the company in achieving our sustainability goals and commitments. Our Chief Sustainability Officer shares regular progress updates with the Governance and Nominating Committee of our Board of Directors.



# Materiality



**Tyson Foods engages with stakeholders to set priorities that allow us to focus our efforts.**

To assess the sustainability issues, risks and opportunities that are most important to our business and our stakeholders, Tyson Foods routinely engages with customers, NGOs, investors, academia, local community officials, regulators and other stakeholders. These interactions help us identify and prioritize social, environmental and governance (ESG) issues that matter most in our direct operations and supply chain.

In calendar year 2018, this process was conducted through a formal materiality assessment. This process helped us to identify the importance of ESG issues, in part, by reaching out to external stakeholders to capture their view into what is most relevant to the company from a sustainability perspective. This feedback helps us understand not only what we need to share in our sustainability reports, but also is also useful in informing our sustainability strategy.

During the past year, Tyson Foods' sustainability team reviewed the current materiality matrix against our regular discussions and routine engagement with stakeholders over the past year. Based on this review, we were able to validate that there have been no significant changes to material ESG issues in the past 12 months. We plan to refresh the materiality assessment in FY2020 and will share the results in our next report.

## HOW WE APPROACH MATERIALITY



### IDENTIFY FOCUS AREAS

A thorough benchmarking study compares our sustainability program and progress against peer companies. Based on this research and analysis, we identify a list of key focus areas or "material issues."



### ENGAGE STAKEHOLDERS

We garner input on the relative importance of these issues through online surveys with both internal and external stakeholders, as well as through regular discussions with team members, nongovernmental organizations (NGOs), customers, vendors and consumers.



### BUILD A MATERIALITY MATRIX

We combine inputs from the benchmarking exercise and stakeholder engagement to develop a materiality matrix that shows the ESG issues that are a focus of our business and our stakeholders and then use these insights to inform our sustainability strategy, more effectively use our resources and align our reporting process with what matters most.

## Top Material Issues



FOOD SAFETY



ANIMAL WELFARE  
AND MANAGEMENT



ANTIBIOTICS

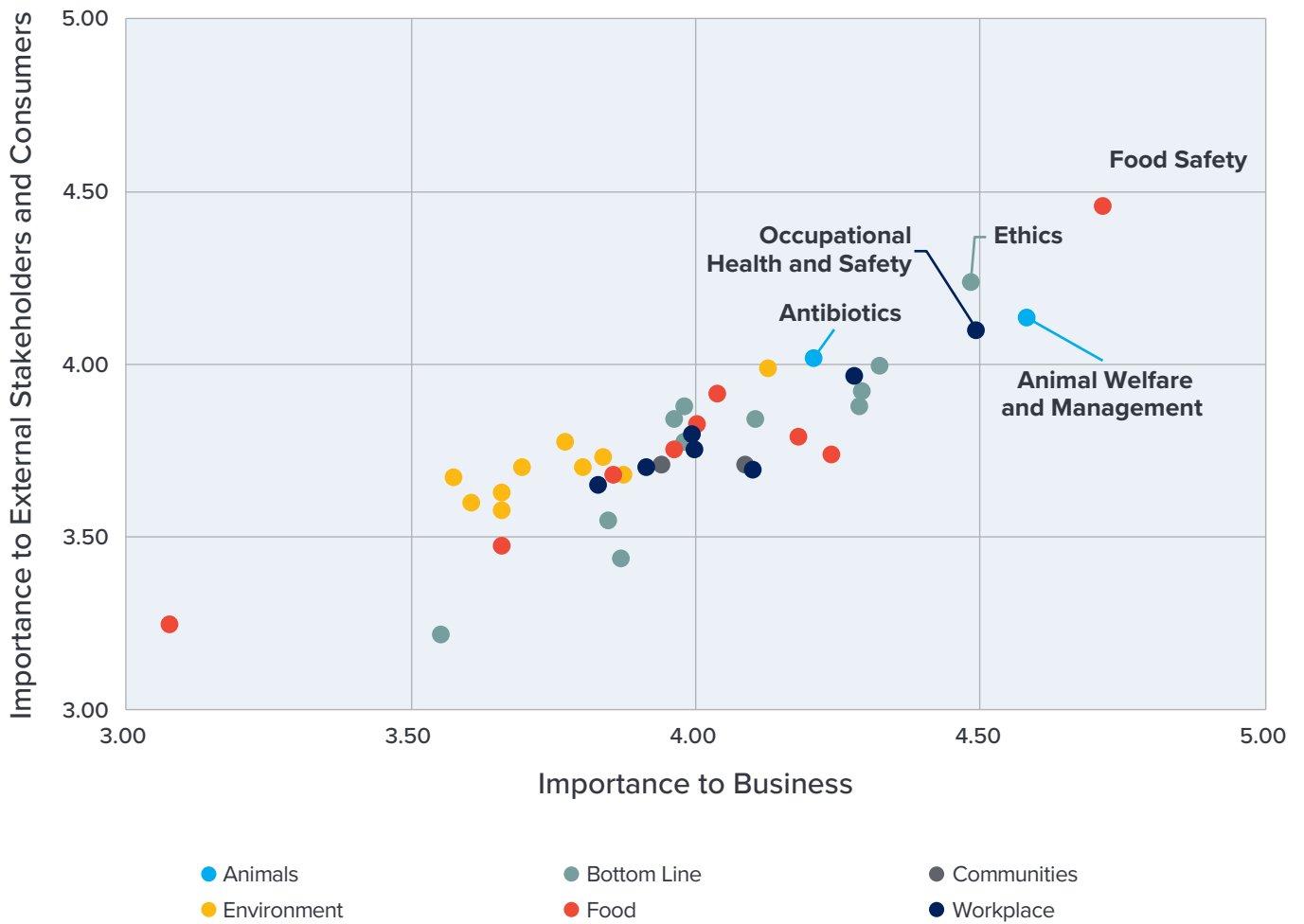


ETHICS

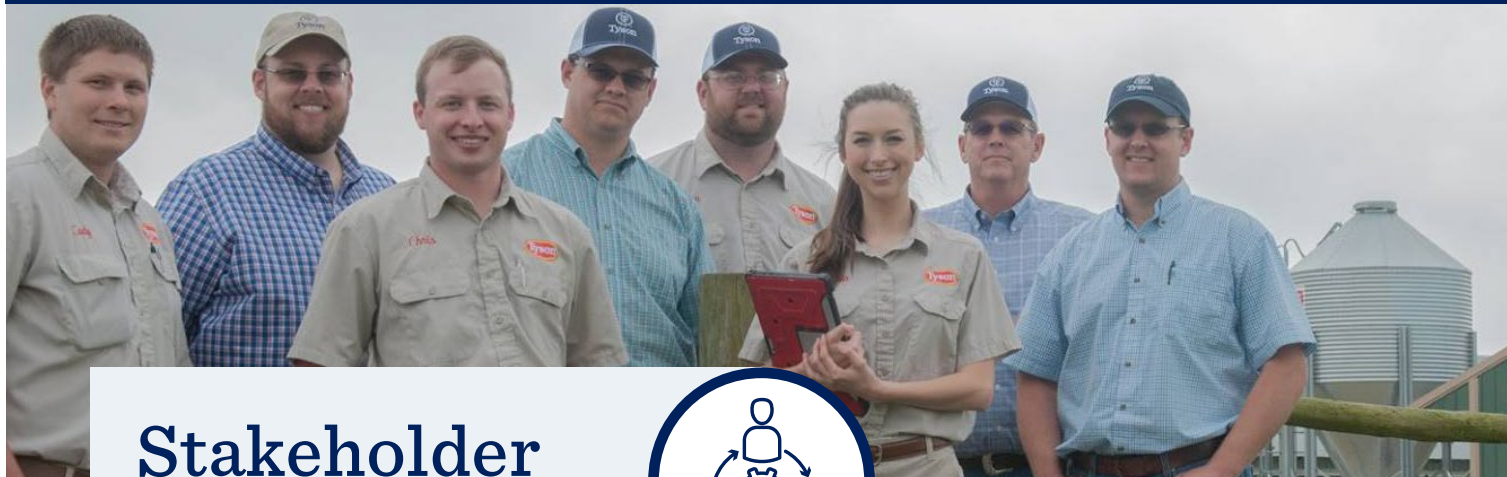


OCCUPATIONAL  
HEALTH & SAFETY

## Sustainability Materiality Matrix







## Stakeholder Engagement



**Partnerships are critical to our sustainability strategy, allowing us to collaborate to build a better food future.**

We engage in active partnerships with key stakeholders across our business, including team members, farmers, contract growers, NGOs, academic/research institutions and more, to fulfill our purpose of raising the world's expectations for how much good food can do. Key partnerships in FY2019 include:

- Launching the Coalition for Global Protein™, an initiative inclusive of the entire protein sector to identify, incubate and implement new and creative solutions for sustainable protein to feed a growing global population.
- Partnering with Environmental Defense Fund (EDF) to develop and deploy initiatives that support our sustainability strategy and help meet increasing consumer demand for more sustainably grown food.
- Collaborating with IdentiGEN to use DNA Traceback® technology to trace meat used for Open Prairie® Natural<sup>1</sup> Angus Beef and Natural Pork back to the individual animal of origin.
- Partnering with Auburn University to pilot a solar-powered poultry house that could reduce farmers' dependence on grid electricity.

- Enrolling nearly 420,000 acres of farmland in a land stewardship program through pilot programs with Farmers Business Network and MyFarms.
- Providing \$1 million to 10 Feeding America food banks in nine states to fund protein sourcing projects that have the potential to be scaled and replicated across the Feeding America network.
- Working with OneEgg to increase food access and economic stability in developing countries by assisting with the construction and support of egg farms.
- Maintaining close relationships with farmers, ranchers, our contract poultry farmers and growers to ensure optimal practices that support on-farm animal health and welfare.
- Encouraging team members to reach their full potential through programs like Upward Academy.
- Collaborating with the United Food and Commercial Workers Union (UFCW) to develop safety programs that create a better workplace environment.

By maintaining open dialogue and communication with our valued stakeholders, we're able to keep our finger on the pulse of the issues and topics most important to each of our stakeholder groups.

<sup>1</sup>Minimally processed; no artificial ingredients.  
DNA Traceback is a trademark of IdentiGEN North America, Inc.

## Summary of Stakeholder Dialogue and Outcomes

STAKEHOLDER GROUP	AREA OF FOCUS	HOW WE ENGAGE & RESPOND
<b>Team Members</b>	<ul style="list-style-type: none"> <li>• Safe workplace</li> <li>• Fair treatment and human rights</li> <li>• Inclusion and engagement</li> <li>• Competitive pay and benefits</li> <li>• Professional development</li> <li>• Regular communication</li> <li>• Environmental protection and resource conservation</li> <li>• ESL, GED, citizenship, functional literacy, financial and tax literacy, legal issues, health care, safety and accessing community resources and services</li> </ul>	<ul style="list-style-type: none"> <li>• Core Values, Code of Conduct, Team Member Promise, Ethics HelpLine</li> <li>• Business Resource Groups</li> <li>• Safety policies, procedures, training and goals</li> <li>• Wage reviews and benefit program enhancements</li> <li>• Educational Assistance Program and Leadership College</li> <li>• Formalized internal communication activities, position statements and regular leadership meetings</li> <li>• Environmental policies, procedures and training</li> <li>• Upward Academy</li> </ul>
<b>Shareholders &amp; Potential Investors</b>	<ul style="list-style-type: none"> <li>• Competitive returns</li> <li>• Management accountability</li> <li>• Regulatory compliance</li> <li>• Sound governance and ethical business practices</li> <li>• Proactive management of business risks</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly financial reports and shareholders' meeting</li> <li>• Executive outreach, conferences and earnings calls</li> <li>• Code of Conduct and Board Committees</li> <li>• Global anti-corruption policy, gift and hospitality policy, and a charitable and political contribution policy</li> <li>• Investor website</li> </ul>
<b>Customers &amp; Consumers</b>	<ul style="list-style-type: none"> <li>• Safe, quality food products</li> <li>• Nutritious options</li> <li>• Competitive and affordable prices</li> <li>• Innovative products that meet needs</li> <li>• Product information</li> <li>• Animal welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Food safety programs and procedures</li> <li>• State-of-the-art research and development facilities with Consumer Sensory Panels and Consumer Focus Group Learning Center</li> <li>• Commitment to proactively managing product input costs</li> <li>• Day-to-day contact with account management teams</li> <li>• Customer and consumer response centers</li> <li>• Tyson Foods consumer website for recipes, cooking instructions, nutritional information, product locators and more</li> <li>• Office of Animal Welfare and FarmCheck Program</li> </ul>
<b>Government &amp; Regulatory Agencies</b>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Transparent reporting</li> <li>• Collaboration in research and policy development</li> <li>• Program participation and partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Management systems, policies and procedures across all aspects of the company's annual operations</li> <li>• Annual financial reports, sustainability reports, timely submission of required reports</li> <li>• Government Affairs</li> <li>• Executive outreach</li> <li>• Industry associations and partnerships</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Timely payment</li> <li>• Fair selection and business practices</li> <li>• Opportunities for business growth</li> <li>• Understanding of Tyson Foods' expectations</li> <li>• Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive bidding process</li> <li>• Supplier management program</li> <li>• Supplier Code of Conduct, Supplier Diversity Program and satisfaction surveys</li> <li>• Poultry Advisory Council, <a href="#">Contract Poultry Farmer Bill of Rights</a>, and new investments in technology</li> <li>• Farmer Connect App</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>• Economic development</li> <li>• Involvement and support of local initiatives</li> <li>• Protection of the environment</li> <li>• Employment opportunities</li> <li>• Volunteerism</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic community involvement plans</li> <li>• Donations, community outreach and disaster relief</li> <li>• Environmental management systems</li> <li>• Regional recruiting program</li> <li>• Partnerships and sponsorships</li> </ul>



# Food

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Sustainably feed the world with safe,  
high-quality and nutritious food products.

## IN THIS SECTION

**17** Overview  
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**22** Innovation

**24** Food Safety & Quality  
**28** Audits & Certifications  
**29** Responsible Labeling & Marketing  
**31** Responsible Ingredient Sourcing



## Food

### OUR Goal

We are

## committed to sustainably offering

the protein and food products that consumers want.



### FY2019 Key Achievements

- 1 Introduced the Raised & Rooted™ brand of plant protein and blended protein options including burgers and nuggets, making us the largest U.S. meat producer to enter the growing alternative protein segment with its own products at the time of launch.
- 2 Launched the Coalition for Global Protein™, an initiative inclusive of the entire protein-sector to identify, incubate and implement new and creative solutions for sustainable protein to feed a growing global population.
- 3 Collaborated with IdentiGEN to use DNA Traceback® technology to trace meat for our Open Prairie® Natural Angus Beef and Natural Pork back to the individual animal of origin.

### FY2019 By-the-Numbers



**\$97 Million**  
INVESTED IN R&D



**582**  
NEW PRODUCTS  
LAUNCHED



**2,697**  
FOOD SAFETY & QUALITY  
ASSURANCE TEAM MEMBERS



**113**  
GLOBAL FOOD SAFETY  
INITIATIVE-CERTIFIED PLANTS



**100%**  
OF K-12 COMMODITY CHICKEN PRODUCTS  
MEET THE CLAIMS OF NO ARTIFICIAL  
INGREDIENTS AND NO ANTIBIOTICS EVER



## Consumer Nutrition



### We're committed to offering products that meet the nutrition needs of our diverse consumers

Responsible nutrition is integrated into our company's purpose of raising the world's expectations for how much good food can do. It's also critical to our business success. Consumers' increased interest in their health is driving their food choices in the marketplace, and their nutrition needs and preferences are constantly evolving. As one of the largest food companies in the world, it's incumbent upon Tyson Foods to anticipate and respond to these needs with fresh ideas and innovative products that expand our portfolio of foods with nutritious attributes.

### Putting Protein in the Spotlight

Protein is vital to a nutritious and well-balanced diet. In the U.S., consumption of beef, chicken, pork and turkey have each been on a steady incline in recent years. The rise in low-carb, paleo and ketogenic diets, along with the growing body of research

that supports the role of protein in health, has amplified interest in protein-rich foods.

Tyson Foods is responding to these customer needs with a growth strategy to expand offerings of value-added protein in global markets. We offer a broad portfolio of protein products that include such top-selling brands as Jimmy Dean®, Tyson®, Hillshire Farm®, Ball Park®, Nature Raised Farms® and Aidells®.

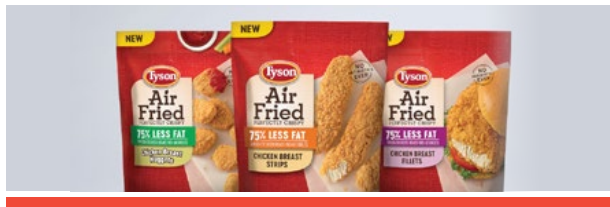
Being a leading protein company means embracing protein in all its forms. With health and wellness top of mind, new product launches in FY2019 speak to the changing ways consumers are looking for protein, and reflects the diversity of our protein portfolio. From traditional protein options to blended or alternative protein, our portfolio is expanding along with changing consumer desires.

#### HOW TYSON FOODS PROVIDES PROTEIN IN ALL FORMS

#### TRADITIONAL PROTEIN

##### Tyson® Air Fried Chicken

Tyson Air Fried Chicken provides consumers with the convenience and great taste of fried chicken, but with 75% less fat<sup>1</sup>.



<sup>1</sup>Than USDA data for fast foods chicken—breaded, fried and boneless.

#### PLANT-BASED PROTEIN

##### Raised & Rooted™

Raised & Rooted Nuggets are made with pea protein isolate and plant fibers for a meaty texture, and crispy batter for a satisfying crunch.





## The Power of Functional Food

Consumers are seeking delicious, convenient ways to get protein and other essential nutrients, and Tyson Foods is finding new ways to deliver. One innovative way is through *Pact*<sup>™</sup>, a new brand of snack bites developed by our team of nutrition and culinary experts. Made with real fruits and nuts, *Pact* Snack Bites have 10-plus wholesome ingredients per serving and contain ingredients like kombucha, matcha and grapeseed oil.

*Pact* products are also a good source of protein and contain 3-4 grams of fiber and up to 1,000 milligrams of Omega-3s per serving. Some varieties include live probiotic cultures, prebiotic fiber and collagen protein. Research continues to confirm the importance of gut health in overall health and well-being, and the ingredients in *Pact* Gut Instinct Snack Bites are important contributors. Available varieties use ingredients that deliver both flavor and function:

- Gut Instinct—Cranberry + Kombucha Probiotic Snack Bites
- Vibe On—Mint Matcha + Blueberry Energizing Snack Bites
- Glow With It—Cocoa + Coconut Collagen Snack Bites

*Pact*'s innovation goes beyond what's inside each bite. The team used the Indiegogo crowdfunding platform to test the product and receive feedback from customers before the broader rollout. A national launch of *Pact* Snack Bites is planned for FY2020.



## Strategic Engagement & Knowledge Sharing

Our nutrition team engages throughout the Tyson Foods organization to ensure that nutrition is kept top of mind. The team offers nutrition education to Tyson Foods team members during the quarterly Supplemental Nutrition Assistance Program (SNAP) challenge, as part of the Poultry and Prepared Foods Supervisor Training Program. Through this challenge, participants create a meal plan for one week and shop for a family of four on a \$100 budget. The proceeds are then donated to local food pantries.

Our nutrition team also works closely with R&D and marketing teams, as well as nutrition students, dietetic interns and R&D interns to offer information around consumer nutrition trends, emerging nutrition science and policy changes that impact our business.

In addition to internal engagement, this team is involved with the nutrition community to share knowledge and bring the latest research and best practices in house. They maintain ongoing relationships with universities including the University of Arkansas, University of Central Arkansas and others, speaking to food science and dietetic students throughout the year. Several dietitians hold leadership roles within local and state dietetic associations. Beyond these local actions, our nutrition team attends the Food & Nutrition Conference and Expo, the largest worldwide meeting for food and nutrition experts, to learn about the latest nutrition research and trends and receive continuing education required to maintain professional credentials. They maintain working relationships with several other industry organizations through which we provide input and support for ongoing protein and health research and policymaking. Recent involvements include the North American Meat Institute (NAMI) Research Foundation Advisory Committee, NAMI Health and Wellness Advisory Committee co-chair and the National Pork Board Quality, Safety, and Human Nutrition Committee.





## Improving Product Attributes

Consumers are increasingly demanding products with simpler ingredients and fewer additives, as well as products with certain health-focused attributes. We seek to expand the number of products with attributes consumers crave, including all-natural, gluten free, no antibiotics ever (NAE), no artificial ingredients (NAI), reduced or low sodium, organic and 100% whole grain. Tyson Foods is the world's largest producer of NAE chicken.



## Health-Focused Product Attributes



### NO ANTIBIOTICS EVER

- All chickens raised for Tyson® retail brand and select Tyson® individually frozen bone-in products
- All Tyson Foodservice Tyson® brand chicken items for K-12 that use USDA commodity funds
- Tyson Foodservice Tyson Red Label® brand
- Tyson Foodservice Tyson True® Tenderpressed® brand
- NatureRaised Farms® brand
- Open Prairie® Natural Angus
- Open Prairie® Natural Pork
- Aidells® Smoked Sausage
- Aidells® Meatballs



### ORGANIC

- Aidells® Organic Cajun Style Andouille Smoked Sausage
- Aidells® Organic Chicken & Apple Smoked Sausage
- Aidells® Organic Spinach & Feta Smoked Sausage
- Smart Chicken® brand



### ALL-NATURAL OR NATURAL/ 100% NATURAL<sup>1</sup> INGREDIENTS

- Jimmy Dean® Premium All Natural Pork Sausage Links
- Jimmy Dean® Premium All Natural Pork Sausage Patties
- Jimmy Dean® All Natural Pork Sausage
- Tyson Naturals® Chicken Products
- Hillshire Farm Naturals® Lunchmeat
- Aidells® Meatballs



### GLUTEN-FREE

- Tyson® Gluten Free Breaded Chicken Nuggets
- Tyson® Gluten Free Breaded Chicken Breast Strips
- Aidells® Smoked Sausage (all varieties except Orange & Coriander Smoked Sausage & Habanero & Green Chile Smoked Sausage)



### REDUCED<sup>2</sup> OR LOW SODIUM<sup>3</sup>

- Tyson Foodservice Reduced or Low Sodium Products
- Hillshire Farm® Lower Sodium Deli Meats



### FIBER/DIGESTIVE HEALTH

- Raised & Rooted™ Nuggets
- Pact™ Gut Instinct Snack Bites



### 100% WHOLE GRAIN

- 100% Whole Grain Breaded Chicken Breast Chunks
- Mega Minis® Breaded Dill Flavored Select Cut Chunks
- Pancake Flavored Chicken Sausage Bites
- Chicken Corn Dogs
- Breaded Dinosaur Shaped Chicken Nuggets
- Breaded Whole Muscle Tenderloin
- Breaded Nashville Hot Select Cut Tenders



### REDUCED FAT

- Tyson® Air Fried Chicken (75% less fat)<sup>4</sup>
- Raised & Rooted™ The Blend Burger Blended Patties (60% less saturated fat)<sup>5</sup>
- Ball Park® Smoked Turkey Frank (fat free)



### AMERICAN HEART ASSOCIATION CERTIFIED

- Chairman's Reserve® Pork Tenderloin
- Supreme Lean® Pork Tenderloin

<sup>1</sup>100% All Natural: Minimally processed and no artificial ingredients

<sup>2</sup>Reduced Sodium: 25% or more reduction in the amount of sodium from a reference food

<sup>3</sup>Low Sodium: 140mg of sodium or less per reference amount customarily consumed

<sup>4</sup>Than for USDA fast foods chicken—breaded, fried and boneless

<sup>5</sup>Compared to 80 percent lean beef/20 percent fat burger



## K-12 Nutrition

Our K-12 Tyson Foodservice business allows us to do our part to help kids grow into healthy adults. This business has stricter guidelines for nutritional content and serving sizes than other channels, and our team stays abreast of changes in school nutrition regulations and legislation that might affect our programs and products. We measure the performance of our K-12 nutrition efforts by ensuring we are in alignment with the latest USDA Nutrition Standards for School Meals. Since the nutritional requirements were put in place in 2010, we have formulated all K-12 specific items to meet or exceed these requirements.

K-12 Foodservice offers us an opportunity to tap into trends among our youngest consumers and their families. Given the rise of food-related content on social media, schools are taking inspiration from what they see in commercial restaurants more closely than ever to encourage more kids to eat at school. We continue to expand our offering of items that meet the claims of no artificial ingredients and chicken raised with no antibiotics ever, with 15 new products added in 2019. Tyson Foods was the first chicken supplier to offer schools chicken items that meet these claims and are available for purchase with their USDA commodity reprocessing funds.

Other recent trends include a desire for more customization and “speed scratch” cooking, in which students can make on-the-spot choices about how to build a menu item. As a result, Tyson Foods now offers products and marketing support for build-your-own food bars for ramen, pasta bowls, tacos and more. A second trend we’ve been able to help districts meet is in an increasing interest in bold and diverse flavors. Nashville Hot Chicken Tenders, Dill Flavored Mega Minis® Chicken Chunks and Pancake Flavored Chicken Sausage Bites, just to name a few that are now available for school meals. For other new items launched in FY2019, we focused on three areas: breakfast items, ingredient meats such as meatballs, and grab-and-go individually wrapped options. Alternative proteins are an emerging discussion topic in K-12 foodservice, therefore we are exploring what alternative proteins in schools could look like.

Outside of product development, we are deepening our communication with school foodservice directors through new social media platforms and brand messaging focused on helping directors achieve their mission of feeding students. We continued our annual Great Grant Giveaway at the national school conference that awards grants to schools to help with their foodservice operations. Tyson Foods also partnered with Share Our Strength’s No Kid Hungry® initiative to promote afterschool meals.

K-12 FOCUSED PRODUCTS	FY2017	FY2018	FY2019
Products that meet school nutrition regulations for fat, sodium and calorie content	280+	550+	539
Products that are Kid Tested, Kid Approved® products	63	73	67
K-12 products that carry the Whole Grain Stamp	134	132	100
Products eligible for federal reimbursement in the National School Lunch and School Breakfast Program, meeting school lunch nutrition standards through 2022	139	264	228
Cool School Café® program which offers rewards points to schools for purchasing products that can then be used to purchase items that benefit the school district	70	94	109
No Artificial Ingredients (NAI) or All Natural <sup>1</sup>	30	76	91
Products that adhere to USDA’s Smart Snacks in Schools regulations	28	31	17 <sup>2</sup>

<sup>1</sup>Minimally processed, no artificial ingredients.

<sup>2</sup>Decline in number of products as compared to FY2018 was due to the sale of the Chef Pierre business..



## Innovation



**We're committed to innovating new products that recognize consumers' changing relationship with food.**

Our leadership team is strategically focused on innovation and shaping the future of food. Tyson Foods' Research and Development (R&D) team is made up of food scientists, chefs, registered dietitians, packaging and processing engineers, and sensory and regulatory experts who conduct scientific testing, prototyping and new product development to deliver new and improved product attributes to our consumers. In FY2019, Tyson Foods invested \$97 million in R&D.

### **Tyson Innovation Lab**

Our Innovation Lab is run by an elite team charged with driving faster innovation, new growth and increased speed to market for new products. Its main goal is to generate revenue growth for Tyson Foods by developing disruptive products that push us into new spaces. The Lab also strives to build our innovation capabilities by exploring new paths to market, jumpstarting other innovation initiatives within the company, and partnering with other startups on leading-edge technology and ingredients. The Lab's framework uses a startup mindset through a unique acceleration phase that enables the team to create and test a product in a six-month window. Our Innovation Lab team is consistently challenged to remain agile and maintain this speed to market so that we can innovate faster than the consumer changes.

The Innovation Lab's existence is a result of taking a step back and looking at how things could be done differently. In its first two years of existence, the Lab has learned the value of maintaining a fully dedicated, cross-functional team. Investing time building that team has also been critical, enabling a close-knit, high-functioning group of collaborators. The low-risk environment in which the Innovation Lab works has also been an enabler of success; limiting financial, brand and customer relationship risk has allowed the Lab to take chances and explore nontraditional paths to market. Ultimately, the Innovation Lab's success will be measured not just by what they launch as an internal team, but by how they help Tyson Foods learn and grow.

### **Reimagining Protein for Everyone**

Consumers are changing the way they eat. Flexible diets are on the rise, fueled in part by consumers' desire for more creativity, flexibility and variety. This includes variety in where their protein comes from, with 75% of consumers saying they are open to diets that include both meat and plant-based proteins. Given growing awareness of protein's value as an essential nutrient and people's increased understanding of the connection between food and health, alternative protein is one of the fastest-growing categories in food.

## Advancing a Coalition for Global Protein

**Tyson Foods launched the Coalition for Global Protein™ initiative in January 2020. It unites leaders across the protein sector to identify, incubate and implement new and creative solutions to sustainable protein in order to feed the world's growing population while benefiting people, planet and animals.**

Tyson Foods is ready to meet this demand. In 2019, we set out to reimagine protein by launching Raised & Rooted™ Nuggets made with plants, Raised & Rooted™ Blended Patties made with pea protein and Angus Beef, and Aidells® Whole Blends sausage links made with chicken plus a blend of plant ingredients. We are planning to grow the portfolio in 2020 to include Raised & Rooted™ Blended Steakhouse Patties, Whole Grain Nuggets and Spicy Nuggets. These products are available for retail and foodservice customers, and at the time of launch, made Tyson Foods the largest U.S. meat producer to enter the growing alternative protein segment with its own products.

Ultimately, our goal is to develop alternative protein not as a segment, but rather a capability that cuts across eating occasions, consumer demographics, geographies and brands. Tyson Foods is committed to developing alternative protein products that are more accessible, affordable, delicious and better for you as we bring about a future where plant protein is a staple in global diets. We have the capabilities to do this with our disruptive innovation model and our multidimensional approach to innovation, which includes creating food in flexible forms that fit into busy lifestyles.

Understanding the structure, functional ingredients and taste experience needed to create plant protein products sets Tyson Foods apart, where our R&D capabilities are second to none. This expertise, combined with our deep and long-standing customer relationships, uniquely enables Tyson Foods to meet the growing demand for foods developed with both convenience and conscience.

## Tyson Ventures

As part of our corporate commitment to continually innovate, [Tyson Ventures](#) makes minority-stake investments in early-stage companies. The \$150 million fund invests in promising entrepreneurial food businesses that can benefit from our scale and align with Tyson Foods' corporate purpose to raise the world's expectations for how much good food can do. To date, this group has invested in nine companies, ranging from supply chain technology to plant-based products to cell-based meat research to food safety technologies. Four of those investments have been in alternative protein companies: Myco Technologies, New Wave Foods, Future Meat Technologies, and Memphis Meats.

We made two new investments in 2019, both related to alternative proteins. The first was in New Wave Foods, a San Francisco-based producer of plant-based shellfish products. The company plans to have a shrimp alternative ready for food service operators in 2020. We believe that the market for New Wave's products will be large. Shrimp is one of the most popular seafoods worldwide, and Tyson Ventures looks forward to learning from this disruptive company about how to meet global demand for all types of protein. Our second investment was in Big Idea Ventures, a new fund focused on alternative protein companies at the seed stage. Tyson Ventures' commitment will allow us to gain deeper insights into the emerging alternative protein industry both domestically and internationally.

## Tyson Ventures Focus Areas



### DISRUPTION

- Disruptive delivery channels & growing market access
- Innovative, protein-centric products & ingredients
- Emerging brands & categories



### OPERATIONAL EXCELLENCE

- Sustainability improvements to our operations
- Technology-enabled operational enhancements
- Operational & supply chain safety



## Food Safety & Quality



**We're making high-quality food safely by fostering a culture that puts food safety first and by maintaining the expertise to ensure that safety is central to everything we do.**

Our products and processes are developed to integrate safety, quality and continuous improvement at every touchpoint—supply chain, ingredient sourcing, product preparation, storage and delivery to our customers and consumers. This holistic approach to guaranteeing the safety and quality of our food is what guides our work.

We view regulatory compliance as a critical deliverable within our systems, but continuous improvement of food safety is much more. We're dedicated to integrating food safety within our sustainability framework to find win-win opportunities to extend safety across our value chain, from the delivery of food to consumers to the safety of our team members, the environment and the animals

within our supply chain. As a result, our food safety and quality assurance (FSQA) professional network comprises thousands of operations, engineering, supply chain and procurement team members who co-own food safety and quality. This integrated approach leads to a critical mass of food safety ownership, innovation and execution of our processes.

### A FSQA Team Dedicated to Excellence

In the U.S., our diverse FSQA team is comprised of more than 2,600 professionals dedicated to supporting operations at 139 facilities. Among them are experts in every area of food safety and quality assurance.

### FOOD SAFETY AND QUALITY ASSURANCE AT A GLANCE<sup>1</sup>

	FY2017	FY2018	FY2019
Food Safety and Quality Assurance Team Members	2,587	2,751	2,697
Certified Labs <sup>2</sup>	16	16	16
Global Food Safety Initiative (GFSI) Certified Plants	108	106	113
Safe Quality Foods (SQF) Certified Plants	24	25	35
British Retail Consortium (BRC) Certified Plants	82	79	78

<sup>1</sup>This data includes our U.S. operations. These metrics do not include Keystone Foods.

<sup>2</sup>Our certifications include A2LA 17025 and ISO 9001-2015, as well as state-certified labs at some of our beef and pork plants.



## The Tyson Foods FSQA Team



### Plant FSQA Management and Management Support

Each plant is staffed with a team that is trained to verify compliance with FSQA programs.

### Laboratory Services

A network of corporate, regional and field laboratories that provide analytical services to processing plants and other divisions with chemical- and biological-based analyses.



### Statistics Group

Corporate statisticians and statistical process control specialists who develop sampling plans and analyze data to determine statistical significance as well as providing on-site assessments to drive ongoing process improvements and development of monitoring tools.

### Corporate FSQA Management

Oversees plant FSQA staff; develops FSQA programs and policies; interacts with our teams in sales, marketing, product development, operations and distribution; and works with regulators and customers.



### Corporate Regulatory Compliance

Oversees compliance auditing, assists with Global Food Safety Initiative Certification and development of FSQA policy, manages our Sentinel Site Program®, a rigorous method of testing for post-processing contamination, interacts with regulatory agencies and ensures policies are designed to meet or exceed regulatory requirements.

Our high food safety standards are consistent across the world. As we make acquisitions, we hold integration meetings to merge Tyson Foods' policies with those of acquired companies, adopting best-in-class practices as final policy. Each of our processing locations employs experts in food safety and quality assurance. Our Malaysia, Australia and China locations maintain microbiologists and manage in-house microbiology laboratories. The Malaysia and Thailand locations have experts in ensuring the production of Halal products. In addition, our Asia facilities routinely conduct food safety culture surveys and hold events to maintain a strong safety culture among all employees.

**Tyson Foods' facility in Shandong, China earned an "A" grade on the BRC food safety audit. This certification lays the foundation for our products to enter the retail channel in this market.**

#### FOOD SAFETY EDUCATION & PROFESSIONAL DEVELOPMENT

We provide all team members with the resources, knowledge, education, communication feedback loops and management support needed to maintain high FSQA standards. Aspects of our training approach include:

- Requiring each team member, regardless of their role, to participate in our annual FSQA awareness training.
- Establishing the expectation that team members who handle food at our facilities will bring anything they see on the job that indicates a potential safety risk or quality issue to the attention of their supervisor.
- Conducting regular walk-throughs by management at each facility with individual team members to proactively address current and future FSQA issues.

In addition to ongoing training, 309 individuals were trained on Introduction to Microbiology in 2019. We are also providing focused training on foreign material prevention, identification and reporting, an area in which we continue to strengthen our focus.

#### INVESTING IN THE LATEST FOOD SAFETY TECHNOLOGY

We approach the management of our FSQA systems from a holistic perspective, addressing the root cause of larger issues rather than reacting in silos to isolated incidents. To facilitate this approach, we invest in the latest FSQA technology and participate in industry partnerships to find and develop solutions. These practices, in addition to data technology, ensure decision-making around FSQA protocols and procedures is driven by data and backed up by testing and research.

As a part of our continued effort to enhance food safety and quality across our supply chain, Tyson Ventures provided investor funding to FoodLogiQ, and uses FoodLogiQ Connect as our supplier management platform. The FoodLogiQ Connect Manage+Monitor module now serves as the communication portal for Tyson Foods suppliers. This platform has allowed enhanced visibility of our supply chain and is serving as the portal for our suppliers to share their FSQA documents and other important information. In addition to using FoodLogiQ as our FSQA reporting system for supplier compliance, Tyson Foods is working with them on system development to support overall supplier food safety and quality risk assessment.



## FOCUSING ON CONTINUOUS IMPROVEMENT

In FY2019, we experienced an increase in product recalls related to foreign material. As the USDA makes it easier for consumers to report concerns and raises its standards regarding when products must be recalled, this matter affects all in the food industry. It is not an issue Tyson Foods takes lightly, and over the past year, we have greatly increased our focus on foreign object detection and exclusion, creating dedicated task forces within each of our businesses.

Actions we are taking include expanding our use of metal detection and x-ray technology, and exploring the use of advanced technologies such as vision systems and hyperspectral imaging. Technologies like these have been used in other applications, such as evaluating product grade, and we believe there is great potential to enhance our ability to detect foreign material. Beyond investing in new technologies, we are also improving existing equipment to reduce foreign material risk. Our teams apply failure mode and effects analysis to understand where failures occur during the manufacturing process—then modify the process to correct the issue. This work requires collaboration across our business and supply chain, including consultation with equipment vendors on possible modifications; reviews with engineering, maintenance and food safety teams; and team member training to increase awareness of the importance of foreign material reduction. We have added dedicated resources in each of our businesses to empower all team members to speak up about potential risks related to foreign material. Over the past year, we have greatly increased our focus on foreign object detection and exclusion, creating dedicated task forces and further enhancing the food safety culture within each of our businesses. We believe preventive actions taken over the past year will amount to significant improvements on this front over time.



## DEVELOPING & SHARING FSQA BEST PRACTICES

We are an industry leader in the sharing of best FSQA practices and standards, including with the British Retail Consortium (BRC) Global Standard for Food Safety Issue 8, a Global Food Safety Initiative (GFSI)-approved scheme aimed at the continuous improvement of food safety management systems. Tyson Foods team members serve in leadership positions on the GFSI board and BRC Global Standards International Advisory Board. We also participate with and support the North American Meat Institute (NAMI) Foundation for Meat & Poultry Research. Our food safety and regulatory team members have also been recognized as industry leaders in developing best practices for implementation of the Food Safety Modernization Act (FSMA).

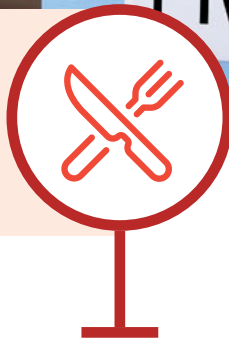


Tyson Foods is also an active participant in multiple trade associations that promote collaboration with industry food safety partners and are performing cross-industry research. Multiple FSQA team members hold committee leadership roles in these organizations. In addition to sharing their expertise with others, team members are strengthening their own knowledge by pursuing professional certifications and advanced degrees related to food science and food safety, with Tyson Foods' support.





## Audits & Certifications



Our plants, processes and products are routinely checked for quality and safety, through internal and third-party audits and industry certifications.

Food safety audits are a system of checks and balances that help our company produce safe, high-quality food and help grow our customers' and consumers' confidence. Most customers require their suppliers to undergo at least one food safety audit annually. The audits are an important part of how we honor our commitment to keeping our food safe. The audits give us rigorous feedback to help fine-tune our food safety practices. We have frequent audits conducted by our corporate food safety teams, plant food safety teams and third-party auditors who provide audit information to federal regulators, customers and different trusted certification bodies such as NSF and Food Safety Net.

VISIT OUR [CERTIFICATIONS & PROGRAMS](#) PAGE TO LEARN MORE.







## Responsible Labeling & Marketing



We're committed to labeling and marketing our products accurately and in accordance with current government regulations and our high standards for product transparency.

Our marketing team is charged with maintaining a leading market position for our food products. To that end, we conduct consumer and market research, and use our national distribution system and customer support services to identify distinctive markets and business opportunities.

Our food advertising practices and public relations efforts are conducted in an ethical, sound manner, targeting key consumer audiences with specific needs. All advertising is in accordance with Federal Trade Commission guidelines and voluntary review organizations such as the Advertising Self-Regulatory Council.

### Responsible Labeling & Marketing Principles

#### We don't advertise to children.

We have strict policies and only market our products to adults. Within our K-12 Foodservice business, we work closely with our internal law team on materials we provide for food service directors at school districts to ensure compliance with this policy.

#### We only make accurate and transparent product claims.

All advertisements and point-of-sale marketing materials go through a rigorous internal review process by both business units and our regulatory and law teams to ensure the accuracy of every food claim. Our nutrition team works closely with marketing to provide support for nutrition-specific claims and messaging. Food claims have to comply with the USDA and FDA labeling regulations.

#### We encourage consumer engagement with our social media platforms and other feedback mechanisms.

The ideas and thoughts of our customers and consumers are very important to us. We view social media as a two-way conversation and allow opportunities for consumers to engage with us about our products and share information about our products with others. In addition, our team of Consumer Relations Representatives responds to social media inquiries, telephone calls, letters and emails from our customers and consumers. During 2019, we heard from nearly 304,000 customers and consumers.

Introducing  
**PROTEIN-  
PACKED  
FRITTATAS**



Contains 10g Total Carbohydrate,  
3% Daily Value per serving

## Consumer Education Through Transparent Labeling

### Clean Labeling

Consumers are increasingly demanding “clean labels” that contain more information on ingredients, how the food is made and where it came from. According to a 2018 study, 39% of consumers say they’re more likely to switch to brands that use more transparent labels.

### Nutrition Labeling

Our nutrition team works closely with the regulatory and law teams. This collaboration helps keep the business informed on current nutrition labeling policy so our packaging and labeling reflects the latest nutrition-related regulations and our consumers can make informed purchasing decisions that are right for their lifestyle. The Nutrition Facts panel is available on all products in the marketplace to help consumers understand the nutrition profile of our products. In 2016, the Food and Drug Administration (FDA) finalized a new Nutrition Facts label for packaged foods sold in the United States, with a compliance date of January 2020. The new label reflects improvements to help consumers make informed food choices. Key changes include an updated design, giving more visual emphasis to calories and serving size; updated information about nutrition science specific to added sugars, dietary fat, and vitamins and minerals; and updated serving sizes and labeling requirements for certain package sizes. Tyson Foods is compliant with the new Nutrition Facts label on FDA products within our portfolio, and we are following guidance from the USDA for meat and poultry products.



### NEW LABEL: WHAT'S DIFFERENT?

SERVINGS: LARGER, BOLDER TYPE

Nutrition Facts	
8 servings per container	
<b>Serving size</b>	<b>2/3 cup (55g)</b>
<b>Amount per serving</b>	
<b>Calories</b>	<b>230</b>
% Daily Value*	
<b>Total Fat</b> 8g	<b>10%</b>
Saturated Fat 1g	5%
Trans Fat 0g	
<b>Cholesterol</b> 0mg	<b>0%</b>
<b>Sodium</b> 160mg	<b>7%</b>
<b>Total Carbohydrate</b> 37g	<b>13%</b>
Dietary Fiber 4g	14%
Total Sugars 12g	
Includes 10g Added Sugars	20%
<b>Protein</b> 3g	
Vitamin D 2mcg	10%
Calcium 260mg	20%
Iron 8mg	45%
Potassium 240mg	6%
* The % Daily Value (DV) tells you how much a nutrient in a serving of food contributes to a daily diet. 2,000 calories a day is used for general nutrition advice.	

SERVING SIZES UPDATED

CALORIES: LARGER TYPE

UPDATED DAILY VALUES

NEW: ADDED SUGARS

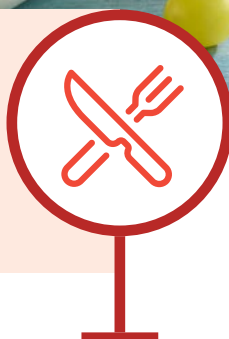
CHANGE IN NUTRIENTS REQUIRED

ACTUAL AMOUNTS DECLARED

NEW FOOTNOTE



## Responsible Ingredient Sourcing



**We are committed to sourcing quality ingredients from suppliers and upholding transparent supply chain practices.**

Tyson Foods works closely and proactively with strategic procurement partners to leverage responsible practices in our commodities and ingredient supply chain. We invest billions each year in commodities and ingredients needed to run our day-to-day operations, including agricultural commodities such as wheat, corn, rice, soy, dairy and vegetables. In addition, we buy ingredients that advance food safety, enhance flavor profiles and protect product integrity such as our own proprietary technologies that extend shelf life.

Our trusted ingredient suppliers are committed to the same high level of food safety as we are. Suppliers are required to comply with regulations and standards relevant to their operations as set forth by the U.S. Department of Agriculture (USDA) and Food and Drug Administration (FDA), including compliance with Good Manufacturing Practice and implementation of Hazard Analysis and Critical Control Points programs. Our suppliers must also be certified by GFSI.

### Supply Chain Transparency

Supply chain visibility is critical to the effective and sustainable management of both our domestic and international supply chains. We purchase all feed ingredients from domestic suppliers, which supports U.S. farmers and businesses. The remaining ingredients

are sourced from various locations across the globe. International suppliers are subject to the sourcing regulations and policies of their home country as well as U.S. food safety regulations.

We are leveraging advanced technology to enable greater transparency and traceability. For example, Tyson Fresh Meats recently announced a collaboration with IdentiGEN to use DNA Traceback® technology to trace meat used for Open Prairie® Natural Angus Beef and Natural Pork back to the individual animal of origin. The most advanced meat traceability system available, IdentiGEN's DNA TraceBack program will use DNA samples from animals entering the program to trace the origin of individual cuts of meat as they move through the supply chain. This will give consumers confidence that the Open Prairie products they buy were sourced from ranches where animals were raised to meet specific requirements, such as no antibiotics ever and no added hormones.

### TYSON LOCAL GRAIN SERVICES

We're committed to keeping local grain local within our supply chain. We actively build resources for and relationships with grain farmers who provide locally grown corn for our birds, through our Local Grain Services (LGS) program. LGS increases the number of farmers who sell direct, while decreasing supply chain inefficiencies and waste—a win-win for our grain suppliers and our business. In 2019, we purchased 70 million bushels of corn directly from local farmers.



LGS supports education and resource programs for local grain farmers. This includes connecting with local farmers to support them in establishing sustainable farming practices and working with NGOs and commodity associations to help drive sustainability practices on the farm level. Our website and mobile platform offer weekly market commentary for farmers, personalized push notifications, and opportunities to sponsor and partner with organizations benefiting local grain farmers. An on-farm pickup program provides logistical support for farmers to sell more grain directly to Tyson Local Grain Services. We also launched a new FlexPrice™ program for farmers to take advantage of tools to create custom pricing strategies. In addition, suppliers can reach buyers directly by phone or email.

### WORKING TOWARD GREATER FOREST PROTECTION

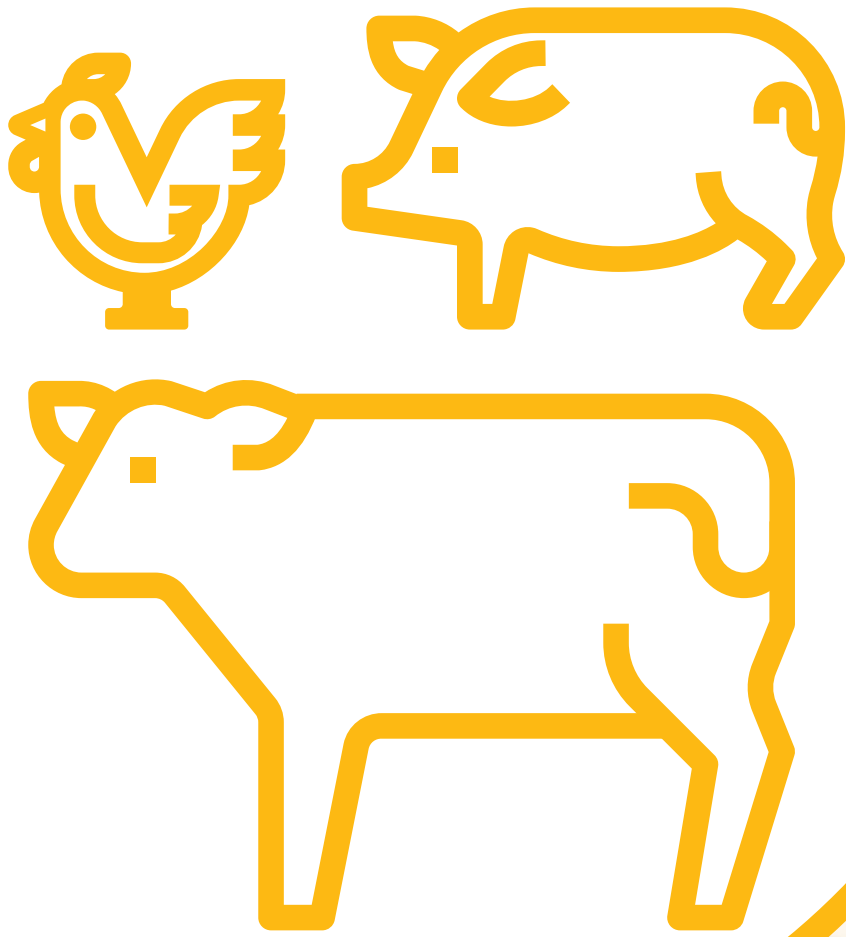
Part of sustainably feeding the world is ensuring the commodities we source support responsible forest management. Tyson Foods is on a journey to better understand and manage our deforestation risk. We initially assessed the risk of deforestation in our supply chain in 2017 and found low to no risk, and due to the international growth of our business, decided to reassess in 2019. Tyson Foods engaged Proforest, an independent organization focused on sustainability in the forest and agricultural sectors and implementation of responsible sourcing practices, to conduct a deforestation risk assessment across our global agriculture supply chain. The assessment will help identify any risk in our sourcing origins, focusing on commodities such as cattle, palm oil, soy, timber, pulp and paper.

The output of this work will inform the development of a Tyson Foods Forest Protection Policy, which will be shared with NGOs, customers and other relevant stakeholders. We anticipate the policy will be supported by an implementation plan providing options to mitigate or eliminate any identified deforestation risks. We will share more details on this work in our 2020 Sustainability Report.



While our Forest Protection Policy takes shape, Tyson Foods is also engaging with stakeholders on specific agricultural commodities. In 2019, we became a member of the Roundtable for Sustainable Soy (RTRS). With our rapid global expansion, we recognize the differences in supply chains around the world and are committed to responsibly sourced soy. Joining RTRS is one step to improving the social, environmental and economic sustainability of the soy sector globally. As a member of RTRS, we purchase credits for soybean meal used to feed chickens in our supply chain in global regions that may source from high-risk areas. Our commodity purchasing group purchases RTRS-certified soy credits; these credits ensure responsibly raised soy verified by RTRS. Tyson Foods is also a member of the Roundtable on Sustainable Palm Oil, a civil organization that works with palm oil industry stakeholders to develop global standards to define and certify sustainable palm oil.





# Animal Welfare

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## OUR COMMITMENT

**Continuously improve the welfare  
of the animals entrusted to our care.**

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# Animal Welfare



Be a leader in animal welfare through  
**RESEARCH, INNOVATION and TRANSPARENT COMMUNICATION**

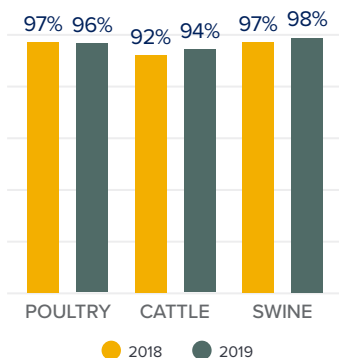


## FY2019 Key Achievements

- 1 Completed the construction of a new four-house commercial broiler research farm at the Tyson Foods Center for Sustainable Broiler Welfare Research.
- 2 Trained more than 1,000 team members in the U.S. Poultry and Egg Association's Poultry Handling and Transportation Certification Program.
- 3 Earned Professional Animal Auditor Certification Organization (PAACO) certification for our FarmCheck® audit program for broilers.
- 4 Implemented scored welfare audits in our cattle supply chain.
- 5 Became a founding member of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA), a public-private collaboration to conduct research on antimicrobial stewardship and animal health.

## FY2019 By-the-Numbers

### OVERALL AUDIT OUTCOMES BY SUPPLY CHAIN<sup>1</sup>



<sup>1</sup>Percentages represent the average number of animal welfare audit elements that were found to be acceptable against their representative frameworks.

### KEY WELFARE INDICATORS<sup>1</sup>

BROILERS	2018	2019
Transport Livability	99.8%	99.9%
Non-Damaged Wings	98.9%	98.8%
Acceptable Paw Scores	78.0%	81.0%
CATTLE AND HOGS	2018	2019
No Falls	99.2%	99.9%
Not Prodded	99.2%	99.3%
Acceptable Wait Times	94.0%	96.8%

<sup>1</sup>Metrics based on our U.S. operations. Percent acceptable as audited against NCC Welfare Guidelines for Broilers or NAMI Recommended Animal Handling Guidelines [September 2019 Rev. 2] for cattle and hogs.



## Animal Welfare Approach



**To be the world leader in animal welfare through compassionate care based in sound science.**

Caring about animals is inherent to who we are as a company. Our approach is grounded in sound science and the latest animal welfare research. This includes careful measurement of inputs and outcomes. We trust the animals to show us what types of environments best suit them, and use their demonstrated preferences to guide our decisions. We also use ongoing research and engagement with experts to continuously improve the welfare of the animals entrusted to our care.

Our commitment to animal welfare includes investments in:

- **People:** We have an unparalleled structure to support welfare culture and performance throughout our business. This includes our Office of Animal Welfare, which reports directly to the Chief Sustainability Officer (CSO) who sits on the Executive Leadership Team. We also have our [Animal Welfare Advisory Panel](#), and animal welfare specialists embedded within our business units who help promote the importance of animal welfare across our company. Tyson Foods provides comprehensive instruction on best practices and processes for animal handling to our team

members. Through this training we establish expectations and demand accountability.

- **Equipment and Facilities:** At the Tyson Foods Center for Sustainable Broiler Welfare Research, which includes our Broiler Welfare Research Farm and our Concept Farm, we are piloting new approaches that will help us make recommendations to farmers and other stakeholders to further improve broiler welfare.
- **Research:** In FY2019, we invested more than \$1,367,500 in welfare research and education. We leverage our proprietary research farms, as well as partnerships with other organizations that have an interest in advancing animal health and welfare. Our research focus is on welfare outcomes, such as mobility in cattle or paw scores in broilers. We use key welfare indicators to measure improvement, and transparently report our progress as well as challenges and opportunities. This research is holistic in nature, evaluating the impact of practices on welfare, environmental indicators and economics.

Learn more about the actions we're taking in the sections that follow.

## INDUSTRY ENGAGEMENT

Tyson Foods holds membership and leadership positions in many organizations that promote animal health and welfare:

- American Association of Avian Pathologists (AAAP)
- American Veterinary Medical Association (AVMA)
- Customer animal welfare committees
- International Poultry Welfare Alliance (IPWA)
- National Cattlemen's Beef Association (NCBA)
- National Chicken Council (NCC)
- National Pork Board (NPB)
- National Pork Producers Council (NPPC)
- National Turkey Federation (NTF)
- North American Meat Institute (NAMI)
- Poultry Science Association (PSA)
- Professional Animal Auditor Certification (PAACO)

# Putting Animals First



## Tyson Foods' Approach to Animal Welfare

**Q:** What makes Tyson Foods' approach to animal welfare research and innovation different from that of other food companies?

**A:** Research and innovation are part of our culture. Our Advisory Panel, our Office of Animal Welfare (OAW) and our internal subject matter experts collaborate and guide our research priorities. This structure along with our broiler research farm, other commercial farms used for research, and our partnerships with suppliers is evidence of our strong commitment to continuously improve the welfare of the animals entrusted to our care.

**Q:** How did Tyson Foods choose the key welfare indicators (KWIs) that are measured each year?

**A:** Our KWIs are outcome-based and are valuable metrics because they measure how different aspects of a living environment impact an animal. We've chosen specific indicators to focus on that can be measured consistently across our operations. Our business leadership and the OAW approves these metrics, and we monitor progress by reviewing them throughout the year and reporting annually. Today's KWIs are not a finish line, however—once we have met our targets, we will add new KWIs as we strive for continuous improvement.

**Q:** Why is it so important to focus on outcomes, rather than inputs such as breed or stocking density?

**A:** Inputs tell us about prescriptive requirements present in an animal's environment, such as stocking density or the breed of animal. Inputs do not tell us anything about the quality of the animal's life or the impact of those requirements on the outcomes in the animal. Outcomes are measurable indicators that reflect the true impact of the environment or management practices on the animal's welfare. Favorable welfare outcomes can be produced with many different types of inputs, but specific inputs do not guarantee favorable welfare outcomes. Outcomes can be measured and tracked and we, therefore, set targets for continuous improvement. As Dr. Temple Grandin often says, "What gets measured, gets managed."







**Q:** How do changes to an animal's environment affect other variables, like environmental sustainability?

**A:** Our decades of experience overseeing the care of animals and producing food has taught us how to produce protein sustainably. Our approach balances animal welfare with concerns such as optimizing the use of water, energy and land used to produce food sustainably. Changing these variables—for example, by switching to slower-growing broiler chicken breeds that require more feed, water and energy before they reach maturity—disrupts this balance. That's another reason we emphasize outcomes, rather than inputs: many resourced-based inputs that seem important to people may in fact have little direct benefit to animals or their welfare; focusing on areas that improve animal welfare outcomes enhances responsibility and sustainability of animal agriculture.

**Q:** Why is animal preference so important to our approach to animal welfare research?

**A:** Tyson Foods is utilizing animal preference as part of our research strategy to better understand what animals want and need. The animals' voices in the decisions we make help us understand how to improve their welfare. As Marian Dawkins explained in her paper, "Through Animal Eyes: What behaviour tells us". (2006), "We now have a wide range of methods for "asking" animals what they want and we should have the humility to use this evidence and ask the animals rather than automatically assuming that we know from our human standpoint".

**Q:** The Five Freedoms of Animal Welfare are frequently cited in the animal welfare space. What is Tyson Foods' position on this framework?

**A:** The Five Freedoms have been at the center of welfare science for the last 25 years, and we acknowledge their significance in the development of our welfare program. Within any scientific discipline, however, there is evolution of ideas as more is learned and debated. The increasing need to measure welfare outcomes has led to the [re-framing of the Five Freedoms into The Five Domains](#). The Five Domains is a more modern conceptual framework of animal welfare that includes the promotion of the positive aspects of nutrition, environment, health, behavior and the animal's mental state. Focusing on the importance of positive experiences, as well as avoiding suffering, encourages us to use technology, research and creativity to find ways to protect animal welfare. Progress on this area is essential for continuous improvement in welfare standards.



**Our approach balances animal welfare with concerns such as optimizing the use of water, energy and land used to produce food sustainably.**



## Animal Welfare Team



**Our mission is to deliver on our purpose to raise the world's expectations for how much good food can do by continuously improving the welfare of the animals entrusted to our care.**

Our vision is to be the world leader in animal welfare through compassionate care based in sound science. Accomplishing this vision requires the efforts not just of our team members who have daily interactions with animals but also includes engagement with our senior leadership team.

Our Corporate Office of Animal Welfare (OAW), led by Vice President of Welfare and International Sustainability, Ken Opengart DVM, PhD, is dedicated exclusively to animal welfare. The OAW is comprised of passionate team members who work diligently to guide and support our business units and supply partners in reinforcing our commitment to responsible animal care and handling while driving continuous improvement throughout our supply chain.

To further enhance this effort, each of our facilities that harvest animals in the U.S., including chicken, turkey, beef and pork plants, is directly supported by a professionally trained animal welfare specialist. These specialists conduct internal audits of our facilities and provide service, assistance and expertise to our team members about animal welfare. Specialists are embedded in the day-to-day operations at each facility, serving as resources for our operation teams and plant managers. They also serve as advocates for the animals themselves and work to enhance our animal welfare culture and awareness throughout our facilities.

This team was the first in the industry to be certified as Internal Auditors by PAACO. The continuous education required of our specialists annually to keep their certification makes them a critical resource on animal welfare across our entire company. Due to this extensive knowledge, specialists also support and lead team member training on animal handling and welfare.

Our animal welfare specialists also gather each year at a Welfare Summit to collaborate with their peers on various animal welfare opportunities they have identified at the facilities they support. Since 2018, more than 77 animal welfare improvement projects have been presented and best practices shared during these working sessions.

### Our Team by the Numbers

ANIMAL WELFARE SPECIALISTS **52**

DEDICATED CORPORATE SUPPORT STAFF **10**

APPROXIMATELY **26,000**  
AUDITS CONDUCTED ANNUALLY



## TRANSPORTATION TRAINING IN THAILAND

When it comes to safely transporting animals, there's always more to learn. Tyson Foods' poultry harvest facilities in the Ongkarak and Lam Lukka districts in central Thailand have held animal welfare training eight consecutive years for suppliers who transport our live birds. Planning and Logistics General Manager Ratanaporn Chanthet and Agriculture Planning Senior Manager Thanika Wangmooklang led the training, which covers the basics of animal welfare and safe driving. In 2019, more than 200 people attended the half-day event. The training resulted in improved animal transport and closer collaboration among stakeholders who handle our animals.

Our vertically integrated systems allow our poultry welfare specialists to also support the FarmCheck® program through supplemental internal auditing of essential parts of the animal handling process on our contract poultry farms in the U.S. They monitor animal welfare on-farm, assisting farmers in complying with animal welfare policies and regulations.

## Animal Welfare Advisory Panel

Our Animal Welfare Advisory Panel not only provides guidance on current animal welfare topics, but also helps us:

- \* determine ways to improve our FarmCheck® program;
- \* advises us on research priorities and projects;
- \* alerts us to emerging issues or technologies that may affect our industry and business; and
- \* helps us understand proactive approaches we can take to address areas such as ethical issues, consumer interests, and new research and technologies.

The Panel's direction helps to ensure we're taking a leadership position on the most relevant and critical areas of animal welfare.

The intent of the Panel is to maintain a balanced dialogue that includes experts from across various fields, including academia, regulatory, producers and scientists, to bring a diversity of perspectives on animal behavior, health, welfare, production and ethics. Meetings include sub-groups focused on each supply chain (beef, pork and poultry) to allow for more in-depth discussion and guidance that is relevant to the current challenges we face as a company today.

The Panel continues to help us identify potential gaps and opportunities for improvement in animal welfare, such as focusing our research on poultry lighting, environmental enrichments, facility design and animal housing.

## Team Member Training

Our culture is grounded in comprehensive animal welfare training and accountability. Team members are required to report any acts of abuse immediately to their supervisor or by calling our third-party, anonymous ethics and compliance hotline available 24 hours a day, 7 days a week.

Our expert animal welfare specialists provide comprehensive animal welfare training to every team member that comes in contact with live animals. This consists of training prior to entry, tests to ensure understanding of proper techniques, and confirmation of agreement to comply with animal welfare requirements. Those in positions that require live animal handling—including catch crews, livestock haulers and team members in breeding, grow-out houses and harvest facilities—complete more extensive animal welfare training in advance of interacting with live animals. This expectation also extends to any team member, visitor or supplier who may have intermittent or limited access to live animal handling areas. In addition, the animal welfare specialists receive continuous education and in turn, pass those learnings on to the team members responsible for handling animals as well as the plant facility animal welfare committee.





In 2019, we also offered education on the ethics of animal welfare—not just what we do, but why it matters. Dr. Dorothy McKeegan, an animal welfare expert from the University of Glasgow and member of Tyson Foods' Animal Welfare Advisory Panel, gave a two-day course on animal welfare ethics. The intent of this course was not to persuade, but rather aid our animal welfare specialists, managers and OAW leadership team in understanding the fundamental beliefs about animals that shape thoughts and actions both personally and as an enterprise.

Tyson Foods also advances animal welfare education beyond our community of team members. We provide access to our facilities and expertise in animal welfare auditing, in cooperation with our supply chain, as well as customers, academics and audit firms. This enables external stakeholders and individuals to gain professional animal auditor certification through PAACO. We open our doors to undergraduate and graduate students in animal science for educational opportunities, providing a place to evaluate welfare practices. Our facilities also serve as locations for various supply chain and customer educational events focused on animal welfare policies and practices.



## Animal Welfare Resources

[ANIMAL WELFARE MISSION & VISION STATEMENT](#)

[ANIMAL WELFARE ADVISORY PANEL BIOS](#)





## Animal Welfare Research and Education



*Dr. Karen Christensen PhD, Sr. Director of Animal Welfare*

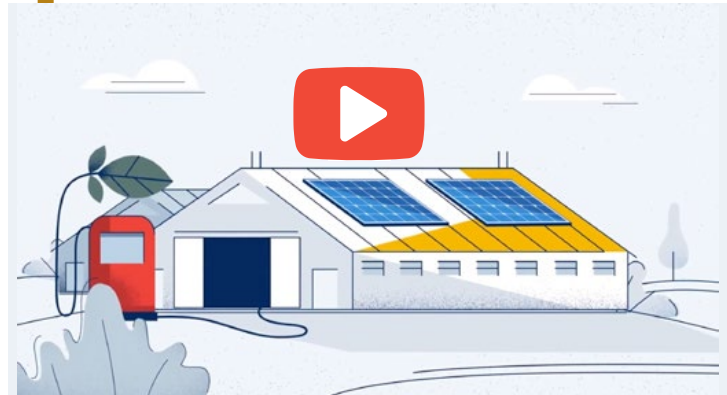
**We're committed to research and education in critical areas of animal welfare across our supply chain.**

We partner with a variety of professionals, academic institutions and industry groups to advance animal agricultural research and best practices for animal welfare throughout the industry. In FY2019, we invested more than \$1,367,500 in welfare research conducted at Tyson Foods or in collaboration with universities, agricultural organizations or companies. In addition to the external research that we support, we constantly seek out and pilot the latest innovations in animal welfare best practices within our own operations.

### Tyson Foods Center for Sustainable Poultry Welfare Research

Within an 80-acre tract sit two unique farms—our proprietary Concept Farm and a new Broiler Welfare Research Farm. Our Welfare Research Farm is a testing ground for research on key aspects of broiler chicken welfare, such as lighting, enrichments and stocking density. This research is based on an approach that allows animal choice to guide our actions. Because chickens can't tell us what types of housing they prefer, we create a variety of options within one environment and then observe animals' behavior. We use a science-based approach to evaluate the impact of the different choices on measurable outcomes of animal welfare and health.

Watch a [video](#) about our Concept Farm where we use innovative ideas to make strides in the way our broilers are raised.



For example, we are conducting ongoing research on the optimum lighting conditions for chickens' welfare. Findings suggest birds are best able to display their natural behaviors in housing with a gradient of lighting from bright to subdued, so they can feed in the bright area and rest where there's less light. We can determine

where birds are most content by measuring the levels of dopamine and serotonin in the brain, which are considered indicators of positive welfare. Broilers given a choice of lighting environments not only displayed better welfare, they had an improved feed conversion ratio, which means this type of lighting could reduce the greenhouse gas impact by reducing grain consumption.

The goal of our proprietary Poultry Concept Farm is to research better outcomes for birds, food safety and the environment. The Poultry Concept Farm acts as an integrated research hub that facilitates collaboration across functions that are studying animal welfare, environmental improvements, alternatives to antibiotics, lighting tests, operational efficiencies, workplace safety and more. As such, the Concept Farm allows us to look at our operations in a holistic way—connecting the dots between how one animal welfare practice may impact outcomes in another key area. This integrated approach enables all of our sustainability focus areas to work together to improve the sustainability of poultry production.

## Incubation Technology Center

Our 75,000-square-foot, state-of-the-art Incubation Technology Center in Springdale, Arkansas, is the primary supplier of chicks for our northwest Arkansas broiler and cornish hen operations. The center's advanced incubation technology allows for reduced handling of animals through the use of robotic arms, which perform repetitive tasks that reduce the risk of strain and muscle fatigue for team members and also ensures consistent handling of the chicks. The Center is equipped with the latest in advanced technology, including high-tech internal environmental controls and ventilation to ensure that fresh air is continuously circulated throughout.

## Environmental Enrichments for U.S. Swine Systems

The environment in which pigs are raised on farms is a critical contributing factor to their health and welfare, as well as productivity. As our awareness and knowledge of animal welfare expands, animal behavior and what drives positive welfare outcomes is an increasing area of focus that influences how rearing environments are managed. Of particular interest is the exploration of environmental enrichments and how they can enhance pig environments and stimulate natural behavior, while also having a positive impact on health and productivity. Nestlé and Tyson Foods have joined together with the [Foundation for Food and Agricultural Research](#) in the USA to fund one of the first studies to test four different environmental enrichment devices that appear suitable for U.S. pig production systems. The ongoing work by scientists with the U.S. Department of Agriculture's Livestock Behavior Research Unit at Purdue University is focused on assessing the pigs' welfare, including measures of behavior, health and growth. With the resulting information, pig farmers will have the potential to apply the environmental enrichment management strategies on farm in an effort to improve animal welfare outcomes.



## Progressive Beef

More than ever, consumers are demanding to know more about the beef they purchase – where it comes from and how the cattle are raised. Tyson Fresh Meats demonstrated their commitment to supply chain transparency as the first beef processor to license the Progressive Beef™ program, a comprehensive quality management system designed for cattle feeding operations that sell to companies like Tyson Foods. We don't own feedlots or ranches, but instead rely on more than 3,600 independent producers across the country to sell us high-quality cattle.

Progressive Beef covers all aspects of day-to-day cattle care. Cattle feeding operators certified in the program follow best practices for animal welfare, food safety, responsible antibiotic use and environmental sustainability. All of these practices are verified twice per year by both USDA-approved auditors and a representative of Progressive Beef. Each audit is like a report card, and the metrics involved help ranchers improve their operations.

This progressive cattle management system heightens accountability and live animal transparency. We believe Progressive Beef is the gold standard for beef process control and food safety. It also takes into account animal care considerations, such as comfortable living conditions, nutritious food and clean water for them to thrive. Finally, it looks at responsible antibiotic use and sustainability benchmarks related to efficient use of natural resources and employee safety rates. Progressive Beef continues the Tyson Foods path laid by the FarmCheck® program and Beef Quality Assurance and integrates a quality management system that will further improve animal care, food safety and environmental sustainability practices through a transparent and verifiable system.

We have seen firsthand the benefits of bringing together verifiable best practices that are geared toward continuing improvement in long-term beef production. Licensing the program allows us to better collaborate with our supply chain and measure the progress we're making in beef sustainability.

Together with Progressive Beef, we aspire to accelerate the entire beef industry toward embracing proven practices so that all consumers know the beef they buy is from cattle that were well cared for, in a safe and sustainable environment and verified through USDA-approved auditors and a representative from Progressive Beef. We met our goal in 2019 to buy two million program cattle in the first year and plan to grow this to 50 percent of the total cattle purchased, approximately 3.4 million head of cattle, by 2021, the third year of the program.



**In 2019, we also continued our collaboration with McDonald's USA, Noble Research Institute, Beef Marketing Group (BMG) and Golden State Foods on a two-year pilot research project aimed at improving sustainability across the beef supply chain, testing metrics established by the U.S. Roundtable for Sustainable Beef (USRSB) and exploring scalable solutions for beef production.**





## Animal Welfare Monitoring



Through a robust animal welfare auditing strategy, we're committed to ensuring our expectations on humane care are met throughout our operations and supply chains.

### Audits at Our Plants

Best-practice system assessments and animal-handling audits are implemented in all of our U.S. chicken, beef, pork and turkey plants, as well as in our chicken hatcheries. This includes a combination of daily, weekly and annual handling and welfare audits conducted by animal welfare specialists, OAW personnel, plant management, members of our Food Safety and Quality Assurance teams and third-party groups. Plants perform daily internal audits and take part in annual external third-party audits. We piloted unannounced audits in 2019 and will be rolling these out across our operations in 2020. In addition, all plants have animal welfare committees that conduct assessments and meet monthly to discuss animal welfare performance and areas for improvement.

For our wholly-owned harvest facilities globally, there is federal oversight for ante-mortem inspection. Summaries of our recent third-party U.S. animal welfare audits are publicly available for our [chicken and turkey](#), [beef](#) and [pork](#) operations.

#### 2019 THIRD-PARTY HARVEST FACILITY AUDITS<sup>1</sup>

<b>37</b>	<b>6</b>	<b>7</b>	<b>49</b>
POULTRY	BEEF	PORK	TOTAL

<sup>1</sup>Plants undergo third-party audits annually, at a minimum.

### FarmCheck®

FarmCheck®, our U.S. industry-leading supply chain animal welfare program is founded on four guiding principles:

- **Site Checks:** Third-party auditors use statistically valid sampling methods to select and audit farms, verifying responsible animal care and welfare
- **Advisory Panel:** A panel of experts in the fields of farm animal behavior, health, production and ethics determines research priorities and reviews the audit programs
- **Staff:** A special team of leaders who partner with the external advisory panel to oversee audit programs, research efforts and interaction with business unit partners. Together, they develop and implement innovative animal welfare initiatives and practices
- **Research:** With guidance from the Advisory Panel, OAW reviews existing research while funding and promoting additional research for continued improvements in animal welfare

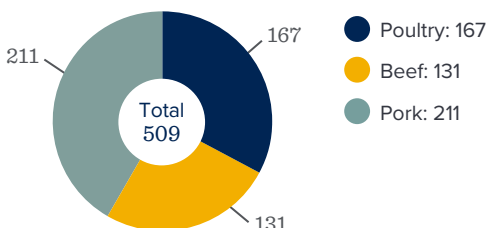
The Office of Animal Welfare staff oversees the implementation of the program, including engagement with the Advisory Panel, delivering on research objectives and execution of the audit program, through which third-party auditors check the livestock

and poultry farms that supply us to ensure they meet a variety of animal welfare criteria, including animal condition, environment, training and proper human-animal interaction.

The FarmCheck® audit program scope is based on a statistical analysis of each protein supply chain. This analysis allows us to determine the number of farms that should be audited each year so that, over a three-year period, we can be 99 percent confident that 95 percent or more of our supply chain complies with the standards of the program. We analyze several criteria on audited farms to gauge animals' physical welfare. Observations on farms that do not meet the criteria established in the audit tool, no matter how minor, are noted as deficiencies. If possible, deficiencies are corrected on site prior to the completion of the audit. If not, then a corrective action plan is created with input from the farmer and our animal welfare, live operations and procurement teams.

## 2019 THIRD-PARTY FARMCHECK® AUDITS

On Farm Verification Program Audits By Supply Chain¹



¹ The total number of audits conducted exceeded the number recommend by our statistical analysis (462).

Each year, a comprehensive analysis is completed to understand the top areas of opportunity within each supply chain. In 2019, our data showed us that we continue to see opportunities for improvement in facility maintenance and repair (such as gaps in walls and floors that might have the potential to lead to injury or welfare concerns); records and written standard operation procedures (such as 12 months of continuous daily observation documentation or a written protocol outlining how a site trains their employees); as well as internal assessments (based on requirements of management to perform and document at a



prescribed frequency). While each individual site is able to use the results of their audit to identify ways in which they can enhance their on-farm processes and efforts, understanding where our challenges lie as an industry allows us to focus our efforts and communication to help raise the bar. This shared commitment is demonstrated through year-over-year improvements in overall supply chain scores. Since the inception of our FarmCheck® program on-farm verification audits in 2014, we have seen growth in all supply chains, with an overall improvement of 5% in Poultry, 7% in Swine, and 26% in Cattle.

Our FarmCheck® program continues to grow in scope, criteria and impact. All FarmCheck® program auditors are required to be professionally trained or PAACO certified, which involves on-site training, along with hands-on learning and a comprehensive exam. We're continually working to expand PAACO certifications across all species to further promote humane treatment of animals throughout the supply chain.

### POULTRY

When auditing poultry operations, we focus on key welfare indicators such as foot pad lesions and gait scores. We also assess housing conditions, inspect for injuries or illness, and observe catching operations. In 2019, the FarmCheck® program

for broiler chickens received PAACO certification, which strengthens the audits' credibility.

## CATTLE

When auditing cattle feed yards and livestock markets, we reference the Beef Quality Assurance (BQA) guidelines. All live cattle for Tyson Fresh Meats are purchased from BQA-certified direct cattle suppliers.

## SWINE

We currently use the Common Swine Industry Audit platform certified by PAACO, which is based upon industry best practices as defined by PQA. Our FarmCheck® program has always focused on verifying key aspects of animal welfare: proper human-animal interaction, proper caretaker training, access to food and water, and the body condition of the animals. Through this initiative, we're able to verify that our suppliers are striving to provide



*In early 2020, Tyson Foods' sustainability and FarmCheck® programs were recognized by the U.S. Roundtable for Sustainable Beef (USRSB) for incorporating the U.S. Beef Industry's Sustainability Framework into our auction market, feed yard and packing and processing operations.*

the best possible care to their hogs, regardless of the operation type or system.

## Remote Video Monitoring

In the U.S., we use the industry's largest third-party remote video auditing (RVA) system to monitor bird handling in poultry plants. Arrowsight auditing technology and data analytics service deploys trained off-site auditors who conduct random audits, analyze video feed and provide results of their audits to our plant managers. All U.S. poultry plants are monitored through Arrowsight, and approximately one-third of our processing facilities utilize RVA for the catching process. Using RVA with catch crews has garnered positive results and allows us to work with and coach the crews on handling birds properly during the catch process.



We use internal video monitoring systems within our beef facilities to verify animal handling and harvesting activities as part of our systematic animal welfare management plan. All beef facilities have implemented video monitoring and auditing of areas involving live animal handling. A designated monitor conducts standardized audits at a frequency established to meet program requirements.

The implementation of internal command centers within each pork facility allows us to support 24/7 monitoring and take action to address any deviation from our CARE program procedures and expectations while using our full-time camera monitors. With some plants having over a year of run time, we continue to fine-tune our processes, including dashboard analysis and trends and development of camera monitoring training specifications that facilitate improvement in management practices related to animal welfare.

## Monitoring in International Operations

Tyson Foods' international operations and supply chain partners maintain animal welfare standards consistent with those of our U.S. operations. We have spent the last year evaluating welfare programs and potential opportunities for improvement. Over the next year, we will move to provide more cohesive governance and oversight across our entire global supply chain.





## A Network Dedicated to Animal Welfare



**We're committed to continuously improving animal welfare standards throughout our supply chain and expect the same of our independent and contract farmer partners.**

Responsibly raising the number of animals within our supply chain takes thousands of independent grain farmers, livestock farmers, service technicians, transportation operators and Tyson Foods team members to care for, handle, transport and harvest animals. For this reason, we work across our supply chain to ensure best practices are followed at every step in the animal life cycle, from breeding through harvest.

The relationship with our farmers in the U.S. is unique in many aspects. All cattle and most hogs come from independent farmers, ranchers and feedlot operators. While we own a small swine breeding subsidiary, which consists of company-owned and contract farms, we buy most of our hogs from farmers who raise their own animals. For U.S. poultry operations, we buy the grain that is used as feed and pay contract farmers to raise our poultry.

One way we engage with our farmer partners is to share information on animal welfare topics they may need guidance on or have questions about. For example, we have participated in free educational seminars in collaboration with trusted industry experts providing information and resources on a variety of topics.

Utilizing sound science, expertise and skill, farmers continuously strive to improve and further strengthen their commitment as responsible animal producers. In our vertically integrated poultry and hog operations, we rely on our veterinarians and service technicians to ensure optimal animal husbandry, nutrition, sanitation and housing practices to support animal health and welfare on-farm and in our harvest facilities. Ongoing research conducted with academic partners, at the Tyson Foods Center for Sustainable Poultry Welfare Research informs the practices we follow in raising broiler chickens.

## Responsible Antibiotic Use

Tyson Foods is dedicated to preserving the health and welfare of the animals within our supply chain while protecting food safety and public health. To reduce the potential of the development of antibiotic resistance, the guidelines for responsible use of antibiotics that are defined in BQA, PQA and the American Association of Avian Pathologists (AAAP) and are based on judicious antibiotic use principles outlined by the World Health Organization (WHO), World Organization for Animal Health (OIE) and the American Veterinary Medical Association (AVMA).

Responsible use practices rely on preventive strategies such as biosecurity, animal welfare programs, proven management practices, vaccination programs, sanitation programs, routine health monitoring programs and veterinary oversight to minimize the potential need for antibiotic therapy. We work within our direct supply chain and with independent farmers and others in Tyson Foods' cattle, hog and turkey supply chains to promote these practices.

We are a founding member of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA), a public-private collaboration led by the Foundation for Food and Agriculture Research. This group of global stakeholders will collaborate and support critical research to produce practical applications that address antimicrobial resistance. Collectively, members of the consortium have already committed \$15 million to support innovative research on antimicrobial stewardship and animal health. In addition to serving on ICASA's Executive Steering Committee, Tyson Foods is represented on four of the organization's five working groups.

## Responsible Handling and Transport

Team members who work with live animals in our plants are trained in humane animal handling practices and are expected to report anything they believe is inconsistent with our welfare program expectations to their supervisor or our anonymous ethics and compliance hotline.

In all of our harvest facilities, we use Tyson Foods' CARE assessment program to manage humane handling policies and procedures. CARE provides a system for continuous improvement in these areas and has three main components. We begin by documenting each step in the animal handling process from live animal receiving through harvest. We then evaluate each step to identify potential incidents that could result in excessive excitement, discomfort or accidental injury to the animal. If an opportunity for a potential risk or incident exists, we implement processes to mitigate or minimize those risks. This program meets or exceeds NAMI, NCC and NTF guidelines.

Safe and proper handling includes optimizing stocking densities and travel times, ensuring proper ventilation and protecting the



*Terry Olson, DVM*

animals from harsh weather conditions during loading, transport and unloading of animals. Our team members and those who transport for us are required to follow a rigorous set of guidelines that govern our transportation activities aimed at protecting animals. This training includes basic animal behavior and low stress handling techniques to facilitate calm, efficient animal-paced movement, thus decreasing stress and avoiding injuries. In addition, our chicken and turkey specialists working in our U.S. operations are [certified to teach](#) the U.S. Poultry and Egg Association's Poultry Handling and Transportation (PHT) Certification Program.

Our goal is to avoid the transport of live animals for more than eight hours during transport to the harvest facility. Due to the geographic profile of independent supply chains, along with the need to operate our harvest facilities in an efficient manner, we occasionally encounter longer transport times. Our processing plants maintain standard procedures for receiving live animals that require unloading animals as soon as possible, providing water in holding pens and feeding the animals if they are kept for longer than 24 hours. We also maintain emergency management plans for motor-vehicle accidents involving animals in transport.

## Animal Supply Chain Welfare Practices

Below are practices followed across our poultry (chicken and turkey), cattle and swine supply chains.



### Chicken & Turkey

#### Raising

The broiler chickens we raise at Tyson Foods originate from roosters and hens that are purchased as chicks from a poultry genetics company. This company uses an animal husbandry practice that has been well known for nearly 100 years—selective breeding. With this type of genetic selection, birds are chosen that express many important health and welfare traits, including leg strength, cardiovascular health, strong immune systems and production traits like appropriate growth rate, efficient conversion of feed to meat and white meat yield. We purchase day old turkeys, known as “poults” from an independent hatchery. These poults go straight to our independent contract farms to be raised as meat turkeys. Globally, we do not knowingly purchase any genetically engineered animals or animal products for our processing operations.

Our roosters and hens may have special procedures applied to them as chicks to ensure a healthy life. Males may be toe-conditioned to remove the sharp nail that can injure hens during mating, and beaks of males and females are conditioned so they cannot use it to injure other birds. During the months of March through August, we request that trained staff at the turkey hatchery remove the small bud that would develop into their “snood”. Removing the snood prevents potential injuries caused by these Tom Turkeys rough-housing during the summer months. Turkey poults are also beak conditioned with microwave technology to reduce the risk of injury, but we do not practice toe conditioning. We are investigating management practices that would eliminate the need to perform these procedures. Physical alterations are not performed on our broiler chickens.

When our roosters and hens reach an age that they produce fertile hatching eggs, the eggs are collected and transported to our hatcheries where they are incubated and hatched into broiler chicks. Hatcheries are monitored for cleanliness, proper temperature and humidity to ensure healthy chicks. We vaccinate the chicks while they are still in the egg and after they hatch. Vaccinating at the hatchery helps promote the health of the chick throughout the time they are on the farm. Animal welfare specialists conduct weekly audits and review human-animal interactions, training and record keeping. The hatcheries are also visited annually by a third-party auditor.

Chicks are transported to the independent contract farms within hours of hatching. They are transported on environmentally controlled trucks so that their ride to the farm, usually less than two hours, is stress-free.

Before chicks or poults arrive at the farm, the houses are prepared and heated to provide an environment that is designed to provide for their needs. Chicks and poults are placed carefully in the house along with feed, water and heat so they can find the resources they need almost immediately. Farmers provide daily care for the birds, walk through the flocks routinely to identify any changes needed to the ventilation equipment, and remove and humanely euthanize any birds that cannot access feed or water using methods that are approved by the American Veterinary Medical Association.

Farmers focus on key areas in the house, including the quality of the litter that covers the floor which provides an absorbent and



cushioning environment. Litter condition is important to the welfare of the birds, and that is why we monitor the condition of the paws (foot pad) of broiler chickens and turkeys. Condition of the paws is an import Key Welfare Indicator for the environment of the litter in the house.

At each step of raising birds, Tyson Foods has trained technicians to act as liaisons between the farmer and Tyson Foods. They provide technical help and support to the farmers and conduct welfare audits. Animal welfare audits on farms are also conducted by animal welfare specialists and third-party auditors.

## Housing

One hundred percent of the poultry raised to support our global supply chain are kept in enclosed houses to protect them from bad weather, extreme temperatures, diseases and predators. In our global commercial supply chain, the majority of birds are raised cage-free. Some of our farms in China use colony-style houses. Stocking density, the number of birds within the available space in the barn, is carefully calculated to ensure that all birds can easily move to access feed and water, express normal behavior, and to comply with accepted standards. Houses are equipped with specially designed equipment to deliver nutritionally balanced feed and fresh water to ensure the birds meet the correct dietary requirements to support a healthy life. The floor of a typical barn is covered with plant-based recyclable materials, such as wood shavings or rice hulls. The barns use automatic equipment to provide lighting and ventilation to maintain a climate-controlled environment that meets the birds' needs for their age. Our research suggests that broilers prefer different levels of light for eating or rest, and we continue to conduct experimental trials to determine the ideal living conditions for the poultry that our farmers raise.

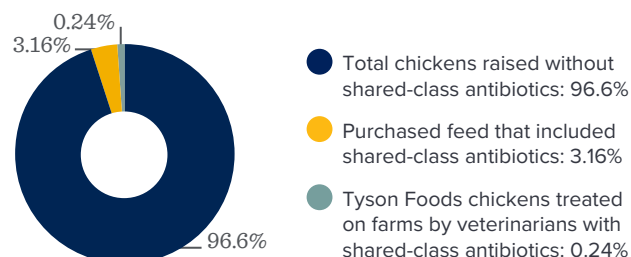
## Flock Health

Tyson Foods promotes responsible use of antibiotics to treat chickens and turkeys that become ill from bacterial disease. We do not use antibiotics to prevent diseases from occurring. When possible, we use antibiotic alternatives that may include probiotics, essential oils and certain mineral salts. If these treatments don't work, a veterinarian will provide a prescription for the appropriate antibiotic to prevent or treat disease. In these cases, producers must comply with all applicable laws relating to withdrawal time adherence. In the U.S., to ensure compliance with these laws and that all products are safe for human consumption, all of our meat and poultry harvest facilities have programs in place and participate in the FDA and United States Department of Agriculture (USDA) surveillance programs for drug residues. We've made significant progress in eliminating the use of shared-class antibiotics in the U.S. (those that are also important to human medicine). In 2019, 96.6 percent of the chickens raised for Tyson Foods were raised without shared-class antibiotics.

To put our antibiotic use in further context, we are the world's largest producer of No Antibiotics Ever (NAE) chicken. This means

## SHARED-CLASS ANTIBIOTICS

in Chicken Production FY2019



these chickens are never given antibiotics in any phase of their lives, from egg to market age. All chickens raised for the Tyson® retail brand in the U.S. are considered NAE. Any flocks treated with antibiotics are segregated and sold through a different sales channel and not under the Tyson retail brand label.

U.S. and international law prohibit the use of added hormones or steroids in chicken or turkey. In accordance with those laws, we don't allow hormones or steroids to be administered within our supply chain.

## Handling & Transport

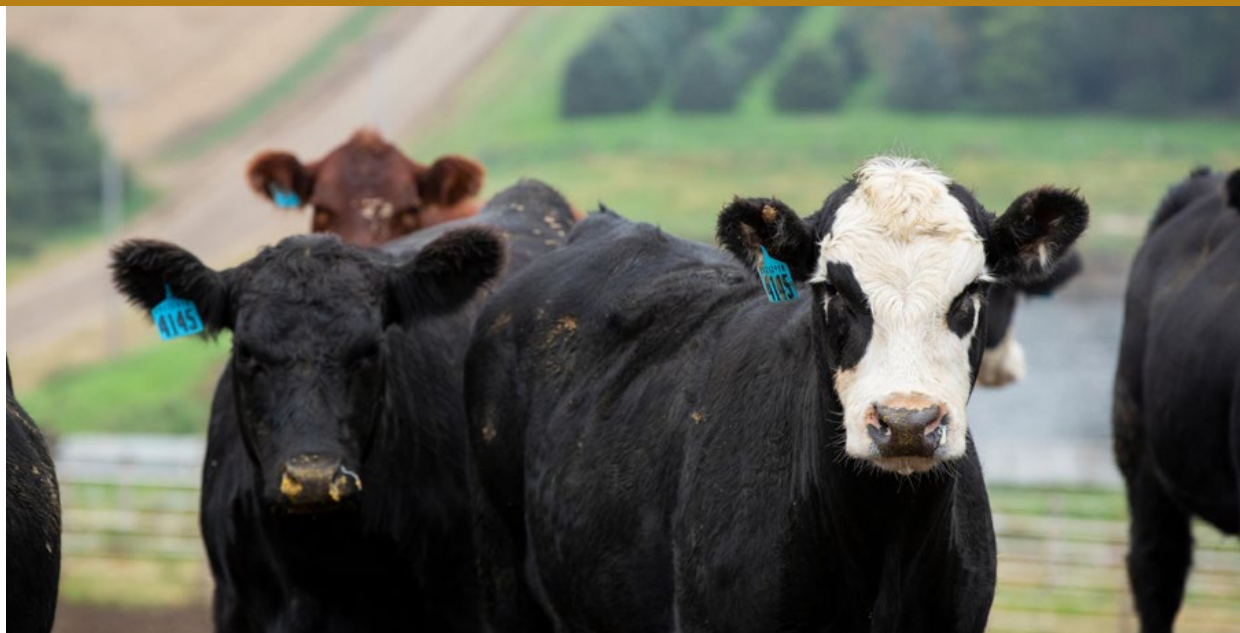
Our chicken and turkey specialists working in our U.S. operations are certified to teach the U.S. Poultry and Egg Association's Poultry Handling and Transportation (PHT) Certification Program. This training is aimed at teaching poultry transportation and catch crews best practices and methods in biosecurity, disease recognition, emergency planning and the safe and humane handling of birds before, during and after transport. On turkey farms, contractors who may be on farms or have contact with turkeys must undergo this training as well. To date, more than 1,000 Tyson Foods poultry and transportation workers have been trained, and we were the first major poultry producer to implement this certification.

## Harvesting

Our U.S. chicken and turkey plants comply with the U.S. Department of Agriculture's Food Safety and Inspection Service Poultry Products Inspection Act, the National Chicken Council Animal Welfare Guidelines and the National Turkey Federation Animal Care Best Management Practices, which are designed to ensure the humane harvest of poultry.

In our turkey plant, we use Controlled Atmosphere Stunning (CAS) using CO<sub>2</sub> to render the animals insensible to pain prior to harvest. We currently use CAS, which eliminates the handling of conscious birds, in two of our poultry plants and have four more systems scheduled for installation over the next four years. All poultry we raise or purchase are electrically stunned or stunned using CAS and insensible prior to harvest.





## Cattle

### Raising

Our North American direct cattle suppliers share our commitment to proper animal care and handling, as they have a vested interest in the success of their operations and the industry.

Cattle must have access to feed and water daily. Cattle can eat diverse diets, but a typical ration contains a high proportion of grain (i.e., corn, milo, barley and grain by-products) and a smaller proportion of roughages (i.e., hay, straw, silage, hulls). Feed ingredients included in the ration meet the necessary criteria for nutrient utilization. Suppliers ensure that feed and water supplies remain safe: feed ingredients are stored in a fashion to minimize spoilage and contamination, and water troughs are cleaned according to protocols.

Beef Quality Assurance (BQA) is a national program that provides guidelines for beef cattle production. As of January 2019, all of our direct beef suppliers are BQA trained. Preparation and management of site-specific protocols and standard operating procedures consistent with BQA standards are essential not only for animal health and welfare, but the success of the operation in general.

Accurate record-keeping and documentation of specific activities and processes demonstrate that standard operating procedures and management plans are being followed. Record review aids in the evaluation of the effectiveness of a site's management strategy.

At a minimum, documentation must be available for the following:

- Training records
- Daily observations
- Site assessments
- Euthanasia equipment maintenance

For our direct cattle supply chain, we encourage the use of National Cattlemen's Beef Association standards for age and weight when practices such as dehorning and castration are performed. Verification that these guidelines are followed is completed through FarmCheck® program audits. Globally, we do not knowingly purchase any genetically engineered animals or animal products for our processing operations.

### Housing

The cattle we source are raised in open pens that are maintained for proper drainage and dust control. Through FarmCheck® program verification audits, we confirm facilities and equipment are in good repair and appropriate for use. Pens are maintained to demonstrate good housekeeping and to allow for animals to have a dry area to lie down. We routinely evaluate body space, meaning that penned cattle have room to lie down without having to lie on another animal. Pen space allocations will vary depending upon weather conditions and animal size. As a guideline, a minimum of 20 square feet per 1,200 pounds is recommended. These stocking rates provide adequate room for working space when animals are moved out of a pen.

## Herd Health

Healthy animals mean safe and healthy food, so we're committed to making sure the livestock we depend on are raised responsibly. We buy cattle for our beef harvest facilities from independent farmers and ranchers.

We require our suppliers to treat sick animals and prioritize animal welfare. Daily observations take place to monitor animals and facilities for any sign of illness or injury so that prompt attention can be given to address discomfort. Working closely with a veterinarian, operations establish herd health plans to address their unique challenges and bolster the overall health of animals on site.

Vaccination protocols and parasite control are encouraged to help minimize and prevent disease. Body condition scoring is used as a scientifically approved method to assess nutritional status. Any ill or suffering cattle must have veterinary oversight or consultation for diagnosis and treatment. Any therapeutic treatments administered should be recorded for each individual animal. When euthanasia is needed, it must be performed by a trained employee utilizing an American Veterinary Medical Association-approved method and in a timely manner.

We work with our suppliers on implementing best practices to ensure proper health and welfare. This includes working closely with veterinarians and nutritionists to follow guidance set forth in the BQA program, for responsible antibiotic use. We expect all Tyson Foods suppliers to comply with all applicable laws and regulations. This includes those established through FDA Guidance 209 & 213, which supports judicious use of medically important antibiotics through veterinary oversight and policy and label changes.

To address the issue of responsible antibiotic use and combating antimicrobial resistance, we work with and rely upon the food industry, government, veterinary, public health and academic communities. For example, we actively participate in organizations like ICASA, we allow research and collection of samples at our plants, and transparently address questions related to our producers' practices and use of antibiotics. We also provide funding to accelerate research into disease prevention and antibiotic alternatives on the farm. In 2019, Tyson Foods was a founding member and active participant in an initiative developed by the Foundation for Food and Agriculture Research (FFAR) that supports outcomes-driven research and training related to antimicrobial stewardship on farm. While this initiative is still in its infancy, we are excited to embark on this journey with FFAR, as we believe it is part of our responsibility to support the industry with this endeavor and achieve sustainable results.

In North America, cattle farmers and ranchers use small amounts of approved growth promotants in beef production to increase the rate of lean weight gain in animals, keeping beef affordable and thereby contributing to a sustainable food supply. The FDA has set strict tolerance levels for these products, and the Food Safety and Inspection Service (FSIS) of the USDA carefully monitors beef for growth promotant residues. For consumers who want beef from farm animals that have never been given antibiotics or hormones for any purpose, we offer a line of all natural (no artificial ingredients, vegetarian diet, minimally processed) beef products through our Open Prairie® Natural Angus brand.

## Handling & Transport

The proper handling and transport of cattle can reduce sickness, prevent injury and improve the quality of the meat from these animals. In North America, effective January 2020, all transporters delivering cattle to our beef harvest facilities were required to be certified under the Beef Quality Assurance Transportation (BQAT) program. We use the NAMI Transport Audit Guidelines at all our beef harvest facilities.

## Harvesting

All team members, contract workers and visitors are required to go through Tyson Foods animal welfare training prior to entering live animal areas. PAACO-certified red meat auditors are the only other individuals allowed in these areas. Animal welfare specialists based in each plant receive PAACO red meat training and internal auditor certification.

Annual training, based on the guidelines set forth by NAMI, is also conducted to ensure team members know and follow proper animal welfare expectations and handling practices. A test is administered to ensure understanding of proper techniques, and team members must sign an agreement to comply with requirements. Job-specific and situational scenario training is provided to relevant team members on a routine basis. Team members are expected to report unacceptable behavior to their supervisor or use our anonymous ethics and compliance hotline, which is posted in all live animal harvest plants.

In the U.S., our beef plants comply with NAMI-recommended animal handling guidelines to support compliance with the Humane Slaughter Act, a federal law designed to ensure animals are humanely stunned and insensible to pain prior to harvest. This is verified across every plant by a Public Health Veterinarian (PHV) assigned by the USDA-FSIS.



## Swine

### Raising

The vast majority of hogs that supply our U.S. harvest facilities are raised by independent producers. Through shared values and a commitment to animal welfare, we emphasize responsible animal care and a focus on continuous improvement. This is demonstrated through proper care for pigs, provision of quality nutrition and other best practices as generally defined by Pork Quality Assurance PLUS (PQA Plus®) guidelines. In support of this, suppliers are required to maintain PQA Plus® training and certification, as well as participate in our FarmCheck® on-farm verification program.

In support of this, preparation and management of site-specific protocols are essential not only for animal health and welfare, but the success of the operation in general. Each operation has standard operating procedures in place to effectively address the health, care, handling and overall welfare of the animals—as specified through PQA Plus®. Accurate record-keeping and documentation of certain activities or processes demonstrate that the operation's SOPs and management plan are being followed. Records also aid in the evaluation of the effectiveness of a site's management strategy.

All farm caretakers have a responsibility to protect and promote the welfare of animals in their care. In addition to PQA Plus® training and certification, caretakers receive training on protocols specific to their duties, facilitating proper evaluation and prompt delivery of care necessary to address any animal health, facility or management issues.

Daily monitoring ensures that all animals have access to feed and water. High-quality feed that meets the nutritional needs of the hogs on a specific farm, is free of contaminants and adheres to any applicable requirements for added medications is essential for the welfare, growth and maintenance of pigs, as well as ensuring a safe and wholesome pork product.

The handling and moving of pigs is done by caretakers and transporters trained in basic pig behavior principles, using techniques appropriate for the age and condition of the animal(s). Piglet care and management plans are developed with consideration for the health, welfare and productivity of the herd—following recommendations and best practices established through PQA Plus® and American Association of Swine Veterinarians (AASV). In general, procedures such as teeth clipping, tail docking, castration and identification methods such as ear notching should be performed only when necessary and early on to allow for proper healing prior to weaning. They should only be performed by trained individuals with appropriate and clean equipment/tools. Efforts remain underway throughout the industry to identify and develop practical, effective and legal pain mitigation options, at which point such methods will be supported. Globally, we do not knowingly purchase any genetically engineered animals or animal products for our processing operations.

Timely euthanasia is critical to support animal welfare. In the U.S., every site should have a plan in place to address appropriate methods and equipment for euthanasia that complies with AASV On-Farm Euthanasia of Swine Guidelines. Caretakers should be trained in both performing euthanasia as well as determining when it is appropriate.



## Housing

Across the pork supply chain, good animal welfare is heavily dependent upon the environments in which the animals are raised. Through years of learning, science and innovation, pork producers have been able to identify key practices of raising pigs that are conducive to animal health and welfare. These good management practices are laid out in the guidelines within the PQA Plus® program. While actual housing systems in use across the pork supply chain vary due to geography, capacity, production phase and animal age, key aspects across all operation types include good management, proper training, provision of quality animal care, veterinary oversight and facility maintenance. Within each system, specialized tools and equipment are used to ensure the delivery of nutritious food, clean water and protection from the elements, predators and diseases.

Daily observations take place to monitor animals and facilities for signs of illness or injury so that prompt attention can be given to address any situation. Air quality and temperature control measures are in place to further aid in creating the best possible environment that promotes a positive experience for both the animals and the caretakers who raise them. As part of the supply chain from which we procure market hogs, 100 percent are raised in open pen systems, and growers are expected to incorporate best management practices provided through PQA.

Our expectations on proper animal care and commitment to welfare naturally extend to all swine associated with our supply chain, including mother pigs, or sows. Sow housing systems are generally either traditional individual stalls or open/group pens. We recognize that there are differing views on which option constitutes optimal welfare and on appropriate specifications for each. We engage with various producer, industry and academic groups to provide guidance based on housing options and standards that foster ideal welfare and prove applicable to all swine operations, considering size, geography and management technique.

Beginning in 2007, we undertook the challenge of understanding how to successfully manage open pen or group gestation systems within our own live swine operations. As of 2019, approximately 53 percent of Tyson Foods-owned sows are being managed in open pen gestation systems. This was accomplished through the transition of several contract sow farms along with our company-owned sow farms to these systems. When including our independent supply partners, 21 percent of our total pork supply is derived from sows housed in open pen systems, which encompasses independent supply partners, contract sow farms and company-owned sow farms.

Current research within the industry has yet to conclusively prove which sow housing system best facilitates responsible production across all welfare and sustainability focus areas. For this reason, we continue to seek a balanced approach and respect our hog supply partners' right to choose the system that best fits their operations



and needs as well as focuses on animal welfare outcome measures. We remain dedicated to verifying responsible management and proper handling and care of all hogs within our supply chain. Our FarmCheck® Program serves as verification of our supply partners' shared commitment to providing the best possible care to their hogs, regardless of the operation type or system.

## Herd Health

We partner with suppliers that share our values—prioritizing animal health, welfare and food safety while ensuring animals are treated and managed responsibly.

Working closely with their veterinarians, growers establish herd health plans to address the unique challenges specific to each operation and bolster the overall health of the animals on site—utilizing guidance and best practices set forth within PQA Plus®. These plans encompass on-farm considerations such as biosecurity, herd history, facility management and training to help guide responsible decisions on antibiotic use.

Additionally, all Tyson Foods suppliers in the U.S. are expected to comply with all applicable laws and regulations. This includes FDA Guidance 209 & 213—which set forth limitations on the use of medically important antibiotics by disallowing use for production or growth promotion purposes and mandating veterinary oversight for all other applications.

To address the issue of responsible antibiotic use and combating antimicrobial resistance, we work with and rely upon the food industry, government, veterinary, public health and academic communities. For example, we allow research and collection of samples at our plants and transparently address questions related to our producers' practices and use of antibiotics. We also provide funding to accelerate research into disease prevention and antibiotic

alternatives on the farm. In addition, in 2019 we became founding members of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA), a public-private collaboration led by the Foundation for Food and Agriculture Research. This group of global stakeholders will collaborate and support critical research in this area.

Government regulations in the U.S. outline the proper use of approved animal health products such as beta-agonists, with strict withdrawal times established by the Food and Drug Administration. In addition, USDA carefully monitors pork and routinely tests for residues, including those of beta-agonists—ensuring that pork produced and consumed is safe. To meet growing global demand for U.S. pork and increase export opportunities, the use of Ractopamine (beta-agonist) will cease to be used across the supply chain that supports our U.S. pork harvest facilities.

For consumers who want pork from farm animals that have never been given antibiotics, hormones or beta-agonists for any purpose, we offer a line of all natural (no artificial ingredients, vegetarian diet, minimally processed) pork products through our Open Prairie® Natural Pork brand.

## Handling & Transport

The proper handling and transport of hogs can reduce stress, prevent bruises and injury, and maintain animals' meat quality. All drivers who transport hogs are required to be certified in the Transport Quality Assurance Program, developed by the National Pork Board. Verification of the transporters' training is conducted at live hog receiving at the official harvest facility. At all pork processing plants, we use the NAMI Transport Audit Guidelines.

## Harvesting

Anyone who enters one of our swine harvest facilities must undergo Tyson Foods animal welfare training before entering live animal areas. There are animal welfare specialists based in each location who receive PAACO red meat training and internal auditor certification. In addition, team members receive annual training based on NAMI guidelines, and are tested on their knowledge. Any violations of guidelines may be reported to a supervisor or anonymously through the Ethics Help Line.

In the U.S., our pork plants comply with NAMI recommended animal handling guidelines to support compliance with the Humane Slaughter Act, a federal law designed to ensure animals are humanely stunned and insensible to pain prior to harvest. This is verified across every facility by a PHV assigned by the USDA-FSIS. We have equipped most of our fresh pork harvest facilities with CO<sub>2</sub> CAS stunning systems.



**PQA PLUS®**

**We work with our suppliers on implementing best practices to ensure proper health and welfare, including working closely with veterinarians and nutritionists and following guidance set forth in PQA Plus, which establishes principles and direction for responsible antibiotic use.**

### RESPONSIBLE USE PRINCIPLES

- Take appropriate steps to decrease the need for the application of antibiotics.
- Assess the advantages and disadvantages of all uses of antibiotics.
- Use antibiotics only when they provide measurable benefits.
- Fully implement the management practices described for responsible use of animal health products into daily operations.
- Have a working veterinarian/client/patient relationship and follow the responsible antibiotic use guidelines.

### RESPONSIBLE USE GUIDELINES

- Use professional veterinary input as the basis for all antibiotic decision-making.
- Use antibiotics for prevention, control or treatment only when there is an appropriate clinical diagnosis or herd history to justify their use.
- Limit antibiotic use for prevention, control or treatment to ill or at-risk animals, treating the fewest animals indicated.
- Use antibiotics that are important in treating infections in human or veterinary medicine in animals only after careful review and reasonable justification.
- Do not mix together injectable or water medications, including antibiotics.
- Minimize environmental exposure through proper handling and disposal of all animal health products, including antibiotics.



# Environment

—  
OUR COMMITMENT

**Improve our environmental footprint  
as we feed the world.**

## IN THIS SECTION

**57** Overview  
**58** Strategic Approach  
**60** Water

**62** Energy & Emissions  
**65** Land Stewardship  
**67** Material Resources



# Environment

## OUR Goals

Achieve a  
**12%**

reduction in water use intensity  
by 2020

Achieve a  
**30%**

reduction in greenhouse gases by 2030

Support improved  
environmental practices on  
**2 Million**

acres of corn by the end of 2020



### FY2019 Key Achievements

1

Engaged PROFOREST to conduct a deforestation risk assessment, which will help shape a Tyson Foods Forest Protection Policy in 2020.

2

Reused more than 2 billion gallons of wastewater for crop irrigation, reducing farmers' need for commercial fertilizer.

3

Upgraded our fleet with vehicles that average 2.5% more miles per gallon, and replaced up to 50 monthly truck shipments with rail shipments.

4

Partnered with Auburn University to pilot a solar-powered poultry house that could reduce farmers' dependence on grid electricity.

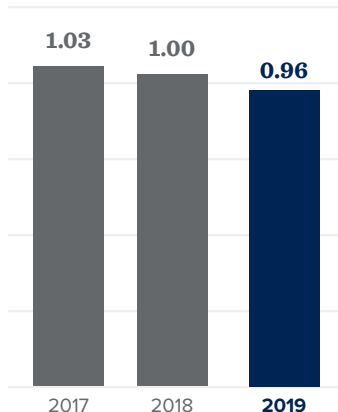
5

Enrolled nearly 420,000 acres of farmland in land stewardship pilot programs with Farmers Business Network and MyFarms.

### FY2019 By-the-Numbers

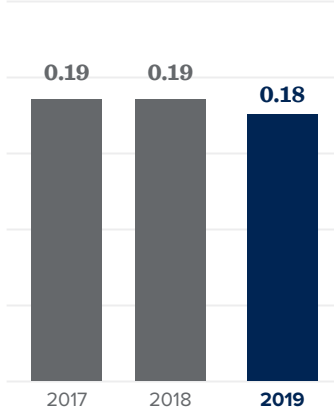
#### WATER USE INTENSITY AT PRODUCTION FACILITIES

(gallons used to produce a pound of finished product)



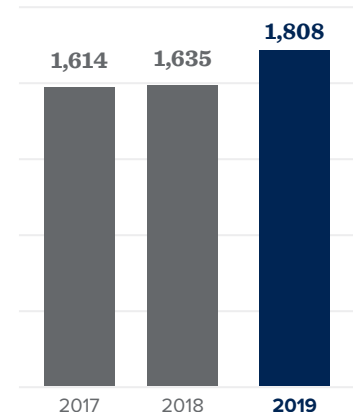
#### GREENHOUSE GAS EMISSIONS INTENSITY

(metric tonnes CO<sub>2</sub>e to produce 1,000 pounds of finished product)



#### ENERGY USE INTENSITY

(Btu used to produce a pound of finished product)



## Strategic Approach



**Improving our environmental footprint is key to our mission of raising expectations for how much good food can do.**

We are dedicated to delivering sustainable food at scale to feed our growing world. Fulfilling this mission requires protecting and respecting natural resources as we grow our business. To produce food, we depend on land, water and energy to grow ingredients, raise animals and run our facilities. Accordingly, operating our business aligned with environmental conservation is fundamental to our core values, one of which states that we will “serve as stewards of the animals, land and environment entrusted to us.”

Tyson Foods has set targets to reduce our water use intensity, GHG emissions and to promote the practice of sustainable land stewardship. Through these efforts, we strive to make a long-lasting, positive impact on the environment as well as our company, team members, consumers and customers. [Learn more](#) about our commitment to protecting the environment.

### Environmental Governance

Kevin Igli, Senior Vice President Sustainability and Chief Environmental Officer, who reports to our Chief Sustainability Officer, provides corporate leadership, direction and technical standards for processes to guide our more than 592 environmental professionals. He assesses, prioritizes and manages all aspects of our environmental efforts across the company; monitors the status of environmental compliance and activities for both our domestic and international operations; and institutes regular meetings with regulatory officials to share information, build relationships and



### Earth Week Celebrations

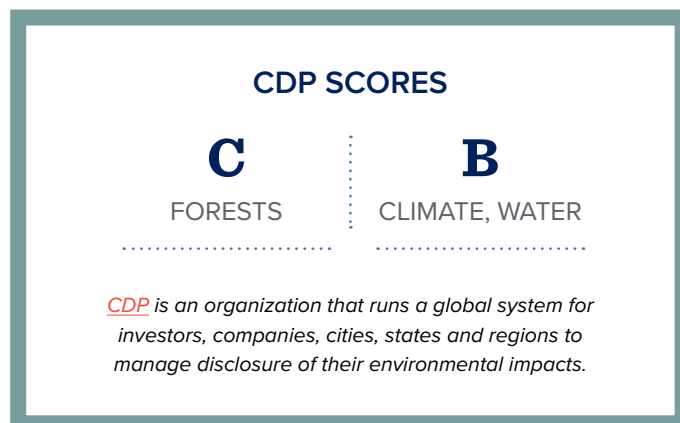
**Tyson Foods celebrated Earth Week with opportunities for team members to learn about the company’s sustainability initiatives and give back to local communities. Highlights from the week included:**

- A “lunch and learn” presentation by water conservation organizations in Northwest Arkansas
- A tree planting event near Spring Creek in Springdale
- A document shredding event at multiple locations, the paper from which will eventually be recycled into new products
- Reclamation events for hard-to-recycle items like electronics and prescription medications
- Presentations by Tyson Foods leaders about our partnership with EDF and other sustainability programs

demonstrate our commitment to environmental excellence. Our internal Executive Environmental Council, comprised of Tyson Foods' CEO, Group Presidents, CSO, Chief Environmental Officer and direct reports, meets monthly to stay abreast of the critical environmental issues facing the enterprise.

## Environmental Management System

An environmental management system (EMS) is in place at each of our U.S. facilities. The EMS, modeled after ISO 14001, is designed to minimize the environmental footprint of our operations in the communities where we work and live, support achievement of our environmental goals and help us improve environmental compliance.



COMPLIANCE METRICS <sup>1</sup>	FY2017 <sup>2</sup>	FY2018	FY2019
Notices of Violation (NOV)	75	76	48
Penalties per Fiscal Year	\$208,063	\$2,064,503	\$36,323
Total Reportable Chemical Spills (e.g., chemicals, fats, oils, fuels)	9 <sup>3</sup>	43	38 <sup>4</sup>

<sup>1</sup>These statistics are representative of all U.S.-based operations, excluding Cobb-Vantress.

<sup>2</sup>Excludes AdvancePierre, Original Philly, Tecumseh Poultry, American Proteins and Keystone Foods since we did not own them in FY2017.

<sup>3</sup>Only spills reported to the Federal Government. Does not include spills reported to the State as FY2018 and FY2019 do.

<sup>4</sup>Details regarding these spills are available in the GRI Index.

Tyson Foods incurred three penalties that exceeded \$5,000 in FY2019. The Tyson Fresh Meats facility in Goodlettsville, Tennessee paid a penalty related to alleged violations regarding ammonia refrigeration equipment compliance with generally accepted good engineering practices as required. Specifically, this related to minor corrosion and two missing labels.

In Shelbyville, Tennessee, we paid a penalty for overdue hazardous waste annual reports from 2016 and 2017. This item was identified during a third party environmental audit and self-reported to the state environmental agency. Finally, our 54th Street facility in Enid, Oklahoma was required to pay a penalty for oil and grease exceedances.





# Water



Between irrigation in fields and processing, cooking and cleaning in our facilities, water is a critical natural resource to our business.

Water is essential to producing safe food. We aim to balance responsible water stewardship with protecting the quality and ensuring the safety of our products. To date, Tyson Foods has prioritized water efficiency in production facilities<sup>1</sup>, with a target of reducing our water use intensity 12% by 2020 against a baseline from FY2015. We have made progress toward this goal with efforts such as reusing process water, as Tyson Fresh Meats did in 2019 with water from carcass washes and other machinery. Since our baseline year, we have achieved a 6.8% reduction against our 12% target.

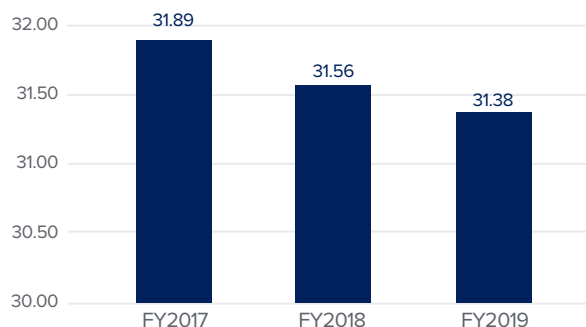
## Water Conservation

While these changes are making an impact, our processing facilities are responsible for only a small portion of our total water

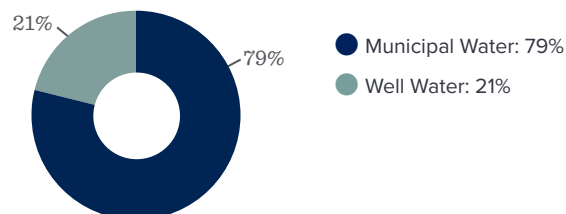
### Working Together for Water Security

Tyson Foods is participating in the [National Water Reuse Action Plan](#). Launched in February of 2020, the plan is an aggressive approach to ensuring reliable and secure water delivery. The actions that EPA and its partners commit to in the Action Plan will help strengthen the sustainability, security and resilience of our nation's water resources by creating new partnerships, providing accountability and promoting communication and transparency with a new online platform.

### WATER WITHDRAWAL<sup>2</sup> (Billions of gallons)



### FY2019 WATER WITHDRAWAL BY SOURCE<sup>2</sup>



<sup>1</sup>This target does not include non-production locations such as offices, warehouses, hatcheries, feed mills or ancillary operations.

<sup>2</sup>This footprint includes data from our U.S.-based operations. Information from our U.S.-based Cobb-Vantress, The Pork Group, hog buying stations and Keystone Foods are not included in this footprint. American Proteins, Inc. and Tecumseh Poultry are only included in FY2019.

consumption. To broaden our water stewardship efforts, Tyson Foods worked with the World Resources Institute (WRI) to assess water risk and develop a water stewardship strategy. The water risk assessment focused on exposure to water stress across our processing facilities, locations where we source animals and locations where we source corn to feed animals.

The water risk assessment helped us identify priority locations to set goals informed by the local watershed context. Because the majority of Tyson Foods' water consumption is associated with producing animal feed or raising animals, very little of the water required for finished products is consumed at our facilities. To balance these priorities, we will set contextual water targets at our facilities, recognizing that we have significant influence on local watersheds at our processing facilities. Contextual water targets will be based upon each facility's water withdrawal, exposure to high water stress and proximity to our supply chain. Our contextual water targets also connect to our land stewardship efforts, as one of the aspects of our definition of land stewardship is water quality and conservation.

The process of setting contextual water targets involves developing an understanding of shared water challenges of concern to Tyson Foods as well as surrounding communities. Read our [water position statement](#) to learn more about our prioritization scheme for contextual water targets.

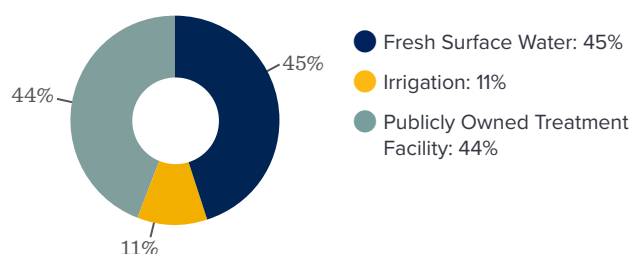
*Tyson Foods is working to set contextual water targets. [Watch this video](#) to learn more.*



## Wastewater Treatment

More than 31 billion gallons of water enter our facilities annually, and the majority is returned to surface waters of the U.S. through our 41 full-treatment and 55 pre-treatment wastewater treatment centers. We use technology and reclamation systems to conserve and reuse wastewater in our direct operations. As we introduce new interventions to reduce the risk of pathogen contamination and keep our products safe, we are also working to mitigate the potential challenges that this creates for wastewater treatment. Our food safety and environmental teams are working hand in hand to manage this issue.

### FY2019 WATER DISCHARGE BY DESTINATION<sup>2</sup>



Wastewater treatment not only conserves water but, in some locations, also allows the nutrients in the wastewater to be used to grow crops and reduces the need to purchase manufactured commercial fertilizer. We reused more than 2 billion gallons of wastewater from three plants for crop irrigation in FY2019. Nearly 3 million pounds of nutrients were collected and redistributed by beneficial soil irrigation practices through this process.

Our procedures are regulated by EPA programs, such as Clean Water Act National Pollutant Discharge Elimination System (NPDES) permits that govern the release of water that may contain chemicals or other impurities. Water that is released meets EPA's Effluent Guidelines Program requirements and is safe for the environment. We report chemical data to the Environmental Protection Agency (EPA) as required by the Toxics Release Inventory (TRI) program. Specific to wastewater operations, we report the amount of nitrate compounds along with other chemicals included in our wastewater, for the EPA's annual TRI.

## Creative Solutions for Wastewater Treatment

At Tyson Foods' Malaysia facility, teams from the wastewater treatment plant, production and sanitation deployed innovative thinking to work together on a way to reduce solid waste and grease from wastewater before it enters a treatment plant. The team built grease traps in the production lines to filter grease and solid waste and improve the dewatering process. They also built a retention tank to recycle treated water for cleaning external facilities, which reduced the need for treated city water. These upgrades led to several benefits: the team reduced waste to landfill by 78 metric tons and saved \$9,000 per month without compromising the quality of water discharged. They also recycled 2,400 cubic meters of water over a nine-month period.

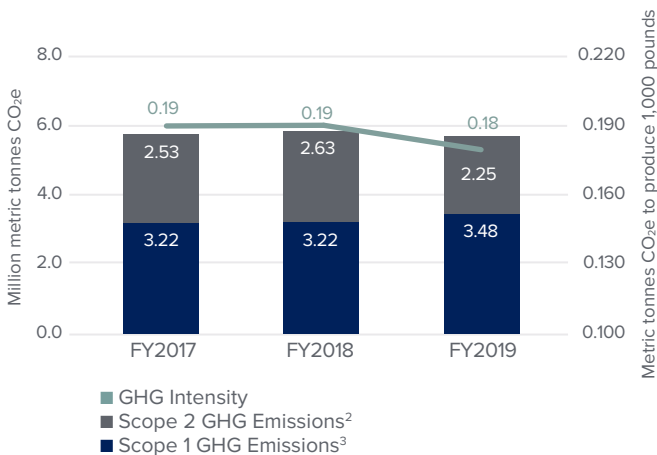
# Energy & Emissions



Our actions are focused on achieving a SBTi-approved target by 2030.

Tyson Foods is committed to bold reduction of our carbon footprint. We are working toward a “30 by 30” target to reduce greenhouse gas (GHG) emissions 30% by 2030 against a 2016 baseline year. This target is designed to meet the criteria of the Science Based Targets initiative (SBTi), which accepted our target in 2018, making us the first U.S. protein company in the food and beverage sector to receive such an approval. We have measured and reported our GHG emissions from direct sources we control, as well as indirect emissions from the energy we buy, since 2007.

## GHG EMISSIONS & INTENSITY<sup>1</sup>

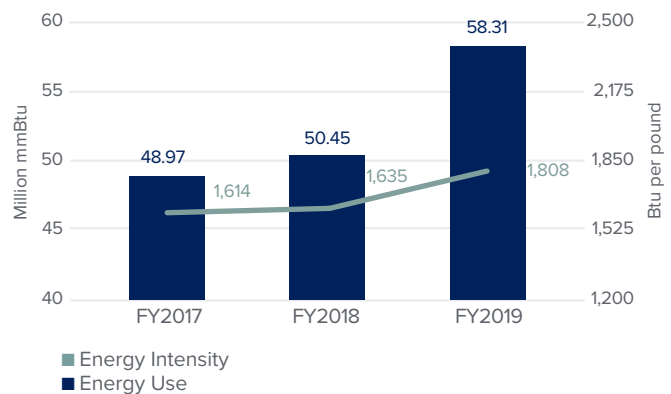


<sup>1</sup>This footprint includes data from our U.S.-based operations, The Pork Group and hog buying stations. U.S.-based Cobb-Vantress and Keystone Foods are not included in this footprint. American Proteins, Inc. and Tecumseh Poultry are only included in FY2019.

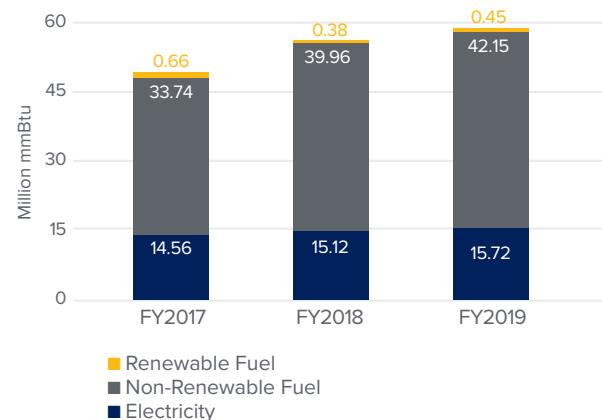
<sup>2</sup>Our Scope 2 emissions have declined as emission factors have decreased as local energy providers have increased their use of renewable sources such as solar and wind.

<sup>3</sup>The increase in our Scope 1 emissions can be attributed to the acquisition of new facilities.

## ENERGY USE & INTENSITY<sup>1</sup>



## TYPES OF ENERGY USED<sup>1</sup>





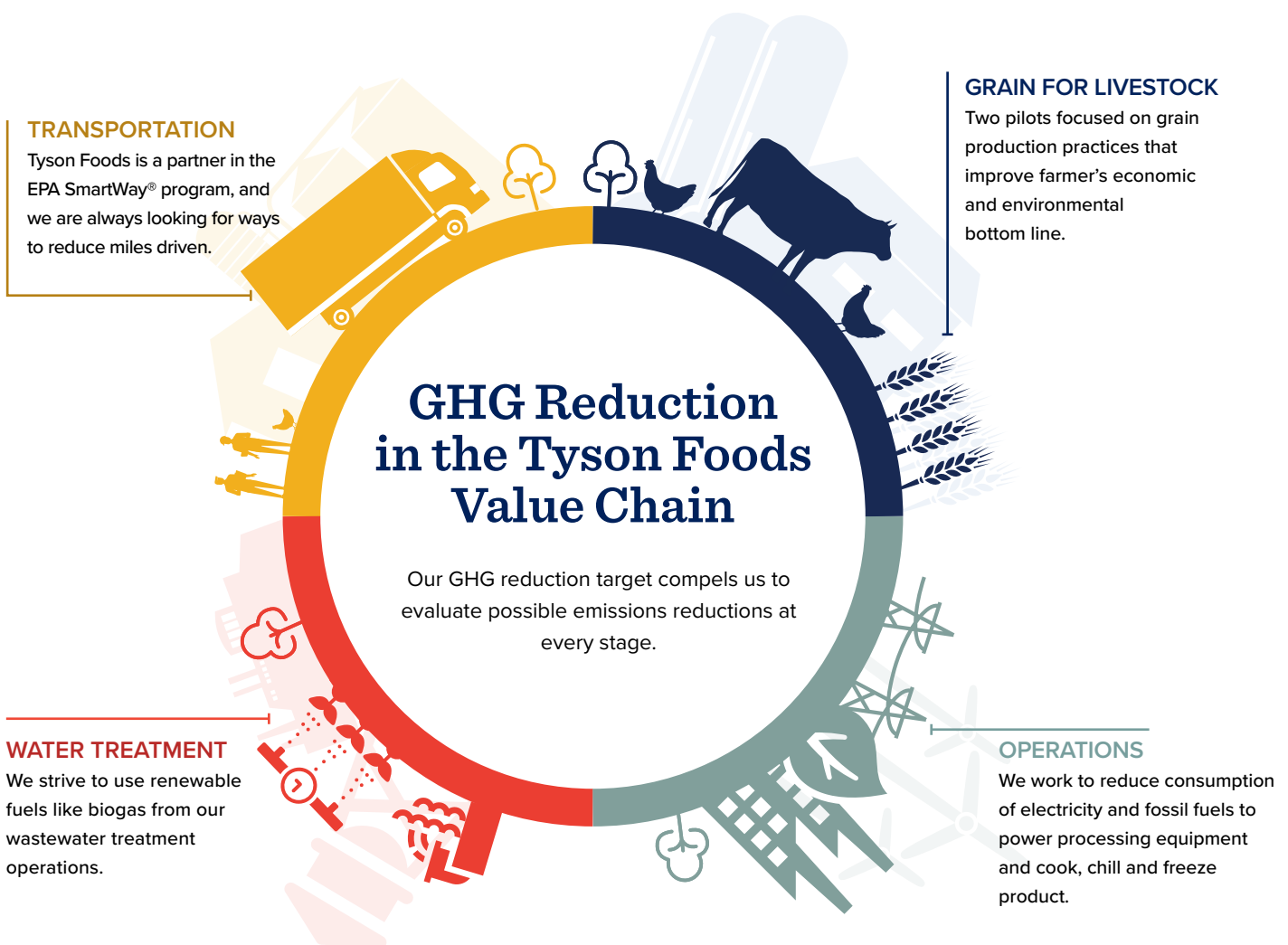
We are working toward this goal by establishing a roadmap to reduce emissions, including how we begin switching to renewable energy sources. Business growth, including acquisitions, is a challenge to realizing progress. In 2020, we will begin the process of reforecasting our entire footprint to account for Tyson Foods' expansion in recent years, as well as resetting energy and emissions reduction targets. This process will include conducting energy reviews at our plants to identify opportunities to optimize equipment, and evaluations of energy management systems to help us more efficiently operate equipment.

Tyson Foods is a member of the U.S. Department of Energy (DOE) Better Buildings, Better Plants Program. This national initiative helps manufacturers become more efficient by supporting them in setting ambitious energy savings goals, developing energy management plans and tracking and reporting their annual progress.

#### Energy Reduction Projects

*Our Binxi-Harbin City facility in China installed a heat pump water heater and thermal energy recycling system in its engine house to heat water and chill the room at the same time. This system saves 705,000 kWh of energy per year.*

*At our Oosterwolde plant in the Netherlands, they have replaced halogen fluorescent tubes with LED bulbs reducing the associated electricity cost by 90%.*



## Biogas Production

At eight of our production locations, we have covered wastewater treatment lagoons that allow us to capture biogas. Biogas is generated by bacteria that consume nutrients in wastewater, which produce methane and carbon dioxide gases. We clean the biogas by removing some of the sulfur and water, and then use the biogas in plant boilers at four of the eight plants, allowing us to reduce natural gas use. This practice takes advantage of a renewable fuel source, helps reduce GHG emissions and reduces the amount of natural gas needed for purchase. In FY2019, we burned approximately 666 million cubic feet of biogas in our boilers. This is equivalent to the amount of natural gas used by 5,402 homes annually and reduces our GHG emissions by more than 23,000 metric tons CO<sub>2</sub>e each year.



### Bright Ideas for Poultry Farming

Farmers are always looking for ways to optimize their operations. In partnership with Auburn University's National Poultry Technology Center, Tyson Foods is helping explore an innovative way for them to improve sustainable outcomes and profit by building the world's largest standalone solar-powered poultry house. The poultry house, built on the farm of Tim and Selena Butts in Cullman County, Alabama, has capacity to house 36,000 broiler chickens. It is one of two identical houses, which will allow for a controlled experiment comparing energy use of the solar-powered house alongside that of the control house, which will use grid electricity, over a 12-month period. The solar house's power will come from a solar photovoltaic panel, a battery set and a generator. After a year, we expect this work to help identify ways that solar housing could improve farmer profitability and increase efficiency in the poultry industry.



## Transportation

Tyson Foods operates one of the largest private truck fleets in the U.S. with 3,000 trucks and 8,500 trailers. We continually seek new ways to reduce emissions, lower fuel consumption and decrease the GHG emissions of our fleet. As a partner in the EPA's SmartWay® program, we require all products to be transported by SmartWay participating carriers. We implement several strategies to reduce our truck miles, including route optimization; shipping product directly to customer docks; collaborating internally and externally to eliminate empty truck miles; using rail for product shipment instead of trucks when possible; and investing in ultra-light equipment that allows us to add product weight to our shipments and reduce the number of trucks on the road. We continue to evaluate new sustainable energy sources, such as natural gas, electrification and hydrogen products.

In FY2019, we upgraded our fleet with new and more fuel-efficient vehicles. In addition, we continued to test new product specifications to increase fuel economy and drive efficiency around tire wear, partnering with suppliers to evaluate these product options. Tyson Foods has set a stretch goal to eliminate 6 million miles of driving through truck utilization initiatives that allow us to load more product onto each truck, reducing the number of trucks needed to ship the same volume.

As a result of routine fleet upgrades, we increased our average miles per gallon by almost 2.5% in FY2019 compared to the previous year. In addition, by growing our railcar fleet, we decreased the number of truck shipments required by up to 50 shipments per month.

SmartWay is a trademark of the U.S. Environmental Protection Agency.



## Land Stewardship



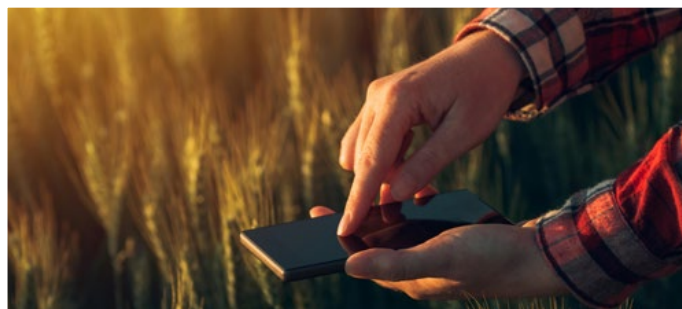
**Tyson Foods is committed to helping U.S. row crop farmers maximize profitability, while benefiting soil health and water resources.**

While Tyson Foods doesn't own grain farms, we are the largest purchaser of feed corn in the industry. This corn is used to feed poultry, as well as the cattle and pigs raised by independent farmers and ranchers. Over the past 50 years, the U.S. poultry industry has reduced the amount of grain required to produce a pound of chicken by half. Meanwhile, cattle farmers have learned to raise grain finished beef cattle on **46% fewer acres** of harvested corn grain, and pig farmers are using **75.9% less land (inclusive of grain) and 25.1% less water** per pound of pork produced. All of this progress means we will reduce land use, water consumption, GHG emissions and nutrient runoff intensity.

Yet, growing grain remains a resource-intensive activity, and there is still more work to be done. Since grain production is part of our supply chain and is a significant contributor to our overall carbon footprint, we're taking steps to lessen its environmental footprint.

### Improving Land Stewardship Through Data

Tyson Foods defines land stewardship as the application of environmental and conservation best practices focused on soil health, water quality and conservation, nutrient stewardship, and wildlife habitat. The overall goal of our land stewardship commitment—the largest ever by a U.S. protein company—is to provide farmers with tools to inform them how to improve their economic and environmental bottom line, as well as lower the GHG emissions generated by our supply chain. Our commitment is to support improved



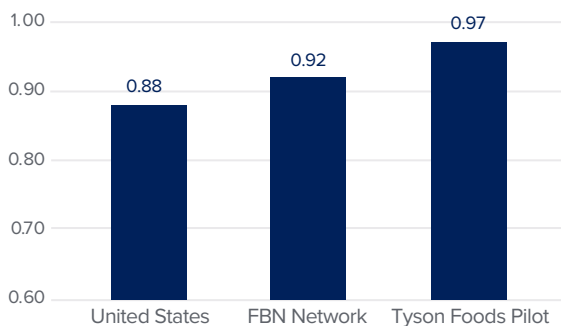
environmental practices on 2 million acres of row crop corn by the end of 2020. This represents enough corn to feed all of Tyson Foods' annual broiler chicken production in the U.S., as well as some of the pigs and cattle the company buys from independent farmers and ranchers.

We launched two pilot projects in FY2019 to move us closer toward this goal. The first pilot equipped a network of agronomists with MyFarms, a farm management software program, to provide farmers with insights about the value of conservation practices. Using MyFarms' platform, farmers can anonymously learn from one another about opportunities to improve yield and economic performance through the adoption of conservation practices such as planting cover crops, and improving soil and manure management. In 2019, a difficult planting season meant that we enrolled 11,000 acres in the program, falling short of our target. With two years remaining in our agreement with MyFarms, we will continue to enroll acres and evaluate how this approach can provide value to farmers.

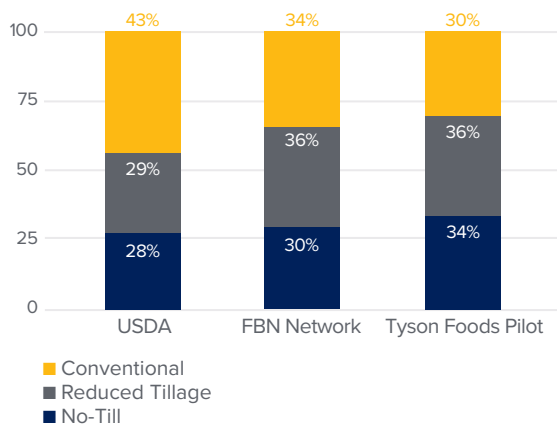


The second pilot, is in partnership with Farmers Business Network (FBN), an organization offering technical and agronomic assistance across a network of 10,000 farmers who span nearly 35 million acres. This large network enabled FBN to recruit from their vast farmer membership, enrolling 408,000 acres of farmland in the first year. This wealth of baseline data allowed us to identify both use of conservation practices and areas for improvement. For example, many farmers are making use of effective practices such as reduced-till agriculture, cover crops and nitrogen inhibitors. At the same time, the volume of nitrogen fertilizer used on corn by FBN members is higher than the national average, presenting an opportunity for farmers to optimize practices.

### POUNDS OF NITROGEN USED PER BUSHEL OF CORN



### DISTRIBUTION OF TILLAGE PRACTICES IN THE U.S. (Percentage of Acres)



The data also showed us an opportunity regarding farm ownership. The United States Department of Agriculture reported 54% of crop land was rented in 2014, as compared to 67% in the FBN pilot. Tyson Foods will collaborate with Environmental Defense Fund, FBN and other supply chain partners to identify and support public policies that encourage the adoption of conservation practices on rented land.

As farmers implement increasingly efficient land and nutrient management practices, the effects can be felt throughout the supply chain. We hope to see, through optimized nutrient management, less demand for fertilizer, resulting in less energy used to produce the fertilizer. But, more importantly, there will be less fertilizer lost per acre, resulting in reduced GHG emissions from farmland. Improved land stewardship also positively impacts farmers' livelihoods, helping them avoid purchasing more fertilizer than necessary and increasing the health and resilience of their fields for years to come.



**420,000  
Acres**

ENROLLED TO DATE

### Sustainably Managing Poultry Litter

We encourage farmers to use sustainable nutrient management practices, and we educate them about the potential agricultural benefits of responsible litter management. Although we own the chickens in our poultry business, the poultry litter (manure) is owned and managed by contract poultry farmers. The Tyson Foods Supplier Code of Conduct requires farmers to maintain a dedication to protection of the environment and a commitment to sustainable business practices.

Through various nonprofit partnerships, we've helped to move approximately 1.3 million tons of poultry litter out of the Illinois River Watershed—which covers parts of eastern Oklahoma and northwest Arkansas—since 2005 (this figure includes litter from other brands). The litter is redistributed to areas with less density of nutrients available.



## Material Resources



**Reducing waste is good for our business and the environment.**

Waste reduction allows us to streamline costs and send as few materials to landfills as possible. Our environmental management experts are continuously exploring innovations in packaging and waste diversion to reduce operational waste output, increase our recycling footprint and reuse waste to add value to products or create new sources of energy.

As shown in the table below, waste generated increased while, at the same time, our FY2019 numbers indicate improvements were made in waste to landfill, waste diverted from landfill, recycle and beneficial reuse rate, and landfill waste intensity. We remain committed to continuous improvement in our waste and recycling efforts and, in FY2020, will conduct zero waste to landfill trials at select production facilities. The results and learnings from these trials will inform future waste and recycling goal setting for the company.

WASTE GENERATED <sup>1</sup>	FY2017	FY2018	FY2019
Waste Generated (million pounds)	2,980	4,315	6,045
Waste to Landfill (million pounds)	334	816	800
Waste Diverted from Landfill (million pounds)	2,646	3,500	5,244
Recycle & Beneficial Reuse <sup>2</sup> Rate	89%	81%	87%
Landfill Waste Intensity (pounds landfilled to produce 100 pounds of finished product)	1.10	2.64	2.60

<sup>1</sup>This footprint includes data from our U.S.-based operations. Information from our U.S.-based Cobb-Vantress, The Pork Group, hog buying stations, Keystone Foods, American Proteins, Inc., and Tecumseh Poultry are not included in this footprint. The increase in waste generated can be attributed to improved data reporting with our waste vendors regarding the amount of waste generated and recycled in our operations.

<sup>2</sup>Beneficial reuse can include activities such as composting, land application and digestion.



## A Sustainable Building in Springdale

Tyson Foods' office in downtown Springdale, Arkansas, recently earned LEED Silver certification. The office was built by repurposing the company's original headquarters and the former Brown Hatchery building to create a new 56,000-square-foot space that preserves remnants of both original structures. It makes ample use of recycled materials, including reclaimed wood from the original buildings and local recycled steel. The building's location on a shared-use trail encourages team members to bike or walk to work, and the parking lot uses bioswales to manage rainwater and help prevent temporary flooding and overflow.

## Packaging

Our packaging strategy aligns with the five "Rs"—Remove, Reduce, Reuse, Recycle and Renew—and is guided by the recommended packaging metrics and definitions set forth by the Sustainable Packaging Coalition (SPC) and the Global Packaging Project. The packaging design process prioritizes increasing the use of recyclable and renewable materials, as well as minimizing packaging where possible. At the same time, our packaging must be durable enough to endure handling through receipt, inventory, packing use, distribution, point of sale, consumer use and disposal, as well as meeting our high standards for food compatibility and safety. We stay abreast of innovations in packaging technology and ways to source renewable packaging materials.

The packaging innovation labs and pilot plants at our Discovery Centers in Springdale, Arkansas, and Downers Grove, Illinois, are focused on developing sustainable packaging solutions. Engineers at these two facilities conduct extensive testing to optimize final package design and performance. In addition, we leverage the packaging testing capabilities of our strategic packaging suppliers to evaluate new and improved packaging materials and technologies.

The Tyson Foods Packaging Development group is a member of two significant sustainability organizations: the American Institute for Packaging and the Environment (AMERIPEN) and the Sustainable Packaging Coalition® (SPC®). AMERIPEN is a leading North American packaging advisory group and gives us insight and participation into legislative initiatives around packaging materials and formats. SPC® is a membership-based collaborative that provides a platform to discuss, partner and engage in packaging technologies, materials and specification developments. SPC® also possesses a comprehensive training and on-package communication tool, How-2-Recycle, that Tyson Foods and our customers are adopting for improved sustainability education aimed toward our customers and consumers.

In FY2019, we moved 100% of our corrugated supply purchases from 29.9% post-consumer recycled (PCR) content to 35.5%. This is a significant advance in the use of PCR fiber content, given the conditions in which our products are used (refrigerated/frozen, high-humidity, heavy-weight product mix environment), and we believe that this is close to the maximum corporate average PCR content that is attainable using currently available materials. We also transitioned 15,000 tons of folding carton paperboard to 100% PCR content. This paperboard is also 100% recyclable. In FY2020, our intent is to more than double this conversion to approximately 40,000 tons.

We will further accelerate sustainable packaging progress with Packaging Sustainability Roadmaps, which Tyson Foods recently initiated with key strategic packaging partners. These matrices will help assess current benchmark positions, gaps and initiatives necessary to move to the next level of sustainable packaging. Pilot projects that we may explore along with partners may include:

- Chemical recovery technology to capture plant plastic production waste
- Recovery of plastic bag material from intercompany shipments in the case-ready beef and pork segment





- Alternatives to expanded polystyrene (EPS) foam trays for Tyson Fresh Meats
- Sustainable packaging assessment tools to assist in ranking various packaging options during innovation and development activities

Our packaging materials and packaging suppliers are required to comply with Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA) and the Food and Drug Administration (FDA) packaging material guidelines and regulations, and Good Manufacturing Practices. Additionally, we require certification and compliance with Global Food Safety Initiative (GFSI)/ British Retail Consortium (BRC) or Food Safety System Certification (FSSC)-22000 guidelines for food contact packaging.



## Food Waste Reduction

We are committed to seeking out opportunities to eliminate or minimize food waste in our direct operations and supply chain. At numerous touch points within our direct operations, we have established food waste diversion measures. For example:

- At our corporate office, we are conducting a pilot project for composting food waste in our cafeteria in partnership with Food Loops, a local company.
- In our animal processing operations, there is virtually no waste, and nearly every part of the animal is used. Not only do we harvest the meat for use in our products, we use the majority of animal byproducts to create saleable materials like animal feed, biofuels and fertilizer. We also repurpose byproducts for items such as cosmetics, leather, fertilizer and pharmaceutical ingredients.
- During the packaging process, we optimize packaging to keep food fresh through its intended use-by date and use state-of-the-art food safety techniques that protect shelf life.

- In our distribution centers, we optimize pallet load for the most efficient weight and cube utilization in a truck, and we use a world-class inventory and distribution system to keep our food safe and fresh.
- At the point of sale, we offer consumers portion-controlled options to reduce waste and label guidance on preparation, cooking, storage, sell-by and best-if-used-by dates.

Tyson Foods processes approximately 45% of the poultry byproducts produced in the U.S. These byproducts are rendered into valuable sources of protein and other nutrients to use in industries including pet food, animal feed and aquaculture. Aquaculture is a recent area of growth for Tyson Foods, and we now provide animal byproduct meals and fats to fisheries in North, Central and South America and Asia. Our recent acquisition of the poultry rendering and blending assets of American Proteins, Inc. and AMPRO Products, Inc., will allow us to value up even more animal products, providing much-needed protein and upcycling materials that would otherwise go to landfills.

## Leather Production

Use of animal byproducts is not limited to animal feed. We also process hides from cattle that have been harvested through a variety of curing processes to transform hides and skins into viable tanned leather that can be sold. Given Tyson Foods' harvest volumes, we are one of the largest tanners of the world using the "wet blue" process, during which hides are treated with chromium salts before being dyed.

We engage with the leather industry as a member of the Leather Working Group (LWG), which works to advance traceability back to hide facilities for their 400-plus members, which include leather manufacturers, suppliers and brands like Tyson Foods. The organization promotes sustainable and environmentally sound business practices and implements an environmental compliance and performance capabilities assessment of leather manufacturers. We've been a member of LWG since 2008 and an executive committee board member for four consecutive years.

Each of our tanneries is audited by LWG, and we have received numerous awards for our performance. The LWG auditing protocol requires us to meet a stringent set of environmental controls in our tanneries, including the evaluation of energy use, water use and effluent treatment. While it is primarily an environmental audit, certified tanneries are expected to demonstrate reputable practices in all areas of business. The latest version will also evaluate worker and equipment safety in our tannery operations moving forward.



# Workplace

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OUR COMMITMENT

**Enable our team members to reach  
their unique potential.**

## IN THIS SECTION

- |           |                                 |           |                         |
|-----------|---------------------------------|-----------|-------------------------|
| <b>71</b> | Overview                        | <b>80</b> | Compensation & Benefits |
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|           |                                 | <b>90</b> | Ethics & Compliance     |

## Workplace

### OUR Goals

Create a safe workplace by reducing OSHA recordables by

**10%**  
year-over-year

Build a highly engaged team with a

**10%**  
increase in retention

## Aspire to offer

English as a second language and financial literacy training to all team members



### FY2019 Key Achievements

1

Reduced our total recordable incident rate by 15.7 percent compared to FY2018.

2

Grew the Upward Academy program to 23 new locations, and expanded its impact with new courses on digital literacy.

3

Welcomed more than 18,000 team members to our family through recent acquisitions. We are steadily bringing these new team members on board and uniting our business as one Tyson.

4

Launched maintenance and refrigeration technical school partnerships with 60 technical schools, which will allow us to both recruit externally and help our internal talent build new skills.

5

Expanded the We Care safety initiative by introducing the first group of Exposure Reduction Coaches dedicated to in-field coaching and one-on-one mentoring. Coaches focus on developing plant safety governance to identify when exposure changes and how to react.

6

Committed to the Valuable 500, a global movement to put disability on the business leadership agenda.

### FY2019 By-the-Numbers



**56**

PLANTS OFFERING ESL AND CITIZENSHIP CLASSES THROUGH UPWARD ACADEMY



**40**

TEAM MEMBERS PARTICIPATED IN FINANCIAL LITERACY PILOT PROGRAM



**4,103**

TOTAL NON-ENGLISH SPEAKING TEAM MEMBERS OFFERED ACCESS TO ESL



**15.7%**

REDUCTION IN TOTAL RECORDABLE INCIDENT RATE

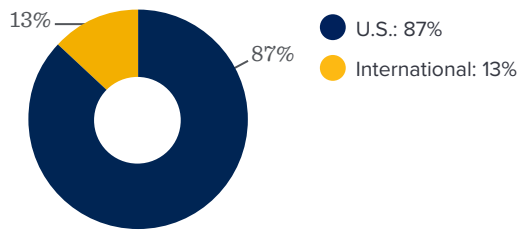


**5.42%**

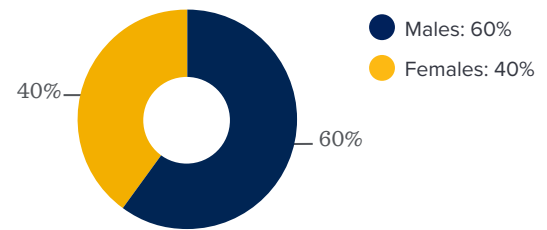
INCREASE IN RETENTION RATE



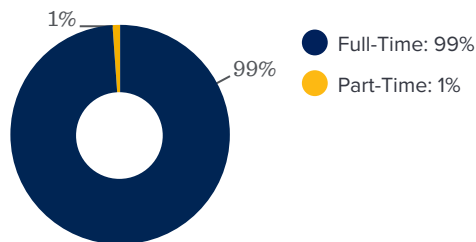
### TEAM MEMBERS BY REGION



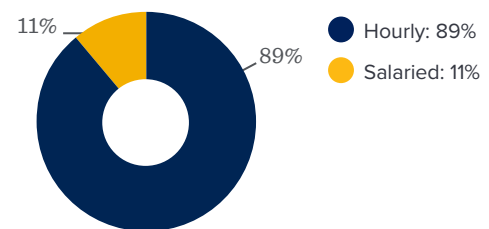
### TEAM MEMBERS<sup>1</sup> BY GENDER



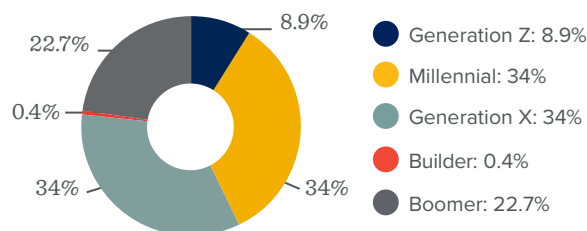
### TEAM MEMBERS<sup>1</sup> BY CATEGORY



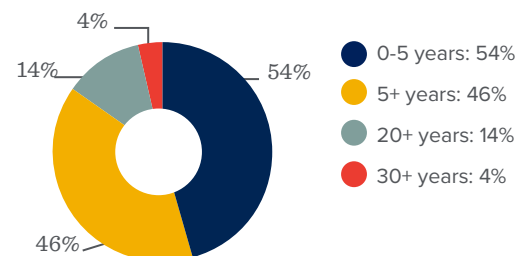
### TEAM MEMBERS<sup>1</sup> BY CATEGORY



### TEAM MEMBERS<sup>1</sup> BY GENERATION



### TEAM MEMBERS<sup>1</sup> BY TENURE



TEAM MEMBERS BY ETHNICITY <sup>1</sup>	COMPANYWIDE	HOURLY	SALARIED
American Indian or Alaskan Native	0.9%	0.9%	0.9%
Asian	11.0%	12.0%	3.3%
Black or African American	24.4%	26.4%	9.7%
Hispanic or Latino	27.9%	29.9%	12.1%
I do not wish to answer or blank	0.1%	0.1%	0.1%
Native Hawaiian or other Pacific Islander	2.5%	2.8%	0.2%
Two or More Races	0.7%	0.7%	0.6%
White	32.5%	27.2%	73.1%

<sup>1</sup>Includes U.S. team members as well as U.S. Cobb-Vantress team members. Excludes Keystone Foods.



## Engagement & Retention



**We succeed as a company by recruiting the best talent — and creating a welcoming and rewarding place to work.**

We're a company built on faith, family, hard work and a tradition of doing what's right. Maintaining a culture that reflects our core values is an ongoing task as we acquire new companies and grow our business. Our team members play a key role in helping us stay true to these values. We support them by making sure they have the tools and resources they need to be successful and by establishing transparent, two-way communication with new and current employees.

### About Our Workforce

The majority of our 141,000-person-strong global workforce is hourly and works in our U.S. chicken, beef, pork and prepared foods production facilities. This diverse group of team members is comprised of many immigrants to the U.S. The remainder of our U.S. team members—almost 13,000—are salaried and primarily work in plant management support and corporate positions. In FY2019, the percentage of our international team members increased to 14% from 4% in FY2018, primarily due to our acquisition of the Thai and European operations of Brazilian food processor BRF S.A.

We have made progress on programs to better support hourly team members in the areas of workplace training, safety, compensation and benefits, and life skills. To measure progress against these initiatives, we are working toward three workplace goals, all of which are ongoing, year-over-year goals. We are proud to report that in FY2019 we reduced Occupational Safety

and Health Administration (OSHA) recordable incidents by 15.7% compared with FY2018, exceeding our goal of a 10% reduction year over year. This keeps us below the Bureau of Labor Statistics (BLS) industry average for food manufacturing for the second consecutive year. Read more in [Health & Safety](#).

Our second goal is to achieve a 10% increase in employee retention. In FY2019, our retention rate was 64.6%, an increase of 5.42% from FY2018. Although we fell short of our goal, the increase is a reversal from FY2018 when we experienced a decrease over FY2017. We continued to face challenges from wage pressures and the lowest unemployment rates the U.S. has experienced in decades, which made it difficult to stabilize our workforce and achieve the desired level of improvement in retention. Nonetheless, the positive trend in FY2019 and in the first quarter of FY2020 has emerged as a result of our focus on becoming an employer of choice and investing in team members. This has led to improvements in wages, work schedules, facilities, recognition, engagement and, subsequently, operational efficiency, safety and well-being.

We are keeping team members safer than ever as a result of proactive measures to promote a culture of safety and caring in our plants. We are evaluating specific departments within plants that generate the most instability to determine if they are candidates for process improvement. Practices like these have made Tyson Foods the employer of choice in numerous labor markets and have improved our performance in several industry benchmarks.

We also continue to strengthen our communications at all levels of the organization to eliminate unsafe behaviors and conditions. The engagement of hourly team members is a vital part of this process. A primary communication vehicle is our We Care platform, which we continued to roll out and invest in during FY2019. To support this program, we introduced our first certified [Exposure Reduction Coaches](#). Across all business units, we continue to execute a “span of control” project that involves hiring additional production supervisors to help drive improvements in safety, retention and performance.

A third goal is to enable hourly employees to access English as a second language training and extend financial literacy training to all employees. Enhancing both of these life skills will help employees integrate into their communities and position them to realize their full potential. In FY2019, we expanded our language and life skills program, known as Upward Academy, to 56 Tyson Foods locations, with plans to eventually make it available to all team members. Read more about [Upward Academy](#).

In FY2019, approximately 34,000 employees in the U.S. were subject to collective bargaining agreements with various labor unions, with approximately 11% of those employees at locations either under negotiation for contract renewal or included under agreements expiring in FY2020. The remaining agreements expire over the next several years. Approximately 5,000 employees in foreign countries were subject to collective bargaining agreements. We continue to collaborate with Oxfam America and the United Food and Commercial Workers Union (UFCW) as we implement and evolve these workplace enhancements. UFCW holds 22 labor contracts with us that represent nearly 30,000 workers. We believe overall relations with our workforce are positive.

## Talent Strategy

A comprehensive talent strategy is increasingly becoming essential in the workplace. Our talent strategy is focused on attracting the best talent—recognizing and rewarding their performance, while developing and retaining them. In FY2019, we focused on team member experience, removing barriers to engagement, further modernizing the human relations process, focusing on hourly team member retention and accelerating the impact of best-in-class talent practices. This included launching an enterprise engagement platform that has allowed 11,000 team members to share feedback with the company, which we then used to assess progress. Three talent objectives support our “grow, deliver, sustain” strategy:

- **Zero Talent “Outages”:** We strive to grow and develop the different capabilities and skills that we need for the future. This includes focusing on current workforce development and recruiting new team members with the skills needed for future business growth.
- **Succession Planning versus Replacement:** We strive to maintain a robust pipeline of talent, actively developing our current team members throughout the organization and engaging with potential team members externally so that we have a strong talent pool to pull from when movement happens.
- **Be a Talent Magnet:** Our goal is to be the employer of choice within our markets and peer groups.

Within Tyson Foods’ Talent, Inclusion & Culture function, the talent acquisition team equips and enables our businesses to hire talent that solves future business challenges through standardization, talent strategy and engagement. The team focuses on development of talent sourcing strategies that identify best-in-class target industries,





companies and schools to acquire desired capabilities. In FY2019, our talent acquisition team worked consistently to advance our employment brand through efforts like updating our career site to ensure candidates and potential candidates understand Tyson Foods' culture and have visibility into corporate and field career opportunities.

Our recruitment efforts also aim to build a diverse organization that brings experiences and backgrounds as diverse as the consumer marketplace we serve. To this end, we actively engage in military, LGBTQ, college and other diversity recruiting efforts. To improve access to a diverse talent pool, our talent acquisition team has partnered with the National Urban League, a nonpartisan historic civil rights organization that advocates on behalf of economic and social justice for African Americans and against racial discrimination in the U.S., to provide monthly Tyson Foods-sponsored webinars highlighting our careers, Tyson Foods guest speakers who discuss career development and one-on-one virtual conversations with potential candidates.

To move the needle on succession planning, we have created a new talent mapping process that begins with the team member's perspective on career aspirations and focuses on investing in the development of a team member to build a more robust pipeline of talent. In FY2019, leaders within functions across the organization utilized the talent mapping process, focusing on motivation, adaptability and performance. Leaders' experience with mapping also gave them greater visibility into our pool of exceptional talent. We have had conversations with and collaborated on the placement



## Training Emerging Leaders in Australia

**As part of our succession planning effort, each year Tyson Australia identifies and begins to train potential future leaders of the business. In conjunction with Technical and Further Education Queensland (TAFE Qld), we have developed a leadership program to train our team members with the skills required to help them manage all aspects of the business. Tyson Australia and TAFE use real-world workplace scenarios and experiences in the classes, accompanied by reference materials that students can take into their daily work activities. In FY2019, 12 future leaders took part in the program.**

of over 2,500 team members into positions better aligned with their career aspirations and goals. We also completed and reviewed succession plans for 100 top-level leadership positions, including many critical roles across the enterprise. We review these plans regularly and update them as necessary.

## Team Member Onboarding

Through recent acquisitions, Tyson Foods welcomed more than 18,000 team members to our family in FY2019. Utilizing a standard onboarding process, we are steadily uniting these new team members in Europe, Asia-Pacific, China and Korea into our business as one Tyson. This approach includes project leads who act as communication liaisons and help scale and resolve issues, as well as onboarding templates and documentation. Integration of new businesses and support of new team members, particularly in these new regions, will continue as we grow the business and expand our presence in the U.S. and internationally.



## Team Member Training

Tyson Foods operates state-of-the-art equipment. We train our team members in the latest research and techniques to ensure they have the knowledge and practical experience to use that equipment optimally. This training philosophy extends to all areas of our operations, including management and leadership.

Maintenance skills are essential elements of ensuring efficient manufacturing of protein-centric products, and Tyson Foods has created a new training path for those interested in an industrial maintenance career. In FY2019, we developed maintenance and refrigeration technical school partnerships with 60 technical schools and growing. We have developed a two-year curriculum that focuses on troubleshooting, repairing and maintaining equipment in a safe environment. These partnerships will help us recruit skilled external candidates as well as upskill our internal talent. Through this program, Tyson Foods is not only offering educational assistance through the curriculum, internships, apprenticeships and tuition assistance, but also making in-kind donations to partnering schools through equipment and cash donations.

We also launched the NEXT Differentiated Development program, an agile development opportunity in which selected leaders across the enterprise participate in developmental and immersive near-future business scenario simulations and provide strategies for leading through them. All Tyson Foods team members with access to our company intranet can use an online learning library that offers more than 2,000 learning resources, such as articles, videos, training workbooks and expert interview podcasts on topics such as leadership, stress management, strategy and communication. We also offer comprehensive training programs for plant leaders at all levels. These include:

- **Complex Management Leadership Development Program (CMLDP):** A leadership development program that culminates in a presentation to senior leadership. Participants are asked to consider what changes they can make in their plants, as well as other changes they could make in their personal and professional lives.
- **Operations Leader Boot Camp:** A program that includes leadership training, Lean training and in-plant application of lessons learned.
- **Supervisor Boot Camp:** A combination of leadership and hands-on training within our plants and live operations. This program now includes emotional intelligence leadership training and a waste-elimination project that leads to substantial cost savings each year.

- **Health and Safety and Continuous Improvement Teams:** Leaders from these teams have developed a standardized model for delivering plant-safety leadership training through a productivity system developed by our Continuous Improvement team. These training sessions include structured daily requirements within a production system that enables plant leaders to better monitor and manage the daily expected takeaways from our safety We Care program.
- **Maintenance Leads and Supervisors:** Building upon our new maintenance and refrigeration technical school partnerships, Tyson Foods offers online DuPont leadership courses to Maintenance Leads and Supervisors. The maintenance training team also travels to locations to facilitate skills for electrical, automation, boilers, compressed air systems and refrigeration.

Tyson Foods supports team members who want to pursue advanced or bachelor's degrees related to their position while remaining employed. In FY2019, approximately 500 team members were pursuing higher education in areas such as food science, food safety and poultry science. In total, we contributed over \$970,000 to educational assistance in FY2019.

## Faith in the Workplace

Tyson's culture is what we call "faith-friendly." Many team members come to work with a set of beliefs about themselves, their world and how they should live in it. Our team members' beliefs matter, and their respectful expressions are welcomed. Tyson's chaplaincy program makes dedicated chaplains available at our plants to listen, offer support and talk to team members about daily life.

<b>2000</b>	<b>98+</b>	<b>38</b>
YEAR ESTABLISHED	DEDICATED CHAPLAINS	FAITH TRADITIONS REPRESENTED

**#2**  
CORPORATE RELIGIOUS EQUITY,  
DIVERSITY & INCLUSION INDEX  
TOP 100 FAITH-FRIENDLY WORKPLACE



## Helping Team Members Succeed



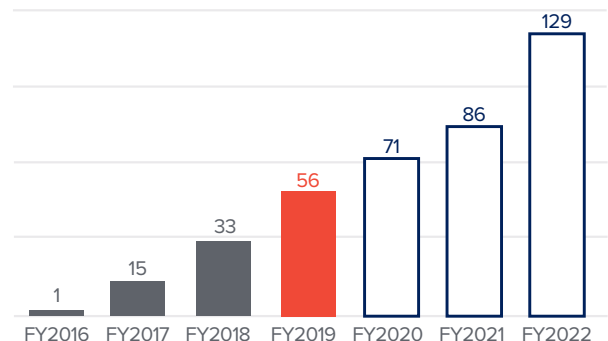
**Innovative programs for employee development and success are helping us build a strong workforce and strong communities.**

Helping our team members succeed in and outside of work is a meaningful and tangible way we can make a difference in tens of thousands of lives. It's also in the best interest of our business. Tyson Foods plants are predominantly located in rural areas with limited labor pools, which means that we rely on developing and promoting talent internally. Many of our front-line team members are new immigrants to the U.S. and come from dozens of different countries: up to 50 different countries may be represented within a single plant. A general lack of access to resources has also left many team members with low literacy, limited English proficiency and skills gaps. As a result, many employees do not qualify for roles beyond processing lines, and many may not even qualify to enter a state-sponsored career readiness certificate program. That's why Tyson Foods has stepped in to fill the gap.

### Upward Academy

Our Corporate Social Responsibility team aims to address the unique and shifting challenges facing our workforce through our innovative team member education program, Upward Academy. In partnership with local community organizations, Upward Academy helps team members develop important life skills, offering free and accessible classes in English as a Second Language (ESL), High School Equivalency (HSE), U.S. citizenship, financial literacy and digital literacy. To make it as easy as possible for team members to attend, we offer classes in our plants immediately before and after shifts.

### TOTAL UPWARD ACADEMY LOCATIONS/PROJECTIONS



While Upward Academy is tailor-made for Tyson Foods, it is aligned with best practices and trends in adult education and workplace skills development. Tyson Foods has a relationship with the Coalition on Adult Basic Education (COABE), the largest professional membership of adult educators in the United States. We are also working with our human resources team to develop a Workforce Development Certificate (WDC) that will allow front-line employees to learn the basic skills they need to apply for jobs beyond the processing line. Initially, WDC components will include math, language, soft skills and digital literacy. From there, the certificate will be developed





We're working to bridge the digital divide for our team members through our digital literacy labs. Team members have been asking for classes in digital literacy so they can better navigate life in an increasingly digital world. From a personal standpoint, they can complete common online tasks such as filling out school forms, start banking online and use messaging platforms to communicate with friends and family. At work they can access their payroll and benefits information, and they can learn Tyson Foods' systems in order to qualify for promotions within the company. Providing these educational opportunities at no cost to the team members also brings business value through reduced turnover, increased loyalty and greater satisfaction at work.

Debra Vernon, Sr. Director, Corporate Social Responsibility

## Upward Academy Growth

23

NEW LOCATIONS  
IN FY2019 (56 TOTAL)

12

NEW STATES  
IN FY2019 (18 TOTAL)

4,103

NON-ENGLISH-SPEAKING  
TEAM MEMBERS OFFERED  
ACCESS TO ESL

100%

OF U.S.  
TEAM MEMBERS  
REACHED BY 2025

with subject matter expertise from adult education providers and customized to our company's needs. Curriculum will be taught by state adult education instructors using funds earmarked for workforce development.

In FY2019, Upward Academy experienced its biggest year of growth. As the program continues to grow, our team is searching for new ways to increase its value. While ESL, HSE and citizenship offerings remain the core of the program, team members have also expressed interest in learning financial and computer skills to help them grow personally and advance with Tyson Foods. We introduced new and expanded offerings in FY2019 in response to this feedback.

### DIGITAL LITERACY

As automation and digital technologies change the nature of work, the gap between those who possess computer skills and those who do not is widening. We recognize the need to help our team members keep pace with these changes and attain upward mobility within our plants. In FY2019, we were proud to introduce computer skills training within the Upward Academy program.

Tyson Foods worked with internal IT teams and external education partners to develop the program. The result are new "digital literacy labs" that deliver training content on Microsoft SurfaceGo tablets. The tablets are equipped with a learning management system that instructors can use to track students' progress. They are stored in a charging cart with a badge reader that students will use to scan in for class, which will allow program administrators to track student retention. To date, 18 facilities have received digital labs, and students have cumulatively logged more than 2,000 hours of instruction.

### FINANCIAL LITERACY

The U.S. financial system is complex, and newcomers often face unique financial pressures and challenges navigating the system. These difficulties can escalate quickly, and financial difficulties can impact team members' productivity and overall wellness. In FY2019, Upward Academy conducted an eight-week pilot course on financial literacy, with the goal of helping team members better understand and manage their finances. Forty-three team members participated in the first two rounds of pilot classes.



The pilot was developed and managed in partnership with Canopy NWA, a local nonprofit organization that assists refugees in the re-settlement process. The program is geared toward newcomers to the U.S. and is meant to be interactive and hands-on. With the pilot program complete, we are revising content and partnering with the University of Arkansas to create video-based financial literacy training that will ultimately be available to all team members in their native language. We plan to introduce this training in FY2020.

## Investing in Health Care Access

Beyond helping our team members succeed in their jobs at Tyson Foods, we also want to help them access resources to live full, healthy lives, such as quality health care. We support programs that reduce the barriers to care for our team members by partnering with local health care nonprofits to increase access. Hourly employees are often unfamiliar with the American health care system, which can be difficult to navigate even for long-time residents. Team members face issues finding bilingual clinics, and understanding the cost of care and insurance. After being caught off guard by unexpected costs, people may avoid seeing doctors, which can undermine their long-term health and that of their families<sup>1</sup>. When sickness or injury occurs, adverse consequences such as absenteeism, lost wages and debt place further burdens on already vulnerable individuals. Health-related issues are one of several factors that can decrease a person's quality of life and destabilize their employment.

To improve the health of our hourly team members and members of our communities, Tyson Foods made several grants to local health care nonprofits in FY2019. The Arkansas Mission of Mercy is a free dental health clinic for members of the community, including our team members. Thanks to a Tyson Foods grant, the clinic provided \$1.3 million of free dentistry by seeing 2,102 patients over a single weekend.

### Nightingale House Hospice

*Team members at our Wrexham, UK, facility, have banded together to support the health of their colleagues and other community members. In FY2019, the facility held fundraisers for Nightingale House Hospice and Macmillan Cancer Support, and raised money for a local man in need of a heart transplant.*



Tyson Foods is continuing for a second year to support a grant for a Marshallese patient navigator with the Community Clinic in Springdale, Arkansas. A “health care navigator” is someone who is a trusted member of a community or has an exceptional understanding of a community being served. This trusting relationship enables the worker to serve as a link between health and social services and the community. This new patient navigator now comes to the Tyson Foods plant weekly to help hourly team members make appointments, understand their health benefits, provide information about referrals, and answer questions—whatever it takes to help people improve their health.

We are also developing a series of videos about fundamental subjects related to health care and insurance. The videos will be offered in English, Spanish and Marshallese and will be available in 2020. Each video will have an accompanying summary sheet. This approach helps team members overcome the challenges of language, low literacy in their native language, unfamiliarity with the health care system, and ability to access the resources they need.

<sup>1</sup>These assertions were compiled primarily from staff interviews with team members and published articles.





## Compensation & Benefits



**Offering competitive wages and benefits is key to attracting and retaining top talent.**

We work to ensure that team members receive fair compensation commensurate to their experience and skills, as well as competitive compensation within local labor markets. As a result, our compensation program varies by market and by position, allowing us to provide a competitive total rewards package.

Many of our team members are compensated at an hourly rate for production or maintenance work in our processing plants. We've made improvements in pay and benefits while also creating new employee relations enhancements that differentiate us from the competition and align with our effort to create the most desirable workplace possible. Our compensation department regularly conducts wage surveys and reviews cost-of-living indicators and community norms. In FY2019, the average hourly pay rate for our U.S. team members was \$15.77.

### AVERAGE HOURLY PAY RATE U.S. TEAM MEMBERS



We are continuously researching and developing driver-focused pay programs to grow and develop our fleet, as well as combating the driver shortage impacting the industry. We utilize various pay programs to incentivize our drivers to optimize their mileage and stay safe on the roads.

In accordance with a new Securities and Exchange Commission rule, Tyson Foods discloses the ratio of our CEO's annual total compensation for the fiscal year to the median of the annual total compensation of U.S. team members. In FY2019, the ratio of total annual compensation for President and CEO Noel W. White to the median amount for U.S. team members was approximately 283:1. Because the SEC's rules for calculating this ratio allow companies to adopt a variety of methodologies, apply certain exclusions, and make reasonable estimates and assumptions, the pay ratio reported by other companies may not be comparable to our pay ratio.

**Following a fire at our Holcomb meatpacking plant in Finney County, Kansas, we guaranteed 40 hours per week in pay for 3,800 active, full-time employees. No team members were injured during the fire itself, and we resumed operations in December 2019.**



## Benefits

We are dedicated to providing our team members and their families with affordable health, life, dental, vision and prescription drug benefits. In fact, we require all regular, full-time team members who have completed 59 days of employment to have health care coverage through either the company-sponsored health plan or through a family member's plan. This means that 100 percent of our eligible team members have access to health care coverage.

Other benefits include paid vacations and holidays, eligibility to participate in a 401(k) retirement savings program, an employee stock purchase program, short- and long-term disability coverage and educational assistance. We also offer an employee assistance program through which team members can speak confidentially with a licensed professional counselor who can provide short-term help with concerns that may impact mental well-being, such as addiction, anxiety disorders, depression, stress and other emotional health issues. This program is offered at no cost to eligible team members, their spouses, dependent children, parents and parents-in-law. In FY2020, we will invest in bariatric coverage through a partnership with BARInet Preferred Provider Network, which covers weight loss procedures for qualified team members and spouses.

Learn more about a [career at Tyson Foods](#).



## Team Member Benefits

**\$5.5  
Billion**

U.S. PAYROLL

**\$719  
Million**

BENEFITS COST FOR  
U.S. OPERATIONS

**\$15.77**

AVERAGE HOURLY PAY  
RATE FOR U.S. HOURLY  
TEAM MEMBERS

**\$970,000**

EDUCATIONAL  
ASSISTANCE PROVIDED  
TO TEAM MEMBERS

Other support for team members and their families includes a program through Rethink for families covered by the Tyson Group Health Plan who are raising children with learning or behavior challenges. We offer paid time off for both mothers and fathers, as well as adoptive parents, and cover certain fertility expenses through Progyny and coverage for Applied Behavior Analysis (ABA) for Autism Spectrum Disorder.

Over the past few years, we have also increased efforts to engage team members and their covered dependents to improve their health and well-being. We are trying to address this issue creatively with the services and support programs we provide. These include telemedicine, biometric screenings, postcards from vendors outlining health and well-being programs, outreach from third-party administrators regarding programs and how to reduce ER services, and other segmented communication efforts. In 2020, Tyson Foods will embark on a series of "Test and Learn" health and wellness pilots aimed at improving health outcomes. We will build on our successful We Care program as a platform to drive team members' and their families' understanding of health and wellness issues. This is a priority for us as we continue to strive to be the employer of choice by strengthening our relationships with our team members and their families.

## Team Members Eligible for Benefit by Employment Status<sup>1</sup>

BENEFITS	TEMPORARY	PART-TIME	FULL-TIME HOURLY	FULL-TIME & NON-EXEMPT	FULL-TIME SALARIED	FULL-TIME MANAGEMENT SUPPORT
Company-paid accidental death and dismemberment plan			✓	✓	✓	✓
Company-paid life insurance			✓	✓	✓	✓
Bereavement pay, paid sick days, jury duty pay and military pay <sup>1</sup>			✓	✓	✓	✓
Chaplaincy program	✓	✓	✓	✓	✓	✓
Educational assistance program (employees only)			✓	✓	✓	✓
Flexible spending accounts (e.g., health care and child care)			✓	✓	✓	✓
Free diabetic test strips through mail order			✓	✓	✓	✓
Free medical expert opinion program			✓	✓	✓	✓
Free weight management program				✓	✓	✓
Free online health risk assessment and wellness portal				✓	✓	✓
Free pregnancy support program			✓	✓	✓	✓
Full-service credit union	✓	✓	✓	✓	✓	✓
Long-term care insurance			✓	✓	✓	✓
Medical, dental, vision and prescription medication coverage			✓	✓	✓	✓
Merchant discount/computer purchase program	✓	✓	✓	✓	✓	✓
Non-tobacco use premium incentive and free tobacco cessation program			✓	✓	✓	✓
Paid maternity leave			✓	✓	✓	✓
Product discounts through company-owned stores	✓	✓	✓	✓	✓	✓
Retirement savings plan (401k)	✓	✓	✓	✓	✓	✓
Short-term (company paid) and long-term disability <sup>2</sup>			✓	✓	✓	✓
Long-term incentives (LTI) (only offered to salaried team members at certain grade levels)					✓	
Stock purchase plan	✓	✓	✓	✓	✓	✓
Vacation days and paid holidays <sup>3</sup>			✓	✓	✓	✓
Voluntary accidental death and dismemberment plan			✓	✓	✓	✓
Voluntary life insurance plan			✓	✓	✓	✓
Voluntary critical illness, accident and whole life coverage			✓	✓	✓	✓
\$0 generics for certain maintenance medications			✓	✓	✓	✓

<sup>1</sup>These benefits are provided to our U.S. team members including U.S. Cobb-Vantress. It does not cover International team members.

<sup>2</sup>Unless required by law, as negotiated in a collective bargaining agreement, or as specified in pre-existing company policy, hourly workers do not receive paid sick days. However, the company does pay short-term disability for up to 13 weeks (after a five-day waiting period) and also offers long-term disability coverage at a competitive group rate. It provides 60% of their earnings tax free for up to 10 years.

<sup>3</sup>We do offer paid vacation time, pay for recognized holidays and sick pay in locations where required by law. Additionally, we are currently testing various delivery systems for paid time off such as taking vacation time in increments less than the traditional day at a time. We believe our investment in Upward Academy and addressing financial literacy gaps with our workforce will better enable our team members to understand and manage a paid time off system in a manner that ensures wage protection.

## Inclusion & Diversity



**We embrace the diversity of our team members, customers, stakeholders and consumers—their unique backgrounds, experiences, thoughts and talents.**

Tyson Foods has a diverse workforce, with many team members who are recent immigrants to the United States. Numerous languages are spoken across our processing facilities, with as many as 11 languages spoken at a single plant. This diversity is our strength. Our differences lead to more innovation, better supplier and customer relationships, and a competitive advantage in the marketplace. Inclusion and diversity efforts focus on ensuring that we recruit, develop and retain a diverse group of team members, and that all team members have an opportunity to grow and develop personally and professionally.

Accordingly, we are committed to cultivating an inclusive workplace that supports and empowers all team members, regardless of their race, color, national origin, religion, age, disability, genetic information, sex (including pregnancy), sexual orientation, gender identity, veteran or any other protected status. We are an Equal Opportunity/Affirmative Action Employer, and our policies comply with all federal, state and local employment laws. Everyone is valued and appreciated for their distinct contributions to the growth and sustainability of our business. This focus extends to our supply chain, through which we work with many minority-owned, veteran- and service-disabled-veteran-owned, and women-owned businesses, as well as Small Business Association (SBA)-certified small businesses.



### Take the Tour, Sign the Pledge

The “Check Your Blind Spots” tour, an initiative of the CEO Action for Diversity and Inclusion that gives people the opportunity to learn about and explore ways to mitigate unconscious bias in their everyday lives, visited our headquarters in Springdale, Arkansas. Through immersive and interactive elements, approximately 150 team members were exposed to the nuances of unconscious bias, and had the chance to sign the “I Act On” pledge to address personal biases and drive inclusive behaviors.



Tyson Foods is a member of CEO Action for Diversity & Inclusion™, a group of more than 600 CEOs who have committed themselves and the companies they lead to advance inclusion and diversity in the workplace. Signatories must do more than talk the talk: they commit to taking meaningful actions to transform their workplaces and share both successes and challenges with other companies.

In early FY2020, Tyson Foods CEO Noel White committed the company to join the Valuable 500, a global movement to put disability on the business leadership agenda. Membership in the Valuable 500 means we are committed to:

- Enabling leaders to create a sense of belonging, where team members feel they can be their authentic selves through cultural competency awareness across the organization that includes disability awareness.
- Continuing to participate in several external benchmark surveys, including the National Organization on Disability Tracker to inform our Inclusion and Diversity Framework, identifying several key focus areas to improve our inclusive practices, including disability inclusion.
- Continuing to support and develop our Disability and Accessibility Awareness Business Resource Group by providing them with development opportunities, connection to partnerships and executive leadership support.

Even before we committed to the Valuable 500, Tyson Foods was implementing initiatives to support disabled team members. In FY2019, these initiatives included partnering with nonprofit organizations such as Aspire and Equal Access to assist in the recruitment of candidates with disabilities in the Chicagoland area, as well as providing disability etiquette training for our team members.

## Diversity Recognition

90 Score

Human Rights Campaign Foundation

2019 Corporate Equality Index (CEI)





2019 Noteworthy Company

DiversityInc

## Business Resource Groups

Business Resource Groups (BRGs) play a critical role in implementing our inclusion and diversity commitments by offering business impact, community outreach, team member support and development across our enterprise locations. Our six BRGs include:

BRG	PURPOSE	FY2019 ACCOMPLISHMENTS
<p>DisAbility and Accessibility Awareness a Tyson Foods Business Resource Group</p>	<p>Supports a safe and inclusive environment for individuals with disabilities and those who support them through building awareness, continuing education and advocacy to create real change.</p>	<ul style="list-style-type: none"> <li>• Offered team members Disability Awareness/Etiquette training</li> <li>• Invited college students with disabilities to spend the day meeting with leaders to learn about careers at Tyson Foods and participate in interviewing skills training</li> <li>• Met with Aspire who provides services to children and adults in Illinois with disabilities to discuss their Career Academy and encourage their program participants to apply for Tyson Foods job openings</li> <li>• Partnered with SalesCon19 and Northwest Arkansas Children's Shelter for 12 Days of Christmas</li> <li>• Held Caregiver Appreciation Respite Event (CARE) in NW Arkansas</li> </ul>
<p>Pride Network a Tyson Foods Business Resource Group</p>	<p>Committed to supporting all team members through a welcoming environment where everyone can reach their full potential by bringing their authentic selves to work each day.</p>	<ul style="list-style-type: none"> <li>• Participated in PRIDE events in Northwest Arkansas and Chicago</li> <li>• Hosted two "How to Be a Better Ally" workshops</li> <li>• Created the Tyson Ally Pledge that all team members are encouraged to commit to</li> </ul>

BRG	PURPOSE	FY2019 ACCOMPLISHMENTS
	<p>Committed to preserving, teaching and appreciating the rich and diverse cultures of our Tyson Foods team members. It honors our past, celebrates our present, and sustains a future of inclusion and diversity in accordance with Tyson Foods' core values and 5Cs.</p>	<ul style="list-style-type: none"> <li>• Held quarterly Hash Tag Lunch Events making lunch bags for local shelters</li> <li>• Participated in the Chicago Dragon Festival bringing visibility to Tyson Foods brands in the Asian community</li> <li>• Participated in the Chicago Bud Billiken Parade, the largest African American parade in U.S.</li> <li>• Provided back-to-school materials for children in the Chicago area</li> <li>• Participated in the LatinXNA Empowerment Forum in October where panelists shared their leadership experiences in the workforce and how to serve in the community</li> <li>• Hosted Cook Your Culture events in the Chicago and Downers Grove offices, celebrating the multiple cultures of our team members</li> </ul>
	<p>A group of individuals committed to enhancing Tyson Foods, our community and ourselves by supporting veterans and their families. We strive to help our veterans recognize Tyson Foods as the place to further their careers after the completion of their military service.</p>	<ul style="list-style-type: none"> <li>• Successfully rebranded the Veterans BRG to be more inclusive of veterans and friends</li> <li>• Hosted the VBRG Veterans Day program at several campuses that included both local and national organizations</li> <li>• Held VBRG volunteer days at the Springdale Mobile Pantry</li> <li>• Participated in Wreaths Across America Day</li> </ul>
	<p>Strives to advance women and transform Tyson Foods' workplace through engagement, networking and career development.</p>	<ul style="list-style-type: none"> <li>• Continued Mentoring Circles, monthly sessions held with Senior Director-level mentors and small groups of team members; FY2019 sessions included 16 mentors and 133 mentees</li> </ul>
	<p>A group of multigenerational professionals dedicated to the retention and development of talent to ensure the future success of Tyson Foods through fostering a community and developing opportunities for team members.</p>	<ul style="list-style-type: none"> <li>• Hosted My Path to Leadership Series, during which Tyson Foods leaders spoke about their unique path to leadership</li> <li>• Helped plate and serve over 200 meals bimonthly through Samaritan Café</li> <li>• Participated in Samaritan Community Center "Bring A Can to Work Day"</li> <li>• Prepared dinner for families staying at a Ronald McDonald House</li> <li>• Completed a mentorship program at Helen Tyson Middle School with 11 student mentees</li> <li>• Distributed food at a Senior Service Center for the Northwest Arkansas Food Bank</li> </ul>



## Health & Safety



**Taking care of business means taking care of each other through training, technology and best practices.**

Team members in our processing plants use their hands every day—harvesting animals, cutting meat, packaging food and performing other manual tasks. Ensuring all of these tasks are done in the safest manner is our utmost priority. We are committed to improving the health and safety of our employees by setting bold goals, building strategic communication and training systems, creating a safety culture and rewarding safety excellence. Our efforts are enhanced by partnerships with third parties, such as nonprofits, unions, peer companies and regulatory groups that can strengthen our understanding of best practices.

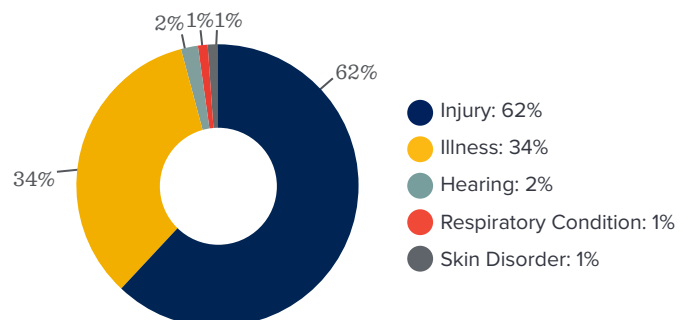
tracks, measures and analyzes team members' behaviors and responses. When an incident occurs, we go straight to the source to collect data and analyze the root cause of an incident. This allows us to make informed decisions to better reduce health and safety exposures that team members encounter. Once we better understand why an incident occurred, our health and safety team along with operation leaders can create proactive solutions. In this way, we look at safety not as an event to which we must react, but rather as part of the process in which we conduct our everyday operations.

### Goals & Progress

We aspire to zero work-related injuries. Our goal is to reduce workplace injuries and illnesses by 10% year-over-year, using traditional Occupational Safety and Health Administration (OSHA) incident calculations. In FY2019, we reduced our total recordable incident rate by 15.7% compared to our FY2018 performance. However, we are deeply saddened to report a team member at our Amarillo facility was fatally injured in August 2019.

Our total recordable incident rate has decreased for the past four consecutive years. This progress has been the result of evolving our approach to health and safety from a compliance-based focus to one that incorporates behavior and engineering-based components of health and safety. Our strategy now more closely

### FY2019 OSHA RECORDABLES BY OSHA ILLNESS SECTION





## A Safe Work Environment

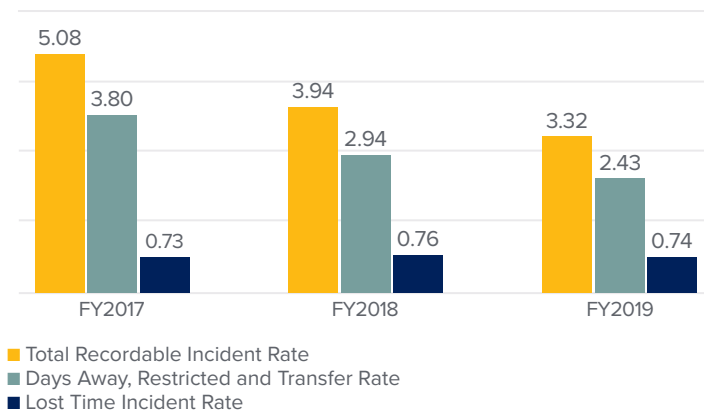
Tyson Foods employs more than 600 health and safety team members who focus on safety training, safety audits, ergonomics, health care and more.

Our operations have had ergonomics programs since the late 1980s that continually explore ways to make production jobs easier. Program efforts include developing improvements in equipment, tools and processes to make jobs less physically demanding. It's not unusual for us to make changes in workstations, equipment or processes based on the feedback we receive from hourly team members who are part of one of our ergonomics committees. We also hold an annual ergonomics improvement competition, soliciting ideas from team members on how to improve safety. In FY2019, we tested new compression wear and robotics such as knife sharpeners, vacuum lifts and other technology to eliminate team member exposure to dangerous equipment. We continue to evaluate the effectiveness and the long-term benefits of these programs.

An additional way we help plant workers stay safe and healthy is with practices such as rotating team members between certain processing jobs to help prevent fatigue, ensuring production equipment is working properly and providing rest breaks. The timing and frequency of rest breaks for team members at our plants varies by type of operation, state law requirements, and the preferences of the USDA inspectors and our team members. In general, some plants have one 30-minute unpaid break or more per shift, while others have two breaks of more than 20 minutes. Production supervisors are required to allow team members to leave the production line for restroom breaks.



## SAFETY AT TYSON FOODS<sup>1</sup>



<sup>1</sup>AdvancePierre Foods, American Proteins Inc. and Tecumseh Poultry are included in FY2018 and FY2019 (not FY2017). Keystone Foods and international facilities are not included in the data.

In FY2019, we continued to find innovative ways to incorporate technology into safety programs:

- Tyson Fresh Meats piloted wearable analytics software at our Storm Lake, Iowa, facility. Team members wore devices that collected hand and wrist motion data as they worked, then analyzed the risks associated with their movements. The pilot revealed that most of the 24 team members who participated had room for improvement to reduce their risk of injury. In FY2020, the team will expand upon this pilot by evaluating team members in selected high-risk jobs to gather more data that will help us better understand how to reduce injuries.
- Tyson Fresh Meats also explored the use of virtual reality for safety training. A pilot program focused on general safety awareness, and we have begun to expand the technology into new areas to visually demonstrate when a team member is vulnerable to a hazard.
- In the Transportation group, we adopted smart valves, which allow drivers to overinflate a truck's airbags to automatically raise a trailer's dolly legs off the ground so that drivers do not have to strain to do so manually.

The drivers who transport our products across the country face a distinct set of risks that we continually work to address. We've expanded our use of rough textured coating on the steps and handles on both sides of all new trucks, helping to prevent slip and fall injuries, and introduced new technology to improve safety for our drivers, including antifatigue seats, automatic transmission, forward-facing monitors and lane assist. We've also permanently attached red load straps on all Tyson Foods-owned trailers, which prevents loads from shifting during transport and creating an unforeseen hazard when the trailer door is opened.



## Bringing the Next Generation of Manufacturing to Tyson Foods

Automation has been present in manufacturing environments for nearly half a century. But it's been slower to take hold in food production, where unique demands for sorting and stacking of products have required human dexterity—until now.

The Tyson Manufacturing Automation Center (TMAC) is the culmination of more than \$215 million in investments in automation and robotics over the last five years. The two-story, 26,000-square-foot facility opened in downtown Springdale in 2019 and will be a place to develop new automation solutions, collaborate across teams and with suppliers, and train team members on new technology. The facility has four main areas: a machine vision technology lab; a lab that simulates a food production environment; equipment training classrooms; and space for team members to train in automation and robotics technology.

TMAC was built for everyone at Tyson Foods. It's a place where teams across the company can come and collaborate on solutions that we expect will improve efficiency, safety and product quality. In particular, we expect automation to help reduce the need for repetitive tasks that can result in injuries. TMAC's hands-on environment will also achieve another important goal: inspiring the next generation of innovators to pursue opportunities in STEM. TMAC's first collaboration is with Springdale's Don Tyson School of Innovation. We provided funding to send the school's robotics team to Dubai to compete in the FIRST Global Challenge, an annual international robotics competition.

## Training & Communication

Team members spend many hours each year training to work safely and to have a clear understanding of possible health and safety hazards related to their jobs. New team members receive awareness-level training regarding the health and safety hazards and procedures applicable to their jobs and work areas in their facility. Approximately 30 health and safety topics are discussed during this training. Managers in operations undergo regular training on processes and best practices, and we support their continual professional education and development.

Beyond formal training, communication is critical to ensuring that health and safety changes filter across the enterprise. We have a two-pronged approach to communication. We leverage our safety governance structure, which is led by an Executive Safety Council. This leadership team establishes enterprise safety programs and expectations, which then disseminate to plant safety councils and hourly safety committees. Health and safety governance processes are designed to align the executive team with what's happening on the plant floor.

In addition to the governance structure, we leverage our technology capabilities to disseminate information quickly across the enterprise if needed. Our plants have safety committees that meet at least monthly, and at some sites more frequently, for roundtable discussions involving plant management and hourly team members.

An important way we reach team members is through our We Care safety program, which is designed to improve plant safety communications, awareness and practices. In FY2019, we continued to enhance the We Care program by establishing our first cohort of third-party-certified Exposure Reduction Coaches (ERCs). These ERCs, who train for 18 months, are dedicated to in-field coaching and one-on-one mentoring which is focused on developing the Plant Safety Council and plant leadership in understanding team member vulnerability to a hazard.

## Valuing Team Members' Voices

Our team members are important participants in driving a culture of safety at Tyson Foods. We leverage the insights of safety committees at all plants. Safety committees raise health and safety concerns to management and work collaboratively with them to create action plans and implement solutions. Committee members encourage safety awareness, promote team members' interest in health and safety issues, engage them in safety initiatives and motivate others to follow safe work practices. Committees also help conduct workplace safety inspections and offer an additional avenue for team members to report safety hazards or concerns.

These committees include management and hourly team members representative of our workforce at each facility across job categories, genders and demographics. Language accommodations allow non-English-speaking team members to participate. We compensate team members for their time and allow free participation under our nonretaliation policy. We make reports from plant safety committees to all hourly team members and share them with management to ensure enterprise-wide communication about new or emerging safety issues in our plants.

Production line speeds in our plants follow U.S. Department of Agriculture (USDA) limits and vary based on stage of production, layout and capacity of a plant and number of workers available. Industrial engineers conduct studies to determine the number of people needed to safely yet effectively process certain product mixes, then set appropriate staffing for a production line. Safety is a key consideration, and team members may stop a production line at any time for worker or food safety issues, without fear of retaliation. Safety committee members help ensure team members feel comfortable asking for a line to be stopped when necessary.

Safety committees also encourage team members to report job-related injuries, regardless of their severity. We follow a systematic approach for the early reporting, intervention, evaluation and treatment of injuries and illnesses, and do not retaliate against team members for reporting.

## Oversight & Recognition

Tyson Foods is committed to third-party auditing and regular reporting. We work with facilities to close recommendations highlighted in audits and share findings across the business. In addition, we publicly report our annual progress on injury, illness and retention rates. Frequent safety audits from plant and corporate safety and health professionals are essential parts of our continual improvement in workplace safety.

Each year, we honor locations that achieved specific measurable safety goals for the year. The awards help us reinforce our values of providing a safe workplace for our team members. Our award criteria raise awareness of key safety issues, promote continual improvement and recognize locations for making significant progress.







## Ethics & Compliance



**Running our day-to-day operations in alignment with the highest ethical practices and standards is the way we do business.**

Our ethical conduct is guided by our Core Values, [Code of Conduct](#), Team Behaviors (also known as our 5Cs) and [Team Member Promise](#), which outline team member rights, benefits and responsibilities. Policies and practices follow the human rights principles set forth in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Team member rights are further strengthened through regular communication, including annual compliance training, our Social Compliance auditing program and our Ethics Help Line. As we grow our business internationally, we onboard new locations by ensuring key policies are disseminated and new team members are incorporated into our communications and training.

We require all of our team members and directors to participate in annual compliance training to reinforce their understanding that our Code of Conduct and policies prohibit any kind of illegal or unethical behavior and that they are obligated to report suspected violations promptly.

Our Supplier Code of Conduct sets forth the principles and ethical standards we strive to achieve and describes our expectations for supplier adherence to the same standards. The Supplier Code of Conduct is also linked in purchase order terms and conditions and applicable contracts.

Since the Immigration Reform and Control Act of 1986, the burden of determining who is legally eligible to work in the U.S. has been on employers. This has been particularly challenging to the meat industry, which has historically attracted immigrants and refugees because we offer well-paying entry-level jobs and benefits. Tyson Foods has taken some important steps to ensure the validity of team members' employment status, including:

- E-Verification, which helps participating businesses electronically verify the employment eligibility of new hires.
- Voluntary participation in the Social Security Number Verification Service.
- Participation in the IMAGE program, which enables businesses that meet rigorous standards to partner with the federal government to make sure they're employing people authorized to work in the U.S.
- Training of hiring managers on employment documentation procedures and work to increase their awareness of identification fraud. We regularly audit employment documents, as well as our hiring process, and we use an independent third party to audit our hiring practices.

## Social Compliance Program

Our Social Compliance program began in 2015 and allows us to be proactive in our social compliance efforts. Our goal is to ensure our team members understand their rights, benefits and responsibilities while also providing our customers visibility into our workplace conditions, which include worker treatment, voice, compensation and safety, so they have reasonable assurance of our commitment to social responsibility. Key elements of the program include:

- Maintaining a Social Compliance Committee (SCC) to provide oversight.
- Responding to all self-assessment questionnaires.
- Maintaining memberships in Sedex and SAFESUPPLY, which are external customer-supplier data exchanges dedicated to empowering responsible supply chains.
- Using a reputable third-party firm to provide audit services.

In FY2019, we began using Sedex Members Ethical Trade Audit (SMETA) a membership organization criteria to audit our production facilities. We also continued to use the Workplace Conditions Assessment (WCA) criteria, which we have used since 2014, for some of our facilities. In FY2020 we will transition fully to using the SMETA criteria. SMETA auditors use global social compliance audit criteria to verify adherence to the four pillars of social compliance standards in labor, health and safety, environment and business integrity. Our comprehensive audit program is efficient and effective for us and our customers.

In FY2019, 37 production facilities were audited (using a combination of SMETA and WCA criteria), with half of the facilities having one or no findings. The findings were related to:

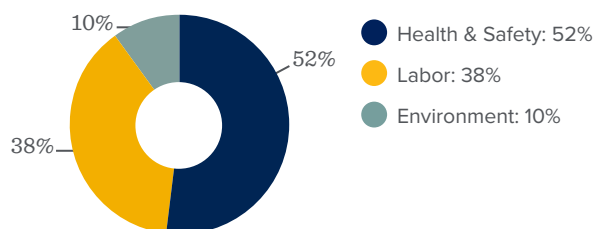
- Health and safety requirements such as electrical panels, emergency egress and fire extinguisher location and number.
- Labor that involved overtime hours and consecutive workdays. All findings were in full compliance with applicable laws and regulations. We confirmed that our team members chose to work overtime hours in excess of 60 hours per week and were properly paid for all hours worked. Management continues to look for opportunities to reduce overtime and consecutive workdays.
- Environmental findings are based on historical noncompliance events.

While we are proud of our overall performance against the audit criteria, we recognize there are opportunities for improvement. All findings were remediated, and management systems are reviewed to prevent similar future findings.

## Pledge Against Human Trafficking

Tyson Foods has pledged support for the U.S. Department of Transportation's Transportation Leaders Against Human Trafficking initiative, which urges transportation industry leaders to combat human trafficking through employee education, raising public awareness and sharing relevant data to measure the effort's collective impact.

### FY2019 AUDIT FINDINGS

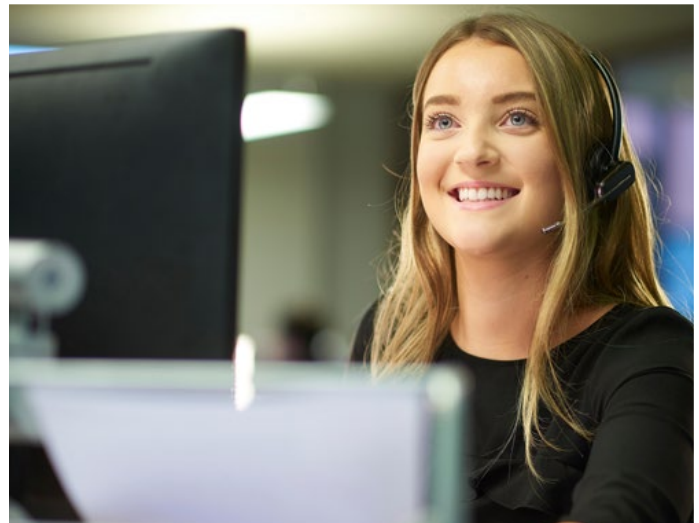


## Ethics Help Line

At Tyson Foods, team members' voices are meant to be heard. All team members are actively encouraged to speak with local management, human resources representatives, or to contact the Ethics and Compliance department or the human resources director regarding any ethics questions, complaints or concerns they may have.

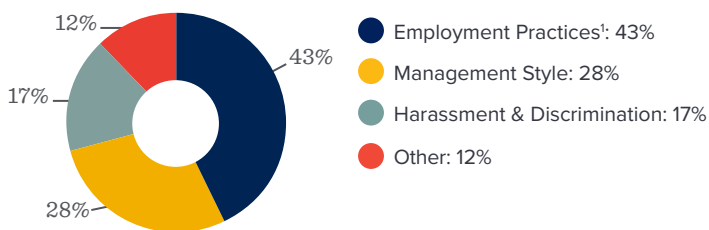
We provide a toll-free number and web-based reporting mechanism for team members to report suspected violations of our Code of Conduct or the law. The Ethics Help Line is operated by an independent third party and is available 24 hours a day, seven days a week in multiple languages, with an option to remain anonymous, where permitted by law. We do not tolerate retaliation in any form against any team member for raising concerns.

In FY2019, we added a new option on the Ethics Help Line's web reporting page that allows a team member to ask a question about policies, or to request an ethics opinion. This option gives team members an additional communication channel through which to seek clarification on ethics and compliance issues and also provides us with visibility into common questions. We also added in-country numbers to serve our newly acquired team members in various countries.



During FY2019, our Ethics Department received 5,527 contacts related to Employment Practices. Of the investigated contacts, 75% were deemed unsubstantiated. The remaining 25% of calls were substantiated and resolved. While the option to report anonymously is available, 60% of team members making reports in FY2019 chose to provide contact information. In comparison data provided by a reputable benchmarking report shows, on average, 58% of those who contact a company hotline provide contact information. This volume, combined with callers' willingness to provide contact information, shows that our team members know how to use the process and are not hesitant to do so, consistent with our dedication to maintaining a workplace culture in which we can all ask questions and raise concerns without fear of retaliation.

### ETHICS HELP LINE COMPLAINT AREAS



<sup>1</sup>Employment Practices was formerly called Employee Matters. It includes items such as concerns about attendance points, discipline or fellow team members.





# Community

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OUR COMMITMENT

**Support the communities we serve  
where help is needed most.**

## IN THIS SECTION

**95** Overview  
**96** Community Impact

**99** Hunger Relief  
**102** Disaster Relief

# Community

## OUR Goal

Pledged 5-year goal of

# \$50 Million

in cash or in-kind donations to fight hunger by 2020



## FY2019 Key Achievements

- 1 Reached our goal—one year early—to give \$50 million in cash or in-kind donations over five years to fight hunger.
- 2 Donated 400,000 pounds of food to 12 food pantries through the Community Pantry Initiative.
- 3 Made a \$1 million grant to DonorsChoose.org, which was used to fund teacher-requested resources at schools in 37 Tyson Foods communities.
- 4 Expanded Giving Together, our matched giving program for Tyson Foods team members, by opening the program to all employees and offering donation matching for volunteer time.
- 5 Responded to flood-related disasters by using our facilities as distribution centers for Meals that Matter food donations.

## FY2019 By-the-Numbers



### \$40 Million

TOTAL SOCIAL INVESTMENT



### 204

TOTAL GRANTS AWARDED



### \$34,500

AVERAGE GRANT AWARDED



### 3,253,857

MEALS THAT MATTER® DISASTER RELIEF SERVINGS<sup>1</sup>



### 12,840,778

NON-HUNGER RELIEF SERVINGS<sup>2</sup>



### 66,286,456

HUNGER RELIEF SERVINGS (PRODUCT DONATIONS)<sup>3</sup>

<sup>1</sup>Meals provided during disaster relief deployments.

<sup>2</sup>Product donations for non-hunger relief purposes such as event support and community fundraising.

<sup>3</sup>Product donations to food banks and other hunger agencies.



## Community Impact



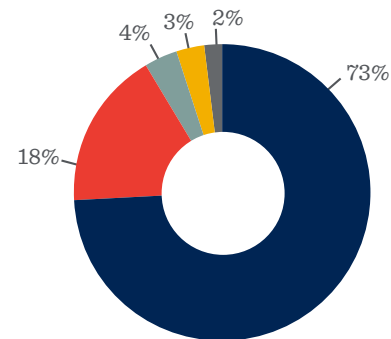
**Building strong communities starts at home where our team members live, work and play.**

We own and operate facilities in more than 100 communities across the U.S. Most of our communities are in rural areas where, in many cases, Tyson Foods is the largest employer. The majority of our team members work on the front lines of our processing plants, and may face challenges in accessing basic resources like housing, transportation, childcare and health care, as well as ensuring our team members feel a sense of connection with their community. Challenges like these not only prevent our team members from growing and thriving—they impact turnover and absenteeism, which threaten the stability of our workforce.

As a result, our community support efforts emphasize improving the quality of life in the communities where our team members live and work. We do this by focusing where we can uniquely add value, take advantage of our strengths, and generate the most impact from both business and social perspectives. Specifically, our corporate social responsibility efforts:

- Address hunger insecurity by expanding access to protein.
- Work with team members to address social challenges that disrupt their lives, such as housing, transportation, childcare, team member culture/integration and health care.
- Support market access and growth for Tyson Foods and its subsidiaries.
- Improve quality of life in the communities where we operate.

### TOTAL CHARITABLE DONATIONS BY FOCUS AREA



- Product Donations: 73% (\$28,922,171)
- Social Investment Grants: 18% (\$7,047,415)
- Employee Emergency Assistance: 4% (\$1,490,898)
- Upward Academy: 3% (\$1,137,465)
- Disaster Relief: 2% (\$928,662)



## A Shift to Social Investment

Our corporate responsibility programming reflects a vision based on two key principles:

**1 Ensuring initiatives are focused on delivering a quantifiable social or economic “return” for the investment of time, energy and money**

**2 Building win-win strategies and partnerships**

These guiding themes serve as pillars for how we develop and manage all we do. We seek to make strategic investments that will yield a positive social change to ensure all stakeholders benefit. And we do so primarily by supporting nonprofits, including by accelerating their capacity to serve our communities. We know that during times of scarcity, nonprofits are often forced to reduce investments that ensure their own livelihoods, such as talent development, strategic planning and board governance improvements. Tyson Foods aims to partner with select nonprofits to ensure that this doesn't happen. Our corporate grantmaking strategy includes:

- Investments in the most important social risks facing the community and company: hunger relief and reducing the social challenges that cause instability in our hourly team members' lives.
- Prioritization of communities where we have a plant.
- A focus on “closed” invitations where we invite select nonprofits to respond to a request for proposals; however, we also have an “open” category where nonprofits can submit requests based on their interests.
- A required “Performance Target”—a quantifiable goal that a nonprofit seeks to attain by using Tyson Foods grant money, as well as information about how they will measure progress.
- An internal Advisory Committee that helps us make investment decisions and ensures transparency with spending practices.

Our team members are empowered to suggest projects to fund through Tyson Hometown Service Grants, a new pilot program. Grants may range from \$500 to \$3,000 to support nonprofit or public service organizations in Tyson Foods communities. The funds must be used to support a community service project through these organizations, for which a minimum of five Tyson Foods team members must volunteer. Managers must approve these projects in advance and determine whether volunteer work may be completed during work hours or during team members' personal time.



## Community Social Baseline Assessments

To best serve our communities, we must understand their diverse characteristics and needs. That's why we conduct independent community social baseline assessments of our operations in Tyson Foods plant communities. Assessments examine the impacts and social risks in the communities where we do business, focusing on those where challenges are estimated to be significant. Our goal is to ensure that we are sharing the benefits of our presence with the local community through employment and community support, as well as to mitigate any adverse impacts that may occur.

Plants can voluntarily request an assessment of their community risks and impacts. During an assessment, we interview hourly team members, management staff and community stakeholders to identify the most significant areas of concern. Then, we make investments to mitigate social challenges that we share with the communities in which we operate.

Tyson Foods recently conducted a social baseline assessment in Eagle Mountain, Utah, where Tyson Fresh Meats plans to build a new plant that will support approximately 1,200 jobs. In advance of this expansion, we chose to conduct an assessment to understand the social attributes of the community and identify potential challenges that might require further analysis and action. We interviewed more than 30 community leaders and learned that there are community needs for affordable housing, childcare, medical facilities and sustainable transportation options. As a result, we are exploring public-private partnerships to address each of these issues to strengthen this community and mitigate team member turnover once the plant is open.

## Recent Social Investments

Beyond targeted support for our team members, Tyson Foods makes investments that support the overall health of communities where we operate. These could include support for public service organizations like schools and libraries, or nonprofits that help individuals access resources they need to thrive. Notable recent investments include:

- A \$1 million grant to DonorsChoose.org for projects in 46 school districts in 37 Tyson Foods communities. DonorsChoose is a crowdfunding platform for public schools which teachers can use to request specific resources for their classrooms. This pool of funding allowed teachers in school districts linked to our plant communities to apply for up to \$1,000 to purchase the supplies and equipment that they need most.
- A \$100,000 grant to fund the Legal Navigator Project established by Ethnic Minorities of Burma Advocacy and Resource Center (EMBARC). This investment will allow EMBARC to increase awareness and support for civil and immigrant legal services, such as green cards and citizenship applications. It will also improve the self-sufficiency and economic stability for refugees in Iowa communities such as Waterloo, Columbus Junction, Independence and Perry, where we operate plants.
- Grants to two public libraries in Northwest Arkansas to better support local cultures present in the area. Many people perceive libraries as a place only for people who read. But libraries serve a variety of functions: they are gathering spaces and the primary institutions providing free access to information and education resources in our society. Through literacy programs, ESL classes, cultural celebration events, tool lending programs, and more, Tyson Foods' grants will help these libraries better foster connections between our workforce, especially those who are new to America, and the community at large. The project will also allow us to bring the library into the plant with regular monthly visits.

## Team Member Giving

Tyson Foods team members join in our spirit of giving through donations and support of volunteer projects. In FY2019, we expanded Giving Together, our matching gifts program through which Tyson Foods matches donations up to \$1,000 per year per team member. Now, all team members across the company can participate, and team members can make charitable contributions and receive company matches via payroll deduction.

We've also added a volunteer matching option. For every hour a team member volunteers for an eligible nonprofit and tracks their time in our online platform, We will donate \$12, which the team member can then pass on to any eligible organization, regardless of where they volunteered. Between October 2018 and September 2019, we matched more than \$297,000 in employee donations to charities of their choice.

*Tyson Foods' Shenzhen facility gave back to communities in a number of ways in FY2019. Team members and families participated in the sixth annual Kidathon event sponsored by McDonald's China, which raised money for sick children; held a community blood drive; and donated supplies to a local primary school.*





## Hunger Relief



**Raising the world's expectations for how much good food can do extends to sharing our products with communities in need.**

More than 41 million Americans live in food-insecure households, according to Feeding America. Hunger exists in every state, city and community in our country. We are deeply committed to relieving hunger in the U.S. and lending a helping hand to communities affected by food insecurity.

We formalized that commitment in 2015 by pledging "50 in 5": to give \$50 million in cash or in-kind donations over five years to fight hunger. And in FY2019, we were thrilled to meet our goal one year early, donating nearly \$60 million, amounting to almost 51,000,000 pounds of food.

In addition to product donations, we awarded \$2.9 million in hunger relief grants to roughly 80 projects. These included grants for "urgent feeding" programs that enhance access to nutritious foods for those who struggle with food insecurity. In FY2019, Tyson Foods made approximately 30 awards totaling \$1 million to fund mobile pantries and backpack programs that help stabilize individuals' food needs during periods of episodic hunger.

Tyson Foods invested in capacity-building: helping food banks build their physical infrastructure to store, refrigerate and deliver food throughout a region. Grants supported specific needs such as storage, equipment and vehicles. At the local level, our Community Pantry Initiative has a best-in-class model for community food pantries. Pantries in Tyson Foods communities that are selected as partners must adopt these practices. In return, we are able to donate more product to them and increase the provision of high-quality protein and other foods in the community while enhancing the pantries' capacity to provide food and decreasing costs to secure it. Increasing community pantry capacity enables us to donate product more directly to people facing food insecurity in our communities. It also serves to decrease costs associated with transporting excess product greater distances to regional food bank locations. In FY2019, we invested in 12 pantries located in Tyson Foods communities, donating more than 400,000 pounds of protein to these organizations.



**19,740,009  
Pounds**

OF FOOD DONATED

**\$33,436,285**

DONATION VALUE

### How We Reached "50 in 5"

We achieved this goal through a combination of efforts that attacked the problem of hunger on multiple levels. The majority of our contributions came in the form of product donations. Donating food products allows us to feed those in need while reducing excess product in our business. In FY2019, we donated more food than ever before.



When considering pantries for the Community Pantry Program, we evaluate the following criteria:

- Estimated storage capacity and ability to receive product, including chilled and frozen product.
- Ability of the pantry to handle large-volume donations in terms of staffing, equipment and operating hours.
- Whether the pantry owns or leases their building, to determine whether capital investments have longevity.
- Current operating hours and/or willingness to change operating hours to accommodate community demand.
- Operating budget and ability to sustain facility for a three-year period.
- Sustainability of staffing plan and reliance on volunteers.
- Alignment of pantry's service area with communities near Tyson Foods plants.

#### Hometown Hunger Heroes Winner

**Maggie Kane** is the founder and executive director of *A Place at the Table*, a pay-what-you-can café in downtown Raleigh, North Carolina. Patrons can pay the suggested price for their meal, pay what they can, or volunteer in exchange for their meal. Tyson Foods' grant will help the café build a new commercial kitchen.



## Team Member Support

Tyson Foods team members are important contributors to our hunger relief efforts. Their commitment and enthusiasm helped us elevate those working to alleviate hunger in our communities and reach our "50 in 5" goal.

### MILES THAT MATTER

Our Miles that Matter program encourages team members to walk, run or cycle for charity. For every mile logged, we donate a pound of food to a local food bank. In FY2019, we expanded the program to 25 chapters that donated 345,000 pounds of food to 14 feeding agencies. We also held an expo at Tyson Foods headquarters in Springdale where team members could learn about nearby events they could participate in.

#### Hometown Hunger Heroes Winner

**Jonathan Lawler**, a produce farmer in Greenfield, Indiana, established Brandywine Creek Farms as a nonprofit dedicated to fighting hunger in Central Indiana. Since 2016, the farm has donated more than 2 million pounds of food. As the competition's national winner, he will receive \$100,000 to expand the farm's operation and open a small grocery store.



### HOMETOWN HUNGER HEROES

To help celebrate our "50 in 5" achievement, we sent out a call to team members for nominations of people in Tyson Foods communities (not necessarily team members themselves) who are going above and beyond to provide hunger relief. We received dozens of nominations, and out of that pool selected 21 "Homegrown Hunger Heroes." Each received a \$2,500 grant to apply to his or her hunger relief organization of choice. We also selected three national Hunger Heroes to honor people who are making a difference on a larger scale. Two of these heroes received grants of \$30,000 each, while our overall national winner received a grant of \$100,000.

#### Hometown Hunger Heroes Winner

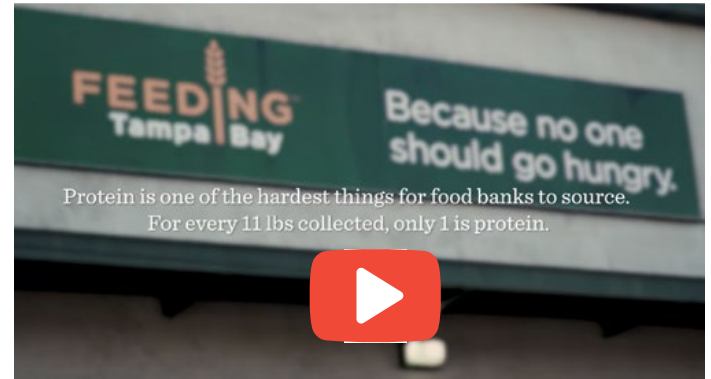
**Jasmine Crowe** is founder and CEO of Goodr, a company that uses blockchain technology to recover food and ensure delivery to nonprofits and those in need. Crowe was inspired to launch Goodr after years of feeding people from her own kitchen and realizing hunger isn't a scarcity issue, it's a logistics issue. The grant will help establish Goodr's charitable giving arm.



## Hunger Relief Partnerships

Tyson Foods has partnered with Feeding America for several years. In FY2019, we were named a Leadership Partner, recognizing our substantial contributions in the form of cash and in-kind donations, volunteers, board service, and disaster relief partnership support to the organization and its network of food banks. To date, the Tyson Foods Protein Innovation Fund has provided \$1 million to 10 Feeding America food banks in nine states to fund protein sourcing projects that have the potential to be scaled and replicated across the Feeding America network. In Florida, Feeding Tampa Bay was awarded \$50,000 to hire a full-time staff member whose main function is identifying and pursuing sources of wasted food, particularly protein, in their local supply chain. As a result, more than 500,000 pounds of protein was rescued and redirected back into the community, and Feeding Tampa Bay is on track to achieve its goal of sourcing an additional 1 million pounds of protein per year.

*See how the Protein Innovation Fund is making a difference in Tampa, Florida.*



### NO KID HUNGRY®

For every 20 free or reduced-price lunches served in schools, only one meal is served after school hours. But this lack of service doesn't mean there aren't children in need. Tyson Foods works with the No Kid Hungry® campaign to expand afterschool meal access across the country. Through the No Kid Hungry® program, Tyson Foods funded grants for the 2019-2020 school year to school districts across the country who contract their food service operations with K-12 food service management companies.

### No Kid Hungry

**25  
Grants**

**\$115,000  
Total Value**

**1,053,987  
Meals Served**

SINCE 2017

### ONEEGG

Eggs are a nutritious and portable form of protein, and an effective dietary supplement for children in developing countries. Tyson Foods and our subsidiary Cobb-Vantress partner with social enterprise OneEgg to provide an egg a day to children in six countries. In Ethiopia, Honduras and Nepal, where OneEgg began operating

in 2018, our grants help provide a combined 22,000 to 26,000 eggs to schools and families each month. In Honduras, results from a clinic that treats both children who are and are not participants in the OneEgg program showed that participants averaged 100.78% of the ideal weight for their age, while nonparticipants averaged only 78% of their ideal weight.

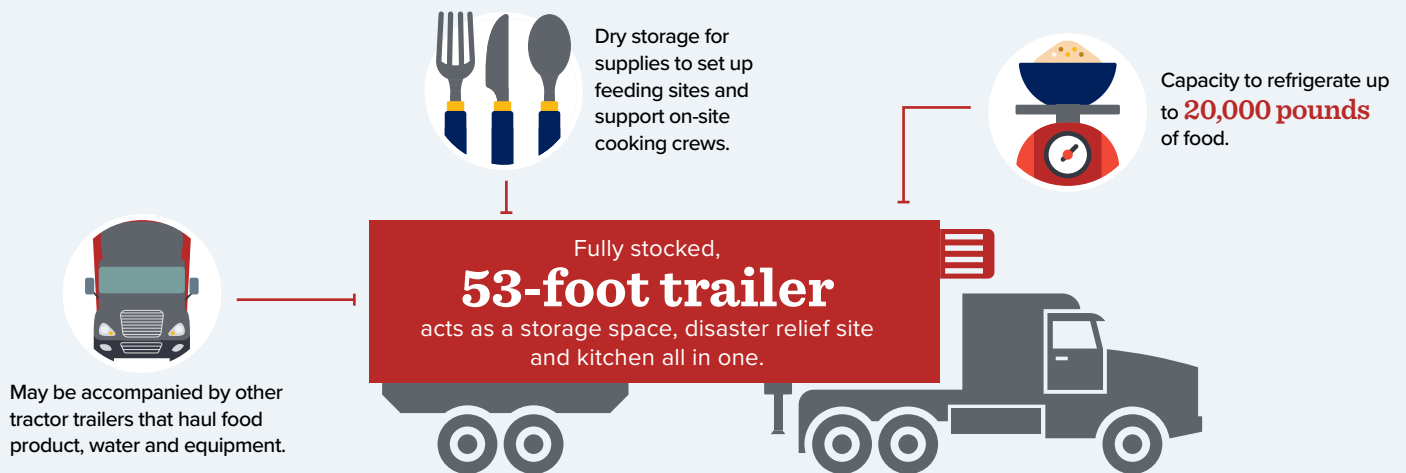
OneEgg also supports social entrepreneurship by helping farmers learn to raise chickens whose eggs are donated to schools. Farmers sell the remaining eggs on the open market, which helps drive economic development and a desire to consume eggs and chickens locally. The Tyson Foods Fellows® program provides technical expertise in an ongoing partnership with OneEgg and in-country charitable and business partners. Through the technical expertise of the program, we can meet farmers where they are and help them find solutions that make sense given their resources, market dynamics and capabilities for growing chickens.

### TOP BOX

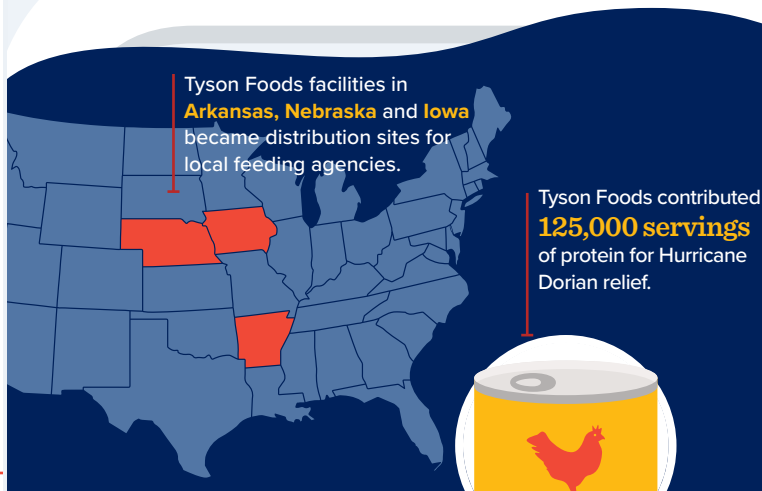
In FY2019, Tyson Foods launched a new social enterprise project with Top Box, a Chicago-based nonprofit that strives to create equitable access to healthy, fresh, affordable foods in Chicago's underserved food-insecure neighborhoods. Top Box fills a gap between food pantries and full-service supermarkets by selling a variety of fresh produce and frozen lean proteins at below-market prices. Tyson invested \$100,000 to help Top Box increase fresh meat sales and implement a customer relationship management app that will allow them to reach more families and grow their sales.

# Disaster Relief

In the aftermath of natural disasters, food insecurity can quickly become an urgent need. Through our Meals that Matter® disaster relief program, we help to deliver and serve food to communities that have been heavily impacted by natural disasters. A network of partners make it possible for us to implement our disaster-relief program in the field.



## Our Partners



## How We Responded in 2019

In FY2019, most of the disasters that impacted Tyson Foods communities were flood-related, and road closures required us to rethink our traditional centralized feeding approach. Instead, we provided truckloads of product donations to Tyson Foods facilities in affected areas. These facilities then became distribution sites for local feeding agencies.

Tyson Foods also made an exception to our typical strategy of supporting U.S. communities. The devastation of Hurricane Dorian in the Bahamas touched our Bahamian team members, many of whose family members were affected. We contributed a truckload of canned chicken to the island's relief efforts.



# Appendix

## IN THIS SECTION

103 GRI Standards  
110 UNGC Index

111 ESG Data Center  
116 UNSDG



# GRI Standards

DISCLOSURE	TITLE	RESPONSE
<b>GRI 102: General Disclosures</b>		
<b>ORGANIZATIONAL PROFILE</b>		
102-1	Name of the organization	Tyson Foods, Inc.
102-2	Activities, brands, products, and services	Approach > Our Business
102-3	Location of headquarters	Springdale, Arkansas
102-4	Location of operations	Approach > Our Business; Tyson Foods 2019 Form 10-K (page 5)
102-5	Ownership and legal form	Publicly traded company (NYSE: TSN)
102-6	Markets served	Approach > Our Business; Tyson Foods 2019 Form 10-K (page 5)
102-7	Scale of the organization	Approach > Our Business
102-8	Information on employees and other workers	Approach > Our Business
102-9	Supply chain	Approach > Our Business
102-10	Significant changes to the organization and its supply chain	Tyson Foods 2019 Form 10-K (page 3)
102-11	Precautionary Principle or approach	<p>The “precautionary principle,” as defined by Article 15 of the Rio Principles established at the United Nations Conference on Environment and Development in 1992, states that “where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.” Tyson Foods evaluates and manages environmental risks under its Environmental Management System. This approach includes data and guidance from environmental regulatory agencies, academia, and industry associations.</p> <p>See also, Environment &gt; Strategic Approach</p>
102-12	External initiatives	<p>United Nations Global Compact</p> <p>Approach &gt; Stakeholder Engagement</p>

DISCLOSURE	TITLE	RESPONSE
102-13	Membership of associations	<p>We are a corporate member of, or have individual team members that participate in, numerous industry groups and professional associations. We work with these groups and associations because they represent the food processing industry and business community in discussions with governmental agencies and other stakeholders. They are also instrumental in helping to reach industry consensus on important national policy issues. We have company representatives on the boards and committees of many of these groups and associations to ensure we have an avenue to voice questions, concerns, and opinions about policy or related activities.</p> <p>Examples of industry groups and associations we are involved in include the Academy of Nutrition and Dietetics; CEO Action for Diversity &amp; Inclusion; Global Food Safety Initiative; Global Roundtable for Sustainable Beef; Leather Working Group; National Grain and Feed Association; Research Chefs Association; Roundtable for Sustainable Soy; School Nutrition Association; Sedex Members Ethical Trade Audit; Society for Human Resources Management; Sustainable Packaging Coalition; The Valuable 500; U.S. Department of Energy Better Buildings, Better Plants; and the U.S. Roundtable for Sustainable Poultry and Egg.</p>

#### STRATEGY

102-14	Statement from senior decision-maker	Approach > CEO Message
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#### ETHICS AND INTEGRITY

102-16	Values, principles, standards, and norms of behavior	Approach > Governance; Workplace > Ethics & Compliance
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#### GOVERNANCE

102-18	Governance structure	Approach > Governance
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#### STAKEHOLDER ENGAGEMENT

102-40	List of stakeholder groups	Approach > Stakeholder Engagement > Summary of Stakeholder Dialogue and Outcomes
102-41	Collective bargaining agreements	Workplace > Engagement & Retention > About Our Workforce; Tyson Foods 2019 Form 10-K (page 6)
102-42	Identifying and selecting stakeholders	Approach > Stakeholder Engagement
102-43	Approach to stakeholder engagement	Approach > Stakeholder Engagement
102-44	Key topics and concerns raised	Approach > Stakeholder Engagement

DISCLOSURE	TITLE	RESPONSE
<b>REPORTING PRACTICES</b>		
102-45	Entities included in the consolidated financial statements	Tyson Foods 2019 Form 10-K (Exhibit 21)
102-46	Defining report content and topic Boundaries	Approach > Materiality
102-47	List of material topics	Approach > Materiality > Sustainability Materiality Matrix
102-48	Restatements of information	Any restatements, and reasons for such, are footnoted as part of the data presentation within the body of the report.
102-49	Changes in reporting	Any changes are footnoted as part of the data presentation within the body of the report.
102-50	Reporting period	The editorial content of the Tyson Foods 2019 Sustainability Report generally covers subject matter for FY2019 (September 30, 2018 through September 28, 2019) and some of fiscal year 2020.
102-51	Date of most recent report	2019
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Leigh Ann Johnston Director, Sustainable Food Strategy leigh.ann.johnston@tyson.com 479-290-3419 Mailing Address: Tyson Foods, Inc. 2200 W. Don Tyson Parkway, CP005 Springdale, AR 72762-6999
102-54	Claims of reporting in accordance with the GRI Standards	Core
102-55	GRI content index	GRI Content Index (pages 103-109)
102-56	External assurance	This report is not externally assured.

## GRI 200: Economic

### GRI 205: ANTI-CORRUPTION

103-1	Explanation of the material topic and its boundary	Approach > Governance Workplace > Ethics & Compliance
103-2	The management approach and its components	Approach > Governance <a href="#">Tyson Code of Conduct</a> Workplace > Ethics & Compliance
103-3	Evaluation of the management approach	Approach > Governance <a href="#">Tyson Code of Conduct</a> Workplace > Ethics & Compliance
205-1	Operations assessed for risks related to corruption	Workplace > Ethics & Compliance

DISCLOSURE	TITLE	RESPONSE
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOR</b>		
103-1	Explanation of the material topic and its boundary	Approach > Governance <a href="#">Tyson Code of Conduct</a>
103-2	The management approach and its components	Approach > Governance <a href="#">Tyson Code of Conduct</a>
103-3	Evaluation of the management approach	Approach > Governance <a href="#">Tyson Code of Conduct</a>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Tyson Foods 2019 Form 10-K, pages 17-18, 80-82
<b>GRI 300: Environmental</b>		
<b>GRI 302: ENERGY</b>		
103-1	Explanation of the material topic and its boundary	Environment > Energy & Emissions; CDP Climate Change 2019
103-2	The management approach and its components	Environment > Energy & Emissions; CDP Climate Change 2019
103-3	Evaluation of the management approach	Environment > Energy & Emissions; CDP Climate Change 2019
302-1	Energy consumption within the organization	Environment > Energy & Emissions; CDP Climate Change 2019
302-3	Energy intensity	Environment > Energy & Emissions
302-4	Reduction of energy consumption	Environment > Energy & Emissions; CDP Climate Change 2019
<b>GRI 303: WATER AND EFFLUENTS</b>		
103-1	Explanation of the material topic and its boundary	Environment > Water; CDP Water Security 2019
103-2	The management approach and its components	Environment > Water; CDP Water Security 2019
103-3	Evaluation of the management approach	Environment > Water; CDP Water Security 2019
303-1	Interactions with water as a shared resource	Environment > Water; CDP Water Security 2019
303-2	Management of water discharge-related impacts	Environment > Water; CDP Water Security 2019
303-3	Water withdrawal	Environment > Water; CDP Water Security 2019
303-4	Water discharge	Environment > Water; CDP Water Security 2019
303-5	Water consumption	Environment > Water; CDP Water Security 2019



DISCLOSURE	TITLE	RESPONSE
<b>GRI 305: EMISSIONS</b>		
103-1	Explanation of the material topic and its boundary	Environment > Energy & Emissions; CDP Climate Change 2019
103-2	The management approach and its components	Environment > Energy & Emissions; CDP Climate Change 2019
103-3	Evaluation of the management approach	Environment > Energy & Emissions; CDP Climate Change 2019
305-1	Direct (Scope 1) GHG emissions	Environment > Energy & Emissions; CDP Climate Change 2019
305-2	Energy indirect (Scope 2) GHG emissions	Environment > Energy & Emissions; CDP Climate Change 2019
305-4	GHG emissions intensity	Environment > Energy & Emissions; CDP Climate Change 2019
305-5	Reduction of GHG emissions	Environment > Energy & Emissions; CDP Climate Change 2019
<b>GRI 306: EFFLUENTS AND WASTE</b>		
103-1	Explanation of the material topic and its boundary	Environment > Water, Material Resources; CDP Water Security 2019
103-2	The management approach and its components	Environment > Water, Material Resources; CDP Water Security 2019
103-3	Evaluation of the management approach	Environment > Water, Material Resources; CDP Water Security 2019
306-3	Significant spills	Environment > Strategic Approach > Compliance Metrics  In FY2019, there were 38 reportable chemical spills totaling 661,298 gallons. For further information on the impact of these spills, please contact us (see GRI 102-53 for contact information).  As reported in Tyson Foods 2019 Form 10-K (page 17), on June 6, 2019, our poultry rendering facility in Hanceville, Alabama, recently acquired from American Proteins, Inc., experienced a release of 220,000 gallons of partially treated wastewater that reached a nearby river and resulted in a fish kill. We took remediation efforts and are cooperating with the Alabama Department of Environmental Management in its review.
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>		
103-1	Explanation of the material topic and its boundary	Environment > Strategic Approach
103-2	The management approach and its components	Environment > Strategic Approach
103-3	Evaluation of the management approach	Environment > Strategic Approach
307-1	Non-compliance with environmental laws and regulations	Environment > Strategic Approach > Compliance Metrics

DISCLOSURE	TITLE	RESPONSE
GRI 400: Social		
<b>GRI 402: LABOR/MANAGEMENT RELATIONS</b>		
103-1	Explanation of the material topic and its boundary	Workplace > Engagement & Retention
103-2	The management approach and its components	Workplace > Engagement & Retention
103-3	Evaluation of the management approach	Workplace > Engagement & Retention
402-1	Minimum notice periods regarding operational changes	When significant operational changes have been determined (such as plant expansions or closures, acquisitions, or investments in technology), we notify our team members of the changes. We share the news as transparently and timely as possible and are committed to continued communication as appropriate throughout the process. This approach is always a part of any change management we do. We are compliant with the U.S. Department of Labor Worker Adjustment and Retraining Notification Act (WARN); local, state, or country specific laws; or any requirements set forth in respective collective bargaining agreements.
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY</b>		
103-1	Explanation of the material topic and its boundary	Workplace > Health & Safety
103-2	The management approach and its components	Workplace > Health & Safety
103-3	Evaluation of the management approach	Workplace > Health & Safety
403-1	Occupational health and safety management system	Workplace > Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	Workplace > Health & Safety
403-3	Occupational health services	Workplace > Health & Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace > Health & Safety
403-5	Worker training on occupational health and safety	Workplace > Health & Safety
403-6	Promotion of worker health	Workplace > Health & Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Supplier Code of Conduct</a>
403-9	Work-related injuries	Workplace > Health & Safety > A Safe Work Environment > Safety at Tyson Foods

DISCLOSURE	TITLE	RESPONSE
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>		
103-1	Explanation of the material topic and its boundary	Workplace > Engagement & Retention
103-2	The management approach and its components	Workplace > Engagement & Retention
103-3	Evaluation of the management approach	Workplace > Engagement & Retention
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	To our knowledge, Tyson Foods did not have operations in FY2019 in which the right to exercise freedom of association and collective bargaining were at risk. We maintain a <a href="#">Code of Conduct</a> and <a href="#">Team Member Promise</a> that specifically recognizes and respects the rights of our team members to join or not to join a trade union, or to have recognized employee representation in accordance with local law. At this time, we do not screen our suppliers and contractors for human rights, including the right to exercise freedom of association or collective bargaining. We do, however, maintain a <a href="#">Supplier Code of Conduct</a> that sets forth our expectations of suppliers and contractors in regard to key business practices, including the right of employees to freely associate.
<b>GRI 412: HUMAN RIGHTS ASSESSMENT</b>		
103-1	Explanation of the material topic and its boundary	Workplace > Ethics & Compliance
103-2	The management approach and its components	Workplace > Ethics & Compliance
103-3	Evaluation of the management approach	Workplace > Ethics & Compliance
412-1	Operations that have been subject to human rights reviews or impact assessments	Workplace > Ethics & Compliance > Social Compliance Program
<b>GRI 416: CUSTOMER HEALTH AND SAFETY</b>		
103-1	Explanation of the material topic and its boundary	Food > Consumer Nutrition, Audits & Certifications, Food Safety & Quality
103-2	The management approach and its components	Food > Consumer Nutrition, Audits & Certifications, Food Safety & Quality
103-3	Evaluation of the management approach	Food > Food Safety & Quality
416-1	Assessment of the health and safety impacts of product and service categories	Food > Consumer Nutrition, Food Safety & Quality
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Food > Food Safety & Quality
<b>GRI 419: SOCIOECONOMIC COMPLIANCE</b>		
103-1	Explanation of the material topic and its boundary	Approach > Governance <a href="#">Tyson Code of Conduct</a> Workplace > Ethics & Compliance
103-2	The management approach and its components	Approach > Governance <a href="#">Tyson Code of Conduct</a> Workplace > Ethics & Compliance
103-3	Evaluation of the management approach	Approach > Governance <a href="#">Tyson Code of Conduct</a> Workplace > Ethics & Compliance
419-1	Non-compliance with laws and regulations in the social and economic area	Tyson Foods 2019 Form 10-K, pages 17-18, 80-82

# UNGC Index

## Human Rights

### UNGC PRINCIPLES

1. Support and respect protection of internationally proclaimed human rights
2. Make sure business is not complicit in human rights abuses

### REPORT LINKS

[Tyson Code of Conduct](#)  
 Workplace > Ethics & Compliance

[Tyson Code of Conduct](#)  
[Team Member Promise](#)  
 Workplace > Ethics & Compliance

## Labor Standards

### UNGC PRINCIPLES

3. Uphold freedom of association and the effective recognition of the right to collective bargaining
4. Support elimination of all forms of forced and compulsory labor
5. Support effective abolition of child labor
6. Eliminate discrimination in employment and occupation

### REPORT LINKS

[Tyson Code of Conduct](#)  
[Team Member Promise](#)  
 Workplace > Engagement & Retention > About Our Workforce

[Tyson Code of Conduct](#)  
 Workplace > Ethics & Compliance

[Tyson Code of Conduct](#)  
 Workplace > Ethics & Compliance

Workplace > Inclusion & Diversity

## Environment

### UNGC PRINCIPLES

7. Support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies

### REPORT LINKS

Environment > Strategic Approach

Environment

Environment > Energy & Emissions > Biogas Production, Bright Ideas for Poultry Farming  
 Environment > Nutrient Management

## Anti-Corruption

### UNGC PRINCIPLE

10. Work against all forms of corruption, including extortion and bribery

### REPORT LINKS

[Tyson Code of Conduct](#)  
 Approach > Governance  
 Workplace > Ethics & Compliance



# ESG Data Center

TOPIC	FY2017	FY2018	FY2019
<b>Corporate Metrics</b>			
<b>FINANCIAL IMPACT</b>			
Revenues (\$ billion)	\$38.30	\$40.10	\$42.41
Net Income (\$ billion)	\$1.778	\$3.027	\$2.035
Total Assets (\$ billion)	\$28.066	\$29.109	\$33.097
Research and Development Spending (\$ million)	\$113	\$114	\$97
<b>PRODUCTION</b>			
Beef (approx. avg. head per week) avg. capacity utilization 85%	130,000	133,000	155,000
Pork (approx. avg. head per week) avg. capacity utilization 90%	424,000	408,000	461,000
Chicken (approx. avg. head per week) avg. capacity utilization 87%	35,000,000	37,000,000	45,000,000
Prepared foods (approx. avg. pounds per week) avg. capacity utilization 86%	75,000,000	66,000,000	76,000,000
<b>SUPPLIERS</b>			
Total Farmers	9,331	9,248	9,247
Chicken Farmers	3,672	3,564	3,925
Cattle Farmers	3,790	3,775	3,607
Hog Farmers	1,774	1,811	1,617
Turkey Farmers	95	98	98
<b>Food</b>			
<b>FOOD SAFETY &amp; QUALITY ASSURANCE (FSQA)<sup>1</sup></b>			
Certified Labs <sup>2</sup>	16+	16	16
Global Food Safety Initiative (GFSI) Certified Plants	108	106	113
Safe Quality Food (SQF) Certified Plants	24	25	35
British Retail Consortium (BRC) Certified Plants	82	79	78
Food Safety System Certification (FSSC) 22000 Certified Plants	2	2	
Product Recalls	2 (Hot Wings®, Chicken Nuggets)	2 (Popcorn Chicken, Chicken Patties)	5 (Panko Chicken Nuggets, Chicken Strips (Expansion), Foodservice Chicken Fritters, Chicken Patties, Beef Patties)

TOPIC	FY2017	FY2018	FY2019
<b>Animal Welfare</b>			
<b>TOTAL THIRD-PARTY FARMCHECK® PROGRAM AUDITS</b>	539	538	509
<b>KEY WELFARE INDICATORS¹</b>			
<b>Broiler Chickens</b>			
Transport Liability	—	99.83%	99.9%
Non-Damaged Wings	—	98.88%	98.8%
Acceptable Paw Scores	—	78%²	81.0%
<b>Cattle &amp; Hogs</b>			
No Falls	—	99.15%	99.9%
Not Prodded	—	99.15%	99.3%
Acceptable Wait Time	—	94.02%	96.8%
<b>Environment</b>			
<b>COMPLIANCE METRICS¹</b>			
Notices of Violation (NOV)	75²	76	48
Penalties Per Fiscal Year	\$208,063²	\$2,064,503	\$36,323
Total Reportable Chemical Spills (e.g., chemicals, fats, oils, fuels)	9²,³	43	38⁴
<b>WATER¹</b>			
Water Use Intensity at Production Facilities (gallons used to produce a pound of finished product)	1.03	1.00	0.96
Water Withdrawal* (billion gallons)	31.89	31.56	31.38
<b>Water withdrawal by source</b>			
Municipal Water	78%	80%	79%
Well Water	22%	20%	21%
<b>Water Discharge by Destination</b>			
Fresh Surface Water	46%	45%	45%
Irrigation	13%	11%	11%
Publicly Owned Treatment Facility	41%	44%	44%
Water Reused (billion gallons)	2+	2+	2+
Wastewater Nutrients Collected and Reused (pounds)	3+	4+	3

TOPIC	FY2017	FY2018	FY2019
<b>ENERGY AND EMISSIONS<sup>1</sup></b>			
Greenhouse Gas Emissions Intensity (metric tons CO <sub>2</sub> e to produce 1,000 pounds of finished product)	0.19	0.19	0.18
Scope 1 GHG Emissions (Million Metric Tonnes CO <sub>2</sub> e) <sup>3</sup>	3.22	3.22	3.48
Scope 2 GHG Emissions (Million Metric Tonnes CO <sub>2</sub> e) <sup>2</sup>	2.53	2.63	2.25
Energy Use Intensity (Btu used to produce a pound of finished product)	1,614	1,635	1,808
Total Energy Use (Million mmBtu)	48.97	50.45	58.31
Non-renewable Fuel (Million mmBtu)	33.74	34.96	42.15
Electricity (Million mmBtu)	14.56	15.12	15.72
Renewable Fuel (Million mmBtu)	0.66	0.38	0.45

TOPIC	FY2017	FY2018	FY2019
<b>WASTE GENERATION<sup>1</sup></b>			
Waste Generated (million pounds)	2,980	4,315	6,045
Waste to Landfill (million pounds)	334	816	800
Waste Diverted from Landfill (million pounds)	2,646	3,500	5,244
Recycle & Beneficial Reuse <sup>2</sup> Rate	89%	81%	87%
Landfill Waste Intensity (pounds landfilled to produce 100 pounds of finished product)	1.10	2.64	2.60

## Workplace

<b>WORKFORCE<sup>1</sup></b>			
U.S.	117,000	116,000	122,000
Outside U.S.	5,000	5,000	19,000
<b>Team Members by Gender<sup>1</sup></b>			
Male	61%	61%	60%
Female	39%	39%	40%
<b>Team Members by Category<sup>1</sup></b>			
Full-Time Team Members	99%	99%	99%
Part-Time Team Members	1%	1%	1%
Salaried Team Members	11%	11%	11%
Hourly Team Members	89%	89%	89%
Retention Rate	66%	61.3%	64.6%

TOPIC	FY2017	FY2018	FY2019
<b>COMPENSATION &amp; BENEFITS</b>			
Average Hourly Pay for U.S. Team Members	\$14.78	\$14.96	\$15.77
<b>HEALTH AND SAFETY<sup>1</sup></b>			
Total Recordable Incident Rate: Number of work-related injuries and illnesses per 100 team members.	5.08	3.94	3.32
Lost Time Incident Rate: Number of work-related injury and illnesses that result in one or more days away from work per 100 team members.	3.80	2.94	2.43
Days Away, Restricted and Transfer Rate: Number of work-related injuries and illnesses resulting in a team member missing work, having restricted work activity or being transferred from their regular work assignment per 100 team members.	0.73	0.76	0.74
<b>ETHICS &amp; COMPLIANCE</b>			
Number of Facilities Audited	27	31	37
Average Score	95%	96%	N/A
<b>Audit Findings</b>			
Health & Safety	47%	51%	52%
Labor	46%	43%	38%
Environment	7%	6%	10%
Business Integrity	0%	0%	0%
<b>Ethics Numbers</b>			
Ethics Help Line Contacts Received	4,761	5,379	5,527
Help Line Contacts Investigated	3,927	4,337	3,718
Unsubstantiated After Investigation	78%	77%	75%
Calls Investigated and Resolved	22%	23%	25%
Help Line Contacts Referred to Other teams for Resolution	834	1,042	1,279
<b>Ethics Help Line Compliant Areas</b>			
Employment Practices (Employee Matters)	52%	53%	43%
Harassment & Discrimination	17%	26%	17%
Management Style	26%	17%	28%
Other	5%	4%	12%



# ESG Data Center Endnotes

## FOOD

<sup>1</sup>This data includes our U.S. operations. These metrics do not include Keystone Foods.

<sup>2</sup>Our certifications include A2LA 17025 and ISO 9001-2015, as well as state-certified labs at some of our beef and pork plants.

## ANIMAL WELFARE

<sup>1</sup>Metrics based on our U.S. operations. Percent acceptable as audited against NCC Welfare Guidelines for Broilers or NAMI Recommended Animal Handling Guidelines [September 2019 Rev. 2] for cattle and hogs.

## ENVIRONMENT

### Compliance Metrics

<sup>1</sup>These statistics are representative of all U.S.-based operations, excluding Cobb-Vantress.

<sup>2</sup>Excludes AdvancePierre, Original Philly, Tecumseh Poultry, American Proteins and Keystone Foods, since we did not own them in FY2017.

<sup>3</sup>Only spills reported to the Federal Government. Does not include spills reported to the State as FY2018 and FY2019 do.

<sup>4</sup>Details regarding these spills are available in the GRI Index.

### Water

<sup>1</sup>This footprint includes data from our U.S.-based operations. Information from our U.S.-based Cobb-Vantress, The Pork Group, hog buying stations and Keystone Foods are not included in this footprint. American Proteins, Inc. and Tecumseh Poultry are only included in FY2019.

### Energy and Emissions

<sup>1</sup>This footprint includes data from our U.S.-based operations, The Pork Group and hog buying stations. U.S.-based Cobb-Vantress and Keystone Foods are not included in this footprint. American Proteins, Inc. and Tecumseh Poultry are only included in FY2019.

<sup>2</sup>Our Scope 2 emissions have declined as emission factors have decreased as local energy providers have increased their use of renewable sources such as solar and wind.

<sup>3</sup>The increase in our Scope 1 emissions can be attributed to the acquisition of new facilities.

### Waste Generation

<sup>1</sup>This footprint includes data from our U.S.-based operations. Information from our U.S.-based Cobb-Vantress, The Pork Group, hog buying stations, Keystone Foods, American Proteins, Inc., and Tecumseh Poultry are not included in this footprint. The increase in waste generated can be attributed to improved data reporting with our waste vendors regarding the amount of waste generated and recycled in our operations.

<sup>2</sup>Beneficial reuse can include activities such as composting, land application and digestion.

## WORKPLACE

### Workforce


<sup>1</sup>Includes U.S. team members as well as U.S. Cobb-Vantress team members. Excludes Keystone Foods.

### Health and Safety

<sup>1</sup>AdvancePierre Foods, American Proteins Inc. and Tecumseh Poultry are included in FY2018 and FY2019 (not FY2017). Keystone Foods and international facilities are not included in the data.

# UNSDG

Tyson Foods supports the United Nations Sustainable Development Goals and its 2030 agenda for sustainable development. As elsewhere in our approach to sustainability, we have looked at the goals through the lens of sustainability and have found seven that directly align with our business and sustainability initiatives. We demonstrate that alignment below as part of our annual reporting practices and plan to periodically revisit all 17 goals to determine if more alignment opportunities exist.

U.N. SUSTAINABLE DEVELOPMENT GOALS	LEARN MORE:
 <p><b>2 ZERO HUNGER</b></p> <p>We address hunger insecurity by expanding access to protein. In addition to developing nutritional products, we provide strategic grants and food product donations to regional food banks serving our communities, and we are involved in collaborative partnerships with hunger-related organizations.</p>	<p>Food &gt; Consumer Nutrition  Food &gt; Innovation  Food &gt; Food Safety &amp; Quality  Community &gt; Community Impact  Community &gt; Hunger Relief  Community &gt; Disaster Relief</p>
 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p> <p>Responsible nutrition is integrated into our company's purpose of raising the world's expectations for how much good food can do. Additionally, we are committed to improving the health of our employees by providing access to affordable health care coverage and providing supportive programming for various health and wellness issues.</p>	<p>Food &gt; Consumer Nutrition  Food &gt; Innovation  Food &gt; Food Safety &amp; Quality  Food &gt; Responsible Marketing &amp; Labeling  Workplace &gt; Compensation &amp; Benefits  Community &gt; Community Impact</p>
 <p><b>4 QUALITY EDUCATION</b></p> <p>Tyson Foods believes in lifelong learning and professional development through continual investment in our workforce. We aim, especially, to enable hourly employees access to English as a second language and extend financial literacy training to all employees. Enhancing both of these life skills helps employees better integrate into the communities where they live and work and better position them to realize their full personal potential. We also provide grants for scholarships and other capacity-building programs to build skills and leadership qualities in the communities where we operate.</p>	<p>Workplace &gt; Engagement &amp; Retention  Workplace &gt; Helping Team Members Succeed  Workplace &gt; Compensation &amp; Benefits  Community &gt; Community Impact</p>
 <p><b>6 CLEAN WATER AND SANITATION</b></p> <p>Water is a precious, finite resource that must be used and managed responsibly from farm to finished product. Food safety and quality is our top priority, and water is essential to producing safe food. We aim to balance responsible water stewardship with protecting the quality and safety of our products. We also aim to protect the health of communities who share water sources with us and accordingly, have implemented stringent processes to comply with all federal and state regulations.</p>	<p>Food &gt; Food Safety &amp; Quality  Food &gt; Responsible Ingredient Sourcing  Environment &gt; Strategic Approach  Environment &gt; Water  Environment &gt; Nutrient Management  Environment &gt; Material Resources</p>

# UNSDG

	<p>We work to ensure that employees receive fair compensation that is commensurate to their experience and skills, as well as to offer competitive compensation that takes local labor markets into consideration. Our employment policies and practices follow the human rights principles set forth in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Fundamental Principles and Rights at Work.</p>	<p>Approach &gt; Sustainability Strategy Workplace &gt; Engagement &amp; Retention Workplace &gt; Compensation &amp; Benefits Workplace &gt; Inclusion &amp; Diversity Workplace &gt; Health &amp; Safety Workplace &gt; Ethics &amp; Compliance Community &gt; Community Impact</p>
	<p>We strive to sustainably feed the world by optimizing the productivity of our supply chain and protein operations, raising animals in a responsible manner and minimizing the natural resource intensity of our environmental footprint where feasible.</p>	<p>Food &gt; Responsible Ingredient Sourcing Animal Welfare Environment</p>
	<p>Tyson Foods is committed to meaningful reduction of our carbon footprint at every stage of our value chain. This commitment is underscored by a Science-Based Targets initiative to reduce our GHG emissions by 30 percent by 2030.</p>	<p>Food &gt; Responsible Ingredient Sourcing Environment</p>



2200 West Don Tyson Parkway  
Springdale, Arkansas 72762

[tysonfoods.com](http://tysonfoods.com)