

### ABOUT

## THIS REPORT

Our 2022 Sustainability Report highlights our environmental, social and governance (ESG) strategy, key performance and achievements, providing an update on our progress during FY2022 and some of FY2023. Our 2022 fiscal year began Oct. 3, 2021, and extended to Oct. 1, 2022.

In preparing this report, we referenced the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021) and Sustainability Accounting Standards Board (SASB) Standards. This report has been prepared in reference to the GRI: Universal Standards. Additional information on Tyson Foods' policies and programs that support sustainability initiatives is available at tysonfoods.com.

## BUILDING A MORE SUSTAINABLE FOOD SYSTEM

At Tyson Foods, our purpose is to feed a growing world and continually raise expectations for how much good food can do. We're committed to delivering high-quality protein to billions of people around the world. We also hope to help address issues like food insecurity and hunger by continually working to make protein products that are responsibly produced and affordable. We are further working to reduce greenhouse gas (GHG) emissions in our supply chain and assess and manage forest degradation risks for select commodities we rely on.

We take a data-driven approach to sustainability, strengthening our foundations to create a food system that will continue thriving in the years ahead. In 2022, we amplified the actions we're taking through our sustainability pillars: reimagining our people and community impact, driving product responsibility from farm to table, and working toward sustaining natural resources and achieving net zero. We are continuing that work in 2023.







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## OUR CEO

# Welcome to the Tyson Foods FY2022 sustainability report—the culmination of another year working to make Tyson more sustainable, responsible and innovative.

From the humble beginnings of one chicken farmer with a drive to feed his family, to an international company transforming how we feed a growing global community for the future, our story is one of humbly but boldly pursuing infinite possibilities. I'm excited to share the progress we have made against our sustainability ambitions but, just as much, I'm proud to introduce the new ambitions our team members have worked so hard to create—ambitions that will accelerate our work in the years to come.

We know big, ambitious goals related to systemic challenges require a high level of collaboration. We're navigating macrotrends that are transforming the future of protein—climate change, finite natural resources, demographic shifts, the imperative of worker and community wellbeing and rising needs and expectations for nutritious, affordable protein. As one of the world's largest protein providers and a consumer-facing company, our business is centered around strategies that deliver the food consumers love and that create long-term value for our customers, shareholders and other key stakeholders.

#### **TAKING A LOOK BACK**

If we're going to feed the world, today and in the future. we need to consider new ways of doing business that will improve environmental compliance and reduce greenhouse gas emissions. As a member of the World Economic Forum's Alliance of CEO Climate Leaders, I'm proud of Tyson's ambition to reach netzero greenhouse gas (GHG) emissions across global operations and supply chain, including Scopes 1, 2 and 3, by 2050. As part of Tyson's ongoing efforts to manage greenhouse gas emissions and drive climatesmart agricultural practice adoption in our supply chain, we undertook a rigorous data quality exercise in FY2022, and developed our accounting framework and model for GHG emissions of cattle enrolled in our Climate-Smart Beef Program. Ensuring our data is of the highest possible quality enables us to not only track our progress against our science-based targets and net zero by 2050 ambition, but also work to provide data to our customers and incentivize farmers and ranchers to adopt practices that have been shown to have reduced emissions. These efforts will continue with a revalidation of our targets in adherence to Science Based Targets initiative (SBTi) criteria.

Throughout FY2022, we also made significant strides to support the people that make our business possible: our diverse workforce of passionate, talented team members. We invested \$100 million in wage increases for our hourly workforce in the United States. We allocated \$60 million to partner with social impact company Guild to expand our Upward Academy program, resulting in team members gaining access

to more than 175 programs from more than 35 universities and learning providers.

And, because we recognize the importance of welcoming diverse voices to the conversation—and then supporting them when they arrive—we have dedicated over \$2.4 million since 2020 to support the path to U.S. citizenship for immigrant employees. As a partner in the Tent Coalition for Refugees, we also committed to hiring more than 2,500 refugees over three years in the United States. To help alleviate hunger. Tyson committed \$2.5 million to address food insecurity by partnering with Feeding America® member food banks, and we continue to find ways to donate and divert our products from becoming food waste. We are proud to say that seven of our U.S. plants now hold gold-level Zero Waste to Landfill validation, as well as one plant with silver-level Zero Waste to Landfill validation.

Through it all we recentered our focus on driving product responsibility from farm to table. For example, to inspire shared responsibility for animals in our supply chain, we launched Tyson's first Animal Welfare Awareness Week, emphasizing our dedication to ensuring that animals in our supply chain are provided appropriate care.

#### **LOOKING FORWARD**

Every day, we are working to provide better, more nutritious protein options to the people we serve. Now, as we look to the future, we're setting a new course for sustainability, reimagining our social impact and designing responsibility into products from the get-go.

In collaboration with our Enterprise Leadership
Team, I was pleased to present our new strategic
sustainability goals to our Board this year, setting
new priorities that will guide Tyson's efforts into
2023 and beyond. Since FY2021, the Company's
Executive Incentive Plan has included certain "People
Goals" performance modifiers to promote and reward
behaviors in support of diversity, equity and inclusion,
health and safety, and talent development, ensuring
accountability for our People Goals across the business.
I look forward to seeing as we—together with our
suppliers, partners, and employees—continue to find
increasingly sustainable ways to Feed the Future.



#### A MESSAGE FROM

## **OUR EVP, CFO**

At Tyson, we are continuously working to support the communities where we live and work and ensure our products are responsibly produced. We see ourselves as a catalyst in creating a food system that is more sustainable and equitable for future generations. And partnerships now and in the future will be key to our success.

The landscape of sustainability is constantly changing, and we are committed to evolving our strategy to keep pace. In FY2022, we once again revisited our priorities and refreshed our sustainability strategy, the Formula to Feed the Future. We are proud to announce the launch of our 2030 long-range strategy. Enterprise-wide, cross-functional teams led by senior leaders shaped our new goals, embedded in our business. We are excited to develop and expand initiatives that will now help us focus and invest in our key priorities to achieve our timebound goals, creating value for both our business and society.

Our team members are the foundation for everything we do at Tyson Foods and we are committed to taking the best possible care of our people. And, through our commitment to Diversity, Equity and Inclusion (DEI), we are also ensuring a culture of respect and acceptance where every team member is equally empowered to thrive and advance within the company.

Caring for our people doesn't mean only looking after our direct workforce; it means taking steps to care for the people and communities in our value chain. That starts with taking steps to evaluate and address human rights risks and continues with finding more and better ways to give back to the communities we call neighbors.

As part of our mission to improve the accessibility and affordability of nutritious food, we want to expand delivery of fresh protein to even more people with our partners—especially in areas of food scarcity. In the coming years, we also aim to improve the nutritional profile of our core branded portfolio—ensuring more products qualify as a good source of protein and complying with the FDA's sodium guardrails.

We know that to create a more sustainable food system, we need to look far beyond Tyson's walls. We recognize the need for market-based solutions to address GHG emissions in our protein value chain. Being advised by scientists from the Environmental Defense Fund on nitrogen management and The Nature Conservancy on grazing practices has enabled us to create a novel program to reduce GHG emissions from pasture to production: Climate-Smart Beef. With the support of scientists, suppliers and other industry partners, we have developed a robust model to calculate the GHG emissions of select beef products, from pasture to production, and work with supply chain partners to adopt agricultural practices with reduced emissions. And in our feed supply chains, we aim to accelerate the adoption of climate-smart farming practices across millions of acres of crops, in ways that we hope will also improve farmer livelihoods and support underserved producer communities. We plan to grow and scale our Climate-Smart Beef Program and row crop work through Tyson's participation in USDA's Partnerships for Climate-Smart Commodities grant program, for which Tyson was selected as an award recipient and is in the final stages of grant award negotiation. We are also exploring how this work can help our key customers meet their own ambitious climate targets, and we invite them to join our growing dialogue.

Through strategic investments, we believe we can find creative solutions to advance progress towards our 2030 sustainability ambitions. Staying the course on sustainability is more important now than ever. We invite you to join us and our partners as we work to lead a transformation in global food systems.

John Randal Tyson

Tyson Foods

Executive Vice President & CFO, CSO



## TYSON FOODS

Tyson Foods is one of the world's largest food companies and a recognized leader in protein. We seek to leverage our scale and influence to make the highest quality protein more sustainable and accessible worldwide.

\$53B

FY2022 Sales

142K

**Employees** 

#### **OUR BUSINESS IN NUMBERS**

\$36.8B

Total Assets

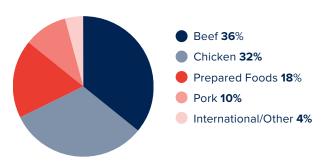
\$108M

R&D Spend

140

Countries<sup>1</sup>

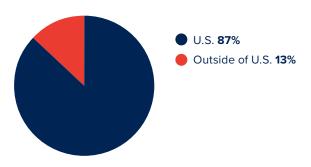
#### **SALES BY SEGMENT**



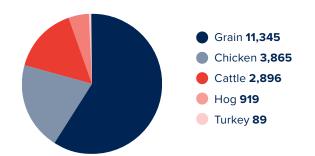
#### **SALES BY DISTRIBUTION**



#### **GLOBAL WORKFORCE**



#### **TOTAL INDEPENDENT FARMERS<sup>2</sup>**



#### A YEAR IN ESG ACHIEVEMENTS

**Zero Waste to Landfill Validation:** 

Seven gold-level sites and one silver-level site

North American Meat Institute's Environmental Recognition Awards: 44 sites

**Clean Water Awards:** Three awards across U.S. poultry and egg sites

Wastewater And Pretreatment Awards and Recognition: Five sites

Alliance for Water Stewardship Certification at three sites: Finney County, Seguin, North Richlands Hills

NWEA Gold Safety Award and WEF Burke Award: Lexington plant

McDonald's Global Supplier of the Year Award

Fortune's #1 Most Admired Company (Food Production Category):

Sixth consecutive year

- 1 Reflected in product sales, with major markets including Australia, Canada, Central America, Chile, China, the European Union, Japan, Malaysia, Mexico, the Middle East, Singapore, South Korea, Taiwan, Thailand and the United Kingdom.
- 2 U.S.-based poultry, livestock and grain supply partners.

#### GOVERNING RESPONSIBLY

## FOR THE FUTURE

The global landscape of food production is evolving rapidly. At Tyson Foods, we aim to meet protein needs while continuously raising the bar on our sustainability strategy by considering the changing landscape in our Formula to Feed the Future and 2030 goals. A structure of governance and accountability is key to achieving this.

#### **OUR APPROACH**

Our efforts to grow responsibly help us better serve all our stakeholders. Accurate trend forecasting is integral to our future as a leading global protein producer. For example, by using the latest climate science, we plan to find opportunities to innovate our own practices in an effort to reach sciencebased targets for greenhouse gas reductions, and help advance industry thinking on important issues and trends.

In this context, ESG is no exception. In fact, it is a priority for Tyson Foods, embedded at the highest level of our company's governance—our Board of Directors (Board)—and supported by our Enterprise Leadership Team (ELT). It is a standing item on governance meetings, with key updates reviewed once a quarter.

Throughout 2022, we further expanded our communication on ESG initiatives. For example, the Chief Sustainability Officer (John R. Tyson until September 2022) and VP of Sustainability produced a quarterly report to communicate our progress to create a long-term strategy.

#### **ESG OVERSIGHT**

Overall ESG oversight sits with our Board and its committees, which include:

- · Audit Committee.
- Compensation and Leadership Development Committee.
- Executive Committee.
- Governance and Nominating Committee (Risk Committee).
- Strategy and Acquisitions Committee.

Our president and chief executive officer (CEO) leads Tyson's ESG approach. The Executive Vice President and Chief Financial Officer (EVP-CFO, CSO), John R. Tyson, leads our sustainability strategy teams, reporting regularly to our CEO and the Governance and Nominating Committee of Tyson's Board of Directors.

The EVP-CFO is supported by a team of professionals who facilitate progress toward our ESG goals. Our CEO and EVP-CFO work with Tyson's ELT and senior leadership to oversee our ESG strategy, including communications, disclosures and reporting.

Our Ethics, Compliance and Legal team handles all disclosures related to governance. For more information about our Board and corporate governance practices, visit <u>Investor Relations at tysonfoods.com</u> or refer to our <u>FY2022</u> Proxy Statement.

#### **GOVERNMENT AFFAIRS**

As well as driving sustainability internally, we routinely engage with policymakers and other government officials on issues that matter to Tyson Foods and our stakeholders. During 2022, we advocated and lobbied on various issues, including, for example, energy permitting, agricultural standards, labor issues and childcare, water and packaging developments, immigration issues and animal care.



#### WHAT MATTERS TO

## **TYSON FOODS**

From discussions with our stakeholders, we know they expect a long-term commitment to sustainability from Tyson Foods. We are therefore continually working to tailor our approach to the topics that matter most, taking into consideration the evolving global food landscape and changing factors.

To better understand the ESG topics that are most important to our stakeholders, in 2021 we conducted an extensive materiality assessment. Through it we engaged a broad group of stakeholders to understand their priority issues.

## TYSON'S ESG MATERIALITY ASSESSMENT PROCESS<sup>3</sup>

Our materiality assessment followed four defined steps:

#### 1. Engage with Stakeholders:

We identified several core stakeholder groups for engagement: senior leaders, employees (both salaried and hourly), customers, consumers, investors, suppliers, government, academics, and NGOs and industry associations.

#### 2. Identify Issues:

With inputs from industry peers, ESG ratings and standards organizations, a media scan and our own enterprise risk management, we defined 20 potentially material ESG issues.

#### 3. Prioritize Issues:

We conducted 36 interviews and collected more than 7,500 survey responses across all 10 stakeholder groups. Based on the feedback, we ordered our material topics according to key stakeholder priorities and specific consideration for our customer viewpoints and needs.

#### 4. Build and Validate Our Materiality Matrix:

We combined survey and interview inputs to develop a materiality matrix which illustrates each issue's importance to both Tyson Foods and our stakeholders.

## VISUALIZING OUR MATERIAL ISSUES

The resulting materiality matrix reflects our understanding of a wide range of ESG issues and how we are responding to stakeholder feedback. We used it to identify issues that our internal working groups—groups established to develop ambitious ESG goals and actions—will address in the coming years.

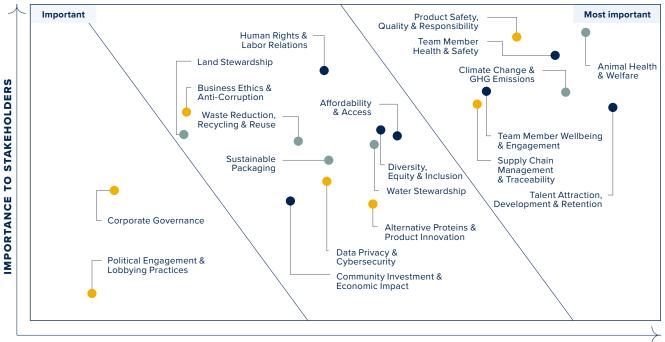
Our material issues are closely interconnected, and we are working to establish appropriate key performance indicators and goals. During our 2021 assessment, three issue areas were identified as being of primary importance to Tyson Foods and our stakeholders:

- · Animal health and welfare.
- The wellbeing and talent of our team members.
- Stewardship of natural resources.

Each of these three areas is critical to the future of our business as, to succeed in a global marketplace, we must be the employer and protein source of choice. For this reason, these three primary issue areas are also reflected in the three pillars of our Formula to Feed the Future strategy.

#### Key:

- Environmental
- Social
- Governance/other



3 In the context of our ESG materiality assessment, material issues are defined as those issues at Tyson that have the potential for positive and negative repercussions but for which no formal monetary threshold has been applied or determined.

**IMPORTANCE TO BUSINESS** 

#### THE FORMULA TO

## FEED THE FUTURE

To build a more sustainable food system for the future, we need to take a targeted approach to enhancing how we operate.

We recognize that, in today's world, food companies must keep pace with population growth and increased food demand while also managing climate risks and opportunities. This includes, in part, engaging supply chain partners on solutions to reduce greenhouse gas emissions while innovating to deliver products that are produced responsibly, address nutrition insecurity and meet evolving consumer preferences.

We have refreshed our ESG strategy, the Formula to Feed the Future, with recognition and input from stakeholders across our value chain. Formula to Feed the Future is a cohesive, long-term, enterprise-wide plan which is embedded in our growth strategy and was developed against a backdrop of global food system pressures.

## CONTINUOUSLY EVOLVING OUR PLAN

The Formula to Feed the Future was developed to help drive progress on our disclosures and performance on priorities identified through our materiality assessment process. However, the ESG landscape is in constant flux, and we want to ensure our strategy evolves in line with the latest available science and in consideration of current market.

and food system factors. That's why we built on our existing goals, launching a holistic enterprisewide 2030 plan with a new, comprehensive set of sustainability goals.

#### **DEVELOPING OUR GOALS**

We've worked hard to rally around the issues that were identified as priorities during our materiality assessment. The goals and ambitions in our 2030 plan were developed by evolving working groups comprising leaders and team members from crossfunctional teams and business units, and with oversight and involvement from senior leadership. We considered how each new goal could help us further integrate sustainability principles into everything we do.

Other key factors included stakeholder insights from our materiality assessment, ESG trends, expectations of ESG raters and standard-setters, best-in-class goals set by other companies, and Tyson's current initiatives in priority areas. We also incorporated input from key partners such as suppliers where relevant. Our work was guided by an ESG advisory services firm, Corporate Citizenship, that provided guidance in the process.

Now that we've established our 2030 goals, we are mobilizing stakeholders to build momentum behind our Formula to Feed the Future strategy.



REIMAGINING
OUR PEOPLE &
COMMUNITY
IMPACT

Create work environments that enable workers to succeed while supporting the growth of our communities.

Talent Attraction & Development

Diversity, Equity & Inclusion

Human Rights & Labor Relations

Health, Safety & Wellbeing

Community Investment



DRIVING PRODUCT RESPONSIBILITY FROM FARM TO TABLE

Deliver value to consumers with high-quality, sustainable, nutritious protein through a leading portfolio.

Nutrition, Access & Affordability

Product Quality & Safety

**Product Innovation** 

Sustainable Packaging
Animal Health & Welfare

Drive practices in own operations and supply chains to more sustainably produce

**WORKING TOWARD** 

SUSTAINING NATURAL

**RESOURCES** 

& ACHIEVING

**NET ZERO** 

protein for a growing population within planetary boundaries.

Climate Action

Land Stewardship

Water Stewardship

Waste Reduction

All of which is underpinned by a strong foundation of corporate governance, business ethics, supply chain management, and data privacy and cybersecurity.



### OUR **2030 GOALS**



#### **REIMAGINING OUR PEOPLE AND COMMUNITY IMPACT**

#### **GOAL 1**

By 2030, 100% of locations with >250 team members will have access to programs covering healthy workplace meals, nutrition education and health check-ups.

#### GOAL 2

By 2030, 100% of Tyson's plants will be rated at or above the risk-prevention level on Tyson's Safety Risk Profile based on leading indicators for building a safety culture.

#### GOAL 3

By 2030, improve the wellbeing of frontline team members through workplace design enhancements in all Tyson plants.

#### GOAL 4

By 2027, develop and deploy a supply chain management approach to Responsible Sourcing, which helps to identify, assess and mitigate ESG and human rights related risks and enable more sustainable sourcing for our business.

#### GOAL 5

By 2030, double small and diverse supplier spend from our baseline of Q3-Q4 2022 and Q1-Q2 2023.

#### GOAL 6

Achieve and sustain pay equity for our team members by conducting regular pay equity reviews.

#### GOAL 7

By 2030, achieve diverse composition of Tyson's Board of Directors by broadening Board recruitment efforts to include consideration of more diverse candidates, with attention to ensuring our Board has individuals with diverse experiences, backgrounds, beliefs and lifestyles.

#### GOAL 8

By 2030, achieve diverse representation in senior leadership by broadening recruitment and development efforts to include consideration of more diverse candidates, with attention to ensuring leadership is represented by individuals having diverse experiences, backgrounds, beliefs and lifestyles.

#### **DIVERSITY, EQUITY AND INCLUSION (DEI)**

Alongside our people and community goals, we have set a vision for the future of DEI at Tyson Foods. We aim for Tyson's "Culture of Caring" to honor every team member in unique, meaningful and impactful ways, empowering each of us to profitably grow our business and thrive in our careers through our commitment to DEI.

When done well, this will attract, develop and retain top talent while delivering the necessary innovation needed to win with consumers and customers. Our success will be measured by our engagement and how we honor one another.





### O U R **2030 GOALS**



### **DRIVING PRODUCT RESPONSIBILITY FROM FARM TO TABLE**

#### **NUTRITION, ACCESS AND AFFORDABILITY**

#### GOAL 1

Improve nutritional profile of core branded portfolio:

- At least 85% of protein-centric products (not including bakery or bacon) will qualify for at least a good source of protein by 2030.
- 75% of our products will be in compliance with the 2021 FDA sodium guardrails by 2030.

#### GOAL 2

Increase transparency of product nutrition through efforts to ensure accurate and clear information is provided on labels regarding food sourcing, ingredient lists, nutritional information and allergens.

#### GOAL 3

Expand delivery of fresh protein to more consumers, team members and communities especially those in areas of food scarcity by leveraging channel partners and production locations.

#### GOAL 4

Invest in resources to help schools and communities increase availability, awareness and affordability of culturally appropriate products through product innovation and culinary insights.

#### **PACKAGING**

#### GOAL 5

Design all Tyson Foods branded products' packaging to be recyclable, home compostable or reusable by 2030.

#### GOAL 6

Identify strategic partnerships with industry organizations and stakeholders to facilitate infrastructure changes needed to improve circularity of packaging and packaging-related components.









## 2030 GOALS



### WORKING TOWARD SUSTAINING NATURAL RESOURCES AND ACHIEVING NET ZERO

#### GOAL 1

Submit Science Based Target (SBT) for revalidation within the required time frame, based on updated guidance from the Science Based Target initiative (SBTi), including setting a Forest, Land and Agriculture (FLAG) target for land-based emissions reductions and removals.

#### GOAL 2

By 2030, establish a pathway to using 50% renewable electricity (purchased and self-generated) across domestic operations.

#### GOAL 3

Reduce carbon emissions in our protein value chain:

- Verify sustainable beef production practices on >5 million acres of U.S. cattle-grazing land by 2025.
- Conduct an updated, enterprise-wide Forest Risk Assessment, with consideration of emerging international laws, and use the assessment to reassess deforestation goals and country-specific commodity action plans.

#### GOAL 4

Expand Climate-Smart Row Crop Practices:

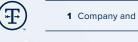
 Support climate-smart practices on 25% of acres needed to raise grains to feed our birds by 2025—with efforts to purchase 100% of our feed ingredients from suppliers engaged in climatesmart practices by 2030.

#### GOAL 5

By 2025, develop Contextual Water Plans at 11 of our high-risk locations in the U.S.

• By 2025, re-evaluate process for managing water-related risks in operations and communities where we operate, with consideration of emerging water risk management frameworks, stakeholder input on assessing and managing risks in water-stressed locations, and available tools to determine true cost of water.







With the help of our hardworking team members—all 142,000 of them working at over 400 facilities, offices, hatcheries and distribution centers globally—Tyson Foods is feeding the next generation and beyond.

People are central to all we do at Tyson Foods, and we aim to attract and retain the best talent. To achieve this and enable our people to reach their full potential, we offer a range of family- and wellnessfocused benefits programs. This includes health care and opportunities for team members to develop their work and life skills beyond Tyson.

Most of our team members work at facilities and processing plants throughout the U.S., but they represent countries from around the world. A culture of DEI is central to how we empower our team members and create a sense of belonging. Nurturing and developing every single one of our people is a top priority, which is why, in 2022, Tyson worked hard to fill over 16% of open positions with internal candidates and welcomed 62,178 new hires.

We know being a good employer means taking steps to support our team members in their personal lives as well as their professional ones—including, for example, assistance with securing childcare, a step that can also help clear a barrier to work attendance. It's why we are piloting three different childcare programs to determine the most appropriate role for a global protein leader to support its workers. It is our hope that by helping team members with childcare, Tyson will stabilize its workforce and better prepare children for school.

Beyond our facilities, we extend support to refugees, partner with thousands of independent local farmers and ranchers, and aid community initiatives for hunger relief. By putting people first, we continue to grow Tyson's business while supporting our team members and communities to thrive.

#### HOW WE SUPPORTED

## PEOPLE AND COMMUNITIES

Invested over \$100 million in wage increases to our hourly workforce Hosted enterprisewide team member engagement survey in June 2022 with a high engagement score of 77 Scaled and expanded Upward Academy

virtually, in partnership with Guild. Upward Academy Online fully funds educational opportunities for U.S. team members 18 million pounds of protein donated to food banks, pantries and hunger relief organizations **28%** women in management positions

Recognized by Together We Grow for our commitment to promoting diversity and inclusion in the food and agriculture industry Committed **\$1.5 million** in FY2022, through the Tyson Immigration Partnership, to help immigrant employees from 160 countries acquire U.S. citizenship

Piloting three childcare programs to determine the best way to remove attendance barriers for our workforce that are caused by a lack of childcare options, and better prepare children for school



#### SUPPORTING

## **EDUCATION AND CAREER DEVELOPMENT**

We're committed to providing support for our team members with a variety of programs and a holistic benefits package so they can thrive inside and outside of the workplace.

Our goal is to be the most sought-after place to work in the food industry. To get there, we're investing in our people with training opportunities and skills development that help them meet their professional aspirations. Twice-yearly performance appraisals reinforce continuous growth, with valuable feedback that helps employees and managers engage on annual efforts to deliver against personal development goals and help our people meet their objectives.

215

During summer 2022, we hosted 215 interns across U.S. locations, training the next generation of food industry innovators and leaders.

#### LANGUAGE CENTER OF EXPERTISE

In September 2022, we launched our very own language center of expertise (LCOE), which supports team member access to all of Tyson's benefits and services through multi-language communication and outreach.

The LCOE provides a centralized hub for language and culture information, with access to translation, consultation and video resources to ensure all team members can thrive in their career journey and feel a sense of belonging at Tyson Foods. This program continues to scale, with plans underway to expand services, including on-demand access to remote interpreters, document translation, cultural consultation and in-language training videos.

#### SIX YEARS OF UPWARD ACADEMY

2022 marked the sixth anniversary of Upward Academy—our adult education program designed to help team members develop important life skills. On-site, face-to-face classes are now available across 50 Tyson locations, with options like English as a second language, high school equivalency, U.S. citizenship, and financial and digital literacy. We also expanded our services with an in-plant career development pathway called Upward Academy IET. Supported by external adult education providers and community colleges, the pathway provides frontline team members with job skills training and workforce certifications at no cost.

In July 2022, we partnered with Guild to further expand Upward Academy virtually. Upward Academy Online fully funds educational opportunities for U.S. team members and offers them free of charge. The certifications our team members can earn range from short courses to associate, bachelor's and master's degrees. Tyson Foods has committed \$60 million for the program over the next four years. It is available to all U.S.-based team members from day one of employment.

#### PREPARING LEADERS FOR THE FUTURE

To be as effective as possible, we need to equip our leaders with the knowledge to take Tyson and our workforce into the future. NEXT is our agile development opportunity, created for select leaders, that builds leadership skills through business scenarios, networking opportunities and increased organizational knowledge of Tyson. The program helps our leaders accelerate their adaptability and preparedness for changing business landscapes. Each participant is paired with an internal coach from Tyson's director and vice president teams. These coaches provide tailored support and feedback to drive participant development.

Participants are 26% more likely to be promoted internally, while 33% of those who complete NEXT have been selected for stretch roles or roles that represent an increase in job scope. This stronger leadership pipeline helps foster greater engagement and retention rates, increased coaching capabilities and a strong, seasoned coaching culture.



## HELPING IMMIGRANTS

**FIND A SENSE OF HOME** 

Tyson Foods is a place where anyone can find a home, no matter where you come from. To support this, since 2020, we have invested over \$2.4 million in supporting immigrant team members to transition to life in the U.S.

In particular, we employ interpreters, community liaisons and chaplains to guide immigrants through the process, alongside our free English as a second language and citizenship classes. We have also funded free legal and citizenship services, helping hundreds of team members become citizens, and thousands more get counseling on immigration issues.

We support our team members because it's the right thing to do. We were honored to have this dedication recognized with the prestigious 2022 'Keepers of the American Dream' award from the National Immigration Forum for being an advocate for immigrants in the workforce.

## THE TENT COALITION FOR REFUGEES

In September 2021, Tyson Foods—alongside 32 other major companies—announced our participation in the <u>Tent Coalition for Refugees (Tent)</u>. In 2022, we built on this commitment at Tent's U.S. Business Summit on Refugees.

During the event, 45 participating companies committed to collectively hiring more than 22,000 refugees over the next three years. Tyson alone committed to hire 2,500 refugees over three years in the United States—reaching 1,300 refugee hires by the end of 2022.



#### DIVERSITY,

## **EQUITY AND INCLUSION (DEI)**

Our workforce represents up to 159 distinct nationalities with more than 59 distinct languages spoken across our facilities. We recognize the power in this diversity and are committed to nurturing it, creating an inclusive company where team members feel unconditionally welcomed.

#### **EMBEDDING DEI**

We believe DEI is a key differentiator—one that enables us to realize our vision and mission and, in the process, increase shareholder value. Our commitment to DEI not only drives innovations that positively impact product development, our marketing strategy, and customer engagement; it also informs how we value one another.

To embed DEI across our company, we started with encouraging our business units and Human Resources leaders to adopt more inclusive hiring practices. This is led by Tyson's Chief Diversity, Equity and Inclusion Officer, Paul Davis, with support from senior leadership.

In 2022, we refreshed our <u>DEI website</u>—an online hub where our diverse stakeholder base can learn about, and share in, our commitment to foster a safe, inclusive workplace. The site also highlights the engagement and impact Tyson team members make in our enterprise and in our communities.

#### Recruitment

We know nurturing the diversity of our workforce is our strength. It allows us to innovate and bring unique offerings to our customers, while building better relationships with customers, consumers and suppliers. We engage with military, LGBTQ+, civil rights and educational organizations as part of our recruitment strategy.

We are dedicated supporters of

# Minorities in Agriculture, Natural Resources and Related Sciences (MANRRS)

an organization created to advance diverse representation in the agricultural industry.

#### **Inclusively Engaging Top Talent**

To attract diverse talent, our talent acquisition team partners with many educational and community organizations, such as the National Urban League. The league is a nonpartisan historic civil rights organization that advocates for economic and social justice for African Americans and against racial discrimination in the U.S. We have also partnered with the Thurgood Marshall College Fund to ensure a more equitable talent pipeline.

Additionally, in 2022, we engaged with several Historically Black Colleges and Universities (HBCU) for internships and recruitment, including Prairie View A&M University, South Carolina State University and Tuskegee University.

#### **Creating Pathways to the Workplace**

We continue to support military veterans in our hiring processes. This includes, in part, a focus on expanding our reach across the U.S. through leveraging technologies such as HirePurpose®. And, with our latest sourcing and talent attraction tool, we are connecting industry-leading companies with diverse job seekers. The platform was initially for transitioning military job seekers only, but we are now also leveraging it to source additional talent from diverse backgrounds.

## DRIVING DIVERSITY FROM THE TOP

In a bid to drive more inclusive recruitment, we incorporated considerations for candidate diversity into our leadership's annual incentive plan score card, which encourages interviewing of diverse candidates by hiring teams. As such, while we continue to employ diverse recruitment practices, our 2022 data appears lower than the previous year.

86%

of open Director Level and Above roles included diversity candidate consideration during the interview process in **FY2022** 

92%

of Director Level and Above Open roles included diversity candidate consideration during the interview process in **FY2021** 



Tyson is committed to creating a culture of safety, belonging and empowerment for all. Our "Culture of Caring" honors every team member in unique, meaningful and impactful ways. It empowers everyone to join in profitably growing our business and to thrive in their careers through a commitment to DEI.

As an equal opportunity/affirmative action employer in the U.S., our policies comply with all federal, state and local employment laws.

#### **Business Resource Groups**

Our Business Resource Groups (BRGs) are volunteer, team member-led groups, which help Tyson celebrate the unique cultures of our team members and inform our DEI strategy. BRGs offer internal network opportunities, attract diverse team members, provide space to promote innovative ideas and solutions and create opportunities for mentoring and career development.

Currently we have eight BRGs, actively engaging in our enterprise and in our communities.

In 2022, we enhanced the governance of our BRGs by developing a BRG Governance and Structure Guide, which outlines how BRGs form and operate at Tyson. While BRGs are led by our team members, they receive support from various internal functions, including:

- DEI executive council which ensures alignment with the BRG Governance Structure.
- Office of DEI which champions BRGs and their needs.
- DEI employee council which helps develop plans to execute the company's DEI priorities, goals and strategies.
- Executive sponsors from within the senior business leadership team.

















#### **Skills and Inclusivity Training**

Key to developing a culture of shared DEI ownership is ensuring our team members understand pressing current issues and how they can help develop a more inclusive Tyson Foods. In 2023, we delivered a variety of voluntary DEI training, including:

- Neuroleadership Day of Learning featuring Joshin, a company that provides comprehensive solutions for disability and neurodivergence support in the workplace.
- Anti-racist Leadership, a fireside chat hosted by our CFO, John Randal Tyson, sponsored by our African Ancestry Alliance Business Resource Group, to discuss the role leaders have to address racism in corporate America.
- Women in Leadership Panel: Celebrating and Embracing Allyship, a panel event hosted by our Women's Business Resource Group that featured some of our female Board of Directors and Executive Leadership Team, providing team members with an opportunity to learn collectively and develop professionally.

We also commenced work to establish a platform that will host required DEI/inclusivity training for new and existing team members.



#### **Expanding Accessibility**

In 2022, Tyson introduced <u>Joshin</u>, an in-house vendor partner for disability and neurodiversity support. This has created a safe place for employees to self-disclose and get confidential support while also establishing a pathway to disability and neurodivergence training. It's just one more way we're showing we value team members of all abilities, championing how our differences are our strengths.



#### **Compensation and Benefits**

To maintain our culture of safety and belonging, we make consistent efforts to enhance our compensation and benefits offerings.

We have designated lactation areas to support mothers at our corporate and plant locations and continuously evaluate opportunities to add more lactation facilities. In 2022, we also enhanced our paid parental leave, providing eight weeks' leave for team members who are primary parents, and two weeks for those who are secondary parents. All team members who work on a regular, full-time basis are eligible for this benefit after one year of service.

To care for our people in their times of need, we have a \$10,000 lifetime maximum travel assistance benefit to ensure team members who are unable to access an abortion, or who require gender-affirming care, can obtain transport, lodging and meals associated with their medical needs.

Learn more about our benefits.

#### **SUPPLIER DIVERSITY PROGRAM**

Our supplier diversity program provides economic opportunities for diverse suppliers by stimulating growth through spend and engagement with small and diverse suppliers. In 2022, we dedicated full-time resources to supplier diversity, with oversight from senior leadership to develop a stronger framework for this process.

Also, throughout the year, our procurement team:

- Began the intensive process of cleaning and classifying our supplier data to understand supply chain makeup and inform growth strategies.
- Added requirements to our internal procurement policy for good faith efforts and the inclusion of diverse suppliers when engaging in sourcing activities.
- Increased engagement with diverse supplier certification agencies.
- Started a monthly Diverse Supplier Spotlight Series.

#### **Supplier Inclusion Summit**

2 Reimagining Our People and Community Impact

The supplier diversity team includes procurement team members and leaders, as well as representatives from our DEI teams. In March 2022, our supplier diversity team began planning our Supplier Inclusion Summit, which took place on June 20, 2023. The summit began with an evening reception hosted by Tyson leadership and included a full day of networking opportunities with company leadership, matchmaking between suppliers for enhanced partnerships, supplier enrichment sessions and a featured panel discussion with leaders from Tyson customers.

The summit provided the opportunity for impactful conversations on the importance of building and nurturing a diverse supply chain. The event supports our efforts to build a robust supplier diversity program that is aligned with Tyson's values while delivering on our core strategies of winning with customers, consumers and team members.

For small and diverse suppliers, the summit was a chance to learn about opportunities with Tyson and enrich strategic relationships with other suppliers. For non-diverse suppliers, the summit let them connect with diverse suppliers and Tyson stakeholders who may be able to support their needs.

Our suppliers are encouraged to provide opportunities such as Tier 2 relationships that enable diverse suppliers to build capacity.

## SUPPORTING DIVERSE COMMUNITIES

As a protein company that employs a global workforce dedicated to feeding the world, our philanthropic efforts center on two key areas:

- · Food access and nutrition
- Immigrant and refugee support and resettlement

In 2022, we donated \$250,000 through our Asian American and Pacific Islander grants to the following groups: Arkansas Coalition of Marshallese, National Association of Asian American Professionals, Family Support Services, Asian Americans Advancing Justice | Chicago, and Ethnic Minorities of Burma Advocacy and Resource Center. These donations were part of a larger \$500,000 commitment to Stop Asian Hate, which was an initiative that Tyson's executive leadership team supported by allowing grant allocations to be led by the Asians & Allies BRG.

We also invested \$1 million to support equitable hunger relief in local communities through our investment in Feeding America®'s Multi-Donor Equitable Food Access Fund. This funding will be distributed in the form of grants to food banks that serve people living in rural areas and communities of color disproportionately impacted by hunger.

In 2022, Tyson Foods became a member of the

## Women's Business Enterprise National Council

to increase resource sharing and our visibility of supplier networks.



## RIGHTS AND LABOR

## Ensuring people are treated with dignity and respect is essential to our business.

Tyson Foods strives to uphold the highest ethical standards and practices in all we do, across our operations. Our Core Values, <u>Code of Conduct</u>, Team Behaviors and <u>Team Member Promise</u> guide our behaviors and those of our team members. We reinforce these behaviors through internal communication and annual compliance training.

As well as our Code of Conduct, we maintain a dedicated Global Anti-Corruption Policy, which establishes our expectations around maintaining ethical and integrity standards. It also details the steps we expect anyone working on our behalf to follow to prevent instances of corruption and bribery as well as the training all team members complete to ensure ongoing compliance.

#### **GLOBAL HUMAN RIGHTS POLICY**

We maintain a Global Human Rights Policy, which is discussed in more detail in our <u>Global Human Rights</u> and <u>Modern Slavery Statement</u>. Our Global Human Rights policy applies to all team members, our Board of Directors, Tyson subsidiaries and the joint ventures over which we have majority ownership and/or management control.

Tyson's human rights initiatives are spearheaded by a cross-functional Human Rights Steering Committee, which is led by a delegate of our Chief Compliance Officer and includes key input and participation from our business operations. The Steering Committee's

Goal is to support Tyson in its development, execution and continuous improvement of human rights matters and issues. The Steering Committee also supports initiatives relating to human rights, including, but not limited to, development of policies and procedures, conducting human rights assessments, and reporting on human rights matters, such as communications, goals, and metrics.

We maintain policies and practices that follow the human rights principles set forth in the United Nations Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and the Declaration on Fundamental Principles and Rights at Work. We are also signatories of the Department of Transportation (DOT) Transportation Leaders Against Human Trafficking pledge.

#### **Respecting Team Members' Rights**

To be an employer of choice, it is vital all employees are informed about and empowered to act on their rights. We post clear, conspicuous notices of our team members' workplace rights in prominent, high-traffic locations in all facilities, including cafeterias, break rooms, hallways and hiring centers to maximize visibility. Versions of our team members' rights are available in multiple languages to help employees navigate any language barriers.

In addition to enhancing team member awareness, we also respect team members' right to choose whether they want to engage in collective bargaining. Currently, 32 Tyson locations are represented under active collective bargaining agreements.

#### **ETHICS AND COMPLIANCE PROGRAMS**

To support accountability and transparency, we maintain a 24-hour, multilingual Ethics Line where team members can voice ethics complaints or concerns about employment practices, harassment and discrimination, management and more. Team members can also ask questions about policies or request professional ethics insights using a web reporting page, TellTysonFirst. This helps us address common questions and better understand ethics and compliance issues for team members.

In 2022, the Ethics Line received 5,641 reports. Of these, 2,094 were investigated by the ethics team, with 83% unsubstantiated and 17% resolved. A large proportion of reports (3,520) were referred to the proper teams for resolution. See page 53 of the Data Center for a full breakdown of reports received.

We are also proactive in our social compliance efforts through our Social Compliance Auditing program, which, in 2022, covered 47 Tyson facilities and select suppliers, such as third-party sanitation providers. These labor, health and safety, environmental performance and ethics audits are based on the widely used Sedex Members Ethical Trade Audit (SMETA) standard, in which 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. Moving forward, we plan to increase auditing frequency and are planning to implement additional compliance measures for sanitation providers that will use a third-party auditor to conduct random supplier audits.

Tyson has a devoted compliance team that maintains company policies and monitors third-party risk, compliance with sanction laws and conflicts of interest. The team also supports the social compliance audits by meeting with our team members at the plants, providing documents and information to the auditors and supporting any remedial efforts. The compliance team also maintains the company's Code of Conduct and facilitates the annual Code of Conduct Training.

#### SUPPLIER CODE OF CONDUCT

Tyson Foods' <u>Supplier Code of Conduct</u> details our values and the ethical standards we expect from all our supply chain partners, including those related to human rights. We expect our suppliers to make the same commitments in their labor practices by having controls in place that:

- · Verify the employment eligibility of their employees.
- Prohibit inappropriate recruiting practices and fees.
- Ensure no forced labor or child labor is being used or human trafficking is occurring.
- Respect the right of employees to freely associate, organize and bargain collectively.
- Ensure compliance with applicable wage and hour laws.
- Prohibit discrimination, harassment and workplace violence.
- Provide options for employees to report concerns without fear of retaliation.

#### EMPLOYEE

## **HEALTH, SAFETY AND WELLBEING**

The health and safety of our team members is a key value. That's why we're committed to delivering the training, innovation and resources team members need to be safe.

#### **OUR APPROACH**

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Our goal is to achieve year-over-year reductions in workplace injuries and illnesses. To realize this, we need to continue nurturing a culture of shared safety ownership, starting from the top. Effective communication between governance teams enables quick and efficient resolution of safety issues. Dedicated hourly team member safety councils, plant safety councils and business unit safety councils meet to address and solve safety issues. An Executive Safety Council convenes quarterly to align on key enterprise safety objectives. Additionally, we've established a Safety Center of Excellence to provide best practice support for safety professionals in our plants.

To ensure team members know what's expected of them, front line team members complete a minimum of 13 hours of compliance, safety and food safety training annually. New hourly employees also receive up to 120 hours of classroom and onthe-job orientation. Apart from safety compliance training, our special emphasis on safety leadership training continued in 2022. We redesigned our safety leadership platform, modernizing and digitizing training materials, which are now available across the enterprise.

Unfortunately, we were saddened during the year to experience some very serious road- and manufacturing-related losses, resulting in six fatalities. Such losses reinforce our commitment to ongoing training and communication so we can continue building a safe work environment for all.

#### **Using Technology to Promote Safety**

Tyson Foods' overarching focus for 2022 was aligning approaches to workplace health and safety across various business units. Part of our "One Tyson" approach, this included digitizing processes and procedures, as well as training, to deliver a standard approach to health and safety.

We also introduced a new goal to digitally enable all aspects of the safety function. A major aspect of this is our new Safety Risk Profile and associated dashboard. This risk profile measures leading indicators of safety—such as risk reduction efforts, corrective actions and regulatory compliance—as opposed to only lagging indicators. While lagging indicators enable effective response to incidents and issues that have already occurred, leading indicators will help us understand the efficacy of our preventative measures.

We track performance in all manufacturing facilities in our safety dashboard; plants that score at or above the mid-tier prevention level demonstrate strong safety values. Our goal is for all Tyson manufacturing plants to be rated at or above the mid-tier risk-prevention level by 2030.

#### **Oversight and Recognition**

Tyson Foods is committed to third-party and internal auditing and regular reporting. We work with facilities to close recommendations highlighted in audits and share findings across the business. Importantly, completion of post-audit corrective actions is tracked at the enterprise level and plays a part in a plant's safety risk profile score. We use digital knowledge sharing tools to share audit corrective actions throughout the enterprise. 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. We also audit domestic production facilities using SMETA's gold-standard social auditing criteria, with most facilities receiving zero or one finding.

Each year, we honor locations that achieved specific measurable safety goals. We also celebrate team members who share innovative safety solutions. The awards help 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.





## PROMOTING A CULTURE OF HEALTH AND WELLNESS

We take a proactive approach to employee wellbeing, exploring and piloting ergonomic technologies, mixed-reality technologies and digital analytics to enhance our workplaces.

To encourage a healthier workforce, we are also expanding access to affordable, high-quality health care. We provide team members and their families with 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 the company-sponsored health plan or an external one.

We are also piloting subsidized on-site childcare and adjusting schedules to flex with workforce needs. In April 2022, we broke ground on a childcare facility at our Humboldt site, which will provide affordable services for team members at our Humboldt facility.

<u>Learn more about healthcare for Tyson</u> team members.

## Investing in Our Team Members by Investing in Our Facilities

In 2022, we completed development of two state-of-the-art facilities and commenced construction on an additional two: Bowling Green, Kentucky and Danville, Virginia. These new facilities have all been designed to include common and wellbeing areas for team members. In August 2022, we also announced investment of \$200 million in our Amarillo, Texas plant to expand and upgrade operations, including a wellbeing area for the site's 4,000 team members.

#### **Bright Blue Clinics**

Everyone should have access to effective health care; however, we recognize people in rural areas often struggle to find convenient, local treatment options. We have established seven health clinics ("Bright Blue Clinics") near our plants in rural communities across the country. These clinics offer quality and affordable help for team members and their families.

The health centers, operated by Marathon Health, provide primary and preventative care, including health screenings, lifestyle coaching, health education and behavioral health counseling. During 2022, they had over 20,000 visits, representing a 100% increase in engagement versus 2021. The differentiated experience delivered to our team members and their families—from reduced wait times and ease of scheduling appointments to a whole-patient health focus—has resulted in market-leading patient satisfaction scores.

### **Enhancing Inclusive Benefits for All Team Members**

For 2023, Tyson has expanded our benefits to be more inclusive of all team members at an estimated annual cost of more than \$8.4 million. This includes access to:

- Two <u>Smart Cycle</u> benefits through Progeny's family-planning services.
- Additional \$800,000 coverage for gender dysphoria.
- Wigs coverage following hair loss due to illness, injury or treatment.
- Increased adoption allowance, up to \$10,000 per adoption.
- \$10,000 lifetime maximum travel assistance—applicable to those who require an abortion and/or those unable to receive gender-affirming care.

Learn more about our benefits.

#### COMMUNITY

## **INVESTMENT**

With targeted giving programs and investments, we're helping the communities we serve to thrive by strengthening relationships between our operating locations and the places our team members and their families live.

Our rural processing plants operate in areas where Tyson Foods is often the largest employer. We aim to address social challenges that disrupt lives, such as housing, transportation, childcare, team member culture/integration and health care.

We address hunger relief and insecurity by expanding access to protein. We also help provide disaster relief through our Meals that Matter® program and engage in strategic investments and partnerships that yield positive social change for all stakeholders. At a local level, our plant teams select community giving projects to support, while our Giving Together matching program empowers all team members to volunteer and give back to nonprofits.

In 2022, we continued embedding community investment activities further into our business, integrating workforce programs (such as financial literacy training and ride-shares) into our HR team's activities, and product and financial donations into the goals of our sustainability operations team.

#### **COMMUNITY GIVING PROGRAM**

Our Community Giving program helps communities thrive by strengthening connections between Tyson sites and the areas where our people and their families live. Through the program, we are scaling giving activities for existing community programs that have positive outcomes for local residents.

We target philanthropic efforts strategically, focusing on two areas:

- · Food access and nutrition
- Immigration and refugee support and resettlement

And, to maximize the impact of our program, we look to partner with international, national and regional organizations that can help us deliver positive impact at scale.

#### **HELPING KIDS THRIVE**

Our Tyson K–12 business has long supported school foodservice programs through grants, awarding nearly \$225,000 in funding over the past eight years. In FY2022, we earmarked funding for 10 grants, totaling \$50,000. Half of this was distributed in five grants of \$5,000 through our Hunger Heroes campaign. The other \$25,000 was allocated to six recipients through our Great Grant Giveaway program. We have set similar grant-giving numbers for FY2023.

Learn more about Tyson's K-12 program.

#### 2022 CHARITABLE DONATIONS BY FOCUS AREA



\$4M

Social investment grants, community and Feeding America® grants



\$1.5M

Employee emergency assistance



\$38.5M

Product donations

~\$1.5M

Disaster relief

## FIGHTING HUNGER ACROSS THE U.S.

In 2022, Tyson Foods committed \$2.5 million to address food insecurity in partnership with Feeding America® member food banks. In September, during Hunger Action Month®, Tyson also donated 2.5 million pounds of protein—the equivalent of protein needed for 10 million meals.

We allocated \$1 million of our Feeding America® donation to Equitable Food Access grants. These aim to improve access to nutritious food among people experiencing the highest rates of food insecurity, with a focus on underrepresented communities and/or people in rural communities. The other \$1.5 million was used by Feeding America® and member food banks to expand capacity to repack bulk or private label protein products into family-size quantities, increasing the types of protein that can easily be donated and distributed.

Tyson Foods is also a founding participant in the Military Family Advisory Network's (MFAN)

Combat Military Hunger Task Force. Its role is to identify the most efficient, scalable and sustainable methods of delivering food directly into the hands of military families who need it most.

#### **DISASTER RELIEF**

Our work to provide aid to communities recovering from natural disasters continued in FY2022 with the donation of 150,000 pounds of protein across Kentucky, Tennessee and other states devastated by the 2021 tornadoes. In partnership with Walmart, we located our Meals That Matter® disaster relief trailer at the Walmart Supercenter in Mayfield, Kentucky, with volunteers from our grill teams in Tennessee, Indiana and Arkansas on site distributing food.

Following the flooding in Hazard, Kentucky in July 2022, we resumed our partnership with Walmart to donate two million meals for storm relief. Again, our grill teams stepped up to assist in distributing over 500,000 pounds of protein to feed families and relief workers.

Our 2022 disaster relief efforts also included donating more than one million pounds of protein and deploying disaster relief efforts to support storm victims, volunteers and first responders in Florida following Hurricane Ian. We partnered with Walmart to distribute meals to those in need in Fort Myers and the surrounding areas. We also partnered with Publix, Feeding America® and three of their local food banks to provide protein to people affected by the storm.

One in eight people, including one in six children, in America is food insecure. As food banks continue to face increasing demand, we're thankful for partners like Tyson, whose ongoing food and fund donations are supporting our network's efforts to increase access to protein, a high-need item, and ensure equitable access to food for communities facing hunger."

#### Erika Thiem

Chief Supply Chain Officer, Feeding America®

640,000

We have worked with community organizations across hundreds of donation events, including donating 640,000 servings of protein to tribal citizens experiencing food insecurity.



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DRIVING

## PRODUCT RESPONSIBILITY

FROM

## FARM TO TABLE

When it comes to responsible food, we're focusing on creating accessible, affordable products that meet the nutritional needs of people all around the world and evolving how those products are made and packaged.

Throughout our operations, we're driving continuous improvement in animal welfare, working to develop packaging that is more sustainable and expanding our portfolio of innovative protein options to meet varying health and lifestyle needs and personal preferences. And, through it all, we are committed to upholding the highest quality and safety standards, embedding best practices to raise the bar on what good food means.





#### HOW WE DROVE

## **PRODUCT RESPONSIBILITY**

#### 562 FarmCheck® audits completed.

The FarmCheck® audit program scope is based on a statistical analysis of each protein supply chain. This allows Tyson Foods to determine the number of farms to be audited annually so that, over a three-year period, we can be 99% confident that 95% or more of our supply chain complies with program standards

Developed an **Antibiotic**Stewardship Framework,

following publication of our position statement in FY2021, to facilitate regular, transparent assessments of practices throughout our global supply chain Supported startups and other companies focused on emerging proteins, new technologies for food and worker safety and sustainable food production through **Tyson Ventures** 

Inaugural **Tyson Foods' Global Animal Welfare Awareness Week**, an
enterprise-wide celebration
focused on enhancing our
animal welfare culture

Achieved **35% recycled content** in corrugated packaging on average<sup>4</sup>

Quarterly Global Animal
Welfare Council meetings
to discuss emerging issues
and the future of our animal
welfare program, as well
as to ensure alignment on
animal welfare policies
and practices



#### 1 Company and Strategy

#### ANIMAL

## **HEALTH AND WELFARE**

We are on a mission to raise the world's expectations for how much good food can do by continuously improving the welfare of animals entrusted to our care. It's a mission that underpins our aspiration to be the world leader in animal welfare, delivering compassionate care that is grounded in sound science.

We embrace our moral and ethical responsibility to provide appropriate care. Our priority is ensuring animal health and welfare standards are implemented, enforced and verified across our supply chain. To support this, we continuously update our policies and procedures to reflect current science and meet current legal standards and practices known to improve animal welfare outcomes. We also evaluate emerging technologies to drive continuous improvement.

#### **BOARD OVERSIGHT FOR PROGRESS**

The Tyson Foods Office of Animal Welfare (OAW), established more than 16 years ago, leads our efforts. Supported by internal and external subject matter experts, the OAW uses key welfare indicators to measure, monitor and manage animal welfare. Together with cross-company senior leadership, the OAW is responsible for driving alignment with animal welfare practices across Tyson Foods.

The OAW also seeks to promote a global consensus on best practice animal welfare initiatives.

Amongst other responsibilities, the OAW oversees implementation of the FarmCheck® program. This includes engagement with an external advisory panel, delivering on research objectives, and execution of the on-farm verification program. Through FarmCheck®, third-party auditors assess farms that supply to Tyson, ensuring they meet expectations on animal welfare.

In 2022, 562 audits were conducted through the FarmCheck® program. Deficiencies are noted at each audit and corrective action plans are created with input from the farmer, and various Tyson teams including animal welfare, live operations and procurement.

#### **Partnering for Successful Animal Welfare Outcomes**

We work with an external Animal Welfare Advisory Panel, an internal Global Animal Welfare Council, and a team of animal welfare specialists embedded across our business units who work to deliver on our animal welfare mission and vision.

We formed our external Animal Welfare Advisory Panel in 2012 as part of the FarmCheck® program. The panel's direction helps to ensure we're taking a leadership position on the most relevant and critical areas of animal welfare.

The Panel's intent is to maintain a balanced dialogue that includes experts from various fields, including academia, regulatory, production and science, to bring diverse perspectives on animal behavior, health, welfare, production and ethics.

This external panel guides current animal welfare topics and helps to:

- Determine ways to improve our FarmCheck® program.
- Advise us on research priorities and projects.
- Alert us to emerging issues or technologies that may affect our industry and business.
- Help us understand proactive approaches we can take to address areas such as ethical issues. consumer interests, and new research and technologies.

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.

In late 2020, Tyson Foods launched a global initiative to bring together the best animal welfare minds within our company. The result was Tyson Foods' Global Animal Welfare Council, which meets quarterly to discuss timely and emerging issues, the future direction of the company's animal welfare program, and to ensure alignment on animal welfare practices and policies.

In addition to the Global Animal Welfare Council's work to standardize animal welfare across our global operations and share best practices, Tyson Foods maintains global animal welfare policies providing consistency in key areas of program governance and animal welfare expectations in operations.

#### **FIVE DOMAINS OF ANIMAL WELFARE**

Tyson Foods adoption of the Five Domains animal welfare framework is a key driver in enhancing our animal welfare culture. The progressive framework allows us to better communicate about and assess the dynamic continuum of animal welfare. It supports animal welfare through four domains—nutrition, physical environment, health and behavior, which ultimately contribute to the fifth domain, the mental state of the animal. The model is specifically designed to capture the complexity of welfare states, facilitate welfare assessments and incorporate growing knowledge of welfare science into practical applications.

Incorporating the Five Domains into our daily conversations and actions is essential for Tyson Foods to drive continuous improvement in our welfare program and culture throughout our global operations.

Learn more about the Five Domains.



From a practical perspective, the Five Domains align with our focus on key welfare indicators to drive continuous improvement in animal-based outcomes, and they more intentionally make the connection between specific actions or conditions and welfare outcomes so that opportunities can be more quickly identified and addressed. With this awareness, a stronger connection is forged between individual roles and responsibilities and how they influence the animal's life experience. This greater understanding and appreciation allows for an individual to better evaluate the animal and their own performance and actually talk about welfare in a relatable and actionable manner—not only empowering our team members and reinforcing the importance of their roles, but cementing accountability in the welfare space.



#### **ANIMAL WELFARE AWARENESS WEEK**

Culture is a critical but complex facet of a robust animal welfare program. Our culture is grounded in comprehensive animal welfare training, awareness, empowerment and accountability. It's why, in 2022, we were proud to launch Tyson's first global annual Animal Welfare Awareness Week.

During this enterprise-wide celebration, team members from across our global operations explored several key topics, including:

• Integrating the Five Domains.

2 Reimagining Our People and Community Impact

- · Driving individual and team accountability.
- Tyson Foods' new animal welfare tagline: "Every animal. Every day."

The week-long campaign also featured videos and takeover posts from team members to raise awareness of animal welfare and foster engagement. These posts reached over 18,000 people on Instagram, TikTok, Facebook and LinkedIn.

Learn more about Animal Welfare Awareness Week.

#### **SEE IT? STOP IT!**

"See it? Stop it!" holds everyone accountable for ensuring compliance with Tyson Foods' animal welfare expectations. It simply states that if an individual sees something that is not or may not be compliant with our expectations, it is their responsibility to address it, report it or elevate it.

We combine this approach with our concept of 100/0. Every individual is 100% accountable for their actions and there are 0 excuses if things don't go as planned. That doesn't mean areas for improvement won't occur, but it does mean individuals take responsibility for addressing issues when they arise.

## ENSURING ANTIBIOTIC STEWARDSHIP

Tyson Foods' Antibiotic Stewardship Position
Statement describes our responsibility in managing antibiotic use within our supply chain and our approach to combatting antibiotic resistance. Tyson Foods has also developed an Antibiotic Stewardship Framework which provides a platform to assess antibiotic stewardship practices throughout our global supply chain.

99.43%

total birds raised without the use of medically important antibiotics<sup>5</sup>

#### **Researching Responsible Antibiotic Use**

Tyson Foods is dedicated to preserving the health and welfare of animals within our supply chain while protecting food safety and public health.

We are a founding member of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA), a public-private collaboration launched by the Foundation for Food and Agriculture Research in 2019. In 2022, through our engagement with ICASA, Tyson Foods contributed to various projects promoting antibiotic stewardship advances across beef and pork supply chains.

Examples of research grants we have delivered in 2022 include:

- A grant to develop a sustainable, practical system for individual beef producers to evaluate and report their antimicrobial usage in context of others across the beef feedlot industry (Kansas State University).
- A grant to research the optimal time for vaccine application against *M. hyosynoviae*, which will result in significant prevention of swine lameness and the reduced use of antibiotics for disease control (University of Minnesota College of Veterinary Medicine).
- A grant to identify factors that cause swine lameness (University of Pennsylvania School of Veterinary Medicine).

Find out more on these grants and others

5 Medically important antibiotics refers to antibiotics identified in the World Health Organization's list of critically important antimicrobials for human medicine, 6th Rev. (Mar. 20, 2019).

#### $(\mathbf{F})$ 1 Company and Strategy

#### INNOVATION AND

## **DISRUPTIVE TECHNOLOGIES**

From farm to table, we're innovating throughout the value chain to meet the world's changing—and growing food requirements.

#### **DISRUPTING THE INDUSTRY** WITH TYSON VENTURES

Through our investment arm, Tyson Ventures, we support startups and companies with breakthrough ideas. We focus our investments on sustainable proteins and innovations for a changing world, including:

#### Emerging Proteins:

Food innovation in proteins that can provide more sustainable nutrition to a growing global population.

#### Enabling Technologies:

Technologies that enhance traceability, worker safety, automation, machine learning and AI to create a more agile food supply chain.

#### · People, Planet & Agriculture:

Solutions that create a more responsible food system through improved animal welfare, diagnostics, circular economy, water management, packaging and land stewardship.

#### **Tyson Ventures Demo Day**

In 2022, Tyson Ventures held our first Demo Day—a Shark Tank-style event for startups focused on sustainability and transforming the way the world eats. An executive judging panel, made up of leaders and Tyson Ventures' investment committee, was held virtually.

The panel heard from entrepreneurs pitching solutions for Tyson Ventures' investment strategy on topics from animal welfare to robotics. As a result, we introduced six companies to partners within the business to continue conversations regarding their work. Following its success, we intend to host a second Demo Day in 2023 focused on upcycling.

#### **UNDERGOING A DIGITAL TRANSFORMATION**

Tyson is undergoing a digital transformation to enhance efficiency and productivity. Part of this shift is integrating cutting-edge technology platforms into manufacturing operations.

To achieve this, we first focused on expanding digital monitoring of our production lines to boost connectivity between our international manufacturing facilities, allowing sites to link to a shared digital platform with real-time manufacturing data. This empowered teams with the insights needed to make quicker decisions and predictions about improvements for efficiency. The digital platform also acts as an internal communication platform, letting colleagues collaborate on solutions and share team wins.

Throughout 2022, we began integrating this technology into our plants. To date, 17 sites are connected to an online live-tracking database, and we are beginning to expand the solution to sites in the U.S. Additionally, some of our new plants in China have been purpose-built for connectivity and process automation. It is anticipated that the information from these facilities will allow Tyson to be more visual and transparent, as well as encouraging a spirit of competition and shared growth between plants.

#### **DIGITAL FEED MONITORING**

To improve operational efficiency and compliance, in August 2022, we introduced a Feed Outage Tracker pilot. Traditionally, each mill has kept paper records regarding feed levels. Our tracker, developed inhouse by our Law Department, is modernizing data management with online storage and performance dashboards.

The tracker sends weekly reports to participating mills. These include metrics for each mill, insights into what is causing outages or out times and notes for improvement. Each month, a leadership report is sent to the VPs of Live Operations and mill leadership.

At the end of FY2022, we had 3 mills piloting the tracker, with an expansion to 6 mills planned for early FY2023 and potential to launch the tool at all poultry feed mills by the end of FY2023. We anticipate that over time, this automated direct-to-stakeholder reporting can enhance business efficiency by identifying improvement opportunities to reduce live costs and pinpoint feed outage hotspots.

#### PRODUCT

## **QUALITY AND SAFETY**

As a global food producer, ensuring the quality and safety of our products is of paramount importance.

98.2%

of supplier facilities and Tyson plants producing edible human food are GFSI certified

100%

of alleged noncompliance issues in noncompliance or inspection reports issued by global regulatory authorities are responded to in writing

Zero

regulatory enforcement actions in FY2022

Our commitment to robust food quality and safety standards extends throughout our value chain—all the way from farm to customer—and we are continuously looking for opportunities to enhance our practices.

Tyson Foods' food safety and quality assurance professional network comprises thousands of operations, engineering, supply chain and procurement team members who co-own food safety and quality. This integrated, cross-company approach is designed to nurture a culture of shared ownership for food safety and quality control.

Our Laboratory Services Network is also involved in food safety testing and research, while our plants are frequently inspected by the federal Food and Drug Administration (FDA) or the United States Department of Agriculture (USDA) Food Safety And Inspection Service (FSIS).

Read about our Sentinel Site Program<sup>®</sup>.

#### **MONITORING SAFETY**

We honor our commitment to producing safe, highquality food by conducting regular food safety audits. These assessments help inspire consumer confidence and provide detailed insights that inform improvements to our food safety practices.

See full list of certifications.

Audits are conducted internally by corporate and plant food safety teams. Standards, such as those benchmarked by the Global Food Safety Initiative (GFSI), create a baseline against which we measure our efforts. We also engage third-party certification entities to provide real-time feedback that helps us pursue continuous improvements.

As well as auditing our operational processes, we ensure nutrition labels meet Tyson's own product transparency standards, as well as comply with applicable labeling requirements under federal and state laws. For products sold in the United States, labeling is most often subject to labeling regulations and guidelines administered by the USDA and FDA.

Our nutrition team works closely with our 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. We are compliant with the FDA's Nutrition Facts label on FDA products within our portfolio, and we follow guidance from the USDA for meat and poultry products. This means our new nutrition labels give visual emphasis to calories and serving size; contain updated information specific to added sugars, dietary fat, and vitamins and minerals; and meet the FDA's serving sizes and labeling requirements for certain package sizes.

## FOOD QUALITY AND SAFETY ASSURANCE

In the United States, we are closely regulated by the FDA and the USDA FSIS, and our food plants strictly adhere to global food standards.

In 2022, our Food Quality and Safety Assurance team continued to focus on identifying current and emerging risks for the food industry to maintain regulatory compliance. We're proud that 100% of our U.S. facilities are certified to GFSI standards globally.

#### **Product Recalls**

In FY2022, we experienced zero product recalls.

### Informing National Avian Influenza Control Protocols

Each year we run thousands of health tests on our poultry. The results inform national avian influenza control protocols. Given the 2022 avian flu outbreak in the U.S., this was a particularly important aspect of our research processes that year.



#### SUSTAINABLE

## **PACKAGING**

Packaging is crucial for delivering safe food to consumers, and it is imperative that food preservation isn't compromised. We look for robust packaging solutions that can withstand every stage of the value chain—from production, packing and distribution through point of sale and all the way to consumer use.



#### **OUR APPROACH**

By 2030, we want all Tyson Foods branded products to be recyclable, home compostable, or reusable. To support this goal, we are exploring alternative materials and processes, and rethinking the packaging used across our entire product portfolio.

For example, we are considering alternatives for expanded polystyrene (EPS) foam trays in our poultry business. In 2022, we launched APET (Amorphous-Polyethylene Terephthalate) fresh poultry trays to replace some EPS foam trays and incorporated a new "high abuse" side-end-seal film that is more resistant to abrasion, tearing and cutting. Also, in 2022, we successfully conducted a pulp fiber tray test with Tyson's Trimmed & Ready® line as an alternative to EPS foam trays. An incommerce test of new pulp fiber trays met the action criteria of performing at the same level or better than existing trays and received favorable consumer feedback. To continue these efforts, we are working to test additional pulp fiber tray technologies with select Jimmy Dean® products in FY2024.

#### **Plastic Reduction**

We are also looking for opportunities to reduce the overall plastic content in packaging. In FY2023, we initiated a pilot test for flow-wrap packaging for select case-ready ground beef products. The flow-wrapping technology uses less plastic than a conventional tray-and-film-wrap packaging and the pilot test successfully demonstrated Tyson's ability to convert flow-wrap materials in case-ready ground beef products, with potential to decrease the amount of plastic needed for packaging.

#### **Innovations in Paper-Based Packaging**

We have identified a formable plastic film-laminated paperboard tray where the consumer removes the film after use and recycles the remaining paperboard. If commercialized, this packaging innovation can significantly reduce dependence on heavy rigid plastic up to 90% and increase overall recyclable content for some of our consumer-facing products.

We are also evaluating options for how we can use more post-consumer recycled (PCR) content in both paper-based and plastic packaging. We have on average 35% PCR content in our corrugated packaging.  $^6$ 

#### **Reusable Packaging**

We are pushing to incorporate more reusable materials in our own operations as well, through the introduction of reusable plastic crates (RPC's) within Tyson facilities, and looking for opportunities to expand our use of reusable systems within our operations. Moving to an RPC system within our operations reduces our reliance on single-use cardboard, making this solution both a circular and waste-reduction option.

When it finally reaches its end of useful life, we aim for our packaging to be disposed of as responsibly as possible. We are always looking for the best options in the consumer-packaged goods sector, with careful consideration of the science, current disposal infrastructure, and consumer practices, to find more sustainable packaging solutions.

This is why we are seeking strategic partnerships with industry organizations and stakeholders to facilitate the infrastructure changes needed to improve circularity of packaging and packaging-related components. We believe that, taken together, investing both in the packaging materials we use in our products and in the infrastructure to responsibly dispose of packaging materials is the right path forward for our products and consumers.





# Making Packaging More Recyclable with Lahli™ Morning Protein Bites

In 2022, we launched our new brand, Lahli<sup>™</sup>. Lahli<sup>™</sup> was designed to target a market segment which desires more health-conscious convenience products and packaging designed for recyclability. One packaging goal for the Lahli<sup>™</sup> product was to minimize plastic use by eliminating unnecessary rigid plastic trays without impacting packaging integrity.

Using our packaging design principles and extensive consumer research, we worked with Amcor Flexibles North America to develop a flexible packaging solution. The pouch utilizes recycle-ready, in-store drop-off film that provides customers with a sustainable disposal option. The pouch carries a How2Recycle® label to communicate instructions for how to recycle packaging in place of disposal.

Lahli<sup>TM</sup> plans to continue sourcing packaging that is designed for recyclability and has reduced plastic content where possible. The brand is also exploring the possibility of new pulp fiber bowls and is launching an initiative to encourage in-store drop-off recycling of breakfast bowl lidding film.



## Making Our Products Easier to Recycle

In 2022, we initiated a program to develop and implement "recycle-ready" replacements for PVC-based overwrap films on fresh meat products. We also partnered with Amcor on recycle-ready forming/nonforming flexible film for use across the Jimmy Dean® frozen portfolio. The pouch is constructed from thermoformable base webs and top-lidding films that bear the approved H2R recycle icon—a recognized icon that instructs consumers to deposit empty packaging in in-store/on-site collection sites. The Jimmy Dean brand plans to roll out additional products using these films in 2023 and 2024.

Also in 2022, our Hillshire® Snacking tray platform has received the Association of Plastic Recycler (APR) certification and met their critical guidance criteria. The structure allows the trays to be recycled by stores and facilities where polypropylene (PP-5) materials can be effectively recycled. Our product platform includes such familiar snacking formats as Hillshire Small Plates and Hillshire Bistro Bites found in your local grocer or club.



#### 1 Company and Strate

#### NUTRITION,

## **ACCESS AND AFFORDABILITY**

## Empowering consumers to make healthy choices through product labeling transparency.

We believe making protein more accessible is key to helping our customers take control of their own wellbeing. Using science-based best industry practices, Tyson's Research & Development teams work constantly to make products more nutritious while remaining affordable to families around the globe.

Our teams have been working hard to prepare our products for incoming updates to FDA allergen requirements, with sesame joining the list of major food allergens from 2023. We are also updating our nutrition facts to meet revised legislation in Canada.

Learn more about Culinary Innovation.

#### **EDUCATION PROGRAMS**

Tyson Foods and the American Meat Science Association have collaborated and hosted a short course for college students who are studying meat science, food science, nutrition and engineering for the past six years. Our Beyond Fresh Meats Short Course continued in spring 2022 with approximately 50 individuals taking part in our "Dinner Sausage, It's More Than Just the Sizzle!" course at the Tyson Discovery Center in Downers Grove, IL. Within this program, undergraduate and graduate students (and professors) complete rotations to broaden their technical skill set while gaining an understanding of the daily responsibilities of R&D food scientists.

#### **Nutrition Education and Involvement**

During 2022, our registered dietitian nutritionists supervised two interns, acting as mentors to these future dietitian professionals. We also continued to meet with nutrition students at the University of Arkansas each semester to introduce them to the role of corporate dietitians.

Our nutrition team is actively involved with the Arkansas Academy of Nutrition and Dietetics, Academy of Nutrition and Dietetics (Dieticians in Business and Communications practice group), North American Meat Institute and National Pork Board. We also provide input based on current policy issues, consumer trends and nutrition research.





#### **OUR PRODUCT PORTFOLIO**

We offer a diverse portfolio of nutritious products that fit well within healthy eating patterns and provide a variety of benefits to consumers' health and wellbeing. More than half of consumers are seeking to add protein to their diets. Protein is a necessary nutrient for growth and development, building muscle, helping maintain a healthy weight and curbing hunger, among other things. We offer a wide variety of protein choices to meet consumers' lifestyle needs and personal preferences, including both traditional protein and plant-based protein. The Tyson nutrition and R&D teams continually evaluates new products and reformulations to ensure we are providing the best tasting and most nutritious products to meet consumers' needs and interests. The teams' hard work was proven successful in 2022 as Tyson received the Community Wellness award from the North America Meat Institute (NAMI), while Hillshire Farms All Natural Fully Cooked Pork Chorizo Crumbles was awarded with The National Restaurant Association's Food and Beverage Award (FABI).

See Our Brands.



to start the day, containing vegetables, cage-free<sup>7</sup> eggs and chicken raised with no antibiotics ever.





Our

### **Hillshire Farm SNACKED!** Turkey with **Chocolate Chip Cookies**

won Parents Food Awards 2022 prize for Best Mixed Snack Pack.

#### WHITE HOUSE COMMITMENTS

It was an honor for Tyson Foods to be present at the 2022 White House Conference on Hunger, Nutrition and Health. The event brought attendees together to end hunger and increase healthy eating and physical activity by 2030, so fewer Americans experience diet-related diseases like diabetes, obesity and hypertension.

In support of this goal, by 2030 we intend to:

- Invest \$250 million in the charitable food system to expand access to affordable, nutritious protein and build greater system capacity to reach every community equally.
- Invest \$20 million to help make nutrition education more accessible to children, workers and communities through initiatives such as our Upward Academy program.
- Increase the nutrient density of our protein portfolio to improve nutritional value.



RESPONSIBLY MANAGING

## NATURAL RESOURCES

ACHIEVE **NET ZERO** 



Building a more sustainable food system

we have taken a step back to put our best foot forward. Embedding the Formula to Feed the Future strategy into our business has resulted in the creation of new positions, retitling of roles to reflect new responsibilities and development of a new management-level working group.

We also conducted a materiality assessment, which included supplier input, to understand how our use of natural resources is viewed by stakeholders. The findings informed our pillars, which resulted in an overhaul of our company-wide approach to sustainability. We believe such preparatory work has increased the transparency with which we operate, as well as strengthening our voice in global stakeholder conversations.

#### HOW WE WORKED TO

## SUSTAIN NATURAL RESOURCES

#### RECOGNIZED

By the North American Meat Institute in 2022 for continuous environmental improvement at **44 plants** 

78 plants and other facilities received recognition for their environmental management practices. The Environmental Recognition Award recognizes a company's dedication to continuous environmental compliance improvement, as witnessed by the development and implementation of Environmental Management Systems (EMS)

#### ANNOUNCED

In 2021, our ambition to achieve **net-zero GHG emissions**, including Scopes 1, 2 and 3 emissions, by 2050

#### CONTINUED

Alliance for Water Stewardship certification for **three U.S. plants** 

#### **ACHIEVED**

Zero Waste to Landfill (ZWTL) gold-level validation at seven U.S. plants in FY2022 where 95% to 99% of certain waste streams has been diverted from landfills

#### DEVELOPED

A GHG emissions
accounting framework
for beef to model emissions
and verify emission
reductions from pasture
to production through
supply chain partners'
adoption of more sustainable
agricultural practices

#### DIVERTED

**35.5 tons** of organic waste from our Springdale, Arkansas headquarters through our Composting Waste Program in partnership with Food Loops since the pilot began in 2018

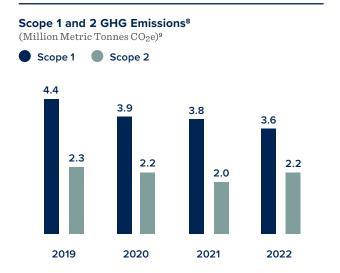


### **CLIMATE ACTION**

A leader in the food industry,
Tyson Foods is also working to lead
greenhouse gas emission management
and reductions within the beef industry
by re-imagining our supply chain from
farm to plate and looking for ways
to work with suppliers to adopt our
climate-smart agricultural practices.

#### **OUR NET-ZERO AMBITION**

We understand the importance of reducing GHG emissions to help keep global average temperature increases to well below 2.0°C above pre-industrial levels and to support efforts to limit it to 1.5°C above pre-industrial levels. We continually aspire to achieve net-zero emissions for Scope 1, 2 and 3 by 2050.



#### **Evolving Our Baseline**

As a large and constantly evolving company, periodic updates to our GHG baseline are required as we acquire new business and expand operations to ensure continued alignment with the GHG Protocol. The process involves Tyson's sustainability and global impact team working closely with the environmental compliance and other teams who collect and manage emissions data.

We are continually working to ensure our targets are supported by the right data. Throughout FY2022, we worked to improve the accuracy and completeness of our emissions data, including:

- Conducting electronic surveys of our sites using data questionnaires to identify emissions sources.
- Re-baselining and calculating a comprehensive Scope 3 emissions footprint, using the latest guidance and protocols.<sup>10</sup>

Taken together, these steps will help ensure the completeness of direct and indirect emissions data, informing more accurate and comprehensive accounting. Our improved, expanded base year will also support progress against our net zero by 2050 commitment, and our ongoing alignment with the Science Based Targets initiative (SBTi).

Following our original Science Based Target, which was approved in FY2018 by SBTi, we will submit a revised target in line with the SBTi's updated 1.5°C ambition, and include a Forest, Land and Agriculture (FLAG) target for land-based emissions reduction and removal, within the required time-frame.



- 8 Our GHG emissions for global operations are calculated according to the GHG Protocol, using the operational control approach.
- 9 Rounded to one decimal place. This data includes our U.S. operations (96% of revenues in FY2022).
- 10 In FY2018, we conducted an initial screening and estimation of Scope 3 emissions using data from WRI and Ecofys. In FY2022/FY2023, we completed a full Scope 3 emissions inventory using FY2019 data. This will be followed by an update for FY2022, which will inform our resubmission to the Science Based Targets Initiative (SBTi).



### ENVIRONMENTAL MANAGEMENT SYSTEMS

Tyson Foods continues to develop and implement an Environmental Management System (EMS) at all domestic locations. The EMS is designed to facilitate compliance with federal, state and local environmental requirements. Key elements include environmental policy, operational standards, task management and incident tracking software, compliance auditing, learning management system and data mining. The EMS is directed by the Corporate Environmental Services Department and implemented by facility management teams. The Corporate Environmental Services Department is charged with identifying and addressing opportunities for continually improving Tyson's EMS.

#### **Industry-Leading Efforts**

As well as driving internal progress, we look to leverage our insights to encourage industrywide improvements. We participate in various industrial trade organizations, including frequently presenting on various environmental topics to other members. Several team members participate in environmental committees for industry organizations, sharing insights on key topics and environmental developments.

### RENEWABLE ENERGY PROJECTS

We have a goal to establish a pathway to using 50% renewable electricity, both purchased and self-generated, across domestic operations by 2030. Aligned with this domestic aspiration, we are also making investments in renewable electricity within our international business operations.

In Thailand, we are using solar energy systems to reduce dependence on diesel-generated power. The first phase of this project includes a one-megawatt photovoltaic module installed at Tyson Thailand's Chonburi plant, which is projected to reduce carbon emissions by 2,100 MT annually once completed. Additionally, Tyson Poultry Thailand has completed installation of a "Solar Street" for lighting around the facility, and is exploring a new solar project using floating panels installed on ponds located on the facility property.

### PILOT RENEWABLE ENERGY PROJECTS AT OUR PLANTS

Tyson Foods has partnered with NW Natural and BioCarbN to convert biogas from wastewater facilities into renewable natural gas (RNG). During January 2022, we brought this process online for our Lexington, Nebraska plant. A second facility, located in Dakota City, Nebraska was initiated at the beginning of 2023.

Between October 2021 and September 2022, the process generated over 93,000 MMBtu of biogas—enough to heat approximately 2,092 homes annually. At full capacity, the two projects combined are expected to produce about 240,000 MMBtu of RNG each year—enough RNG to provide heat for more than 5,400 homes annually.



## CLIMATE-SMART FUTURE

We approach greenhouse gas emissions holistically, considering GHG emissions outside our direct operations. This includes gaining robust insights into our agricultural supply chains and the activities that contribute most to our GHG emissions footprint.

Our supply chain approach includes identifying areas where we can have maximum impact to reduce Scope 3 emissions. This includes working with cattle ranchers and row crop farmers to adopt climate-smart practices. Tyson has been selected as a grant award recipient in the USDA's Partnerships for Climate-Smart Commodities grant program, which is a combined total investment of \$152 million to accelerate the adoption and implementation of climate-smart practices and support underserved producers and U.S. rural agricultural communities. This program would allow for improved farmer and rancher livelihood, increased carbon sequestration and reduced GHG emissions in Tyson's supply chain.

## \$152M

Tyson Foods is planning to launch a \$152 million effort to support adoption of climate-smart agricultural practices as a selected grant award recipient in the USDA's Partnerships for Climate-Smart Commodities grant program.

### COLLABORATING TO ADDRESS BEEF-RELATED EMISSIONS

We see significant opportunity in our beef value chain to work with our suppliers to transition to regenerative agricultural practices with reduced GHG emissions. We are collaborating with supply partners, academics and environmental advisors—like The Nature Conservancy (for advice on grazing-related emissions) and Environmental Defense Fund (for guidance on feed inputs and nitrogen balance)—to reimagine the future of beef production and help us achieve our ambitious sustainability goals.

To take on beef-related emissions, we first need an in-depth understanding of how and where they arise. Throughout FY2022, we developed a dynamic accounting framework and model that enables per-head assessments of carbon intensity for cattle enrolled in our Climate-Smart Beef Program, exploring the impact of activities such as farming processes, feed choices and grazing practices. Our feedlot partner, Adams Land & Cattle, was critical to this process, supplying key data to inform our assessment model. They also trialed our model, integrating it into their existing cattle performance management system to calculate greenhouse gas emissions for the cattle at their feedlot enrolled in the program, as well as when they go to harvest.

We engaged Deloitte to refine and automate our data integration model to drive efficiency, accuracy and real-time, on-site emissions monitoring. Now, we are working with consultants SCS Global Services to verify our methodology and model-align with relevant ISO standards.



### Climate-Smart Beef

Our <u>Climate-Smart Beef Program</u>—a first-of-its-kind innovation for a company our size and the most significant investment we've made to date on our sustainability journey—uses Science Based Targets and first-hand rancher experience to drive climate-smart agricultural practices. The goal? Reduce GHG emissions in the beef supply chain while creating additional value and profitability for everyone involved.

Together with scientists from the University of Arkansas and Dr. Greg Thoma at Colorado State University, we can better characterize a decarbonization pathway for beef in our supply chain. To accomplish this, we will incentivize producer and feedlot adoption of climate-smart agricultural practices while investing in research on how to reduce methane emissions.

As well as reducing emissions, it is our hope that participating producers and feedlots will gain other land and water benefits, including minimizing soil erosion, reducing water run-off, improving water quality and helping conserve habitats.

We know our Climate-Smart Beef Program is just the beginning. We aspire to verify sustainable beef production practices on >5 million acres of U.S. cattle-grazing land by 2025.



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#### **LOCAL GRAIN SERVICES SUSTAIN**

The Tyson Foods <u>Local Grain Services (LGS)</u> program was created to support direct sourcing of corn from farmers in the communities where we operate. LGS offers resources and strengthens relationships with farmers to ensure our chickens are fed the highest quality local grain.

The program's latest initiative, LGS Sustain, is designed to help farmers adopt climate-smart practices on row crop land. To ensure it works for everyone, we have developed LGS Sustain as a farmer-focused, farmer-driven program, drawing on supplier insights to understand what support they want and need to adopt agricultural practices with reduced emissions.

Participants will receive educational and technical assistance to update processes along with access to industry-leading partners. They will also receive funding to adopt new practices which are intended to preserve the longevity of agriculture, such as cover crops, nutrient management and reduced tillage.

**50%** 

Last year nearly 50% of the corn in our chicken feed was sourced from local farmers.





### FOREST **RISK MANAGEMENT**

As a food company, we rely on healthy land to safeguard our future. It's why we are driving responsible land use practices, including working to fully identify and manage deforestation risk across our global supply chain.

#### ADDRESSING DEFORESTATION

Protecting forest resources aligns with our purpose raising the world's expectations for how much good food can do. Through the company's Core Values, we strive to create value for our shareholders, customers communities, and team members, while serving as a steward of the animals, land and environment entrusted to us. As noted in our Forest Protection Standard, Tyson sources commodities with potential risk related to deforestation in certain global jurisdictions. Accordingly, Tyson recognizes the need to protect forests and biodiversity, reduce our climate footprint, and conserve natural resources.

#### **Risk Mapping Our Commodities**

Based on a deforestation risk assessment conducted with Proforest in 2019, consisting of Tyson operations at the time and using the definition for deforestation<sup>11</sup> from the World Wildlife Fund. Tyson was found to have low or no risk of deforestation across 94% of the then known land footprint for select commodities in our operations. Most beef and soy we source were determined to be at low deforestation risk due to U.S. origin. To proactively address the remaining 6% of our value chain that had unknown origins and risks, we developed a Forest Protection Standard, as well as country-specific commodity action plans (CAPs).

To continue this work, we are again seeking to update our Forest Risk Assessment, with consideration of changing definitions for deforestation under international law, and plan to reassess our deforestation goals and CAPs. We continue to work to enhance risk mapping and traceability in our international beef supply chains as we work toward our goals.

#### **Engaging Suppliers**

We are also working with suppliers to reduce our global supply chain deforestation risk. Tyson expects its suppliers to meet set criteria for the prevention of deforestation. We recognize not all suppliers can meet new requirements immediately; however, Tyson expects suppliers to make the changes necessary to meet the requirements by the target sourcing dates.

#### **Goals for Progress**

We have established several goals for commodities from high-risk countries. We're making progress toward these goals by aligning our practices with commodity-specific responsible sourcing initiatives. In 2022, Tyson Poultry Thailand, Tyson Thailand and Tyson Malaysia were certified to the Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certification Standard, demonstrating the presence of systems for controlling RSPO-certified palm oil products. We are also driving change with our paperbased packaging suppliers by stating our preference for Sustainable Forest Initiative (SFI)- and Forest Stewardship Council (FSC)-certified materials.



### **WATER**

Water is a critical resource for all life. As such, we recognize the vital responsibility we have to use water resources efficiently and in a manner that preserves product integrity and quality, which is why we partner on solutions to manage water risks and use.

### OUR WORK WITH THE ALLIANCE FOR WATER STEWARDSHIP

Across our business operations, we are applying the latest science and engineering insights to our water stewardship approach. As a member of the Alliance for Water Stewardship, we contribute to local water resource protection and preservation by adopting the International Water Stewardship Standard. We also involve supply chain partners in efforts to innovate shared water stewardship practices.

#### **Establishing Contextual Water Targets**

Setting contextual water targets helps us contribute to better-quality water where we operate and work with stakeholders in the local watershed to manage water risks and stress. To do this, we are working toward a goal to develop Contextual Water Plans at 11 high-risk locations in the U.S. by 2025.

Through these contextual water targets and water stewardship plans, facilities with Contextual Water Plans will also set site-specific targets for five main water-related outcomes, inside and outside the facility line. These are:

- · water quantity
- water quality

2 Reimagining Our People and Community Impact

- water governance
- important water-related areas
- · water, sanitation and hygiene (WASH)

The stewardship plans will be evaluated annually by each site, with short (one-year), medium (five-year) and long-term (10-year) targets assessed to ensure alignment with the contextual needs of the facility and its stakeholders.

#### A Site-By-Site Approach

We implement site-specific initiatives to help reduce water consumption, as well as quality targets to reduce nutrient risks to water sources. To date, we have completed water plans at seven sites:

- Finney County, Kansas
- Seguin, Texas
- North Richland Hills, Texas
- Amarillo, Texas
- Vernon, Texas
- Dexter, Missouri
- Temperanceville, Virginia

Our plans consider the interests of local stakeholders, and we set water governance and water-related area targets to promote and enhance good relationships across local watersheds. We also have a water access, safety and hygiene target, highlighting our commitment to equal water access for communities who depend on it.

### Wastewater Treatment and Initiatives to Reduce Fresh Water Use

Our facilities implement water efficiency and reuse technology, including efficient nozzles for cleaning, water-efficient appliances in restrooms and water reuse in condenser frameworks. Additionally, Tyson partners with the U.S. Environmental Protection Agency (EPA) Cooperative Research and Development Agreement (CRADA) to study the conversion of meat processing wastewater into drinking water.

Where we reuse water, our food safety and environmental teams continuously work to lower contamination risks and keep our products safe. Our procedures are further regulated by EPA programs such as the Clean Water Act, the National Pollutant Discharge Elimination System (NPDES) and state regulatory programs.



### WRI Aqueduct Alliance

We appreciate the importance of achieving a water-secure future by understanding, evaluating and mitigating global water risks. It's why we joined the Aqueduct Alliance group—created by the World Resources Institute (WRI). As a member, Tyson Foods consults with the WRI on our water stewardship work, including strategies, data, economic analysis and risk and impact evaluation.

The WRI supported us on our first steps toward water stewardship, helping us conduct international and domestic water risk assessments. They also helped us pilot our first contextual water target. Because of this, the WRI and the Aqueduct Alliance remain an invaluable and trusted strategic partner to Tyson Foods.



### **WASTE**

We believe in finding ways to keep resources in use for as long as possible, diverting operational waste from landfill and developing projects to recycle more materials.

As stewards of the land, we work to ensure as few as possible of the world's precious and finite resources are wasted. We strive to be good stewards of natural resources through actions such as waste-data tracking and monitoring, composting and diverting waste from landfill wherever possible.

10,313,225

pounds of food waste and yard trimmings composted in 2022

681,228

pounds of fresh meat donated to animal rescue sanctuaries in 2022

### AVOIDING WASTE FROM THE START

The best way to reduce waste is to avoid it from the get-go. This is the thinking behind our Chonburi facility in Thailand going 100% paperless for manufacturing systems—production, food safety, quality assurance and safety—in frontline operations. The site has implemented a digitally connected solution that helps unify all systems into a single system.

The result is that 188 paper-based forms have been removed. Information is instead consolidated to tablets, which means team members can communicate and respond to data in real time while simultaneously cutting the site's waste footprint.

### DIVERTING PRODUCT PROCESSING AND FOOD WASTE

We are converting operational byproducts, which would otherwise be waste, into valuable products to help minimize or eliminate what we send to landfill, while creating additional value. For example, in our animal processing operations, non-human-edible protein waste can be used to create animal feed, biofuels and fertilizer.

In 2022, we composted 10,313,225 pounds of food waste and yard trimmings and partnered with animal rescue sanctuaries to donate 681,228 pounds of fresh meat. We also donate human-edible food to hunger relief organizations to be distributed to those who need it most.

4 Responsibly Managing Natural Resources to Achieve Net Zero

#### **Diverting Waste from Landfill**

Eight Tyson Foods plants have achieved Zero Waste to Landfill validation through a combination of reducing production waste and reusing or recycling materials. We were awarded gold level by third-party validation at our Tennessee, Arkansas, Kentucky and Georgia locations where we diverted 95% to 99% of waste away from landfills. While there is always more work to be done, it is a meaningful milestone toward our domestic waste-reduction goals.

### RESPONSIBLY MANAGING HAZARDOUS WASTE

As well as diverting waste from landfill, we ensure the proper disposal of hazardous materials and waste through our Hazardous Waste Management Standard. This standard is based on federal requirements as well as Tyson-specific and industry standards, and includes guidance on the segregation, signage and container requirements to which all U.S. plants must adhere.



### An Innovative Waste Management Approach

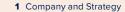
We know emissions from waste are a contributor to our Scope 3 carbon footprint. Due to this, we have initiated a Black Soldier Fly Larvae (BSFL) project as a potential method of reducing waste to landfill at our Tyson Malaysia facility.

The BSFL have a life cycle of approximately 45 days<sup>12</sup> and, based on current research, just one kilogram of BSFL can consume over 20 tonnes of waste.<sup>13</sup>

The larvae themselves can then be harvested as animal feed for fish-farming enterprises; their waste serves as nutrient-rich fertilizer in vegetable farming and horticulture.

To further explore this promising initiative, we have begun sending waste samples for decomposition testing using BSFL to our supplier, Bumi Sinaran. We are excited to be taking steps toward a more sustainable waste-treatment system for Tyson Foods and will continue supporting new and revolutionary technologies while we progress on our sustainability journey.

- 12 Source: Ferrarezi, Rhuanito & Cannella, Lorenzo & Nassef, Abdel & Bailey, Donald. (2016). UVI/AES Annual Report 2016—Alternative Sources of Food for Aquaponics in the U.S. Virgin Islands: A Case Study with Black Soldier Flies.
- 13 Source: Live more, Bank less by DBS





# DATA CENTER

#### **REPORT SCOPE**

In preparing this report, we referenced the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2016) and Sustainability Accounting Standards Board (SASB) Standards. This report has been prepared in reference to the GRI: Core option. Additional information on Tyson Foods' policies, programs and commitments that support sustainability initiatives is available at tysonfoods.com.

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## **DATA CENTER**

#### **CORPORATE METRICS**

CORPORATE METRICS	FY2019	FY2020	FY2021	FY2022
Financial Impact				
Revenues (\$ billion)	\$42.41	\$43.19	\$47.05	\$53.28
Net Income (\$ billion)	\$1.99	\$2.07	\$3.06	\$3.25
Total Assets (\$ billion)	\$33.10	\$34.46	\$36.31	\$36.82
Research and Development Spend (\$ million)	\$97.00	\$98.00	\$114.00	\$108.00
Production			_	
Beef (approx. avg. head per week)	155,000	155,000	155,000	155,000
Beef (avg. capacity utilization)	85%	77%	78%	79%
Pork (approx. avg. head per week)	461,000	461,000	469,000	471,000
Pork (avg. capacity utilization)	90%	90%	88%	84%
Chicken (approx. avg. head per week)	45,000,000	45,000,000	47,000,000	47,000,000
Chicken (avg. capacity utilization)	87%	84%	79%	83%
Prepared Foods (approx. avg. pounds per week)	76,000,000	74,000,000	73,000,000	73,000,000
Prepared Foods (avg. capacity utilization)	86%	81%	79%	77%
Supplier				
Total Farmers	9,247	>16,827	18,968	19,114
Total Chicken Farmers	3,925	3,890	3,961	3,865
Cattle Farmers	3,607	3,358	3,228	2,896
Hog Farmers	1,617	1,483	1,141	919
Turkey Farmers	98	96	93	89
Tyson Local Grain Services Grain Suppliers	0	>8,000	10,545	11,345

1 Company and Strategy

FOOD	FY20	19 FY2020	FY2021	FY2022
Food Safety and Quality Assurance (FSQA) <sup>1</sup>				
ISO 17025 Accredited Labs <sup>2</sup>		16 16	18	14
Global Food Safety Initiative (GFSI)-Certified Plants	1	13 114	120	120
Safe Quality Food (SQF)-Certified Plants		33	37	37
British Retail Consortium (BRC)-Certified Plants		78 81	83	83
Class 1 and 2 Product Recalls		5 <sup>3</sup> 1 <sup>4</sup>	1 <sup>5</sup>	0
Customer Complaints (per million units) <sup>6</sup>	Not reporte	ed Not reported	3	2
Consumer Nutrition—K–12-Focused Products				
Products that Meet School Nutrition Regulations for Fat, Sodium and Calorie Content	53	39 418	327	229
K-12 Products that Carry the Whole Grain Stamp	10	00 89	80	93
Cool School Café® Program Participants <sup>7</sup>	10	97	87	69
No Artificial Colors, Flavors or Preservatives, or All-Natural Products <sup>8</sup>		91 79	114	111
ANIMAL WELFARE				
Total Third-Party FarmCheck® Program Audits	50	9 473	587	562
Key Welfare Indicators <sup>9</sup>				
Broiler Chickens				
Transport Liveability	99.90	% 99.90%	99.86%	99.85%
Non-Damaged Wings	98.80	% 98.90%	98.83%	98.78%
Acceptable Paw Scores	81.00	% 82.80%	84.92%	82.08%
Cattle and Hogs				
Acceptable Wait Time	96.80	% 97.40%	97.60%	98.70%

3 Driving Product Responsibility from Farm to Table

<sup>1</sup> This data includes our U.S. operations (96% of revenues in FY2022). Keystone Foods is included in FY2020 and FY2021 data but is not included in FY2019.

<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.

<sup>3</sup> Panko Chicken Nuggets, Chicken Strips (Expansion), Foodservice Chicken Fritters, Chicken Patties, Beef Patties.

<sup>4</sup> Beef Patties.

<sup>5</sup> Ready-to-Eat Chicken.

<sup>6</sup> In FY2021, we began tracking customer complaints enterprisewide across Tyson.

<sup>7</sup> Offers rewards points to schools for purchasing products that can then be used to purchase items that benefit the school district.

<sup>8</sup> Minimally processed, no artificial ingredients.

<sup>9</sup> This data includes our U.S. operations (96% of revenues in FY2022).

2 Reimagining Our People and Community Impact



ENVIRONMENT	FY2019	FY2020	FY2021	FY2022
Compliance Metrics <sup>10</sup>				
Notices of Violation (NOV) <sup>11</sup>	48	31	20	57
Penalties per Fiscal Year	\$36,323	\$95,912	\$3,000,00012	\$68,944
Total Reportable Chemical Spills (e.g., chemical, fats, oils, fuels)	38	26	18	8
Water <sup>10</sup>				
Water Use Intensity at Production Facilities (gallons used to produce a pound of finished product)	0.96	0.95	0.99	1.02
Total Water Withdrawal (billion gallons)	30.79	30.83	32.05	32.14
Water Withdrawal by Source				
Municipal Water	80%	86%	88%	90%
Well Water	20%	14%	12%	10%
Water Discharge by Destination				
Fresh Surface Water	45%	46%	44%	44%
Irrigation	11%	12%	13%	13%
Publicly Owned Treatment Facility	44%	42%	43%	43%
Energy and Emissions (Scope 1 and 2) <sup>10</sup>				
GHG Emissions Intensity (metric tonnes CO <sub>2</sub> e to produce 1,000 pounds of finished product)	0.21	0.19	0.18	0.18
Scope 1 GHG (million metric tonnes CO <sub>2</sub> e)	4.4	3.89	3.83	3.56
Scope 2 GHG (million metric tonnes CO <sub>2</sub> e)	2.28	2.20	1.96	2.20
Energy Use Intensity (Btu used to produce one pound of finished product)	1,830	1,855	1,880	1,779
Total Energy Use (million MMBtu)	59.47	60.45	60.85	57.93
Nonrenewable Fuel (million MMBtu)	42.63	43.64	43.92	40.79
Nonrenewable Electricity (million MMBtu)	16.30	16.37	16.46	16.40
Renewable Energy (million MMBtu)	0.54	0.43	0.46	0.74

<sup>10</sup> This data includes our U.S. operations (96% of revenues in FY2022).

<sup>11</sup> In FY2021, 13 NOVs were for wastewater. In FY2022, 54 NOVs were for wastewater.

<sup>12</sup> Without admitting any liability, Tyson Farms, Inc. (Tyson) entered into an agreed-to Consent Decree (CD) with the State of Alabama, the Alabama Department of Environmental Management (ADEM) and the Alabama Department of Conservation and Natural Resources (DCNR) on August 17, 2022 in order to fully address and resolve violations of Tyson's NPDES permit and the Alabama Water Pollution Control Act. The terms of the CD included Tyson Foods' payment of a civil penalty to ADEM, restitution projects for Cullman and Walker counties, and an environmental education grant and additional compliance obligations.

1 Company and Strategy

**ENVIRONMENT** CONTINUED

	FY2019	FY2020 <sup>13</sup>	FY2021 <sup>13</sup>	FY2022 <sup>13</sup>
Emissions (Scope 3) <sup>13</sup>				
Purchased Goods and Services (million metric tonnes CO <sub>2</sub> e)	94.2	_	-	-
Capital Goods (million metric tonnes CO <sub>2</sub> e)	0.147	_	-	-
Fuel- and Energy-Related Activities (not included in Scope 1 or 2) (million metric tonnes CO <sub>2</sub> e)	0.9	_	-	-
Upstream Transportation and Distribution (million metric tonnes CO <sub>2</sub> e)	2.4	_	-	-
Waste Generated in Operations (million metric tonnes CO <sub>2</sub> e)	0.214	_	-	-
Business Travel (million metric tonnes CO <sub>2</sub> e)	0.012	_	-	-
Employee Commuting (million metric tonnes CO <sub>2</sub> e)	0.162	_	-	-
Upstream Leased Assets (million metric tonnes CO <sub>2</sub> e)	Not relevant <sup>14</sup>	_	-	-
Downstream Transportation and Distribution (million metric tonnes CO <sub>2</sub> e)	Not calculated <sup>15</sup>	_	-	-
Processing of Sold Products (million metric tonnes CO <sub>2</sub> e)	Not calculated <sup>16</sup>	_	-	-
Use of Sold Products (million metric tonnes CO <sub>2</sub> e)	Not relevant <sup>17</sup>	_	-	-
End-of-Life Treatment of Sold Products (million metric tonnes CO <sub>2</sub> e)	Not relevant <sup>18</sup>	_	-	_
Downstream Leased Assets (million metric tonnes CO <sub>2</sub> e)	Not calculated <sup>19</sup>	_	-	-
Franchises (million metric tonnes CO <sub>2</sub> e)	Not relevant <sup>20</sup>	_	-	-
Investments (million metric tonnes CO <sub>2</sub> e)	0.216	_	_	_

3 Driving Product Responsibility from Farm to Table

<sup>13</sup> In FY2022/FY2023, we completed a full Scope 3 emissions inventory using FY2019 data. This will be followed by an update for FY2022, which will inform our resubmission to the Science Based Targets initiative (SBTi).

<sup>14</sup> Emissions from leased assets are included in Scope 1 and 2 emissions.

<sup>15</sup> All transportation and distribution emissions that are financed by Tyson are accounted for under Upstream Transportation and Distribution.

<sup>16</sup> Some of our products are processed further once sold. However, accurately determining the related emissions would require insight into the Scope 1 and 2 emissions of downstream customers, which is not currently available. Furthermore, these emissions are not expected to represent a material quantity of emissions.

<sup>17</sup> Although our products may result in indirect emissions associated with their storage and preparation (e.g., emissions associated with refrigeration, freezing and cooking), they do not result in direct emissions during use. Because of complexities in estimating indirect emissions associated with their storage and preparation (e.g., emissions associated with refrigeration, freezing and cooking), they do not result in direct emissions of use of sold products to direct emissions.

<sup>18</sup> Our products may result in indirect emissions associated with their end-of-life treatment (e.g., emissions associated with packaging waste or food waste). Production of packaging and is accounted for under Purchased Goods and Services. Additional complexities exist in estimating indirect emissions associated with disposal of packaging and potential food waste, and an estimation for this category is likely to have a high degree of uncertainty.

<sup>19</sup> Though we do own a small amount of land that is leased to farmers, the emissions from these activities do not comprise a material quantity of emissions.

<sup>20</sup> We do not operate franchises.

1 Company and Strategy

2 Reimagining Our People and Community Impact

ENVIRONMENT CONTINUED	FY2019	FY2020	FY2021	FY2022
Waste Generation <sup>21,22</sup>				
Waste Generated (million pounds)	2,423	6,482	2,947	2,999
Waste to Landfill (million pounds)	366	1,283	440	645
Waste Diverted from Landfill (million pounds)	2,057	5,199	2,507	2,345
Recycle and Beneficial Reuse <sup>23</sup> Rate	85%	80%	85%	78%
Landfill Waste Intensity (pounds landfilled to produce 100 pounds of finished product)	1.14	3.95	1.36	2.03
Zero Waste to Landfill Certifications	0	0	3	8

WORKPLACE	FY2019	FY2020	FY2021	FY2022
Workforce				
U.S.	122,000	120,000	120,000	124,000
Outside U.S.	19,000	19,000	17,000	18,000
Team Members by Gender <sup>24</sup>				
Men	60.05%	60.17%	60.48%	60.35%
Women	39.95%	39.83%	39.52%	39.65%
Women in Management Positions	26.19%	26.62%	28.21%	28.64%
Women in Junior Management Positions	27.35%	28.11%	29.54%	29.39%
Women in Top Management Positions	16.67%	14.55%	15.09%	20.00%
Women in Management Positions in Revenue-Generating Functions	16.55%	16.79%	17.43%	17.38%
Women in STEM-Related Positions	17.27%	19.44%	17.50%	18.43%

<sup>21</sup> This data includes our U.S. operations (96% of revenues in FY2022). FY2019 data excludes U.S.-based Cobb-Vantress, The Pork Group, hog buying stations, Keystone Foods, American Proteins, Inc. and Tecumseh Poultry. FY2020 through FY2022 data excludes hog buying stations.

<sup>22 2022</sup> figures have been revised following those initially published in August 2023, to reflect amendments made to our waste diversion data.
23 Beneficial reuse can include activities such as composting, land application and digestion.

<sup>24</sup> Includes all U.S. team members (87% of workforce in FY2022).

1 Company and Strategy

WORKPLACE CONTINUED	FY20	19 FY2020	FY2021	FY2022
Team Members by Ethnicity <sup>25</sup>				
Companywide				
American Indian or Alaska Native	0.9	0.99%	1.04%	1.14%
Asian	11.02	% 10.55%	10.19%	9.71%
Black or African American	24.43	25.09%	24.77%	24.93%
Hispanic and Latino	27.89	% 27.24%	28.20%	28.88%
No Response/Blank	0.09	0.05%	0.04%	0.02%
Native Hawaiian or Other Pacific Islander	2.53	2.55%	2.81%	3.17%
Two or More Races	0.72	% 0.79%	0.81%	0.96%
White	32.46	32.75%	32.15%	31.20%
Hourly				
American Indian or Alaska Native	0.9	1.00%	1.06%	1.16%
Asian	11.99	11.46%	11.02%	10.44%
Black or African American	26.27	26.89%	26.46%	26.62%
Hispanic and Latino	29.88	29.11%	30.05%	30.69%
No Response/Blank	0.09	0.04%	0.02%	0.01%
Native Hawaiian or Other Pacific Islander	2.82	% 2.84%	3.12%	3.51%
Two or More Races	0.72	% 0.79%	0.81%	0.96%
White	27.36	27.88%	27.46%	26.61%

1 Company and Strategy

2 Reimagining Our People and Community Impact

WORKPLACE CONTINUED	FY2019	FY2020	FY2021	FY2022
Team Members by Ethnicity <sup>26</sup> continued				
Salaried			_	
American Indian or Alaska Native	0.87%	0.88%	0.89%	0.98%
Asian	3.32%	3.25%	3.46%	3.80%
Black or African American	9.82%	10.60%	11.00%	11.12%
Hispanic and Latino	12.09%	12.21%	13.12%	14.10%
No Response/Blank	0.09%	0.18%	0.17%	0.03%
Native Hawaiian or Other Pacific Islander	0.22%	0.22%	0.30%	0.33%
Two or More Races	0.65%	0.73%	0.80%	0.92%
White	72.94%	71.92%	70.26%	68.72%
Team Members by Generation <sup>26</sup>				
Gen Z	5.29%	7.19%	9.07%	15.57%
Gen Y	35.31%	35.61%	35.40%	33.86%
Gen X	36.42%	36.08%	36.17%	33.14%
Builder	0.40%	0.30%	0.24%	0.20%
Boomer	22.59%	20.83%	19.12%	17.23%
Team Members by Tenure <sup>26</sup>				
0–5 Years	52.31%	51.50%	51.47%	51.23%
5–19 Years	47.69%	48.50%	48.53%	48.77%
20–29 Years	13.29%	13.80%	14.30%	14.69%
30+ Years	4.15%	4.26%	4.36%	4.55%

1 Company and Strategy

WORKPLACE CONTINUED	FY2019	FY2020	FY2021	FY2022
Team Members by Category <sup>27</sup>				
Full Time	98.56%	98.72%	98.52%	98.19%
Part Time	1.44%	1.28%	1.48%	1.81%
Salaried	11.19%	11.05%	10.94%	10.89%
Hourly	88.81%	88.95%	89.06%	89.11%
Retention Rate	65%	66%	55%	54%
Total Turnover Rate	35%	34%	45%	46%
Voluntary Turnover Rate	24%	24%	32%	32%
Compensation, Benefits and Development				
Average Hourly Pay for U.S. Team Members	\$15.77	\$16.24	\$18.27	\$18.27 <sup>28</sup>
Average Training and Development Spend per FTE	_	_	_	\$40
Average Training and Development Hours per FTE	_	_	-	65
Health and Safety <sup>29</sup>				
Total Recordable Incident Rate: Number of work-related injuries and illnesses per 100 team members	3.32	2.76	2.73	2.59
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	2.43	2.07	2.03	1.97
Lost Time Incident Rate: Number of work-related injuries and illnesses that result in one or more days away from work per 100 team members	0.74	0.66	0.7	0.71
Employee Fatalities	1	3	2	6
Contractor Fatalities	0	4	0	1
Ethics and Compliance <sup>30,31</sup>				
Number of Facilities Audited	37	40	50	47

**3** Driving Product Responsibility from Farm to Table

<sup>27</sup> Includes all U.S. team members (87% of workforce in FY2022). 28 When benefits are included, the 2022 average hourly pay for U.S. team members is \$24.

<sup>29</sup> This data includes our U.S. operations (87% of workforce in FY2022). FY2019 data excludes Keystone Foods. 30 Audit data includes all U.S. Tyson production facilities, including all legacy acquisition production facilities.

<sup>31</sup> Ethics data includes U.S. and non-U.S. locations.

1 Company and Strategy

WORKPLACE CONTINUED	FY2019	FY2020	FY2021	FY2022
Audit Findings (% of Total Findings)			-	
Health and Safety	52%	43%	51%	50%
Labor	38%	52%	49%	50%
Environment	10%	5%	0%	0%
Business Integrity	0%	0%	0%	0%
Ethics Line Numbers				
Ethics Line Contacts Received	5,527	4,762	3,863	5,641
Total Allegations Received	13,765	11,945	11,915	13,953
Corruption or Bribery	6	6	6	2
Discrimination or Harassment	1,475	1,200	1,197	1,336
Customer Privacy Data	0	0	0	0
Conflicts of Interest	0	0	1	11
Money Laundering or Insider Trading	1	0	0	1
Health and Safety	665	1,549	1,546	597
Employment Practices (Employee Matters)	9,881	7,981	7,958	10,546
Other	1,737	1,209	1,207	1,460
Ethics Line Contacts Investigated <sup>32</sup>	3,718	1,830	1,376	2,094
Unsubstantiated After Investigation	75%	82%	78%	83%
Calls Investigated and Resolved	25%	18%	22%	17%
Ethics Line Contacts Referred to Other Teams for Resolution <sup>32</sup>	1,279	2,932	2,487	3,520

