Tyson Foods’ Sustainability Targets & Supply Chain Engagement

JAMIE BURR
OVERVIEW

- Established in 1935
- $40+ BB in Sales
  - Beef 38%
  - Chicken 30%
  - Prepared Foods 20%
  - Pork 11%
OUR PURPOSE

Raising the world’s expectations for how much good food can do.

OUR STRATEGY

Sustainably feed the world with the fastest growing protein brands.
A Portfolio of Protein Packed Brands
SUSTAINABILITY LEADERSHIP

Importance of Company Practice / Policies in Purchasing Decisions

Respondents indicating “Very Important” (Top Box Score)

- Avoids inhumane treatment of animals: 48% (+9PP vs 2013)
- Provides safe working conditions: 45% (+5PP vs 2013)
- Tries to reduce waste and pollution: 35% (+6PP vs 2013)
- Truly cares about communities where it does business: 31% (+5PP vs 2013)

SOURCE: The Hartman Group, Inc. Sustainability 2017
We have taken a holistic approach – all aspects of sustainability are interconnected.
Environmental Targets

Reduce our environmental impact as we feed the world.

• Improve Land Stewardship on 2 million acres by 2020
• Achieve bold Science Based Targets
  – 30% reduction in GHG by 2030
• Reduce water intensity by 12% by 2020
• Establish bold waste goals
• Developing new relationships with NGO thought-partners
Tyson’s Partnership With EDF.
Why Land Stewardship?

- 2\textsuperscript{nd} largest Scope 3 source.
- Improve soil health.
- Improve environmental impact.
- Partner with major customers who are active in similar goals.
- Be a LEADER.
Defining Land Stewardship

Applying environmental and conservation best practices focused on:

- Soil health
- Water quality and conservation
- Nutrient stewardship
- Wildlife habitat.
Tyson’s Land Stewardship Program – Pilot # 2
Pilot Program Elements

- Verifiable
- Practice Agnostic
- Scalable to 2 MM acres
- Improved Environmental Outcomes
- No Greenwashing
Tyson’s Land Stewardship Program – Pilot # 1
Traceability vs Transparency

• Traceability for commodity corn – not a realization today.

• Transparency is where focus should be – rising tide raises all boats.

• Transparency:
  – Mass balance approach or informed mass balance in a supply chain.
  – Reporting on progress along a continuum.
    • Nitrogen Balance.
    • Nutrient use efficiency ratio.
  – Look in the rear view mirror to acknowledge improvements, but looking out the windshield to set stretch goals.
Tyson Local Grain Services (LGS)

Smart Support. Real Relationships.
Building strong relationships and resources for farmers like you are key to everything we do.

Selling Grain, Simplified
We’re here to make your life simpler. That’s why we’ve created this online platform. Sell your grain, track transactions and view bids anywhere – at the farm, in the field or on the road.

Get Started
Step one? Create an account. Your personal dashboard puts the information you need at your fingertips.

Weigh Your Options
Find the solution that works for you from a range of flexible grain contract options and bids for your location(s) up to 18-months in advance.

Sell Local. Sell Smart.
When you’re ready to sell, everything you need is right on your dashboard – prices, locations, receipts, market news and more.