2022 REPORT

COMMITMENTS TO ANIMAL





CREATING A CULTURE OF ANIMAL CARE



WE BELIEVE IN RESPONSIBLY RAISING ANIMALS FOR FOOD

Throughout our company's 102-year history, we've recognized we have a responsibility to provide for the welfare of the animals in our care. It's a fundamental part of our business. For us, animal welfare is a journey of continuous improvement.



Our Position on Animal Care and Welfare

At Perdue Farms, our vision is "to be the most trusted name in food and agricultural" products®." That trust extends to our animal care and welfare commitments, and we embrace our responsibility to ensure animals are treated with dignity and respect. Animal welfare is an important part of our company value of stewardship.

Our standards for animal care are guided by the Five Freedoms, the globally accepted gold standard for animal husbandry, including:

Freedom from

Hunger and Thirst

Freedom from Discomfort

Freedom from Pain. Injury or Disease

Freedom to **Behaviors**

Freedom from **Express Normal** Fear and Distress

FOR US, THE FIVE FREEDOMS ALIGN WITH OUR ANIMAL CARE GOAL OF GOING BEYOND GIVING ANIMALS WHAT THEY NEED, TO GIVING THEM WHAT THEY WANT.

Our approach to animal care is a process of continuous improvement involving a wide range of stakeholders, with a commitment to transparency. We believe that welfare goes beyond meeting the physical needs of animals and that success is measured by more than efficiency and productivity.

We take a collaborative approach to animal care, adhering to strict requirements under the guidance of a team of veterinarians and animal welfare professionals, and input from third-party experts.

Mistreatment or abuse of animals is never tolerated. All associates handling live animals are provided training, including their responsibility to report any violations of our animal welfare policies. The farmers and ranchers who raise animals for us share in the responsibility to provide care according to our best practices and standards, and to alert us to any issues involving animal health or welfare. We regularly engage them for their input as part of our continuous improvement process.

All species that are raised and sourced for our brands (See brand, page 5) and products are done so under the following standards:

- The avoidance of confinement for all species.
- No artificial or hormonal growth-promoting substances, including beta antagonists or ractopamine.
- Antibiotics will only be used when prescribed by a veterinarian with duration limits to ensure the best animal welfare for the animals.
- An emphasis on the freedom to express natural behaviors through environmental enrichments suitable for each specific species.
- Animals raised and sourced throughout our operations have not been subject to any genetic modification or are derived from cloned stock.

- The avoidance of routine activities such as tail docking, teeth clipping/grinding on pigs, beak trimming on poultry and tail docking on cows.
- Travel times for all poultry and livestock are kept to a minimum and our goal is to not exceed eight hours.
- Animals are rendered insensible prior to being harvested.
- Compliance with all legislative standards and raising and sourcing all animals from animal welfare organizations such as Global Animal Partnership, Certified Humane, American Humane, USDA Certified Organic, United Egg Producers certified, National Dairy Farmers Assuring Responsible Management, Merieux NutriSciences Certification LLC and USDA Processed Verified.

At Perdue Farms, we take pride in being an industry leader in animal care and remain committed to our journey of continuous improvement and doing the right things for the right reasons.

Animal Welfare Oversight and Authority

At Perdue Farms, we believe that animal welfare and good business are synonymous. Our stakeholders trust us to do the right thing. For us, animal welfare is a journey of continuous improvement, one in which we are committed to getting better by learning, listening and responding.

To guide our journey and ensure compliance to our current animal welfare programs at Perdue Farms, our activities follow these Best Practices and Guiding Principles:

Best Practices

- The internationally accepted Five Freedoms as applied to raising animals.
- Animal welfare practices should balance scientific knowledge and professional judgment with consideration of ethical and social values.
- The actual care of animals should be foremost, not how people might perceive a practice in a farm environment.
- Animals should be treated with respect throughout their lives and provided a humane death when processed for food or when they are euthanized for any reason.

Guiding Principles

- We hold ourselves accountable to our programs through our Senior Executive Animal Care Steering Team.
- We have a Chief Animal Care Officer assigned for oversight of our programs and our USDA Processed Verified Program for Animal Care (Professional Animal Auditor Certification Organization certified), which is fully supported by our board and senior management.
- We also have oversight from the Perdue Animal Care Council, composed of Perdue managers to provide corporate oversight and leadership. The council is also charged with reviewing recent advances in animal care and acts as a liaison with outside animal welfare experts.
- We support all of our operations that harvest animals, including chicken, beef, pork, lamb and turkey, with certified animal welfare specialists to maintain our animal welfare standards.
- We are third-party audited throughout Perdue with every species by highly regarded certification agencies such as Certified Humane, American Humane, USDA Organic, Global Animal Partnership, USDA-AMS Process Verified Program and others in the industry.
- We work with independent experts in animal husbandry to help guide and improve our animal welfare programs.
- We provide a toll-free hotline where anyone can report welfare violations.
- We provide formal welfare training and annual refresher training for all Perdue associates and contractors, including farmers and ranchers, who handle live animals.
- We perform regular internal and external audits of our procedures to further strengthen our commitment and to guarantee continuous improvement of our processes.
- We require all of the farmers and ranchers who raise animals for food to sign an animal welfare agreement to ensure our protocols and program standards are met.
- We hold an annual Animal Care Summit, hog farmer weekend and beef summit with diverse stakeholders, including animal welfare advocates and experts, farmers, ranchers and customers.





CHICKEN WELFARE









As we look back over the seven years since we announced **Perdue Commitments to Animal Care**, it has been a journey of listening, learning and evolving. The Perdue Commitments to Animal Care was shaped with input from diverse stakeholders – including some of our harshest critics – and we continue to seek their input. We learn from a wide range of perspectives, whether they be farmers, our associates, advocates, customers or consumers, in formal and informal ways.

This has resulted in 87 initiatives designed to address one of the Five Freedoms or one of the other three pillars of our program. And perhaps more importantly, these initiatives have moved from studies or intentions to programs and best practices that are embedded in how we do business every day.

We're proud of our progress and eager to continue our journey. The following pages report on the most recent and core initiatives as well as our goals. Highlights of our recent progress include:

- Developing a chicken behavior tutorial to train our flock advisors.
- Establishing a method to determine chicken preference for vegetation in the pastures of free-range and pasture-raised programs.
- Building an enrichment program for broiler breeders that encourages positive behaviors and discourages negative behaviors.
- Developing litter condition scoring to implement across all broiler chicken operations.
- Exploring other methods of on-farm hatch to determine viability in our operations.
- In October 2021, we held our sixth Animal Care Summit, bringing together virtually animal care experts and advocates, customers, farmers and our leadership. We are holding our seventh summit in October 2022.

PERDUE COMMITMENTS TO ANIMAL CARE

Our Perdue Commitments to Animal Care, launched in 2016, is a four-part program to accelerate our progress in animal care by giving our chickens what they want, strengthening our relationships with our farmers, building trust with multiple stakeholder groups, and creating an animal care culture for continuous improvement.

Each year, we report on our progress, and the initiatives we're undertaking to continue advancing. In the Continuous Improvement section, we share news on programs that now are standard practice in our animal care culture.

This report covers key achievements from June 2021 through July 2022 and describes the steps we are taking to move our program forward.



OUR CHICKENS' NEEDS AND WANTS

Perdue will evaluate and implement production systems specifically designed to go beyond just the "needs" of our chickens to also include what our chickens "want." We will chart our progress against the "Five Freedoms."



We are recommitted to our efforts to transform our relationship with the farmers who raise our chickens. We will listen and communicate effectively, evaluate our pay structures to incent best practices, and also consider their wellbeing when implementing production systems.



OPENNESS, TRANSPARENCY AND TRUST

We will be transparent in our programs, goals and progress in order to build lasting trust and relationships with our stakeholders.



A JOURNEY OF CONTINUOUS IMPROVEMENT

We believe raising animals should be a journey of continuous improvement. We will continue to build an Animal Care Culture within Perdue.





FREEDOM TO EXPRESS NORMAL BEHAVIORS

Initiative: Chicken Behavior Training

As part of our journey of continuous improvement, we developed an educational module around normal chicken behavior to help train our flock advisors. We worked with Dr. Leonie Jacobs in the Department of Animal and Poultry Science at Virginia Tech University to develop the module. Our belief is that if you want to encourage normal chicken behavior, you need to understand what normal behavior is. In developing the program, our research focused on eight basic behaviors: perching, dustbathing, preening, stretching, foraging and ground scratching, play, social and in activity. We wanted to explain and teach why birds do each of those behaviors, what each looks like, for how often and for how long, and identify a fun fact for each. All our welfare officers have completed our chicken behavior training and we are rolling it out to all flock advisors.

Initiative: Pasture Vegetation Preferences

We are conducting research to learn chicken preference for vegetation in the pastures of free-range and pastured-raised programs. Called Pasture Choice, our research studied the birds' preference for 12 types of grasses, herbs and plants, including alfalfa, clover, peas, buckwheat, sunflowers and an herb mix. We focused on two plants at a time in pen trials and watched and scored the birds' enthusiasm for each. The birds disliked only a few of the varieties, and young birds tended to prefer new plants in the pasture. We believe that pasture vegetation matters. We'll work to understand how pasture forage affects meat nutrition.

Initiative: Broiler Breeder Fixtures

Just as we have implemented enrichments to enable broiler chickens to express their normal behaviors, we believe there is similar value to be gained with breeders. That's why we have begun to build an enrichment program for breeders. We are working to implement enrichments that encourage positive behaviors, such as perches. In addition, we are working on enrichments such as pecking blocks, that discourage the negative behaviors of feather licking and picking. We found that perches and pecking blocks are utilized by birds regardless of age. As we expected, older birds use the blocks faster than younger birds. Today, we are using perches and pecking blocks in all our pullet houses.



Initiative: Social Enrichment for Poultry

We explored whether re-establishing the mother hen and chick relationship would benefit the young chickens. With our hens hundreds of miles from the chick, we wondered if chicks would benefit from hens showing them the ropes. We identified three hens considered by some as the best mothering hens. In our research, however, the hens and chicks did not interact. Our research revealed no meaningful benefit, so we put this project on hold.

Initiative: Free-Range Pasture Contest No. 2

We had hoped to complete our second free-range contest, begun in 2019, to enlist farmers' help to learn how to encourage more birds outside to use the pasture. The project was canceled, however, because of outbreaks of high-pathogen avian influenza in some non-Perdue commercial flocks.

FREEDOM FROM PAIN, INJURY OR DISEASE

Initiative: Litter Quality

Litter condition can impact the overall health and welfare of broiler chickens. That's why we developed a litter condition scoring method to implement across all broiler growing programs to include all farms and flocks. We explored three potential scoring methods but arrived at one that considers "treatment" of the litter. This method documents the age of the litter, applied treatments, such as windowing, caking and removal, and carbon source replacement (new wood shavings added back to older litter). Going forward, we'll study how this scoring method correlates to improved animal welfare.





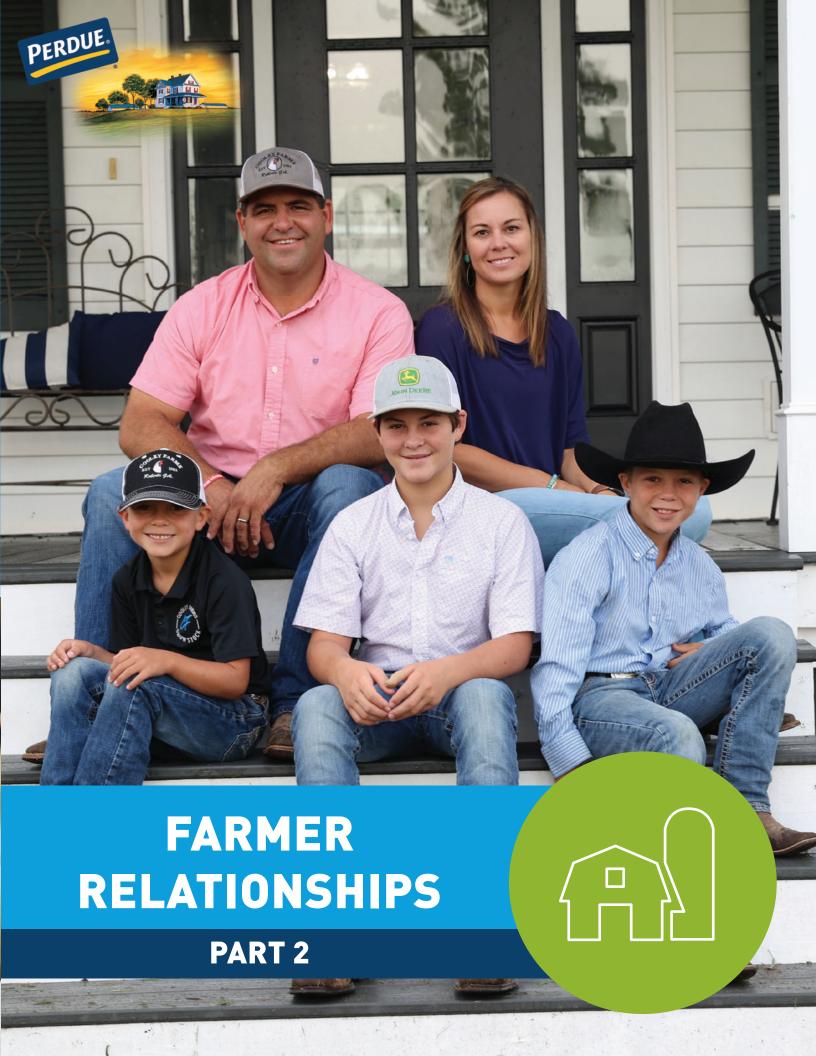
FREEDOM FROM HUNGER AND THIRST

Initiative: Higher Welfare Hatching Practices

We continue to study the feasibility and potential benefit of other methods of On Farm Hatching (OFH) to improve early chick quality and determine their viability in our operations. With OFH, eggs are incubated through day 18, then taken to the farm to hatch instead of placed in the hatcher. The eggs are placed in their setter racks in a suspended table or placed directly on the litter depending on the system. Room temperature is adjusted for the eggs, then birds will hatch over the next 24 to 72 hours. We installed an OFH setter rack system at our research farm in Westover, Md., last year.

We have conducted additional trials to determine whether taking eggs directly to the farm at 18 days of incubation and placing them directly on the litter to skip the stress of hatching and processing at the hatchery would be feasible. While this method seems a more viable option, maintaining seasonal humidity in the house is a factor. We believe the system can perform at least as well as the conventional hatchery, providing both welfare and health benefits. We remain enthusiastic about the viability of onfarm hatching and will continue our research.







Initiative: Free-Range Pasture Utilization Metric

In 2021, we installed Radio Frequency Identification reader technology on a farm in Washington state to gather data on birds exiting and entering the "pophole" doors and time each bird spends in the pasture. It's not feasible to install this high-tech method in all houses so we devised a low-tech way to measure pasture use in free-range housing. In our low-tech method, the person measuring pasture use needs to be at the farm when the doors open in the morning when birds are about six weeks old. From the middle of the house, the birds must be counted exiting for about 15 minutes or until birds stop leaving the house. This method lets us calculate the percentage of birds outside. Today, 27% of our houses have outdoor access. Our data show the farm with the most birds outside is at 14%. Our goal is to get all free-range houses in the 15% outdoors range.



OPENNESS, TRANSPARENCY AND TRUST

WE WANT TO BUILD LASTING TRUST WITH STAKEHOLDERS

PART 3



Initiative: The Better Chicken Commitment

We are committed to providing customers a sustainable supply of chicken that meets all 2024 animal welfare criteria outlined in the Better Chicken Commitment. We offer products from poultry raised under programs that include the four criteria: improvements, extra space, approved breed, and stunned at harvest using a Controlled Atmosphere Stunning system.





We want to influence and change the culture of animal care with our associates, farmers and those in contact with our live poultry.

Initiative: Ongoing Programs

While some animal care initiatives are short-term activities, others will continue as part of our improved culture of animal care. We report goals and performance for programs in the Continuous Improvement section of this report.

Initiative: Controlled Atmospheric Stunning

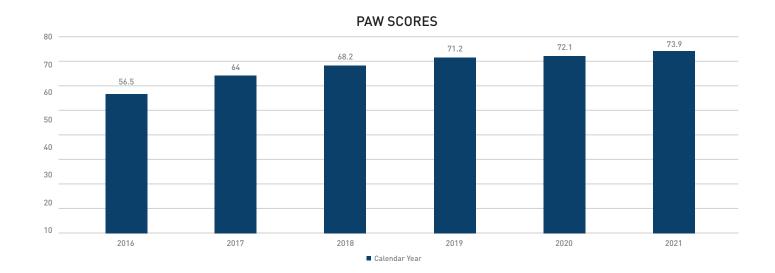
We remain committed to moving all of our harvest operations from using electrical shocks to "stun" birds before harvest, to using a multi-stage, dual-gas technology Controlled Atmosphere Stunning (CAS) system to induce insensibility with minimal trauma. We successfully implemented CAS at our Milford, Del. chicken harvest plant in November 2017. Our first chicken CAS system was instructive and, in general, we consider it a significant step forward. We intend to keep moving on our promise of 100% CAS and have selected Dillon, S.C., for our second CAS system, operational in late 2023. We installed CAS at our Washington, Ind., turkey operation in 2012.



Initiative: Improve paw health

We started our Paw Improvement Initiatives in 2016 in the first year of our formal public Animal Care Commitment. We have steady improvements in foot pad health, especially in the late winter/early spring. The graph shows the difference between 2016-2017 and the most recent 2021-2022 time frames.

Our stated 2020 goal was to maintain at or above 70 percent "good paws" through winter. January, February and March were slightly below 70 percent. Although 20 percent better than three years ago, we have room to improve. We need to focus intently on several areas with particularly harsh winter conditions this winter.



Initiative: Animal handling video monitoring

It is important that our bird associates understand what we expect in bird treatment and handling. We invested in video cameras that are monitored by a third party in all our harvest facilities. This gives us information to coach people and change their job behavior as well as identify people who shouldn't be working with live animals. We have seen a steady decline in program deviations (we refer to these as "occurrences"), and the number of incidents that could injure animals.

Initiative: Behavioral changes

Key to shaping culture is recognizing associates' response to change or reward. Through third-party and other monitoring, we are keeping a log of positive and negative behaviors and are publishing it. A report on Poultry Care Incidents is posted to the Animal Care section of the Perdue Farms corporate website and updated quarterly. The incident report includes positive and negative behaviors, and responses and action plans. We will continue to log behaviors and update the report on a quarterly basis.

Initiative: Continue Adding Windows

We believe that windows and natural sunlight create a better environment for the chickens, and for the people who care for them. We now have windows in 52 percent of our farms. We decided to have 100 percent windows in our Dillon, S.C., growing complex by March 2023, which would increase our window total to 55 percent.

Initiative: Increase bird activity

We believe that active chickens – those that exhibit normal behaviors such as perching and play – are healthier chickens. That's why, in 2016, we announced a goal to double bird activity. Installing windows to provide natural light, adding perches, increased space and outdoor access increase activity. We continue to study other factors that will allow us to move closer to our goal. We have increased the number of our birds that have outdoor access to 26 percent.

Initiative: Improve farmer relationships

To successfully improve our animal care programs, we need to bolster relationships with the farmers who raise our chickens. No one spends more time with our chickens then the people who raise them, and we value their insights. The following programs are designed to improve communication and help move us to our goal of the being the "Farmer's Choice" for growing chickens. About 40 percent of the farmers who have shared their email addresses check in through our farmer website, making it easier for us to connect with them. Perdue is also exploring creating a mobile app by 2023, a resource many farmers have said they would prefer. Our operations leaders continue to work toward overcommunicating. We received great feedback about our communications during the Covid-19 pandemic.

Initiative: Farmer Relationship Index

As part of our efforts to foster our relationship with the farmers who raise our animals, we maintain a Farmer Relationship Index to measure their satisfaction with raising chickens for Perdue. It is published on the Perdue farmer website. We continue to add measurable items, such as layout and culls to our Broiler score, that our farmers consider important.





Initiative: Farmer Councils

In 2015, we created Farmer Councils in each of our growing areas to share information and receive feedback. In 2020, from the onset of the COVID-19 pandemic, we suspended our in-person council meetings, and supplemented our communication with almost weekly letters to our farmers, updating them on how we were responding. We also surveyed farmers to understand the effectiveness of our communication, learning many lessons. We have resumed our in-person Farmer Council meetings, including those with our Young Farmers Development Group.

Initiative: Audit results reporting

Sharing results from our third-party audits shows our stakeholders our successes, and where we need to improve. We report our results annually (see Page 25), including:

- The Mérieux/NutriSciences annual audit of all 11 of our harvest operations,
- USDA Process Verified Program audits all our harvest and live production operations,
- Global Animal Partnership audits of farms raising our organic and customer-specific chickens,
- National Organic Program audits of farms raising our USDA-certified organic chickens, and
- Customer audits.

Initiative: Public Engagement

"Follow the Flock" Farmers on Social Media

To increase on-farm transparency, over the past three years we have worked with interested farmers to open their operations via social media. Through videos and photographs, they share what they do daily to raise chickens. We call it "Follow the Flock," a term coined by one of our farmers. The 13 farmers participating have more than 15,000 followers on Facebook, Instagram and Twitter.

Support "Open Barn" policy

As part of our commitment to transparency, we routinely invite people to tour our farms and plants. We encourage our farmers to be open to visitors within the constraints of biosecurity and business needs. Over the course of a year, a range of stakeholders, including retail and food service customers, media, advocacy groups, community members, students and government representatives, visit our facilities. We track the number of tours by audience and have a goal to conduct 100 tours a year. In 2021, we only conducted 42 tours as high pathogen avian influenza cases increased. We worked with one of our farmers who conducted a farm festival drawing 2,500 visitors, nearly 200 of whom viewed the poultry house.

On-farm poultry learning centers

Working with farm families, we have established three on-farm Poultry Learning Centers. The family hosts guests for a transparent, interactive experience to learn about poultry farming and proper animal care. Built seamlessly into the side of a working chicken house, each learning center includes

a large viewing room that allows guests to observe the birds undisturbed in their environment. Farmers explain what visitors are seeing inside the chicken house, as well as the timeline from when farmers receive the birds to how they raise and care for them. Guests can learn using actual poultry equipment that replicates what they see through the window, including mechanized feeders and waterers and automated temperature-control technology.

The first viewing house opened in Kentucky in 2018. A second opened in Georgia in 2019. In early 2020, a third viewing farm in North Carolina opened for visitors. A public open house, delayed due to COVID-19 restrictions, was held in August 2021.

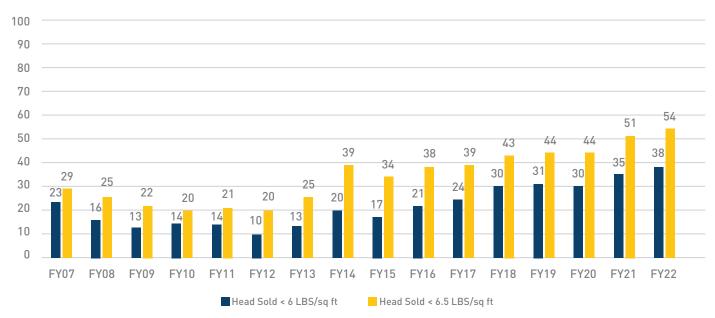
Initiative: More space

As demand for chickens raised under programs with lower density has risen, we have increased the number of chickens raised at less than 6.0 or 6.5 pounds per square foot density.

Initiative: Global Animal Partnership

We're committed to meeting customer demand for poultry raised to higher welfare standards, including the Global Animal Partnership (GAP) program. We have farms certified to raise GAP 2, GAP 3 and GAP 5 birds.

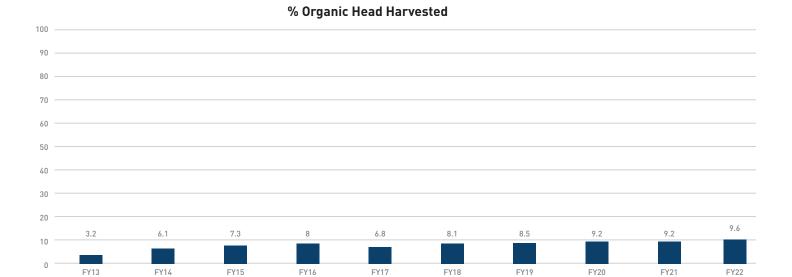
% Head Harvested under 6 and 6.5 lbs/sq ft





Initiative: Organic

We're committed to meeting customer demans for poultry raised to USDA-certified organic standards. We continue to be the country's largest supplier of organic chickens.





SHARING OUR 2021 AUDIT RESULTS



Merieux NutriSciences Audit Results

Criteria for this audit are based on the "National Chicken Council Animal Welfare Guidelines" published by the National Chicken Council (Updated 2020 and PAACO certified) and "Poultry Slaughter plant and Farm audit: Critical Control Points for Bird Welfare, August 2005," published by Temple Grandin, PHD, at www.grandin.com.



NutriSciences conducted annual audits at 11 of our poultry live production and harvesting operations, including hatchery, grow out (farms), catching and transportation, and processing. The audit covers 67 audit points, scored on a scale of one to five, for a maximum possible score of 335 points. Operations are rated on a percentage basis.

- We received scores between 98.81% and 100% for all locations audited.
- We had 0 major nonconformances.
- We had 11 minor nonconformances:
 - 3 were for effectiveness of harvest mechanical knife
 - 2 for ineffective training programs, chicks and bird handling
 - 2 for birds receiving insufficient darkness between 8 and 11 days
 - 1 too few rodent traps
 - 1 too few working fans in cooling sheds
 - 1 leg health check completed more than seven days from harvest
 - 1 exceeded pounds per square target with two flocks

USDA Process Verified Program Audit Results

Our USDA Process Verified Program (updated continuously and PAACO certified) covers all of our live-production and harvesting operations. The audit tool combines the principles from the National Chicken Council Animal Welfare Guidelines (updated 2020 and PAACO certified) and our best practices.



Participation in this program is approved by the Agricultural Marketing Service of the USDA. Companies that operate under a Process Verified Program must comply with criteria outlined in the program requirements and are audited annually. Since the AMS audits were developed using ISO 19001 Guides for Quality Management Systems audits, they are not "scored." Instead, they identify nonconformances, which are classified as major and or minor.

The past year, the USDA Livestock, Poultry, and Seed Program's Quality Assessment Division conducted annual audits in one of our 11 chicken live-production and harvesting operations for conformance to our USDA Process Verified Program Poultry Care. Each audit covers a minimum of 188 audit points in more than 50 areas. In 2021, we had three major nonconformances and nine minor nonconformances with our PVP audits:

- Three Majors:
 - -Not conducting leg injuries checks per the standard
 - -Incomplete training records
 - -1 untrained associate working
- Nine Minors
 - -3 for failed leg injuries check
 - -2 for ammonia above 25 PPM
 - -2 for failed footpad health score
 - -1 for excessive caked litter
 - -1 for not meeting lighting program between seven and 11 days

Global Animal Partnership (GAP)

Some of our customers require Global Animal Partnership (GAP) certification, which applies to the farms raising chickens for those products. GAP-certified farms are audited every 15 months.

During 2021, GAP audited 174 farms, all of which passed GAP certification. GAP identified:

- 1 major nonconformance for stocking density issues
- 13 minor nonconformances: Mortality greater than 5% (6),
 (4) footpad scores greater than 15, (2) minors for stocking density and (1) for drinkers raised more than 1 hour before loading



USDA Certified Organic

Every farm raising organic chickens for us is third-party audited to meet the requirements of the National Organic Program for USDA Certified Organic. Farms are inspected annually by third-party organic certifiers.

- All 172 farms raising organic chickens passed their audit. The audits identified 21 nonconformances.
- 5 feed record issues
- 4 larger buffer area needed
- 2 rodent bait issues
- 10 other issues

Customer Welfare Audits

Our operations are regularly subject to audits by our customers to ensure adherence to their standards. We passed all of our customer audits.

Initiative: Third-Party Video Monitoring

We use third-party video monitoring in live-bird handling areas of all 11 of our harvest facilities. This includes random reviews of video covering 13.1 million birds in 283,900 audit events during 2021. We achieved a compliance rate of 99.83 percent.

We also had seven of our operations using video to monitor our live haul operations. This includes random reviews of video covering 2.1 million birds in 12,600 audit events during 2021. We achieved a compliance rate of 99.84 percent.







PORK, BEEF, LAMB AND TURKEY WELFARE









Panorama Meats

Our <u>Panorama Organic Grass-Fed Meats</u>® brand is the nation's largest producer of 100% grass-fed, grass-finished certified organic beef with 34 independent family ranchers that span eight states and nearly one million acres of USDA Certified Organic land.

Ranchers raise Panorama Organic cattle on open rangelands of organic grasses and legumes and employ pasture rotation and land-management practices that promote animal health and protect delicate rangeland ecosystems. Ranchers all adhere to strict organic, non-GMO, and regenerative protocols. The cattle are never administered hormones or antibiotics or fed animal by-products and are animal welfare Global Animal Partnership (GAP) Step 4 approved – audited every 15 months through independent third parties.



Niman Ranch

<u>Niman Ranch</u> is a community of more than 700 independent family farmers and ranchers who raise pork, beef and lamb traditionally, humanely and sustainably to deliver the Finest-Tasting Meat in the World[®].

Niman Ranch livestock are raised outside or in deeply bedded pens where the animals are able to root, roam, socialize, play and exhibit their natural behaviors comfortably. Niman Ranch protocols strictly prohibit animal byproducts in feed, antibiotics, hormones, gestation and farrowing crates.

Niman Ranch is the largest farmer and rancher network in North America to be 100% Certified Humane®, a certification recognized as one of the most stringent animal welfare protocols available. In addition to third-party certification, all Niman Ranch farms and ranches are personally inspected before being accepted into the program and are visited and audited regularly by Niman Ranch field agents.

Niman Ranch has letters of support from the Humane Society of the United States, American Society for the Prevention of Cruelty to Animals and Compassion in World Farming recognizing the brand's long-held leadership in animal care.



Coleman Hogs

Our <u>Coleman Natural</u> operations source hogs only from American Humane Certified™ U.S. family farms that are free of gestation and farrowing crates and never use antibiotics, hormones or growth-promoting drugs.

Our hogs are raised on an all-vegetarian diet in a combination of pastures, hoop barns, outdoor lots and controlled-atmosphere barns with fresh-air ventilation.

The American Humane Certified program provides third-party verification for every step of live production, transport and harvesting. Our farmers must meet or exceed more than 200 science-based humane animal care standards in order to produce for the Coleman Natural brand.



Turkeys

At Perdue Farms, we are committed to producing healthy, quality turkeys with a focus on animal care and welfare.

PERDUE® is the nation's largest No-Antibiotics-Ever turkey brand.* All our No-Antibiotics-Ever turkeys are fed a vegetarian diet and are certified in the USDA Process Verified Program by USDA auditors. Our growing barns provide natural light for our turkeys. We do not use antibiotics for disease prevention.

As part of our commitment to higher welfare standards for the turkeys we raise, we follow the National Turkey Federation Standards of Animal Care Guidelines, and our farms are audited annually by PAACO certified auditors.

The farmers who raise our turkeys share an equal responsibility to provide care according to our standards and make us aware of problems with animal health or welfare. We provide animal care and welfare hotline for our associates and independent farmer partners to report mistreatment or suspected mistreatment anonymously.

To further ensure the health and welfare of the turkeys in our care:

- 100% of turkeys we raise are rendered insensible for harvesting using Controlled Atmosphere Stunning
- 30% of all turkeys raised and sourced are traveling eight hours or less
- 0% of our turkeys are toenail conditioned

*Source: MULO & MULO + Convenience data is reported by Information Resources Inc through its Integrated Fresh Market Advantage = Integrated TSV Syndicated Database, for the Total Turkey RWNW NAE & Total Ground Turkey NAE Categories for the 52-week ending period 10/04/20.



ANIMAL CARE AND WELFARE BY THE NUMBERS



100%

of chickens, turkeys, hogs, cows and sheep are raised under no-antibiotics-ever protocols



100%

of raised hog, cattle and lamb are third-party verified humane animal care



100%

of animals are raised under documented responsible care protocols



100%

of animals are pre-harvest stunned



100%

of raised turkeys and hogs are controlledatmosphere stunned



100%

of farmers and associates handling live animals receive welfare training



52%

of poultry have window access



26%

of poultry have enrichments



25%

of poultry have outdoor access



0%

growth-promoting drugs



FREE

toll-free hotline number to report welfare violations



USDA

Process Verified
Programs for
all poultry

Avoidance Of Close Confinement*

Perdue is committed to avoiding confinement through all species. As of July 2022:

- 100% of chickens are raised confinement free
- 100% of turkeys are raised confinement free
- 100% of lambs are raised confinement free and ranch-finished
- 96% of beef cattle are raised confinement free and void of commercial feed lots
- 62% of hogs are raised confinement free
- 25% of poultry raised free range
- 0% of milk and eggs used in ingredients are not confinement free. These ingredients only make up 0.05% of our total volume

Environmental Enrichment*

At Perdue Farms, we recognize that providing animals with appropriate, species-specific environmental improvements can better their living conditions and help encourage their natural behaviors. As of July 2022:

- 100% of lambs are raised on pasture
- 96% of beef cattle have enrichments, such as shade with dirt, corn cobs, stalks and other natural materials, sprinklers in warm weather; brush out in pasture for scratching posts; hedgerows, stacks of round bales and other wind breakers.
- 62% of pigs have access to enrichments allowing the animals to exhibit natural behaviors. Commonly used enrichments include deep bedding (typically corn cobs, stalks and straw); grass, brush, wallows and trees when outdoors; hay or straw bales; and sprinklers when hot.
- 26% of chickens have enrichments, such as boxes, perches, platforms and pecking objects with natural light and outdoor access.



Avoidance Of Routine Activities*

Perdue Farms is committed to avoiding activities such as tail docking of pigs and cows, debeaking of chickens and toenail conditioning of turkeys. As of July 2022:

- 100% of lambs are free from mulesing
- 60% of dairy cows are free from tail docking
- 57% of pigs are free from teeth clipping
- 29% of pigs are free from tail docking
- 0% of chickens are beak conditioned.
- 0% of turkeys are toenail conditioned
- 0% of beef cows are tail docked

Stunning*

Our objective is to ensure that all animal species, including chicken, turkey, pork, beef, dairy cows and lamb, are rendered insensible before harvesting. As of July 2022:

- 99.2% of turkeys are rendered insensible before being harvested using Controlled Atmosphere Stunning.
- 100% of chickens, beef and lambs are rendered insensible before being harvested.
- 100% of dairy cows and laying hens are rendered insensible before harvest by industry standards. They represent 0.06% of Perdue Farms' total pounds across all brands, products and species.
- 9% of our chickens are rendered insensible using Controlled Atmosphere Stunning.

Transportation*

Travel times for all poultry and livestock are kept to a minimum. Our goal is less than eight hours. As of July 2022:

- 71% of all species raised and sourced are traveling 8 hours or less
- 90% of all lambs raised and source are traveling 8 hours or less
- 88% of all cattle raised and sourced are traveling 8 hours or less
- 75% of all chickens raised and sourced are traveling 8 hours or less
- 57% of all pigs raised and sourced are traveling 8 hours or less
- 30% of all turkeys raised and sourced are traveling 8 hours or less

Antibiotics*

96.2% of all animals we raise are source for our portfolio of brands are no antibiotics ever.

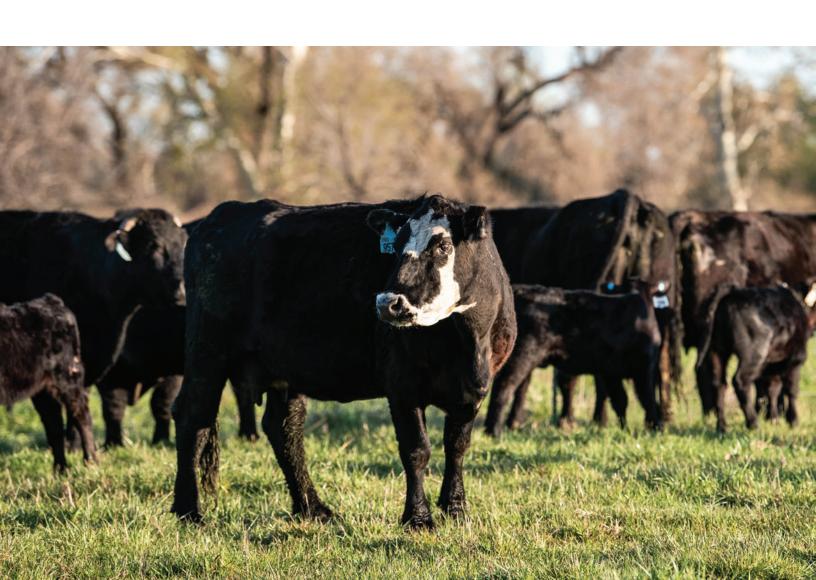
Slowing Growth Potential in Chickens

• 9.5% of chickens raised and sourced have an average of less than 55 grams per day gain over their growth cycle.

New Welfare Goals

Our beef, lamb and pork programs are incorporating additional welfare outcome measurements, including a commitment to reduce lameness. Baselines, targeted improvements, and reporting will be established in the coming year.

*All species raised and sourced for Perdue Farms brands.



2022 REPORT

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