COMMITMENTS TO ANIMAL care

CREATING A CULTURE OF ANIMAL CARE

We Believe in Responsible Food and Agriculture®

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:

1. **Freedom from Hunger and Thirst**
2. **Freedom from Discomfort**
3. **Freedom from Pain, Injury or Disease**
4. **Freedom to Express Normal Behaviors**
5. **Freedom from Fear and Distress**

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.

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.
- 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 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 nine 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 are shaped with input from diverse stakeholders – including some of our harshest critics – and we continue to seek their feedback. 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 107 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:

- In October 2024, we held our ninth annual Animal Care Summit, bringing together animal care experts and advocates, customers, farmers and Perdue leadership.
- We worked on two different initiatives around the idea that enrichments (when done right) provide extra space in the chicken house.
- Life Cycle Assessments to determine carbon usage are important and should be used to provide direction and guidance for balancing different approaches to raising animals for food.
- The houses where our chickens are grown now have well over 50% windows and access to natural light. We needed to provide some direction on how these houses should manage the natural sunlight.
- Litter quality is key to animal welfare. We developed an assessment to measure and define litter quality.
- Mortality must be understood and minimized. We did two projects to better push ourselves to continue to lead the industry in overall livability without using antibiotics.
- We are now asking USDA to come check our welfare approach to broiler breeders.
- We continue to learn more about how best to hatch chickens in the chicken house instead of a hatchery.
- Machine catching needs to have rules and effectively and safely help load chickens from the chicken house to the transport vehicle. We developed best practices for the process.

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 2023 through July 2024 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."

Farmer Relationships

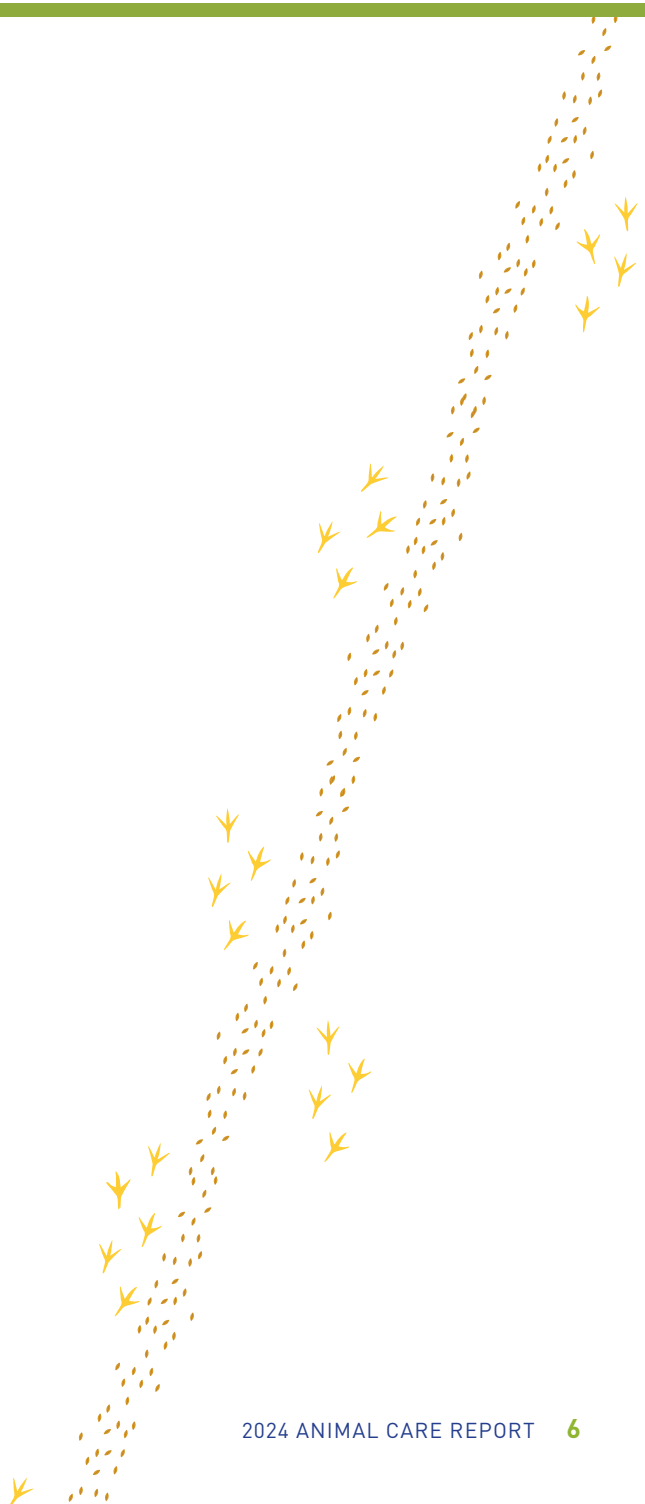
We are committed to our efforts to transform our relationship with the farmers who raise our chickens. We will listen and communicate effectively, evaluate our pay structures to incent best practices, and consider their well-being when implementing production systems.

Openness, Transparency and Trust

We will be transparent in our programs, goals, and progress 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.



PART I

OUR CHICKENS NEEDS AND WANTS

FREEDOM TO EXPRESS NORMAL ANIMAL BEHAVIORS

Initiative: Explore Enrichments as Additional Square Footage in Existing Poultry House

Perdue is funding a PhD student at Virginia Tech University in partnership with Dr. Leonie Jacobs, an animal welfare expert, to study and document use of elevated enrichments in commercial poultry houses. The work began in September 2024 and will be completed in August 2027. The objective and hypothesis of this work is to determine the potential benefit of added platform space for bird welfare, productivity, and environmental parameters. We hypothesize that adding platform perch space reduces the negative impacts of conventional stocking densities compared to the same number of birds housed without platform perches. In addition, we hypothesize that platform perches result in benefits for footpad and leg health, behavior, bird productivity, and environmental conditions. Much of the work will be done in commercial houses in the Salisbury, Maryland area in cooperation with Perdue's Research group.

Initiative: Transition Chicken's House Extensive Enrichment Project from Research Farm to Two Commercial Poultry Farms

In 2023, we built a prototype house where we added extensive enrichments in the form of platforms. These birds were raised to a relatively light weight of four pounds to 4.5 pounds. The platforms were used extensively from 10 days until harvest. This house was used as a demonstration at our 2023 Perdue Animal Care Summit.

In 2024, we retrofitted two houses on commercial farms with benches and platforms. One farm grows medium sized broilers that generally harvest at approximately seven pounds. The second farm grows larger sized broilers that generally weigh approximately nine pounds at harvest.

The ramps and platforms can be designed to add roughly 10% more "floor" space. If utilized appropriately, this innovation would provide enrichment as well as space. Space without needing to build additional chicken houses would be a great benefit: better welfare without a negative carbon footprint.

Here are our preliminary observations based on one flock of large birds and two flocks of tray pack sized birds:

- In the traypack sized birds, we have seen less mortality, lower growth rate, and higher (poorer) feed conversion. In the larger birds, we have seen higher mortality but lower (better) feed conversion.
- We saw no impact to our tunnel ventilation system in either program, which was a concern entering the trial. We experienced a heat wave with both growing programs and they both showed no impact on benches in the house.

Initiative: Work to Standardize Use of Windows in Chicken Houses and Determine If Study is Needed to Optimize Their Use

At Perdue, 57% of chicken houses where our chickens are raised have windows, but we recognize that house management can differ. Lighting approaches in commercial poultry differ widely: among regions, among companies, and even among farmers. The importance of light to the welfare of the animal is not debatable, it is clearly important. Which lighting approach is best is debated and studied. Perdue is committed to being a part of this discussion.

We consider light to be an enrichment. It is one of the most significant contributors to encouraging activity. One of the Five Freedoms for Good Animal Welfare is the freedom to express normal behavior. It is difficult to defend a lighting program of virtually no light for the life of the flock as supporting expression of normal behavior.

In 2016, we conducted one of the largest trials in the world comparing houses with and without windows. Windows in the trial houses represented 1% of the space of the floor. Since 2016, we have continued to learn and work with farmers to understand how windows should be managed. One variable that needed to be considered was size of birds. This led us to create standard recommendations for utilizing windows with small, medium and large birds.

GROWING PROGRAM PROCEDURES

Perdue Organic or a Certified Program that Specifies Windows to be Open

- Window must remain open for the entire flock.

Perdue Small Bird Contracts

- Windows must remain open for all contracts that have 100% of all farms with windows.
- For all other contracts that are not 100% windows, it is highly recommended that windows be utilized for the entire flock.

Perdue Medium Bird Contracts

- For medium, it is recommended that all houses that have windows keep them open for the first 21 days at a minimum.

Perdue Large Bird Contracts

- It is recommended that all houses that have windows keep them open for the first 28 days at a minimum.

Initiative: Expand our On-Farm Hatch Project to Commercial Chicken Houses to Determine Value for All Seasons

On-Farm Hatch (OFH) has been a part of our Commitments to Animal Welfare initiatives four of the last five years. In 2024, we committed to place a minimum of one flock a week each season in different bird size programs and report on the benefits and challenges.

YEAR	INITIATIVE AROUND OFH
2019-2020	Does On-Farm Hatch provide an opportunity for better chick care
2020-2021	Benefits of reduced time to feed and water after hatch
2021-2022	When using NestBorn OFH, understand the performance implications
2023-2024	Run an OFH trial, year round, in a commercial setting

Each one of these initiatives answered some questions and raised more questions. In 2024, we have performed greater than 50 paired (one house OFH, another house from the same breeder flock, on the same farm) trials with OFH. There have been three phases to this trial with those things we learned and those things we changed.

	DATES	WHAT WE FIXED	WHAT WE LEARNED
PHASE 1	10/25/2023 - 12/20/2023	——	Our approach to vaccination was creating variation
PHASE 2	1/3/2024 - 3/13/2024	Vaccination at day 0, Spray	The eggs, as they were held at the hatchery awaiting delivery, were getting overheated
PHASE 3	3/1/2024 - CURRENT	Empty spaces in racks for more air	Still learning

RESULT OF THREE TRIAL PHASES

MEASURE	HATCHERY - CONTROL	NESTBORN - TRIAL	STATISTICALLY SIGNIFICANT	DIFFERENCE	COMMENTS
# of Paired Trials	45	45	-	-	
Hatch of Injected (%)	93.84	94.19	NO	0.35	
Day 0 Wts (g)	43.82	45.27	YES	1.45	
Day 7 Wts (g)	137.20	136.98	NO	-0.22	
Day 0 UNI (%)	89.92	90.84	NO	0.92	
Day 7 UNI (%)	69.94	65.72	YES	-4.22	
Wt Fold Increase (d7/d0)	3.15	3.07	NO	-0.08	Target of 3.5
Sold Wt	4.26	4.12	-	-0.14	Unable to compute due to variation in market ages.
ADG (lb/day)	0.109	0.105	YES	-0.004	
Wt Adjusted FCR	1.64	1.65	NO	0.01	
Livability (%)	94.92	93.83	YES	-1.09	

Initiative: Perdue Behavior Video Library

An important part of our Commitments to Animal Welfare is understanding what a chicken wants and letting chickens act naturally. It's also important that our flock advisors — those who work mostly closely with our birds and the farmers who raise them — better understand a chicken's normal behaviors. That's why we continue to build a Perdue Normal Behavior Library of videos for training purposes. Our normal behavior videos illustrate such things as dustbathing, foraging, perching, preening, resting, social pecking, stretching, and playing.

Initiative: Abnormal Behavior Education Module

As a companion to our normal behavior video library, we recognized that we also need to provide education on abnormal bird behavior. We've already created the first two pieces of video content focused on feed management and water management quality issue, and plan to create more abnormal bird behavior content.

Initiative: What Are Different Behaviors Birds Exhibit in the Pasture Bird House Versus the Regular House

Pasture-raised birds exhibit different behaviors than birds raised in other production systems. To attempt to quantitate this we compared pasture-raised birds to three other systems characterized as no windows/ conventional house, windows/conventional house, and slow- growing Rebro bird/enriched housing. Each system was studied at ages 10, 18, 26, 32, and 42 days. Activities we looked for included drinking, resting, walking, foraging, preening, stretching, social pecking, playing, and dustbathing. Generally, pasture-raised birds were more active. That activity was predominately in the two behaviors: preening and playing.

FREEDOM FROM PAIN, INJURY OR DISEASE

Initiative: With Litter (chicken house flooring material) Management Paramount to Flock Health and Welfare, Standardize Method to Describe Litter Condition

In 2023, we committed to write and implement a standardize litter scoring method for all poultry growing locations and determine if a study is needed to optimize their use.

Litter is the foundation for everything else we try to accomplish while growing a flock of chickens. It is essential to good bird health and welfare, food safety, and bird performance.

As important as it is, there is not a generally accepted method of describing its condition. That's why we have developed an assessment tool with scores that will be stored in our database for analysis around value to health, welfare, food safety, and performance.

The assessment is based on 10 observations broken down into two groups of five. The first group of five describes what the litter physically looks like, while the second group of five describes what interventions have been implemented. Each observation is scored one 1 to 10, with a possible score up to 100.

LITTER ASSESSMENT OBSERVATIONS

PHYSICAL CHARACTERISTICS

- Litter Condition/Prep (Marbles, Chunks, Leftover Cake, Unlevel)
- Moisture %: 3 Reading Average Front, Middle and Back
- Caked Litter (Drinker Line, Sidewall, End Pad Area)
- Litter Depth
- Good PAW Score No Burns

LITTER INTERVENTIONS

- Carbon/Bedding Added Annually
- Proper Windrowing
- Houses Have Been Cleaned Out in The Last 3 Years
- Whole House Litter Intervention Being Used
- Farmer Uses Some Type of Litter Conditioning Machinery

Initiative: Our Chick Livability is Better Than the Industry Average — Analyze Data to Identify Opportunities for Improvement

We have committed to identify the cause of flocks with below normal chick starts and determine if process improvement opportunities exist to enhance birds starts.

Generally, the most significant week for a chicken flock as it relates to mortality is the first week. The chicken is the most vulnerable and the management/care is the most demanding. Although often underappreciated, extraordinary care and focus during the first seven days can make a dramatic contribution to a chicken's health and welfare.

This initiative around early morality focused on:

- Studying the top causes that drive seven-day mortality and initiate steps to improve and/or correct these main drivers.
- Identifying farms that have consistently high seven-day mortality and reducing the number of farms that average greater than 2.25% by 25% year over year.

The four main drivers of high seven-day mortality included:

- Hatchery incubation: Optimal time and temperature, by season, by breed, by breeder flock age.
- Chick staging and transportation: Once pulled from the hatchery cabinet, there are four to six hours for chicks to be placed on the farm. How do we optimize comfort during this "holding time."
- Farm conditions and equipment: Is the farm set up to receive chicks? Are litter and air temperature, feed and water easily accessible? Is there fresh air?
- Communication: Hatchery and growout teams are communicating regularly on chick quality and any issues that might need to be addressed.

We identified 220 farms consistently experiencing high seven-day mortality. Consistently high was defined as: averaging at or greater than 2.25% average for FY24. For comparison, the average for the company is ~1.2%.

Focusing on the four areas identified, those same 220 farms are now averaging 1.65% seven-day mortality. The average improvement on these focus farms is 23.42% (against the goal of 25%) so far in our Fiscal Year 2025 (April 2024-March 2025).

Initiative: Our Overall Livability is Better Than the Industry Average – Analyze Data to Identify Opportunities for Improvement

More than 25,000 Perdue broiler flocks were processed in fiscal year 2024. Perdue's typical broiler flock "livability" ranges from 94% to 96%. We wanted to learn more about the broiler houses that experienced excessive death and culling losses. Approximately 5% of the broiler houses exceeded a 10% loss in FY24.

There are numerous reasons why birds die or need to be culled (euthanized). After hatch, some chicks do not thrive in the first few days of life. Viral and bacterial infections can cause death and culling losses at any time during the life of the flock.

The table below reflects the percentage of flocks for the year in all our different programs that exceeded the high mortality definition of 10% or greater. A "cause" was determined for each flock. Those causes were then ranked. The Top 3 reasons in each program are also listed in the table.

As expected, as the flock is raised to larger weights, the chances of a flock reaching 10% goes up. However, organic and large birds have not always had as many challenges as they did in FY24.

High seven-day mortality is a common contributor to high mortality in all bird sizes except for the largest birds we raise. Even in large birds it is significant, it was the fourth cause. This is one reason we have high early mortality as a separate initiative.

Inclusion Body Hepatitis (IBH) (viral disease) and Enterococcus cecorum (EC) bacterial infections are both relatively newer diseases for us (and the industry). We have incorporated a breeder hen vaccine for IBH and done extensive cleaning and moved away from the breed most sensitive to EC. Both these changes have resulted in reductions of mortality from these 2 causes.

	SMALL	MEDIUM	ORGANIC	LARGE
% OVER 10%	3.15%	3.59%	8.04%	10.46%
#1	Systemic Bacterial Infection (EC)	High 7-day	Culling due to uniformity	AirSac (viral disease initiates)
#2	High 7-day	Culling due to uniformity	High 7-day	Culling due to uniformity
#3	AirSac (viral disease initiates)	IBH (viral disease)	IBH (viral disease)	Dermatitis (Bacterial and Protozoal)

Initiative: With Machine Catching Techniques Evolving In Recent Years, We Committed to Explore the Best Ways to Do This and Identify How We Hold Ourselves Accountable to Follow Our Best Practices

In 2024, we committed to identify and document best practices for machine bird catching that allows an auditor to check compliance.

The "standard" method for catching chickens for transport to processing has been by hand. Usually, a crew of five or six people pick birds up and places them in the transport module. The module is then loaded onto a truck bed, which transports the birds to the harvest plant.

There are significant challenges to appropriately train and manage hand catching. However, a well-trained, motivated hand catching crew is still considered the "gold" standard for performing optimally to our welfare standards and metrics.

It is clear that automated or machine catching can be and will be a growing focus for commercial poultry catching. We expect it to perform as well as hand catching and, potentially over time, surpass hand catching in welfare metrics.

In our 2024 initiatives we wanted to clarify and codify appropriate welfare focus in our automated catching practices.

We developed two documents associated with machine catching:

A Standard Operating Procedure (SOP) document that includes sections on:

- Objective
- Procedure overview for using tarp, gate, or migration fence and side wall preparation
- Monitoring headcount and flipover birds
- Details for the person operating the catch machine head
- Loading of transport modules
- Procedures to follow in the event of machinery breakdown.

Our Best Management Practices document is focused on the proper selection of personnel running the auto catching machine head (including a temperament that is calm and caring), general safety, operational machine specifics, daily checks, nine different welfare specific practices, and those things that are done at the end of the shift.

We will gladly exchange information and collaborate with others who are using machine catching to ensure this approach becomes the new "gold standard" for higher welfare chicken catching.

Initiative: Second CAS

We remain committed to moving all 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 started installation of our second chicken CAS system at our Dillon, South Carolina harvest operation The system went live in July 2024. In November 2017, we successfully implemented our first CAS chicken system at our Milford, Delaware harvest plant. We installed CAS at our Washington, Indiana, turkey operation in 2012.

Initiative: CAS Costs and Benefits Beyond Welfare

We initiated a joint project with an animal advocacy group to identify the real costs and benefits beyond animal welfare of Controlled Atmosphere Stunning versus electrical stunning at our Milford, Delaware chicken harvest operation. The project was paused due to other priorities for both parties. We expect to resume this project as we implement CAS in Dillon, South Carolina.

Initiative: Farm Association with Muscle Myopathies

We are conducting research to determine the relationship between specific farms and meat quality as it relates to muscle myopathies or "woody breast" syndrome. We learned we can now identify meat quality issues to specific farms. Through two-years of research, we found farms that were distinctly different in meat quality. Our next step is to understand why.

Initiative: Chick Handling in Hatchery Processing Improvement

We are committed to improving our chicken handling at our hatcheries and set out to reduce the total inches of "drops" by 20 percent through better process design. As a result, we exceeded our goal and achieved a 24 percent reduction in inches a chicken drops throughout our hatch production process.

PART 2

FARMER RELATIONSHIPS

INITIATIVE: FARMER TOP CONCERNS AROUND HOW WE CARE FOR CHICKENS

We're listening to our broiler farmers, who spend the most time with our birds, to understand their biggest challenges in caring for chickens. Through our farmer council meetings, farmers identified the following three key areas of concern: chick quality and handling as the biggest area of concern followed by live haul equipment and handling, and outdoor access for the birds. We're learning and identifying opportunities for improvement.

PART 3

OPENNESS, TRANSPARENCY AND TRUST

WE WANT TO BUILD LASTING TRUST WITH STAKEHOLDERS

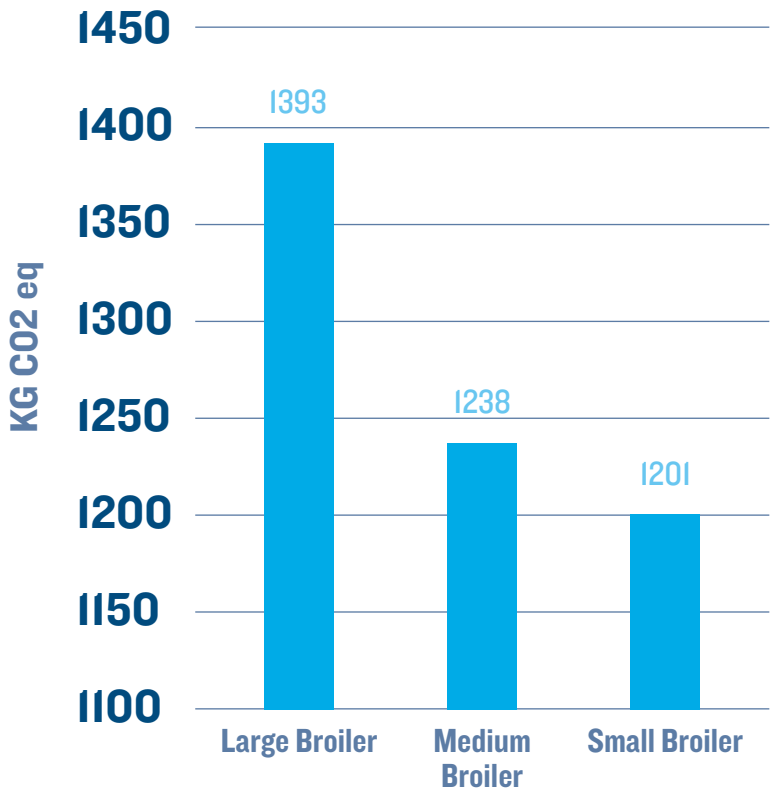
Initiative: As A Followup to Last Year's Assessment of Raising Chickens for the "Better Chicken Commitment," Conduct Life Cycle Assessment Comparison of Varying Bird Sizes

The objective of this exercise is to determine the impact of bird size on climate change parameters by completing a life cycle assessment (LCA) for broiler production. The study will compare the typical categories of broilers based on average live weight: Small (4.25 lbs.), Medium (6.5 lbs.) or Large (9.5 lbs.). The final report will focus mainly on climate change impact as expressed in CO2 eq per 1000 kg carcass weight.

We are using Opteinics™ which is a digital platform from BASF. It allows producers in the feed or animal protein industry to understand and reduce their environmental impact. The platform offers dynamic environmental footprinting of feed and animal protein using models in accordance with ISO, LEAP, IOS and PECFR standards and state of the art environmental databases such as Global Feed LCA Institute (GFLI).

The impact of broiler production on climate change parameters expressed in C02 equivalents are lowest when birds are grown to a smaller weight as compared to a larger weight (Figure 1). The difference between small birds and medium birds is negligible, but large birds have about 16% higher climate change impact per live pound.

The feed required to grow broilers is responsible for most of the climate change impact in broiler production.



Initiative: Having Run and Audited Our Broiler Breeder Welfare Program for Several Years, Invite a Third Party to Audit Program Compliance

Although we have been running an official animal welfare program in breeders for several years, we have audited it ourselves without poultry welfare officers. In 2024, we have asked USDA to audit our program. This has historically given us unbiased feedback on how well we are following our program. USDA has the most rigorous and strict auditors of any programs we do.

On May 28, 2024, we had our first USDA AMS audit at our Eastern North Carolina Parent Breeder Location in Nashville, N.C. The audit instrument followed NCC's Broiler Breeder requirements. This includes:

- Corporate commitment
- Proper nutrition and feeding
- Appropriate comfort and shelter
- Health care and monitoring
- Ability to display most normal behaviors.
- On-farm best practices
- Catching and transportation

Results: We scored of 100% with no lost points.

Initiative: Project Charter on Lifecycle Assessment

We conducted a life-cycle assessment of conventional broiler chicken breeds versus a slower-growing breed to study impacts of welfare practices on sustainability metrics. We learned that:

- Conventional fast-growing broilers have about 9 percent lower climate change than slow-growing broilers given the same feed. If the total impact of all environmental factors measured are used the amount increased to 13.4 percent.
- Fast-growing broilers have better feed conversion and use fewer farm resources and have lower farm emissions than slower growing broilers.
- Slow-growing broilers have an advantage in breeder production compared to fast growing broilers and this lowers the impact of the day-old chick.
- Feeding slow-growing broilers lower protein feed can reduce the climate change impact by 1.5 percent and 2.1 percent of total impact factors.

PART 4

CONTINUOUS IMPROVEMENT

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

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: 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: 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.

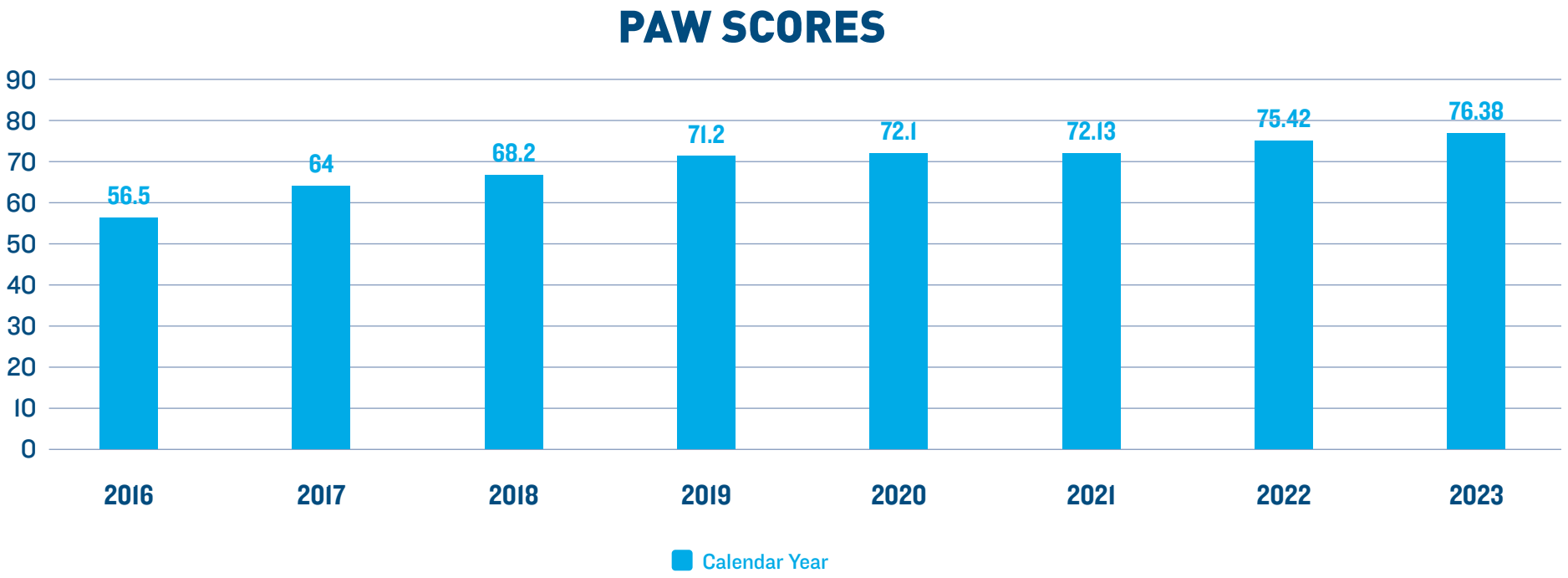
Initiative: Higher Welfare Hatching Practices

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 on-farm hatching and will continue our research.

Controlled Atmosphere Stunning

We remain committed to moving all 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 and followed that with our second CAS in Dillon, S.C. in 2024. We intend to keep moving on our promise for 100 percent CAS. We installed CAS at our Washington, Ind., turkey operation in 2012.



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 to 2017 and 2022 to 2023.

Our stated 2020 goal was to maintain at or above 70 percent "good paws" through winter. January, February, and March were above 70 percent in 2023 at 72.76.

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.

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 have completed our window installations in our Dillon, S.C., growing complex, increasing our company total to 57 percent.

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.

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. Based on farmer feedback we have converted our farmer website into an APP. This allows a farmer to receive notifications on their farm when we update the site and have important information to share. We have seen an increase in usage since going live earlier this year. Our operations leaders continue to work toward overcommunicating.

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.

Farmer Councils

In 2015, we created Farmer Councils in each of our growing areas to share information and receive feedback. In 2023, we started our third round of farmer councils. We have had 220 meetings with 433 farmers representing 22 percent of our farmers.

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, 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.

Support "Open Barn" Policy

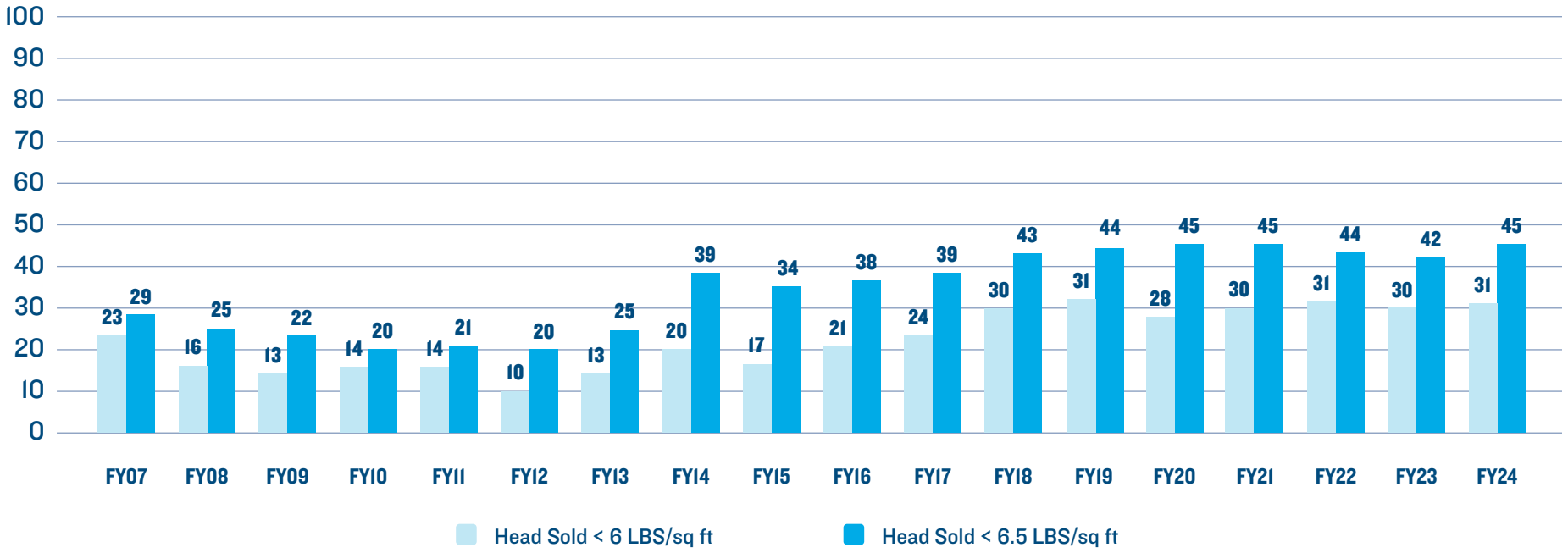
As part of our commitment to transparency, we routinely invite people to tour our farms and plants. We encourage our farmers to be open to visitors within the constraints of biosecurity and business needs. Over the course of a year, a range of stakeholders, including retail and food service customers, 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 2023, we conducted 117 tours. Through August 2024, we have hosted 95 tours.

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.

% Head Harvested under 6 and 6.5 lbs/ sq. ft



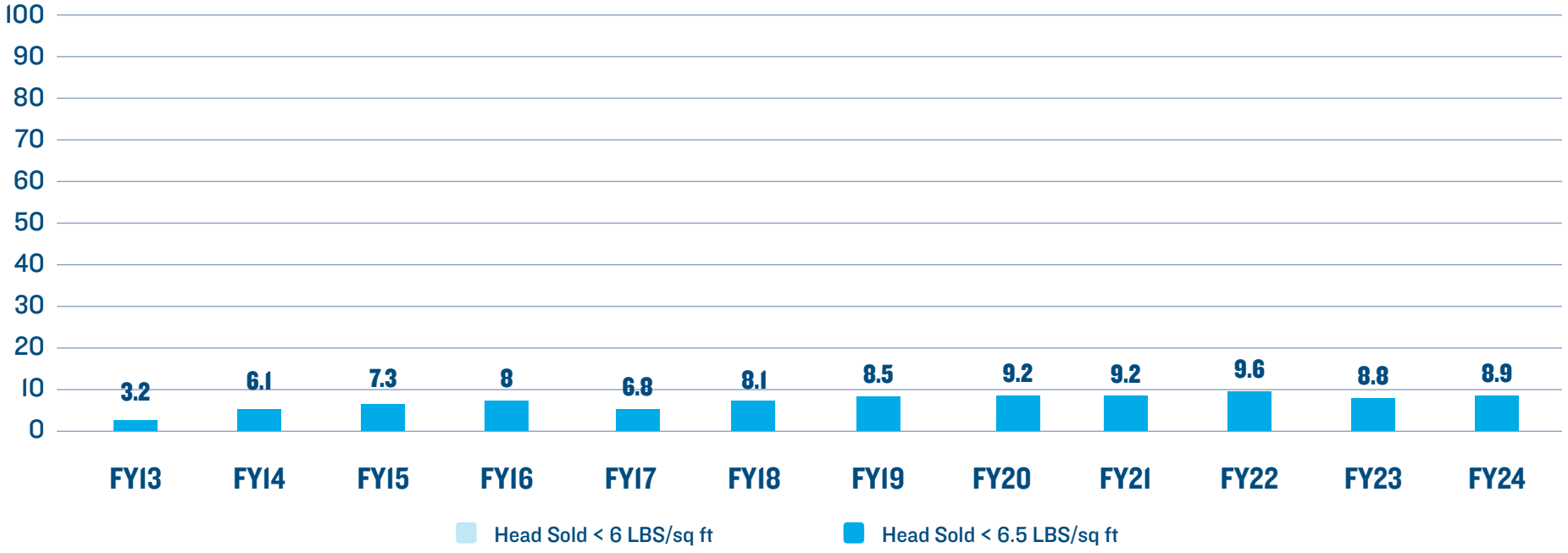
More Space

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.

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. We have increased the number of chickens raised at less than 6.0 or 6.5 pounds per square foot density.

% Organic Head Harvested



Organic

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

SHARING OUR 2023 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 2022 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 12 of our poultry live production and harvesting operations, including hatchery, grow out (farms), catching and transportation, and processing. The audit covers 73 audit points, scored on a scale of one to five, for a maximum possible score of 365 points. Operations are rated on a percentage basis.

We received scores between 97.65% and 100% for all locations audited.

- We had 0 major nonconformances.

We had 15 minor nonconformances:

- 1 Failed broken wing check
- 1 Failed paw check
- 1 No action for culls above 2%
- 2 Failed mechanical slitter check
- 2 Failed density target
- 3 Failed Gait score check
- 1 Observed nails protruding that could injury birds
- 2 Holes in wall that could allow outside access
- 1 Wrong lighting program being run
- 1 Failed bruise check

USDA Process Verified Program Audit Results

Our USDA Process Verified Program (updated continuously and PAACO certified) covers all our live-production and harvesting operations. The audit tool combines the principles from the National Chicken Council Animal Welfare Guidelines (updated 2022 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 8 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 2023, we had seven major nonconformances and 11 minor nonconformances with our PVP audits:

Seven Majors:

- 2 Issues with free range procedures on a farm
- 1 Trainer for new hire not completed on time
- 1 Failed damaged cage check on trailers
- 1 Ammonia above 25 ppm during farm visit
- 1 Failed live haul check with bird unfit for travel
- 1 Failed live haul check on loading modules

11 Minors:

- 1 Records documentation errors
- 3 Failed leg bruise check
- 2 Failed automatic knife check
- 1 Failed stunner check
- 2 Failed broken wing check
- 1 No corrective action documented on a chick injury report
- 1 Inadequate

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 2023, GAP audited 162 farms, all of which passed GAP certification. GAP identified 66 findings:

- 13 Stocking density issues
- 15 Not meeting 1% natural light
- 1 Access to water no more than 1 hour before catch
- 11 Missing soiled feather document
- 12 Hatchery chick deliver documentation missing time
- 4 Request for information
- 2 Missing information on the transport tickets
- 1 Merieux certificate had expired prior to audit
- 1 Missing 1 foot pad document
- 3 Ammonia exceeding 20ppm
- 2 Litter caking
- 1 DOA exceeding 0.5%

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 156 farms raising organic chickens passed their audit. The audits identified 17 nonconformances.

- 4 Had improper record keeping
- 3 Had too much caking
- 3 Outdoor access records not complete
- 2 Rodent control log
- 2 Outdoor ramps too steep
- 1 Chlorine ppm not recorded
- 1 Complete name of shaving supplier not listed
- 1 New form missing data, went back to old form

Customer Welfare Audits

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

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 10.1 million birds in 254,000 audit events during 2022. We achieved a compliance rate of 99.92 percent.

PORK, BEEF, LAMB AND TURKEY WELFARE

Niman Ranch

Niman Ranch is a community of more than 600 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 can 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.

Niman Ranch Hogs are Raised with Care©

From Paul Willis, our founding hog farmer, developing the very first hog welfare protocols with the Animal Welfare Institute in the 1990s, to today using our voice to advocate for California's Proposition 12 and Massachusetts's Question 3, the country's strongest animal welfare laws, humane animal care has always been a core value to Niman Ranch.

100%
Certified Humane®

100%
transparent, publicly accessible protocols

100%
of farms and ranches personally inspected before joining the program

100%
American Society for the Prevention of Cruelty to Animals® (ASPCA) Shop With Your Heart compliant

100%
of farms and ranches audited annually at a minimum

100%
gestation and farrowing crate free

NO
hormones EVER

NO
tail docking

NO
antibiotics EVER

NO
teeth clipping

Coleman Hogs

Our Coleman All Natural Meats operations source hogs only from American Humane Certified™ U.S. family farms that are free of gestation and farrowing crates and never use antibiotics, added 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 to produce for the Coleman All Natural Meats brand.

Coleman Natural All Natural Meats 100% Prop 12 Compliant

Coleman Natural was an early adopter of California's Prop 12 and Massachusetts Questions 3 to eliminate crates for pregnant pigs. Coleman is 100% Prop 12 and MA Q3 compliant, providing ample room and pens for pigs to roam and interact naturally.

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.

Avoidance of Close Confinement*

Perdue Farms is committed to the avoidance of confinement through all species. As of 2023:

- 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
- 63% of hogs are raised confinement free
- 27% of poultry raised free range

Environmental Enrichment*

At Perdue Farms, we recognize that providing animals with appropriate, species-specific environmental enrichments can improve their living conditions and help encourage their natural behaviors. As of 2023:

- 100% of lambs are raised on pasture
- 96% of beef cattle have enrichments, such as shade with dirt, corncobs, stalks and other natural materials, sprinklers in warm weather; brush out in pasture for scratching posts; hedge rows, stacks of round bales and other wind breakers.
- 63% of pigs have access to enrichments allowing the animals to exhibit natural behaviors. Commonly used enrichments include deep bedding (typically corn cobs, hanging tires, balls, stalks and straw); grass, brush, wallows and trees when outdoors; hay or straw bales; and sprinklers when hot.
- 37% of chickens have enrichments, such as boxes, perches, platforms and pecking objects with natural light and outdoor access.
- 0% of Perdue's turkeys have enrichments

**All species raised and sourced for Perdue Farms brands.*

Avoidance of Routine Activities*

Perdue Farms is committed to the routine avoidance of 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
- 32.5% of pigs are free from teeth clipping
- 32.5% 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 prior to being harvested.
As of July 2024:

- 99.2% of turkeys and hogs are rendered insensible prior to being harvested using controlled atmosphere stunning.
- 100% of chickens, cattle, hogs, turkeys, and lambs are rendered insensible prior to being harvested.
- 21.9% of our chickens are rendered insensible using controlled atmosphere stunning.

Transportation*

Travel times for all poultry and livestock are kept to a minimum and our goal is to not exceed eight hours. As of 2023:

- 71% of all species raised and sourced are traveling 8 hours or less
- 90% of all lambs raised and sourced 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*

96.3% of all animals we raise and 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 55g per day gain over their growth cycle.

Welfare Outcome Goal

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.*

COMMITMENTS TO ANIMAL *care*

PERDUEANIMALCARE.COM

We Believe in Responsible
Food and Agriculture®