



VIA EMAIL

May 29, 2024

Donnie King
President and Chief Executive Officer
John Tyson
Chairman of the Board
2200 W. Don Tyson Parkway
Springdale, AR 72762

Dear Mr. King and Mr. Tyson,

We write to you in your respective capacities as President, Chief Executive Officer, and Chairman of the Board, respectively, of Tyson Foods, Inc. (“Tyson,” the “Company”).

The purpose of this letter is to alert you to strong evidence that management is violating federal civil rights laws, and federal and state labor laws prohibiting the use of child labor in slaughterhouses. As you know, workplace anti-discrimination and child labor mandates are an essential and mission-critical regulatory compliance risk. You and the Board, among your other fiduciary obligations, have a duty of oversight and must put in place a reasonable board-level system of compliance monitoring and reporting relating to these mandates.¹

Additionally, the Company’s Securities and Exchange Commission (“SEC”) filings and other public reports and statements suggest its employment practices are infused with considerations of race, color, sex, national origin, and immigration status. Such practices create market and legal risk. However, management does not disclose or discuss these risks. Tyson and the Board have a duty to provide investors with direct and honest disclosure of the actual and patently obvious risk that customers and institutional investors could react increasingly negatively to both the Company’s assertive (and likely illegal) diversity, equity, and inclusion policies and practices, and its failure to oversee its contractors that apparently violate immigration and child labor laws.²

¹ See *Marchand v. Barnhill*, 212 A.3d 805, 824 (Del. 2019); *In re Clovis Oncology, Inc. Derivative Litig.*, No. CV 2017-0222-JRS, 2019 WL 4850188, at *12 (Del. Ch. Oct. 1, 2019).

² See, e.g., *Craig et al v. Target Corporation et al*, First Amended Complaint at ¶¶ 269-283, Case No. 2:23-cv-00599 (M.D. Fl. Nov. 28, 2023) (citations omitted); Rebecca Rainey, *Perdue, Tyson Face ‘Unique’ Probe in Child Labor Crackdown*, BLOOMBERG LAW (Oct. 6, 2023), <https://bit.ly/3y6Yndw>.

As described below, the evidence suggests ineffective internal controls; the potential breach of federal securities laws, including Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, Section 14(a) of the Exchange Act and Rule 14a-9, Section 20(a) of the Exchange Act; and a breach of your fiduciary duties to Tyson and its shareholders.

I. Tyson unlawfully discriminates based on race, color, sex, and national origin.

A. “DE&I” admissions

Tyson has affirmatively represented to its shareholders, investors, and the SEC that race, sex, and national origin are motivating factors in its employment and contracting practices.³ Management has, therefore, admitted to systemically violating federal civil rights laws.⁴

The Company’s Form 10-K states:

Diversity, Equity and Inclusion (DE&I)

We believe that diversity, equity and inclusion (“DE&I”) is our strength...Our workforce consists of approximately 39% women and over 60% minority groups. We strive to continue cultivating a culture and vision that supports DE&I in every aspect of our business...The Company has eight employee-led business resource groups that support our team members and assist with efforts to build a culture of inclusion to ensure that everyone feels respected and valued. Some of our functional teams have also engaged formal DE&I councils to inform special projects and initiatives and many production facilities routinely host local diversity committees.⁵

The Company’s December 21, 2023, Proxy Statement repeats these claims. “With approximately 39% women and over 60% representation from minority groups in our workforce, **we actively promote** a culture of DE&I. This commitment extends across the employee lifecycle, encompassing **recruitment, individual development, and team member engagement.**”⁶ In fact, in addition to tracking and setting goals for the diversity of its board and board nominees, the Company’s

³ See Tyson Foods, Inc., Schedule 14A: Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 at 19, 46 (Dec. 21, 2023), <https://bit.ly/4dP5Iim> [hereinafter *Proxy Statement*]; see also Tyson Foods, Inc., Form 10-K at 7 (Nov. 13, 2023), <https://bit.ly/3UQlfqO> [hereinafter *Form 10-K*].

⁴ See 42 U.S.C. § 2000e-2(a), (d), (j), (m).

⁵ *Form 10-K* at 7.

⁶ *Proxy Statement* at v (emphasis added); see also *id.*

Executive Incentive Plan rewards executives for making race, color, sex, or national origin a motivating factor in hiring and other employment practices.⁷

Title VII targets practices that “treat[] a person worse” because of a protected trait with respect to terms or conditions of employment, a phrase that is not used in the “narrow contractual sense” but covers more than the “economic or tangible.”⁸ Yet in the name of DE&I, management repeatedly avers that the Company’s employment, compensation, and employee “resource groups” are *designed* to benefit some workers and to treat others – specifically, white, male Americans – worse than others based on protected traits.

B. Tyson unlawfully discriminates based on national origin and immigration status.

There is troubling evidence that Tyson has for years favored aliens (allegedly including alien minors) over American citizens throughout its labor supply chain.⁹

For example:

- At precisely the same time the Company is closing multiple plants across the United States, management continues to invest substantial resources into hiring aliens, including using contractors for assistance in doing so.¹⁰
- The Company reportedly employs 42,000 aliens, more than a third of its workforce, and “would like to employ another 42,000 if [it] could find them.”¹¹
- To increase the number of immigrants it employs, Tyson Foods has joined the Tent Partnership for Refugees,¹² a project of the Tent Foundation, Inc.,¹³ which “mobilize[s] major businesses to connect refugees to work.”¹⁴ Companies that

⁷ Proxy Statement at 45-46; TYSON, *Growing a More Sustainable Future: Sustainability Report 2022* at 17 (available at <https://bit.ly/4dzLpoO>) [hereinafter *Sustainability Report*].

⁸ *Muldrow v. City of St. Louis*, 144 S.Ct. 967, 974 (2024) (cleaned up).

⁹ See *Tyson Foods Indicted: Company, Workers Charged with Conspiracy to Smuggle Illegal Immigrants into U.S.*, CNN MONEY (Dec. 19, 2001), <https://cnn.it/4bdn7zI>; see also Rainey, *supra* note 2.

¹⁰ Connor O’Neal, *‘It All Happened Very Suddenly’: Perry Tyson Foods Employee Shares About Permanent Closure*, WE ARE IOWA (Mar. 13, 2024), <https://bit.ly/3JRUtYP>; Natalie Neysa Alund et al., *Tyson Foods Closing Iowa Pork Plant as Company Moves Forward with Series of 2024 Closures*, USA TODAY (Mar. 12, 2024), <https://bit.ly/3UTCffV>; Simone Foxman & Ella Ceron, *Tyson Is Hiring New York Immigrants for Jobs No One Else Wants* (Mar. 11, 2024), <https://bloom.bg/3UByb2b>; *Iowa WARN Log*, IOWA WORKFORCE DEV., available at <https://bit.ly/3WyuDeX>.

¹¹ Foxman & Ceron, *supra* note 10.

¹² TENT PARTNERSHIP FOR REFUGEES (last visited Mar. 29, 2024), <https://bit.ly/4dJ5cm6>.

¹³ Tent Foundation Inc., Form 990-PF (Nov. 15, 2023) (available at <https://bit.ly/3wvc05T>); TENT PARTNERSHIP FOR REFUGEES, *Frequently Asked Questions* (last visited Apr. 17, 2024), <https://bit.ly/3yeQHps> (nested under the question “What is the relationship between the Tent Partnership and the Tent Foundation?”).

¹⁴ TENT PARTNERSHIP FOR REFUGEES, *supra* note 12.

join the Tent Partnership for Refugees coalition promise to reserve employment positions for refugees – American citizens are accordingly ineligible.¹⁵

- In 2022, Tyson “**committed to hiring 2,500 refugees** over three years in the United States.”¹⁶
- In 2023, it committed to “**mentoring**” fifty “**refugee women**,” fifty “**Hispanic refugees**,” and fifty “**Afghan refugees**” in Northwest Arkansas and across the United States.¹⁷
- In its annual Sustainability Report, Tyson President & CEO Donnie King stated that the Company’s diversity goals include its commitment to continue to hire immigrant workers. He said that the Company “recognize[s] the importance of welcoming **diverse** voices to the conversation—and then supporting them when they arrive—we have dedicated over \$2.4 million since 2020 to support U.S. citizenship for **immigrant employees**.”¹⁸ In other words, the special services provided to foreign employees are intended to affect the balance of diversity, including national origin, in the Company’s workforce, to the detriment of United States-born individuals.¹⁹
- For the years 2023 and 2024, the Company has reportedly committed \$1.5 million per year for legal aid services for foreign workers and providing paid

¹⁵ TENT PARTNERSHIP FOR REFUGEES, *U.S. Employers’ Guide to Hiring Refugees* (Jan. 2024) (available at <https://bit.ly/3UrxIzy>). The “Tent Partnership for Refugees” uses the word “refugee” as “a catch-all term for all forcibly displaced migrants in the U.S” and includes the “seven main immigration statuses that employers may see: asylees, asylum seekers, humanitarian parolees, refugees, Special Immigrant Visa (SIV) holders, Temporary Protected Status (TPS) holders, and victims of human trafficking or criminal activity.”

¹⁶ TENT PARTNERSHIP FOR REFUGEES, *Tyson, Partners* (last visited Mar. 29, 2024), <https://bit.ly/3UPvb3E> (emphasis added); see also *Sustainability Report* at 4.

¹⁷ TENT PARTNERSHIP FOR REFUGEES, *supra* note 16 (emphasis added). This commitment appears to date back to at least 2021 when Tent Partnership for Refugees announced on X (then “Twitter”): “We’re proud to count Tyson among our members, and thrilled that they’ve joined the Tent Coalition for Afghan Refugees. Through the Coalition, Tyson will explore opportunities to hire, train, & support Afghans in the U.S. We’re proud to count Tyson among our members, and thrilled that they’ve joined the Tent Coalition for Afghan Refugees. Through the Coalition, Tyson will explore opportunities to hire, train, & support Afghans in the U.S,” Tent Partnership for Refugees (@TentOrg), X (Nov. 5, 2021, 3:26 PM), <https://bit.ly/3QEKERA>.

¹⁸ *Sustainability Report* at 4, 19 (emphasis added) (listing “[i]mmigrant and refugee support and resettlement” in the Report’s section describing Tyson Foods’ actions “Supporting *Diverse Communities*” (emphasis added)).

¹⁹ *Sustainability Report* at 17 (emphasis added). Tyson has adopted a cramped definition of “diversity,” using it to mean a person’s immutable characteristics only. For example, it states that “[w]e are dedicated supporters of Minorities in Agriculture, Natural Resources and Related Sciences (MANRRS) an organization created to advance *diverse* representation in the agricultural industry” and that “[t]o attract *diverse* talent, our talent acquisition team partners with many educational and community organizations, such as the National Urban League” (emphasis added).

time off for when they attend court hearings.²⁰ Tyson does not provide similar benefits to workers born in the United States.

II. Management’s employment practices create legal and reputational risk and threaten to waste corporate assets.

A. Breach of fiduciary duty

As a matter of law, Tyson’s Board has breached its fiduciary duty and failed to act in good faith whenever it intentionally acts with a purpose other than that of advancing the best interests of the corporation, with the intent to violate applicable positive law, or where it intentionally fails to act in the face of a known duty to act, demonstrating a conscious disregard for its duties.²¹ Here, there is strong evidence that management has chosen to violate applicable federal civil rights laws and, through its contractors, shown a potentially culpable disregard for immigration and child labor laws. The Company’s incantation that “diversity, equity, and inclusion (DE&I) are our strength” does not relieve management or the Board of their fiduciary duty to comply with the law.

First, Tyson repeatedly admits that considerations of race, color, sex, and national origin play a motivating factor in the Company’s employment practices. Yet these considerations, purportedly embedded in the Company’s culture and day-to-day operations, are patently illegal. *See* 42 U.S.C. §§ 2000e-2(a), (d).²² The law is that an unlawful employment practice is established when the evidence demonstrates that race, color, religion, sex, or national origin was *a* motivating factor for an employer. 42 U.S.C. § 2000e-2(m). Title VII targets and declares unlawful employment practices that treat a person worse “because of such individual’s race, color, religion, sex, or national origin.” That “worse” treatment must pertain to – must be “with respect to” – employment “terms [or] conditions.” 42 U.S.C. § 2000e-2(a)(1). The “terms or conditions phrase is not used in the narrow contractual sense; it covers more than the economic or tangible.”²³

Second, an unfair immigration-related employment practice is established when the evidence demonstrates discrimination “because of such individual’s national origin” or, in the case of a “protected individual,” because of “such individual’s citizenship status.” 8 U.S.C. § 1324b(a)(1). A “protected individual” includes an individual who is a citizen or national of the United States. 8 U.S.C. § 1324b(a)(3)(A). The Company’s pattern and practice of segregating employment opportunities, including hiring and mentorship, based on an individual’s citizenship or national origin, as well as its

²⁰ Foxman & Ceron, *supra* note 10.

²¹ *See Marchand*, 212 A.3d at 824; *In re Clovis Oncology, Inc. Derivative Litig.*, 2019 WL 4850188 at *12.

²² *See, e.g., United Steelworkers of Am. v. Weber*, 443 U.S. 193, 208 (1979); *Johnson v. Transp. Agency*, 480 U.S. 616, 621-641 (1987); *see also Bostock v. Clayton County*, 590 U.S. 644 (2020).

²³ *Muldrow*, 144 S.Ct. at 974 (cleaned up); *Bostock*, 590 U.S. at 644, 658, 681.

advertised intention to prefer “refugees” and aliens over U.S. citizens, therefore violates both 8 U.S.C. § 1324b(a)(1)(A) (employment preferences because of national origin) and § 1324b(a)(1)(B) (employment discrimination because of U.S. citizenship).

Third, Tyson has been the target of multiple federal investigations and findings regarding its immigration-related employment practices.²⁴ Most recently, according to published reports, Tyson contracted with Packers Sanitation Services, Inc. (“PSSI”), which paid a \$1.5 million fine in 2023 for child labor violations.²⁵ The U.S. Department of Labor found that PSSI had employed minors as young as thirteen to use caustic chemicals to clean “razor-sharp saws” and other high-risk equipment at 13 meat processing facilities in 8 states.²⁶ Seven of the more than one hundred affected children employed by PSSI were found to have worked at Tyson plants.²⁷ In light of this history, the grave and credible allegations that Tyson is acting as a joint employer, using contractors to circumvent federal immigration and state and federal child labor and plant safety laws,²⁸ require immediate and effective corrective action.

Management’s conduct is patently unlawful, deeply harmful, and immoral.²⁹ Discrimination based on immutable characteristics such as race, color, sex, or national origin “generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely to ever be undone.”³⁰ Decades of case law hold that — no matter how well-intentioned — policies that seek to impose racial balancing are prohibited.³¹ More broadly, the discrimination highlighted in this case necessarily foments contention and resentment; it is “odious and destructive.”³² It truly “is a sordid business, this divvying us up” by race or sex.³³

²⁴ David Leonhardt, *Child Labor and the Broken Border*, Newsletter, *The Morning*, N.Y. TIMES (Sept. 19, 2023), <https://nyti.ms/4dvYHmu>; see also U.S. DEP’T OF JUST, *INS Investigation of Tyson Foods, Inc. Leads to 36 Count Indictment for Conspiracy to Smuggle Illegal Aliens for Corporate Profit* (Dec. 19, 2001), <https://bit.ly/3QEKMRA>.

²⁵ U.S. DEP’T OF LAB., *More Than 100 Children Illegally Employed in Hazardous Jobs, Federal Investigation Finds; Food Sanitation Contractor Pays \$1.5M in Penalties* (Feb. 17, 2023) <https://bit.ly/3Wyoa3Z>.

²⁶ *Id.*

²⁷ *Id.*

²⁸ Letter from Sen. Josh Hawley, to Donnie D. King, Chief Executive Officer, Tyson Foods (Sep. 19, 2023), <https://bit.ly/4b7pUKL>; IOWA CODE § 92.8(8), (18) (2024); IOWA ADMIN. CODE r. 875-32.8(8) (2024).

²⁹ *Bob Jones Univ. v. United States*, 461 U.S. 574, 593 (1983) (“racial discrimination in education violates a most fundamental national public policy, as well as rights of individuals”).

³⁰ *Brown v. Bd. of Education*, 347 U.S. 484, 494 (1954).

³¹ See, e.g., *United Steelworkers*, 443 U.S. at 208; *Johnson*, 480 U.S. at 621-641; see also *Bostock*, 590 U.S. at 650.

³² *Texas v. Johnson*, 491 U.S. 397, 418 (1989).

³³ *League of United Latin Am. Citizens v. Perry*, 548 U.S. 399, 511 (2006) (Roberts, C.J., concurring in part).

B. Federal securities law concerns

Tyson discloses that the failure to “attract and hire highly skilled team members” risks having a “negative impact on [its] business.”³⁴ It further discloses that it “operate[s] in a highly regulated environment . . . [and a] failure to maintain effective control processes could lead to violations, unintentional or otherwise, of laws and regulation” which may subject the Company to “civil and criminal penalties, including debarment from governmental contracts that could materially and adversely affect our product sales, reputation, financial condition and results of operations.”³⁵ The Company further discloses it strives “to respond to consumer preferences and social expectations” and acknowledges that “negative perceptions and failure to satisfy consumer preferences could materially and adversely affect our product sales, financial condition and results of operations.”³⁶

However, having touted its discriminatory DE&I policies and practices as the Company’s “strength” in the Form 10-K, management and the Board fail to properly disclose the reputational and market risk of those policies and practices. Publicly traded companies have increasingly faced consumer and investor backlash to the sort of DEI mandates adopted by the Company’s management and Board in this case. Accordingly, to comply with the federal securities laws, companies that have committed to such mandates often disclose that their material risks include backlash from their customers.³⁷ In its annual and quarterly filings with the SEC, and in its proxy statement, Tysons was required to provide investors with direct and honest disclosure of the actual risk—known to you and the Board—that customers and investors disfavor both assertive DEI initiatives³⁸ and the Company’s practice of

³⁴ *Id.* at 15.

³⁵ *Id.* at 17.

³⁶ *Id.* at 13-14. These management statements are concessions that Tyson’s unlawful employment practices, as described herein, *cannot* be in the best interest of its shareholders.

³⁷ See e.g., ADT Inc., Annual Report (Form 10-K) at 47 (Feb. 28, 2023) (available at <https://bit.ly/4bSO1g3>); State Street Corp., 2022 Annual Report (Form 10-K) at 42–43, <https://bit.ly/3V2UHBy>; Citigroup, Inc., 2022 Annual Report (Form 10-K) at 44 (available at <https://bit.ly/3V2UHBy>) (“Citi also faces potentially conflicting anti-ESG initiatives”); Valero Energy Corp., 2022 Annual Report (Form 10-K) at 20 (available at <https://bit.ly/3X5nmIV>) (“Recently, backlash from certain governments and investors against ESG funds and investment practices has resulted in increased scrutiny and withdrawals from such funds. Such backlash has also resulted in ‘anti-ESG’ focused activism and investment funds, which may result in additional strains on company resources.”); The Carlyle Grp., Inc., 2022 Annual Report (Form 10-K) at 68 (available at <https://bit.ly/3yvOqGL>) (“Conversely, antiESG sentiment has also gained momentum”); see Andrew Ramonas, *Citi, Valero, ADT Flag New Investment Risk: the Anti-ESG Effect*, BLOOMBERG L. (Mar. 15, 2023), <https://bit.ly/3Kkz2jd>; Emma Williams, *What Are the Risks of Social Washing?*, MORNINGSTAR (Aug. 19, 2022), <https://bit.ly/4bXhS7a> (stating that adopting ESG goals “[i]nvariably [] means alienating certain groups while appeasing others” and “lead[s] to backlash from both sides of a debate” that can “result in social risks being poorly managed or even elevated”).

³⁸ See Gitanjali Poonia, *Is Disney Going Broke After Becoming ‘Woke’?*, DESERET NEWS (Nov. 30, 2023), <https://bit.ly/3X2llrg>; see also Anne D’Innocenzio, *Target to Reduce Number of Stores Carrying Pride-*

favoring, or knowingly hiring contractors in its plants who favor, aliens (including children) over U.S. citizens. However, in apparent violation of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, Section 14(a) of the Exchange Act and Rule 14a-9, Section 20(a) of the Exchange Act, you have been silent.

III. Compliance demands

To prevent the waste of Tyson's assets; to repair and safeguard the Company's brand, goodwill, and reputation among its core customers; to protect Tyson's shareholders; and in fulfillment of your fiduciary duty to ensure Tyson's compliance with civil rights, immigration, and labor laws, we demand that you and the Board immediately take the following steps:

1. Retain an independent counsel for a full compliance investigation of and a report on the Company's contracting and outsourcing practices to determine whether management knowingly or with reckless disregard used contractors in its plants to circumvent immigration, child labor, civil rights, or other laws. To avoid the expense and disruption of litigation enforcing Tyson's disclosure obligations, the investigation should include a full disclosure by the Board of all of management's contemporaneous emails and other communications on this topic and all communications to or from Tyson's General Counsel regarding this matter.
2. Compel management to immediately (a) to cease all "DE&I" employment practices based on immigration status, race, color, sex, or national origin; (b) to cease and desist from making any statements or representations promoting or promising employment outcomes based on immigration status, race, color, sex, or national origin; and (c) to retain an independent counsel to conduct a compliance audit of Tyson's hiring, promotion, recruitment, and purchasing practices to ensure that they comply with federal civil rights laws. Again, to avoid the expense and disruption of litigation enforcing Tyson's disclosure obligations under the Private Securities Litigation Reform Act of 1995, the compliance audit and all relevant emails and other management communications regarding the racial balancing and other prohibited hiring and contracting practices described in Tyson's Form 10-K and Proxy Statement should be made promptly and fully available.
3. In anticipation of litigation, direct Tyson to preserve all records relevant to the issues and concerns noted above, including but not limited to paper records and electronic information, including email, electronic calendars, financial spreadsheets, PDF documents, Word documents, and all other information created and stored digitally. This list is intended to give examples of the types

Themed Merchandise After Last Year's Backlash, Business, AP NEWS (May 11, 2024), <https://bit.ly/4c0nCNz>.

of records you should retain. It is not exhaustive. Thank you in advance for your cooperation.

Thank you in advance for your consideration. Please feel free to contact us if you have any questions.

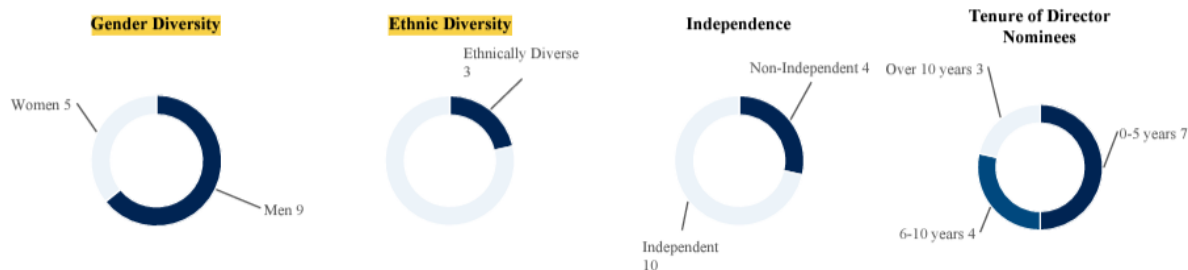
Sincerely,
/s/ Will Scolinos
America First Legal Foundation

Cc: Kevin M. McNamara, Vice Chairman and Lead Independent Director
Les R. Baledge, Director
Mike Beebe, Director
Maria Claudia Borrás, Director
David J. Bronczek, Director
Mikel A. Durham, Director
Jonathan D. Mariner, Director
Cheryl S. Miller, Director
Jeffrey K. Schomburger, Director
Barbara A. Tyson, Director
Noel White, Director

Appendix

DIRECTOR NOMINEE DIVERSITY, TENURE AND AGE

The following charts provide summary information about our director nominees' personal characteristics, including gender, ethnicity, independence and tenure, to illustrate the diversity of perspectives of our director nominees. Additional biographical information about the nominees can be found in the section titled "Election of Directors" in this Proxy Statement.



Leadership Scorecard

In addition to the Adjusted Operating Income and Adjusted Total Volume performance measure, the Company's Executive Incentive Plan includes certain "Leadership Scorecard" performance modifiers to promote and reward behaviors in support of (1) diversity, equity and inclusion, (2) health and safety and (3) sustainability. For fiscal year 2023, the Compensation and Leadership Development Committee, in consultation with management, adjusted certain of the threshold goals. In the Diversity, Equity & Inclusion category, the goal for a percentage of diverse candidate slates was set at 85%. In the Health & Safety category, the percentage of reduction in OSHA recordable rate was modified from 10% in the prior fiscal year to 16%, and the reduction in significant injuries and fatalities was modified from 10% to 37%.

The Compensation and Leadership Development Committee recognizes that the mix of categories may change and grow over time, including expanding outside of the existing "Leadership Scorecard" goals into other environmental, social and governance categories. As such, in fiscal year 2023, after a review of the Company's goals, the Compensation and Leadership Development Committee accepted both of management's recommendations to (i) use Sustainability as one of the three categories of the Leadership Scorecard goals, in place of the category for Talent and Development, and (ii) to use the Company's Dow Jones Sustainability Index score as the Sustainability goal for the Leadership Scorecard.

Goals
<p><i>Diversity, Equity & Inclusion</i></p> <ul style="list-style-type: none"> Greater than 85% of candidate slates considered are diverse
<p><i>Health & Safety</i></p> <ul style="list-style-type: none"> 16% reduction in OSHA recordable rate 37% reduction in significant injuries and fatalities
<p><i>Sustainability</i></p> <ul style="list-style-type: none"> Achieve a rating of between 45 and 55 or better on the Dow Jones Sustainability Index

Board Refreshment

We believe the quality, focus and diversity of skills and experience of the Board have been a key driver of the Company's success. Our Governance and Nominating Committee regularly monitors the composition of the Board and identifies ways we can strengthen the Board, including to address particular skill and expertise areas, enhance diversity or replace directors that are expected to retire in the near future, while continuing to balance the benefits of having a board with significant Company knowledge and experience. The consistent, thoughtful and strategic approach of the Governance and Nominating Committee and the Board with respect to strengthening is illustrated by changes to the Board in the last few years, including the nomination to the Board of Kate B. Quinn which addresses, among other things, the Board's strategic goal of expanding its expertise in business strategy, marketing, customer experience and retail operations.

Human Capital Management

Our commitment to health, safety, and wellbeing revolves around rigorous safety training and providing essential equipment to our team members. We continuously strive to reduce workplace incidents and hazards, with a specific focus on decreasing OSHA recordable incidents year by year. Additionally, we make healthcare easily accessible for team members and their families by operating health clinics near our main production facilities.

Diversity, equity, and inclusion ("DE&I") are core to our company's strength. With approximately 39% women and over 60% representation from minority groups in our workforce, we actively promote a culture of DE&I. This commitment extends across the employee lifecycle, encompassing recruitment, individual development, and team member engagement. We establish employee-led business resource groups and DE&I councils to create a culture of inclusion where every team member feels respected and valued.

Our talent strategy, known as "Grow With Us," is centered on attracting the best talent, recognizing and rewarding performance, and continuously developing and engaging our team members. We prioritize the team member experience, streamline HR processes, and place a strong emphasis on frontline team member retention. To support this, we offer an array of educational opportunities through the Upward Academy Program, which provides training in areas such as language, education, and financial literacy. Furthermore, we have launched Upward Academy online, an initiative that supports career development and advancement at no cost to participants, creating opportunities for our team members to progress into higher-paying, senior-level roles. In addition, we strengthened our commitment to immigrant team members through a partnership and investment in Immigrant Connection, a non-profit organization that provides immigrants with legal services, including petitions for citizenship. Our overarching goal is to be a highly sought-after company within our markets, by continually nurturing the skills and capabilities needed and maintaining a robust talent pipeline throughout the organization.

HOW PAY IS TIED TO COMPANY PERFORMANCE

Incentive payments under the Company's Executive Incentive Plan are based on performance measures established by the Compensation and Leadership Development Committee. For fiscal year 2023, the Compensation and Leadership Development Committee selected two performance measures under the Executive Incentive Plan: (i) Adjusted Operating Income, weighted at 75% of the total funding to be made available for the plan, and (ii) Adjusted Total Volume as a new performance measure, weighted at 25% of the total funding to be made available for the plan. The Compensation and Leadership Development Committee believes Adjusted Operating Income and Adjusted Total Volume are appropriate measures of Company performance to utilize in making performance-based compensation decisions because these are good indicators of value creation and are some of the factors used by senior management to evaluate the performance of the business. In addition, the Company's Executive Incentive Plan included certain "Leadership Scorecard" performance modifiers to promote and reward behaviors in support of (1) diversity, equity and inclusion, (2) health and safety and (3) sustainability. Each of the three above-referenced factors can modify annual incentive payments by plus or minus 5% of target performance incentive payments, with a total potential impact of plus or minus 15% of annual incentive payments. A positive modifier applies if we exceed these goals, no modifier applies if we meet these goals and a negative modifier applies if we do not meet these measured goals. The Adjusted Operating Income target for purposes of the Executive Incentive Plan was \$4.1 billion for fiscal year 2023 and the Adjusted Total Volume target for fiscal year 2023 was 28,813 million pounds. For fiscal year 2023, the Company achieved the Adjusted Total Volume goal but not the Adjusted Operating Income goal, resulting in an overall incentive payment of 25% of the respective target eligibilities for each of our named executive officers. In addition, the "Leadership Scorecard" resulted in a net payout modifier of -7.5%, which was applied to the fiscal year 2023 annual incentive payments for executives who were team members throughout all of fiscal year 2023. For further information, please see the "Compensation Discussion and Analysis" section in this Proxy Statement.

Diversity, Equity and Inclusion

We believe that diversity, equity, and inclusion (“DE&I”) is one of our strengths. Our Company is diverse and consists of team members with a variety of experiences, backgrounds, beliefs, and lifestyles. Our workforce consists of approximately 39% women and over 60% minority groups. We strive to continue cultivating a culture and vision that supports DE&I in every aspect of our business, from recruiting to individual development and team member engagement, with the objective of promoting and retaining talent. We also believe that having engaged team members with a sense of belonging is paramount to our continued success. The Company has eight employee-led business resource groups that support our team members and assist with efforts to build a culture of inclusion to ensure that everyone feels respected and valued. Some of our functional teams have also engaged formal DE&I councils to inform special projects and initiatives and many production facilities routinely host local diversity committees.

We are dedicated supporters of

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

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

Also, throughout the year, our procurement team:

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

Supplier Inclusion Summit

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

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

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

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

SUPPORTING DIVERSE COMMUNITIES

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

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

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

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

In 2022, Tyson Foods became a member of the

Women's Business Enterprise National Council

to increase resource sharing and our visibility of supplier networks.

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

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

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

LOOKING FORWARD

Every day, we are working to provide better, more nutritious protein options to the people we serve. Now, as we look to the future, we're setting a new course for sustainability, reimagining our social

impact and designing responsibility into products from the get-go.

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



Donnie King
President & CEO
Tyson Foods

