

COMMITMENTS TO ANIMAL

care

2023 Report
Creating a Culture
of Animal Care



We Believe in Responsible
Food and Agriculture®

We Believe In Responsibly Raising Animals For Food

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

Our Position on Animal Care and Welfare

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

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

- 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.

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

- The avoidance of confinement for all species.
- No artificial or hormonal growth-promoting substances, including beta antagonists or ractopamine.
- Antibiotics will only be used when prescribed by a veterinarian with duration limits to ensure the best animal welfare for the animals.
- An emphasis on the freedom to express natural behaviors through environmental enrichments suitable for each specific species.
- Animals raised and sourced throughout our operations have not been subject to any genetic modification or are derived from cloned stock.
- The avoidance of routine activities such as tail docking, teeth clipping/grinding on pigs, beak trimming on poultry and tail docking on cows.
- Travel times for all poultry and livestock are kept to a minimum and our goal is to not exceed eight hours.
- Animals are rendered insensible prior to being harvested.
- Compliance with all legislative standards and raising and sourcing all animals from animal welfare organizations such as Global Animal Partnership, Certified Humane, American Humane, USDA Certified Organic, United Egg Producers certified, National Dairy Farmers Assuring Responsible Management, Merieux NutriSciences Certification LLC and USDA Processed Verified.

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

Animal Welfare Oversight and Authority

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

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

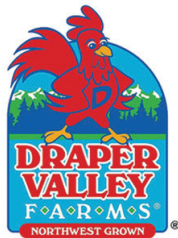
Best Practices

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

Guiding Principles

- We hold ourselves accountable to our programs through our Senior Executive Animal Care Steering Team.
- We have a Chief Animal Care Officer assigned for oversight of our programs and our USDA Processed Verified Program for Animal Care (Professional Animal Auditor Certification Organization certified), which is fully supported by our board and senior management.
- We also have oversight from the Perdue Animal Care Council, composed of Perdue managers to provide corporate oversight and leadership. The council is also charged with reviewing recent advances in animal care and acts as a liaison with outside animal welfare experts.
- We support all our operations that harvest animals, including chicken, beef, pork, lamb and turkey, with certified animal welfare specialists to maintain our animal welfare standards.
- We are third-party audited throughout Perdue with every species by highly regarded certification agencies such as Certified Humane, American Humane, USDA Organic, Global Animal Partnership, USDA-AMS Process Verified Program, and others in the industry.

- We work with independent experts in animal husbandry to help guide and improve our animal welfare programs.
- We provide a toll-free hotline where anyone can report welfare violations.
- We provide formal welfare training and annual refresher training for all Perdue associates and contractors, including farmers and ranchers, who handle live animals.
- We perform regular internal and external audits of our procedures to further strengthen our commitment and to guarantee continuous improvement of our processes.
- We require all 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 eight years since we announced **Perdue Commitments to Animal Care, it has been a journey of listening, learning, and evolving.**

The Perdue Commitments to Animal Care was shaped with input from diverse stakeholders – including some of our harshest critics – and we continue to seek their input. We learn from a wide range of perspectives, whether they be farmers, our associates, advocates, customers, or consumers, in formal and informal ways.

This has resulted in 97 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 2023, we held our eighth annual Animal Care Summit, bringing together animal care experts and advocates, customers, farmers and Perdue leadership.
- Began construction of our second controlled atmosphere stunning system for chickens.
- Identified farmers' top concerns in caring for our birds.
- Improved chick handling process across all company hatcheries
- Researched farm-specific meat quality issues
- Conducted research on Better Chicken Commitment-compliant, slower-growing breed.
- Developed educational video content demonstrating normal and abnormal chicken behaviors.
- Researched bird behavior in pasture versus conventional housing.

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 2022 through July 2023 and describes the steps we are taking to move our program forward.



PART 1

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."



PART 2

Farmer Relationships

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



PART 3

Openness, Transparency and Trust

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



PART 4

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 ONE

OUR CHICKENS' NEEDS AND WANTS



Freedom to Express Normal Animal Behaviors

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 created the first two pieces of video content focus on feed management and water management quality issue, and plan to create more abnormal bird behavior content.

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're building 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: What Are Different Behaviors Birds Exhibit in the Pasture Bird House Versus The Regular House At Like Ages

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: Second CAS

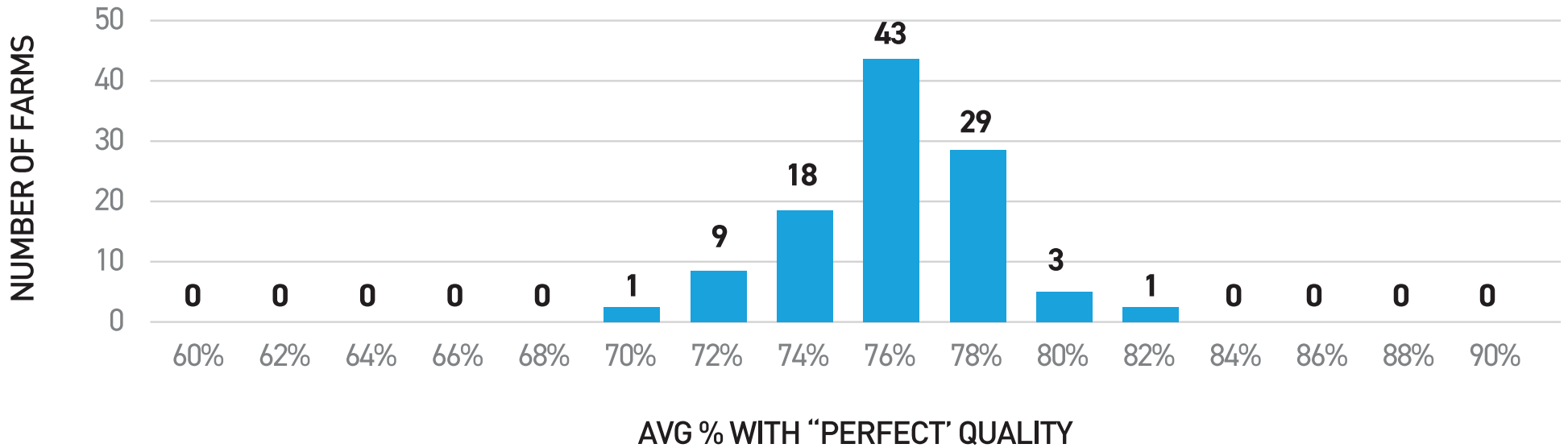
We remain committed to moving all our harvest operations from using electrical shocks to “stun” birds before harvest, to using a multi-stage, dual-gas technology Controlled Atmosphere Stunning (CAS) system to induce insensibility with minimal trauma. We started installation of our second chicken CAS system at our Dillon, South Carolina harvest operation but had to pause that project for financial reasons. We expect the system to be operational in November 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.



FARM DIFFERENCES FOR WOODY BREAST AT LEAST 300,000 FILETS, 4 FLOCKS MIN 104 FARMS IN DATASET



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 process our hatcheries and set out to reduce the total inches of “drops” by 20 percent through better process design. As a result, we exceed our goal and reduce a 24 percent reduction in inches a chicken drops throughout our hatch production process.

Initiative: Higher Welfare Hatching Practices

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 area 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 from our farmers feedback and identifying opportunities for improvement.



PART TWO

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 from our farmers feedback and identifying opportunities for improvement.



PART THREE

OPENNESS, TRANSPARENCY AND TRUST

We Want To Build Lasting Trust With Stakeholders

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 broiler 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.



Initiative: Describe Performance of BCC approved breed birds in commercial house

A breeder flock using one of the GAP/BCC-approved breeds (M77 male X Redbro female) was placed in mid 2022. As this breeder flock laid eggs in 2023, we were able to place 25 full houses of this breed cross and compare it to a neighboring (same farm) house that had either Ross 308 or Cobb 500 chickens. We believe this was the largest trial of this sort done in North America. The following areas were compared and some summary comments are included for each.

Breeder Performance

This flock of M77 X Redbro flock achieved excellent results. They were approximately 3% better livability in the pullet house. Over the life of the flock, the egg production and fertility of eggs resulted in ~50 more chicks per hen (compared to the industry standard high yield breed).

Broiler Performance

Over 25 paired (a house of Redbro broilers next to either a Ross 308 or Cobb 500 broiler) flocks, the following average livability numbers were achieved:

	Redbro	Control
Livability	96.71	96.25
1 Week Mortality	0.98	0.97
Culls	0.86	1.5
Harvest Age	39.5	34.2

Important performance metrics measured included:

	Redbro	Control
Gain per Day	0.104	0.1274
WAFC	1.67	1.51
Weight	4.1	4.38
Harvest Age	39.5	34.2

Approximately 0.5% better livability was seen in the Redbro broilers, almost all through cull rate. This might be partially explained by the fact that the Redbro broiler flock was from a single breeder flock (compared to the standard breed house which might have more than five different aged breeder flocks represented). Chicks from a large number of breeder flocks can often result in a higher cull rate due to the variation in chick size and the resulting management challenges associated with flock size variation.

Redbro broilers had a slower growth rate of 5 or 6 days to the same weight. Feed conversion was worse in the trial flock (M77 X Redbro) by 0.16 (0.16 more pounds of feed to get each pound of live weight chicken).

Welfare Outcomes

Foot Pad Scores

Paw Scores	Redbro	Control
	% Perfect	Range
Redbro	92.30	85%–99%
Commercial	84.80	70%–92%

In summary, there was a difference on Paw Scores that is likely significant (~ 7% worse in the commercial/standard breeds). This is likely due to the difference in litter moisture reported later.

Gait Scores (100 birds evaluated in each of the 26 flocks)

	% of Birds (Normal Gait)	% of Birds (Awkward Gait)	% of Birds (Reluctance to Move)
Redbro	2574/2600 = 99%	26/2600 = 1%	0/2600 = 0%
Commercial	2569/2600 = 98.8%	29/2600 = 1.1%	2/2600 = 0.1%

Soiled Feather Scores

	0 = Clean	1 = Significantly Soiled	2 = Severely Soiled
Redbro	23	0	0
Commercial	22	1	0

Enrichment Use

Generally, enrichment use was very high in both breeds. Comments included:

Age	Redbro	Conventional
7 days	Chickens love the bench and huts the most. Chicks getting stuck in holes in huts	Chickens like to rest on top of the ramps, love to jump off the ramps. Houses with steeper ramps not as many chickens used them.
14 days	Chickens love the bench. Not as much activity under huts; birds just sit there.	Chickens very active on all enrichments.
21 days	Like to roost on lines. Carpenter benches are full every visit, ramps and huts also.	Less active on ramps than other houses. Birds like the bench best, depending on air flow.
28 days	Moving to center of house (more air flow) Need to be careful in summer with "air-flow friendly" enrichments.	Birds using ramps much less than trial house. Moving towards air in the middle of the house.

Litter Moisture

Litter moisture measurements were as follows:

Age	Rebro	Ross	Diff
23	26%	38%	12%
34	32%	42%	10%
34	31%	44%	13%
37	33%	47%	14%
Ave			12%

Virtually at every age measured litter was at least 10% dryer in the Redbro broiler flock. Likely due to the decreased water consumption (compared to the commercial breeds at the same age) as described in the Water Consumption section.

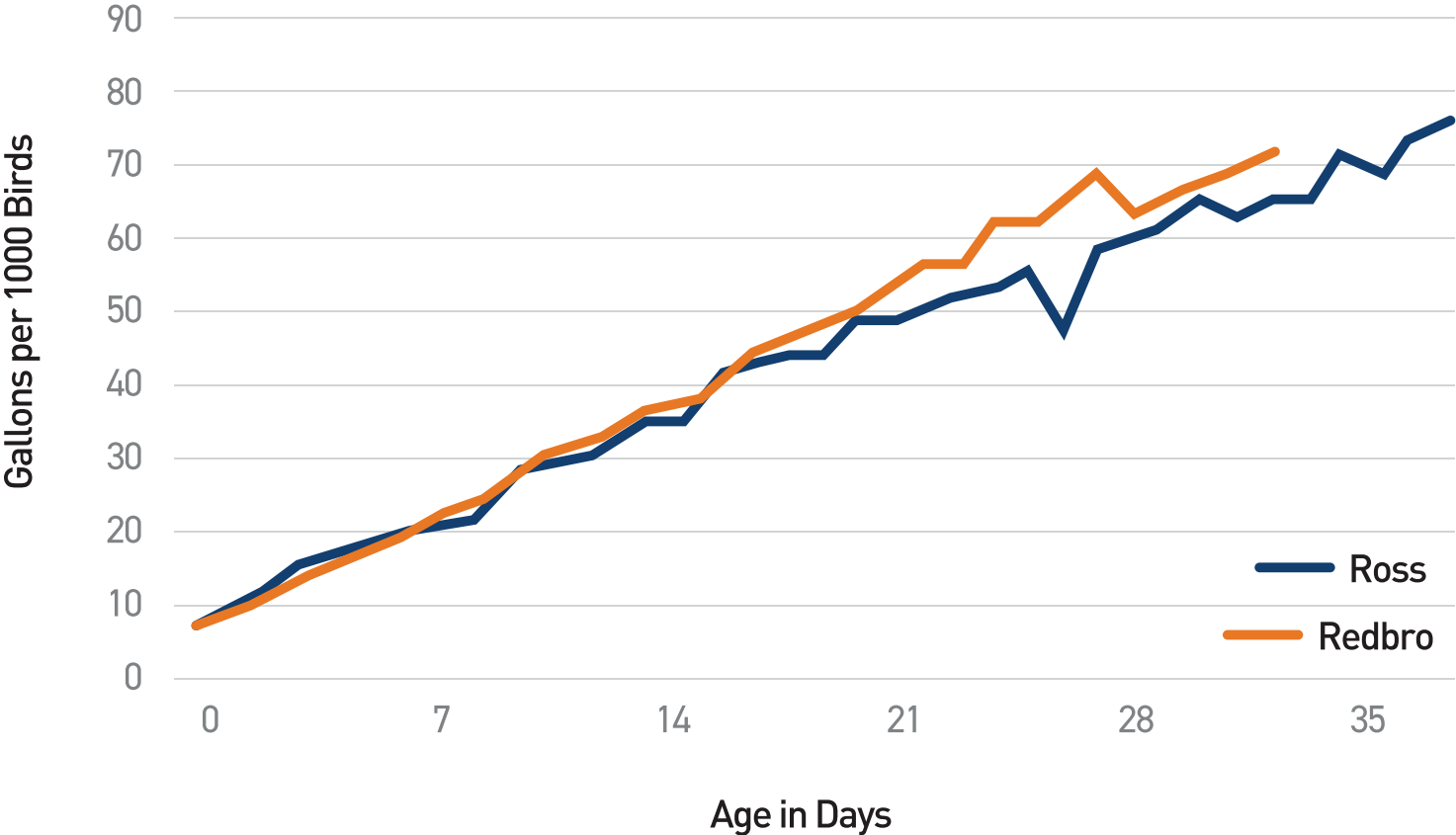
Week	Farm Processed that Week	Redbro Feather Rinse	Control that Week
6/5 thru 6/11	Flock 1	1.55	3.55
6/12 thru 6/18	Flock 2	0.82	3.22
6/19 thru 6/25	Flock 3	2.24	3.09
6/26 thru 7/2	Flock 4	0.31	2.5
7/10 thru 7/16	Flock 5	2.48	3.33
	Avg	1.48	3.14

Food Safety

We measured five different flocks for salmonella on their feathers as they arrived at the processing plant.

Although a very small sample size, it appears the Redbro broilers were “carrying” less salmonella on their feathers. It would be logical that this is associated with the lower literature moisture as described in the litter moisture section of this report.

Water Consumption

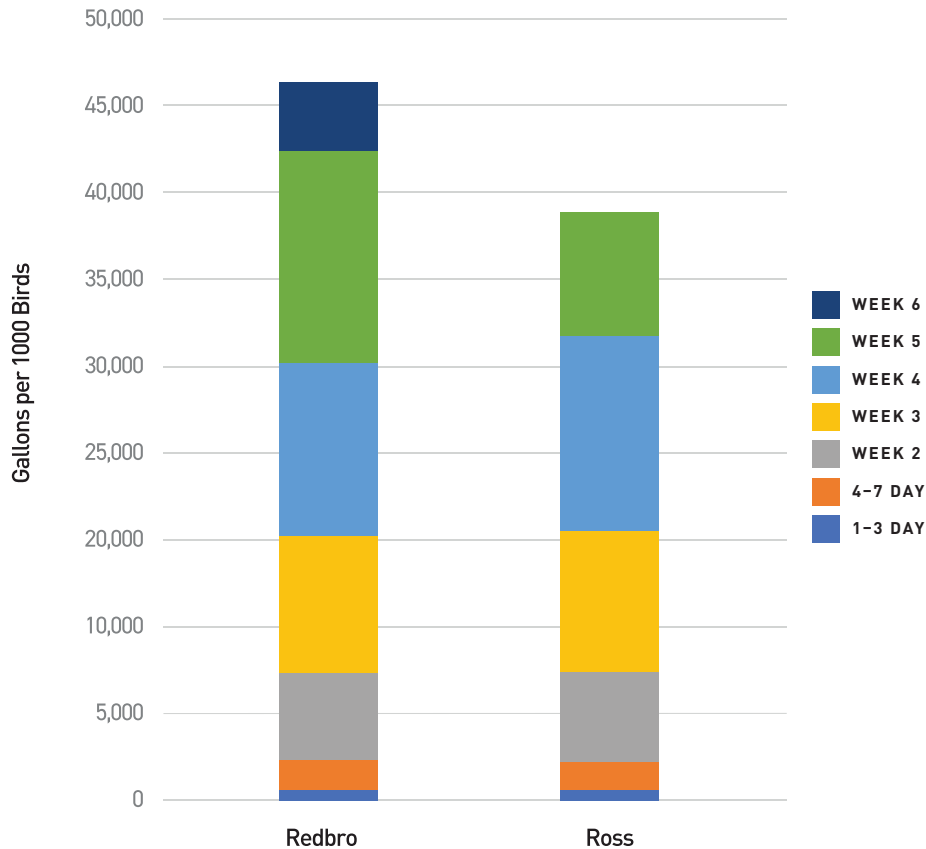


Water Consumption

Water consumption, as measured in gallons per 1000 birds/by day, differed between the 2 different breeds.

It is important to recognize, however, that total water consumed is higher in the Redbro flock due to the increased number of days required to achieve market weight.

Total Water Use



Health Metrics

As it relates to Enteric Health: Coccidiosis cycling (which occurs in virtually all chicken flocks) occurred later in the Redbro chicken flock. We attribute that to the dryer litter.

As it relates to Respiratory Health: The Redbro broiler seemed to be more reactive to Bronchitis vaccine. Therefore, the dosage of bronchitis vaccine will likely need to be adjusted.

As it relates to Immune Health: The Redbro bursal size was as large or larger than the commercial breeds on the same farm. This suggests ~7 days more Infectious Bursal Disease maternal protection coming through the egg yolk or the dryer litter was resulting lower viral loads.

Sensory Performance

We did in-house sensory work to compare the Redbro meat compared to the commercial/standard breed meat. The Redbro filet was thinner and longer. Broth from the Redbro appeared darker. The standard/commercial bird appeared to be more yellow and expressed more moisture after cooking. There was no woody breast in either group and tenderness testing was at parity.

We also had blind consumer testing done in our Salisbury, Maryland, Innovation Center. This testing reported there were no significant difference in most liking attributes (aroma, appearance, color of skin or breast, flavor and texture of skin or breast).

Our conclusions, from an overall performance perspective, it will be difficult to distinguish meat from the Redbro to a consumer.

Farmer Feedback

The following comments from the eight farmers involved in the trial seemed consistent:

- Redbro birds are active.
- The Litter in the Redbro house is dryer.
- The Redbro flock is easy to manage.
- There is less culling required in the Redbro flocks.
- The uniformity within a flock is very good. The broilers coming from a single breeder flock source has some advantages.
- Electrical and gas will likely be more in the Redbro flocks due to higher number of days required on the farm.
- Each house would “lose about a flock a year”. Therefore, the amount you pay a farmer would need to be adjusted appropriately to compensate for this lose in production.

Customer Feedback

We offered two different product presentations to customers from this breed trial: five-pound bulk frozen small bird random breast filets and half chickens, bone-in, small bird random size.

75 Foodservice operators were contacted by phone and/or email, offering the two sample presentations above. Four operators requested test samples for nine culinarians. Five culinarians from three operators completed a survey on their findings.

Operators said Redbro product was at parity with current product for color, aroma, moisture, texture, and tenderness.



PART FOUR

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

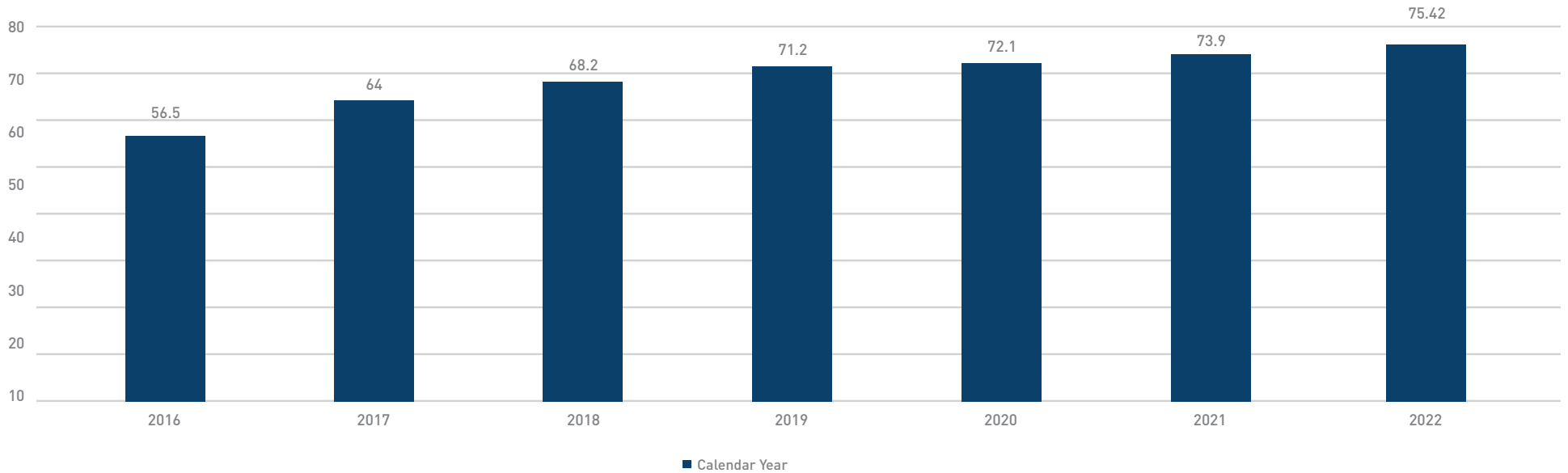
operations. With OFH, eggs are incubated through day 18, then taken to the farm to hatch instead of placed in the hatchery. The eggs are placed in their setter racks in a suspended table or placed directly on the litter depending on the system. Room temperature is adjusted for the eggs, then birds will 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 Atmospheric 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. Our first chicken CAS system was instructive and, in general, we consider it a significant step forward. We intend to keep moving on our promise of 100% CAS and have selected Dillon, S.C., for our second CAS system, operational in late 2023. We installed CAS at our Washington, Ind., turkey operation in 2012.

PAW SCORES



Improve Paw Health

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

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

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 now have windows in 55 percent of our farms. We have completed our window installations in our Dillon, S.C., growing complex, increasing our company total to 55 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 than 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 we want them to have. 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 2022, we finished our second round of farmer councils. We have had 197 meetings with 308 farmers representing 15 percent of our farmers. We started our third round of council meetings in 2023.

Audit results reporting

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

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



Public Engagement

“Follow the Flock” Farmers on Social Media

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





Support “Open Barn” policy

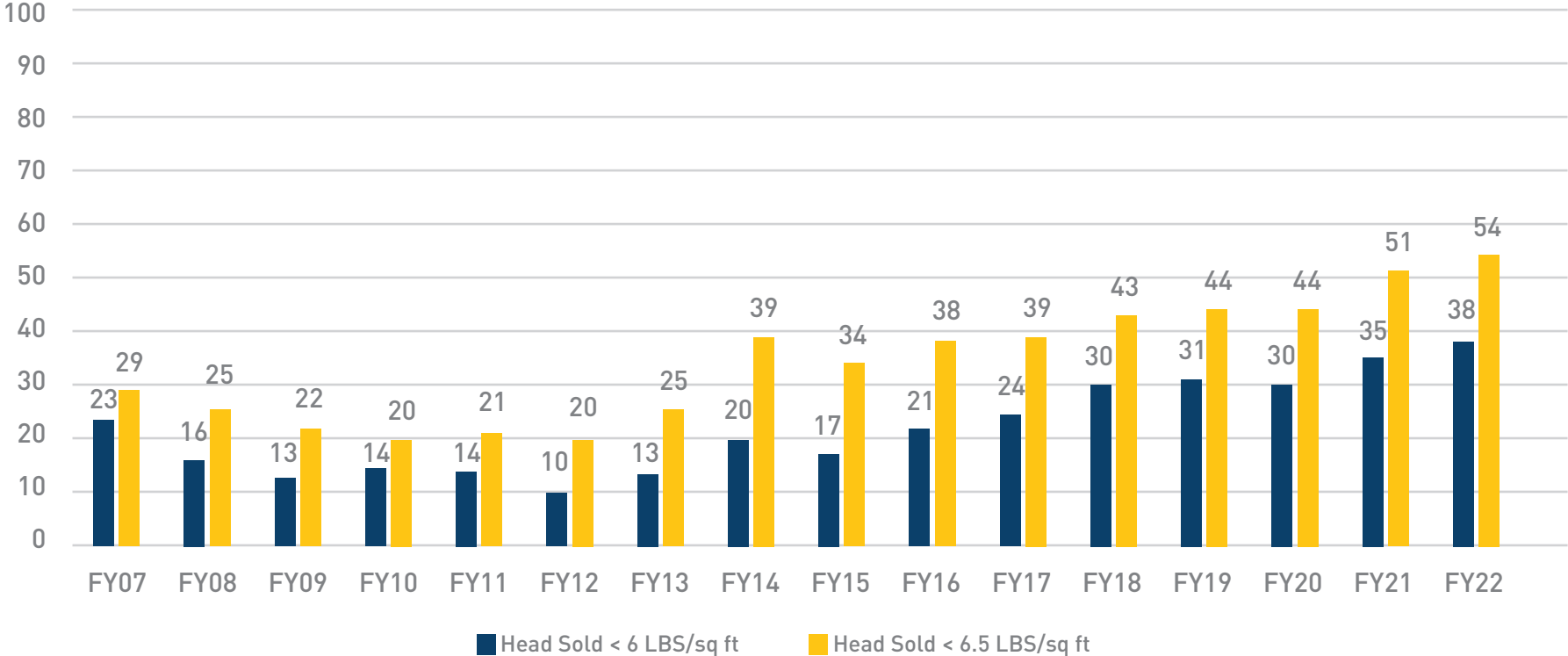
As part of our commitment to transparency, we routinely invite people to tour our farms and plants. We encourage our farmers to be open to visitors within the constraints of biosecurity and business needs. Over the course of a year, a range of stakeholders, including retail and food service customers, media, advocacy groups, community members, students, and government representatives, visit our facilities. We track the number of tours by audience and have a goal to conduct 100 tours a year. In 2022, we only conducted 70 tours and are on pace to meet our 100-tour goal in 2023. We are again sponsoring one of our farmers who holds a farm festival on his farm that draws upwards of 2,500 visitors. We will be giving poultry house tours and hope to get even more visitors than last year to visit the poultry house.

On-farm poultry learning centers

Working with farm families, we have established three on-farm Poultry Learning Centers. The family hosts guests for a transparent, interactive experience to learn about poultry farming and proper animal care. Built seamlessly into the side of a working chicken house, each learning center includes a large viewing room that allows guests to observe the birds undisturbed in their environment. Farmers explain what visitors are seeing inside the chicken house, as well as the timeline from when farmers receive the birds to how they raise and care for them. Guests can learn using actual poultry equipment that replicates what they see through the window, including mechanized feeders and waterers and automated temperature-control technology.

The first viewing house opened in Kentucky in 2018. A second opened in Georgia in 2019. In early 2020, a third viewing farm in North Carolina opened for visitors.

% Head Harvested under 6 and 6.5 lbs/sq ft



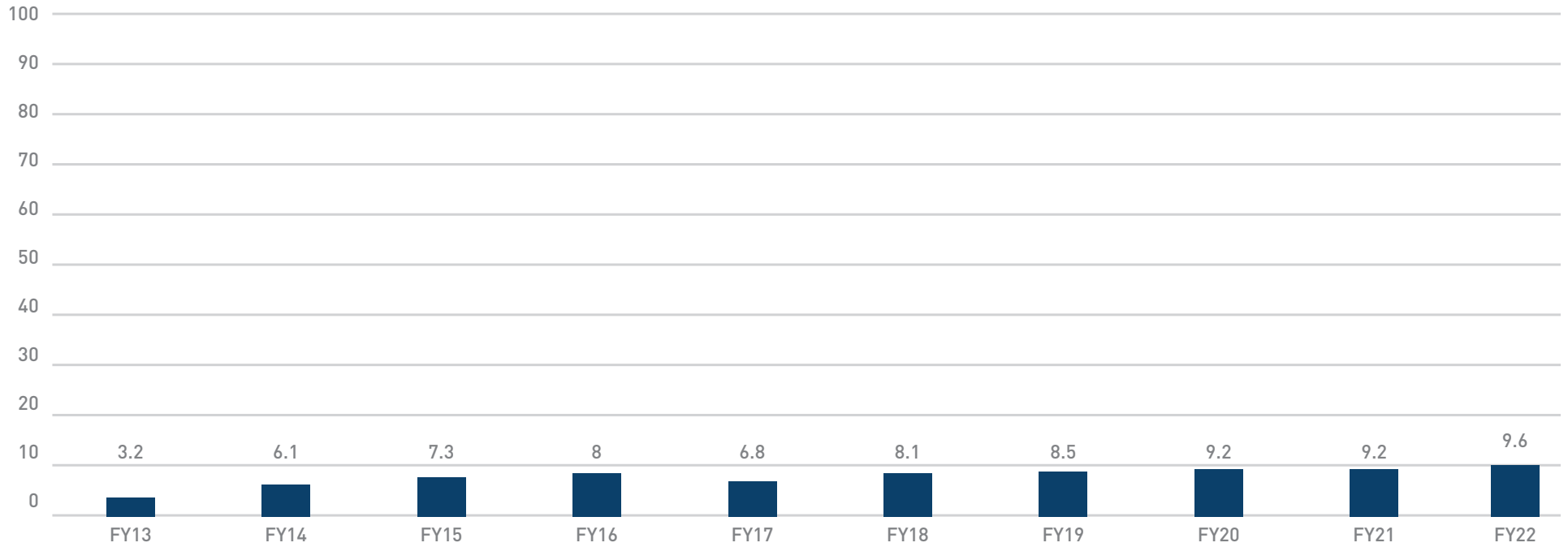
More space

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 2022 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 11 of our poultry live production and harvesting operations, including hatchery, grow out (farms), catching and transportation, and processing. The audit covers 67 audit points, scored on a scale of one to five, for a maximum possible score of 335 points. Operations are rated on a percentage basis.

We received scores between 95.65% and 100% for all locations audited.

- We had 0 major nonconformances.

We had 5 minor nonconformances:

- 1 Failed broken wing check
- 1 Failed paw check
- 1 Had birds on the yard for extended hours
- 1 No updated training records
- 1 incomplete implementation of rodent program





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 2022, we had two major nonconformances and 13 minor nonconformances with our PVP audits:

Three Major:

- 1 issue with how checker was making checks and how birds were being hung
- 1 Records not accurately kept
- 1 Live bird left in live haul module

Twelve Minors:

- 4 Ammonia above 25 PPM
- 2 Paw failures
- 1 Records documentation errors
- 1 Chick holing room Temp failure, no corrective action paperwork
- 1 Dumping chicks too high at placement
- 1 need documentation of enrichments and outdoor access meeting requirements
- 1 failed leg bruise check



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 2022, GAP audited 147 farms, all of which passed GAP certification. GAP identified 27 findings:

- 6 stocking density issues
- 5 missing 1 of total enrichments in a house
- 4 range access due to High Path AI
- 2 caked litter
- 2 missed total shade requirement in range
- 2 mortality greater than 5%
- 1 foot pad score over limit
- 1 lameness over limit
- 1 harvest audit not complete
- 1 air quality score
- 1 chain of custody report not completed
- 1 missing transportation logs



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 164 farms raising organic chickens passed their audit. The audits identified 36 nonconformances.

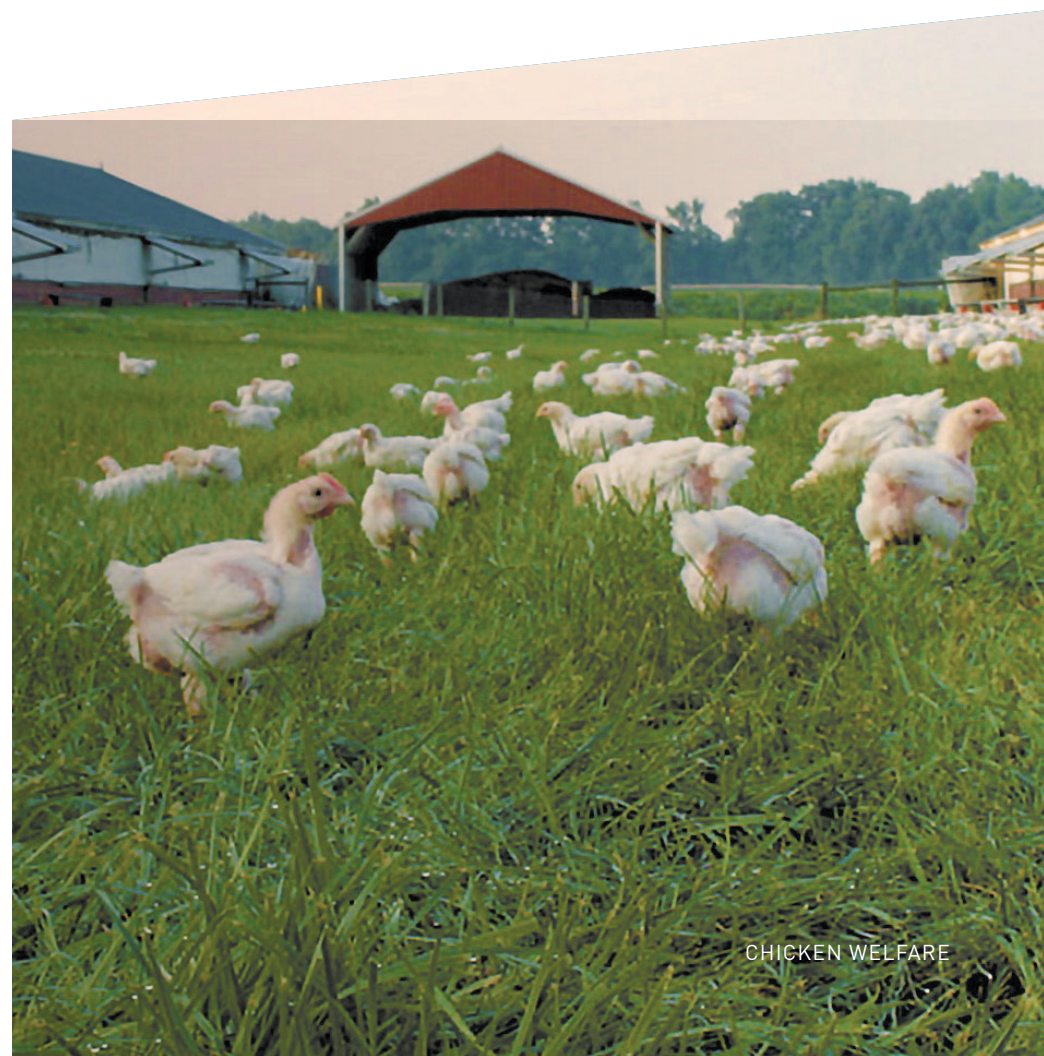
- 16 – had improper record keeping
- 9 – Had too much caking
- 4 – had poor air quality
- 2 improper rodent control
- 1 – too little shade
- 1 – stocking density over limit
- 1 – head count discrepancy
- 1 – ranch maps were missing required information

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 11.9 million birds in 269,900 audit events during 2022. We achieved a compliance rate of 99.87 percent.





PORK, BEEF, LAMB AND TURKEY WELFARE



Niman Ranch

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

Niman Ranch livestock are raised outside or in deeply bedded pens where the animals 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.

Coleman Hogs

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

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

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





Turkeys

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

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

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

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

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

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

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

Animal Care and Welfare by the Numbers



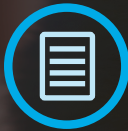
100%

OF CHICKENS, TURKEYS, HOGS, COWS AND SHEEP ARE RAISED UNDER NO ANTIBIOTICS-EVER PROTOCOLS



100%

OF HOG, CATTLE AND LAMB PRODUCTION ARE RAISED UNDER THIRD-PARTY VERIFIED HUMANE ANIMAL CARE



100%

OF ANIMALS ARE RAISED UNDER DOCUMENTED RESPONSIBLE CARE PROTOCOLS



100%

OF ANIMALS ARE PRE-HARVESTED STUNNED



100%

OF RAISED TURKEYS AND HOGS ARE CONTROLLED ATMOSPHERE STUNNED



100%

OF FARMERS AND ASSOCIATES HANDLING LIVE ANIMALS RECEIVE WELFARE TRAINING



55%

OF POULTRY HOUSES HAVE WINDOW



37%

OF POULTRY HAVE ENRICHMENTS



27%

OF POULTRY HAVE OUTDOOR ACCESS



0

GROWTH-PROMOTING DRUGS



FREE

TOLL-FREE HOTLINE NUMBER TO REPORT WELFARE VIOLATIONS



USDA

PROCESS VERIFIED PROGRAMS FOR ALL POULTRY

Avoidance of Close Confinement*

Perdue Farms is committed to the avoidance of confinement through all species. As of July 2022:

- 100% of chickens are raised confinement free
- 100% of turkeys are raised confinement free
- 100% of lambs are raised confinement free and ranch-finished
- 96% of beef cattle are raised confinement free and void of commercial feed lots
- 62% of hogs are raised confinement free
- 27% of poultry raised free range
- 0% of milk and eggs used in ingredients are not confinement free; these ingredients only make up .05% of our total volume

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 July 2022:

- 100% of lambs are raised on pasture
- 96% of beef cattle have enrichments, such as shade with dirt, corn cobs, stalks and other natural materials, sprinklers in warm weather; brush out in pasture for scratching posts; hedge rows, stacks of round bales and other wind breakers.
- 62% of pigs have access to enrichments allowing the animals to exhibit natural behaviors. Commonly used enrichments include deep bedding (typically corn cobs, 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
- 0% of laying hens and dairy cows have enrichments; however, these proteins represent just .06% of the company's overall business.

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

Stunning*

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

- 99.2% of turkeys and hogs are rendered insensible prior to being harvested using controlled atmosphere stunning.
- 100% of chickens, beef and lambs are rendered insensible prior to being harvested.
- 100% of dairy cows and laying hens are rendered insensible prior to harvest by industry standards. They represent .06 percent of Perdue Farms' total pounds across all brands, products and species.
- 9% of our chickens are rendered insensible using controlled atmosphere stunning.

Transportation*

Travel times for all poultry and livestock are kept to a minimum and our goal is to not exceed eight hours. As of July 2022

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

96.2%

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.



2023 REPORT

COMMITMENTS TO
ANIMAL
care

PERDUEANIMALCARE.COM



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