In the last decade, sustainability has moved from the periphery of business thinking to the forefront. It impacts nearly every element of our industry. At OSI, we see this as an opportunity to rethink and reform how we work – from processes to people to partnerships – to ensure we are mindful of the sustainability of our company and communities along the way.

In this report, you’ll learn about our approach and the concrete steps we’ve taken to date. We share with you not only as markers of our progress, but also as the foundation for new and far-reaching goals. Sustainability is one of the primary concerns of our time, and OSI will continue to dedicate the necessary resources to further progress our sustainability agenda.

The data in this report was gathered from OSI facilities around the globe. We are reporting on the 2016 and 2017 calendar years; however, examples from other years are included to provide context. In creating this report, we introduced Global Reporting Initiative (GRI) principles as a framework for communicating about our business and sustainability activities. GRI is an independent international organization providing the most widely used standards of sustainability reporting. Guidance from GRI allows us to clearly communicate our impacts and align our sustainability activities with those of other businesses in our industry.

We welcome feedback on our report and sustainability activities. For questions or comments, please reach out to sustainability@ostigroup.com.

When we released our first Global Sustainability Report in 2016, it was a big step into the spotlight for OSI. We didn’t often talk publicly about our successes, but producing the 2016-2017 Global Sustainability Report provided an opportunity for us to step back and reflect on both our impacts and our influence in the industry. Our emphasis on sustainability throughout the OSI organization provides a platform for us to achieve our values and highlights what those values mean for the future of our company and our approach towards sustainability.

- It highlights our commitment to INTEGRITY. In each interaction and activity, we strive to be consistent and true to our principles. First and foremost, we’re dedicated to operating our business responsibly, and we will hold ourselves to best-in-class standards of operation around the globe in order to maintain the trust that has been placed in us.
- It highlights the priority we place on PARTNERSHIP. We believe collaboration is the key to making positive changes to our industry. The cornerstone of our success has been dynamic and successful relationships with our customers, suppliers, and local partners who join us in identifying and promoting the best practices in sustainability throughout our supply chain.
- It highlights the power of OSI’s TEAMWORK. The people within our organization are essential to the positive contributions OSI can make in our communities. We appreciate the pride each individual takes in their work to deliver exceptional products, and we support them in their personal and career development.
- It highlights our drive for CONTINUOUS IMPROVEMENT. We have consistently been defined by our “can-do” attitude. In addition to delivering the highest quality products in the safest, most efficient way possible, OSI employees also make a difference in their communities and their workplaces. It is their dedication and personal commitment that enables us to set ambitious targets for expanding our sustainability impacts and ensures our products are responsibly sourced and produced.
- It highlights our spirit of INNOVATION. Entrepreneurial passion is at the core of the company. Thinking about things in new and better ways easily lends itself to an ongoing search for more sustainable alternatives and creative solutions for difficult problems facing our environment and supply chain. We are happy to be pioneers in animal welfare standards and resource efficient processing and will continue to lead the way by providing education and training in sustainability advancements to those in our industry.

As a company, we continue to pursue sustainability because we know it is fundamental to operating a successful business. To strengthen our commitment to sustainability, we’re updating our Global Sustainability Report for 2018-2019 by releasing new 2025 targets and priority action areas for our environment, workplaces, communities and supply chain. We have also taken steps to become more vocal about what sustainability means to us as a company by appointing Nicole Johnson-Hoffman as our Chief Sustainability Officer to lead these activities and expand our engagement with other industry stakeholders.

Thank you for joining us on this journey. We look forward to providing further updates that highlight the milestones we achieve along the way.

David G. McDonald
President and Chief Operating Officer
Organization Profile

Locations
OSI is one of the world’s largest privately held food providers. Our international network of food processing and vertically integrated poultry companies is headquartered in Aurora, Illinois, USA and organized into three global zones: North America, Europe, and Asia Pacific. The OSI Group operates 77 sites in 18 countries and territories and sells products into 68 countries around the world.

Markets
OSI partners with the world’s leading foodservice and retail food brands to provide concept-to-table solutions that delight customers around the globe. With our extensive international infrastructure, we are able to offer unparalleled ability to source, develop, produce and distribute custom food solutions throughout the world. In addition to creating customized solutions for our customers, OSI’s product and company portfolio includes the brands shown here.

Beef
Pork
Poultry
Vegetables
Fresh Produce
Other

OSI GLOBAL SUSTAINABILITY REPORT 2018 / 2019

OVERVIEW | VALUES | STRATEGY | SUPPLY CHAIN | ENVIRONMENT | SOCIAL RESPONSIBILITY

EUROPE
- Germany
- Netherlands
- Austria
- Spain
- UK
- Hungary
- Poland
- Great Britain
- China
- Japan
- Taiwan
- Philippines
- India
- Thailand
- Brazil
- Canada
- United States

AUSTRALIA

CHINA

PHILIPPINES
GenOSI

JAPAN

AUSTRALIA

INDIA

TAYIAN
The OSI Group has a proud history of more than a century of strategic growth, driven by the needs of our customers.
The company is founded by Otto Kolschowsky as a family-owned meat market and butcher shop in the Chicago area.

Meat market expands to wholesale meat trade and relocates to another Chicago suburb. The Kolschowsky sons join the business.

Business grows into a stable, successful local operation and rebrands to Otto & Sons.

Otto & Sons begins supplying fresh ground beef patties for new quick serve restaurants (QSR).

Otto & Sons becomes OSI Industries in the U.S. and transitions from family butcher shop to a technologically advanced manufacturer of processed meats.

Formerly an investment consultant for the Kolschowsky family, Sheldon Lavin becomes a partner in the OSI business.

Otto & Sons builds its first plant in West Chicago which used cryogenic food processing to preserve food through nitrogen freezing.

Company begins operations beyond supplying to QSRs and establishes a separate unit for the new Glenmark brand, which would later be sold in 2011.

 OSI begins a decade of international expansion, opening facilities in Germany, Spain, Brazil, Austria and Italy.

As Lavin becomes Chairman and CEO, OSI begins period of significant growth in the early 1980s, through expansion and joint ventures in new countries and other sectors of the food industry.

 OSI begins its entry into the Asia Pacific region with joint ventures in Taiwan and the Philippines, and operations in China.

China becomes a focus for OSI's international growth.

Three years of expansion to Hungary, Poland, India and United Kingdom, providing greater depth to OSI's product line and services.

 OSI spends two years establishing wholly foreign-owned enterprises (WFOE) and joint venture entities in China, and enters the fresh produce business.

Acquisition of a retail branded company producing diversified meat products in the U.S.

New U.S. facility opens to produce bacon, sausage, and hot dogs. A beef and pork processing facility in the Ukraine also opens.

 OSI opens a European regional office in Germany and acquires two more companies to expand its European footprint.

TODAY: OSI Group, LLC is a 100-plus year old, privately held corporation that is a global leader in supplying value-added protein items and other food products to leading foodservice and retail brands.

A merger is completed in Australia to strengthen OSI's portfolio in that region.

Production facilities open to produce salsa, beans, and tofu products in the western U.S. and poultry in China. A Canadian company is also acquired.

OSI opens culinary innovation centers in the U.S. and China and a global R&D center in the U.S.

OSI opens two new vegetable product processing facilities in India.

Beef production facility opens in Japan, and vertically integrated poultry operations are initiated in China.

Establish beef deboning and slaughter operations in Europe.

A new dry sausage operation opens in the U.S.

Poultry operations are added through acquisition of a vertically integrated poultry company.

Establish beef deboning and slaughter operations in Europe.

A new dry sausage operation opens in the U.S.
Act with Integrity
We pursue honest interactions. Our work is straightforward, reliable and consistent throughout all global operations.

Seek partnering relationships
We will find the best solutions to difficult challenges in partnership with our employees, customers, suppliers, farmers and communities. Our partners’ success is our success.

Work together as a team
We believe that any problem can be solved, and better operations and supply chains are always possible.

Strive to continuously improve
We value each other because we’re better together. The strength of our collective power is found in safe, diverse workplaces where our employees can thrive, develop and grow.

Explore innovative solutions
We go beyond what is easy or obvious because we desire excellence. We are confident in our place and responsibility as leaders.

Ethics and Business Principles
As an extension of our values, OSI is committed to operating its business with integrity and believes that ethical conduct is the foundation of our business success. We incorporate our code of conduct into our OSI Global Business Standards, which is formally provided to our employees annually and is also readily available through our corporate intranet website. We also provide reinforcement to employees with training around these business standards and task each individual with the responsibility of promoting and practicing the highest standards of ethical conduct in their business functions. The Global Business Standards summarizes relevant laws and includes OSI’s expectations and policies on important topics such as Anti-Discrimination and Harassment, Privacy, Fair Competition, Federal Corrupt Practices Act, Insider Trading, Accuracy Records, Conflicts of Interest, International Business, Human Rights and Labor Laws. Each location also has local policies that provide operational direction to supplement the Standards and our senior vice president, general counsel serves as the chief compliance officer.

Both the CEO and president approve and endorse the Global Business Standards and its updates which are made to align it with applicable new regulations, laws and policies within OSI. Our legal department serves as the owner of the Global Business Standards, and there are regional business standards officers as well as a team of individuals from our human resources and legal departments who serve as resources to employees seeking further guidance.

Our fundamental beliefs which underpin the way of doing business:
- Code of Conduct outlines how to conduct business legally in accordance with laws, regulations, and company policies.
- Operational directions, including management processes and procedures.
- Systems that monitor and benchmark operations equitably in order to make the best possible decisions at national and global levels of management.

VALUES
- GLOBAL BUSINESS STANDARDS
- LOCAL POLICIES
- PERFORMANCE & ALIGNMENT

OVERVIEW | VALUES | STRATEGY | SUPPLY CHAIN | ENVIRONMENT | SOCIAL RESPONSIBILITY

9 OSI GLOBAL SUSTAINABILITY REPORT 2018 / 2019
Food Safety and Quality

Our customers’ trust is of utmost importance to us and ensuring food safety is non-negotiable. We take providing consumers, many of whom are our families, with safe, nourishing, and delightful food as a privilege and honor.

While expanding internationally, OSI has worked with many local suppliers to deliver quality, consistency, and efficiency in order to help our partners achieve growth and profitability. As a partner, OSI provides connections to the best practices in food manufacturing operations by introducing our suppliers to better technology, food safety, and management practices as well as connections to experts and practical experience in the most advanced farming and processing facilities around the globe. We’re proud of maintaining the high standards our customers have come to expect across each location and facility.

We also set high expectations for our suppliers and insist on the application of Hazard Analysis and Critical Control Points (HACCP) based preventive approaches to food safety in all supplying facilities to manage risk around food safety.

The OSI Group drives food safety excellence throughout our network via our Global Food Safety and Quality Council. This council ensures global alignment of our food safety and quality expectations in order to consistently deliver best-in-class solutions to our customers worldwide. Further, our Global Quality Council has made significant strides to develop and implement OSI’s food safety culture in a way that can be easily understood, embraced, and adhered to by every employee and externally verified to provide confidence to our customers. We undertake regular internal and customer safety audits and globally track a strategic list of food safety key performance indicators (KPIs) for each plant, which are reviewed by OSI’s leadership.

We also recognize the importance of continuing to embed and enrich our food safety culture within the core of OSI operations. Planned initiatives include communication campaigns for each facility and additional benchmarking of facilities by external programs.

All of OSI’s facilities actively maintain Global Food Safety Initiative Certification or other globally recognized certifications for their food safety and quality systems.
OSI Corporate Governance and Organizational Structure

OSI, like any company, has to balance business realities and stakeholder expectations. As a privately held company, we have the benefit of being able to respond quickly and with both short- and long-term views in mind.

The company is governed by a Board of Managers, who include sustainability considerations in their management of company strategy, risk, and investments. The board is chaired by Sheldon Lavin and meets quarterly to ensure we are sustaining our values throughout OSI operations.

Over the course of 2016-2017, several new individuals joined OSI Group’s Global Leadership Team. OSI Group’s global leadership is shown below and on the next page.
Sustainability Governance

Our Global Sustainability Team and our sustainability strategy and activities are led by our Chief Sustainability Officer, Nicole Johnson-Hoffman, who was appointed at the end of 2017. Weekly updates on sustainability goals, performance, and initiatives are provided to OSI’s president and chief operating officer. With the launch of the 2018 OSI Global Sustainability Strategy, the OSI Board of Managers also provides oversight and receives annual sustainability performance updates from senior management on business ethics, environmental, and social sustainability topics.

OSI’s Global Sustainability Team is a cross-functional group of leaders from across each of OSI’s regions of operation who support the direction of OSI’s global priorities. The members of the team ensure that OSI’s sustainability goals and priorities are integrated throughout all areas of the business from their expertise in operations, procurement, environmental management, health and safety, and quality assurance. The team meets on a regular basis via conference calls or face-to-face meetings. Separately, regional sustainability leaders track the progress of OSI’s global initiatives, monitor our performance against targets, share best practices across the group and keep internal and external stakeholders informed about achievements against targets.

OSI also utilizes an internal dashboard to track our sustainability KPIs from a plant, regional, and global level in order to understand our performance against established targets. Each facility pursues specific, detailed continuous improvement projects and each region also develops their own action plans as they integrate their own sustainability ambitions with those of the broader OSI organization. Each action contributes positively to the overall impact the company has on advancing sustainability throughout the business.
OSI’s Global Sustainability Team began a formal strategic planning process in 2017 to continue to advance our sustainability efforts in alignment with the goals of our customers and the trends of the food industry. We recognize that, given the wide variety of issues that are raised about food production, it is important for us to review and prioritize the critical areas where we can specifically drive impact. We understand that our customers want to know who makes their food and how we treat our valuable resources.

### Stakeholder Engagement

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Issues Discussed</th>
<th>Ongoing Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Sustainable Sourcing</td>
<td>Regular meetings with regional and issue-specific teams on sustainability issues</td>
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<tr>
<td></td>
<td>Climate Change</td>
<td>Annual assessments and subject-specific audits</td>
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<td></td>
<td>Animal Welfare</td>
<td>Collaboration on pilot projects</td>
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<td></td>
<td>Human Rights and Labour</td>
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<td>Depletion</td>
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<td>Employees</td>
<td>Safety</td>
<td>Intranet</td>
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<td>Training and Development</td>
<td>Team tools</td>
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<td>Communication</td>
<td>Annual performance reviews</td>
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<td>Animal Welfare</td>
<td>Regional community outreach teams</td>
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<td></td>
<td>Community Engagement</td>
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<td>Civil Society (e.g., NGOs and Research Institutions)</td>
<td>Climate Change</td>
<td>Strategic partnerships in pilot projects to advance and embed best practices</td>
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<td>Water</td>
<td>Speaker invitations during supplier engagement</td>
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<td>Land Management and Deforestation</td>
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<td>Transparency</td>
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<td>Government and Regulators</td>
<td>Trade</td>
<td>Maintaining regulatory compliance</td>
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<td>Regulatory Issues</td>
<td>Pilot programs</td>
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<td>Industry Groups</td>
<td>Animal Welfare</td>
<td>Sponsorships of annual events</td>
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<td>Climate Change</td>
<td>Meeting industry issues</td>
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<td>Land Management and Depletion</td>
<td>Participation in industry calls and discussion on key issues</td>
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<td>Suppliers</td>
<td>Animal Welfare</td>
<td>Regular self-assessments and annual on-site audits</td>
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<td>Regular meetings with regional and issue-specific teams on sustainability issues</td>
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<td>Consumers</td>
<td>Food Quality</td>
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<td>Deductible food service tax</td>
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<td>Philanthropic Partners</td>
<td>Food Security</td>
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Materiality Analysis

Based on frequent contact with important stakeholders, analysis of public interest issues, and research among the marketplace and consumers, we defined a list of relevant topics for our business. We then performed a materiality analysis with representatives from a cross section of different geographies and functions within OSI to understand the issues that are most important to our success. We evaluated topics based on two dimensions in order to prioritize our areas of focus:

Importance to Business
While there are some issues that exist squarely within the control of OSI’s operations, other issues are outside of our direct contact and control. These issues require cooperation and partnerships in order to inspire change within our supply chain. We included these issues in our analysis because some are critical to our business’s place in industry and require our participation in collective initiatives to improve the system. The internal evaluation of our responsibility and ability to impact these issues and their relevance to our business operations is included on the horizontal axis.

Importance to Stakeholders
This analysis relied heavily on the views and perceptions of outside stakeholders as we gathered and synthesized inputs from influencers across the industry including: key customers, suppliers, non-governmental organizations (NGOs), community organizations, industry trade associations, and media attention. Feedback from the most important stakeholder groups was given the most weight, with the weighted average on the vertical axis.

This process has identified the ten most important economic, social, and environmental issues to our business: Animal Welfare, Antibiotics, Food Safety, Employee Health and Safety, Employee Training, Energy, Climate Change, Waste Reduction, Water Stewardship and Protecting Forests.

Going forward, we will maintain an ongoing dialogue with our customers, suppliers, NGOs and other stakeholders to continue refining our strategy by monitoring and assessing emerging issues and the evolution of topics included in our materiality assessment. We expect to review the strategy annually.
Sustainability Priorities

From our strategic sustainability process and the materiality analysis, we’ve organized the most significant issues into the following six priorities for our company.

These priorities build on the sustainability vision that OSI has been communicating to our stakeholders and supply base over the past couple of years to highlight the specific categories of Sustainable Supply and Procurement, Environmental Stewardship, and Social Responsibility. Highlighting specific priorities advances our approach by defining the opportunities where we can drive meaningful and sustainable impact in the long term goals that are listed below.

**Sustainable Supply**
- Ensure respect for animals in supply chain
- Lead animal welfare practices
- Healthy animals
- Reduce critically important antimicrobials from use in supply chain
- Use water sustainably
- Reduce waste
- Protect forests

**Environment**
- Reduce environmental impact through responsible stewardship of natural resources
- Use energy sustainably
- Build resilience to changing environment
- Reduce workplace hazards
- Reduce GHG emissions
- Use energy sustainably
- Build resilience to changing environment

**Social Responsibility**
- Reduce workplace hazards
- Protect forests
- Reduce waste
- Protect forests
- Provide safe, quality food
- Enrich our communities
- Support individuals most affected by food and agriculture supply chains
- Empower workforce with the skills to succeed
- Provide safe, quality food
- Enrich our communities
- Support individuals most affected by food and agriculture supply chains
with Nicole Johnson-Hoffman
Chief Sustainability Officer

Sustainability is a term that many people define differently. What does it mean to you?

Sustainability articulates our aspiration that OSI’s business and supply chains can always be improved to deliver better outcomes for OSI’s customers, the environment and the communities in which our company operates. Making commitments to sustainability shows that we plan to be around and competitive long into the future. I am confident that OSI will continue to link hands with our fellow stakeholders around the globe to say “we will do our part” in providing sustainability leadership and influencing our industry and supply chains to ensure consumers trust the quality and care for communities and natural resources that went into producing the food on their plate.

How did you approach your first year as OSI’s Chief Sustainability Officer? Has anything surprised you?

As I began to scope OSI’s 2025 Sustainability Strategy, listening to our customers, providers to leading branded companies, sustainability is a critical capability for food suppliers. This report is another milestone in our goal of becoming a stronger sustainability partner to our customers and to our suppliers. This report is a reminder of our goal of becoming more vocal about the great achievements we’ve had in sustainability and the progress we plan. Focusing in on our six strategic sustainability action areas, we identified a couple of key sustainability levers that we could pull in our first year as Chief Sustainability Officer to help our customers reach the commitments they have made toward a sustainable food industry.

What is OSI’s biggest sustainability opportunity? And the challenges?

When I joined OSI, I knew that we had a tremendous opportunity and responsibility in our company’s vision of being a Premier Global Food Provider to Leading Branded Companies. Our customers maintain ambitious, best-in-class sustainability goals because it is demanded by their customers, investors, and the public. For them, sustainability goals begin in the supply chain, and we’re fortunate to benefit from this important industry leadership that helps make those goals a reality. As we join in their sustainability momentum and help add our own energy and influence to the movement, we look forward to the change that we can create in our supply chains.

In the same way, building a sustainable industry is a challenge bigger than any one of us can tackle alone. OSI brings our long history of building partnerships, like the Global Roundtable for Sustainable Beef, to start chipping away at the challenges and combining our own energy and influence to the movement, we look forward to the change that we can create in our supply chains.

For our targets, we look at our own operations from a baseline of 2015 as we can control these outcomes ourselves. In the same way, our impacts are measurable and reportable. Implementing integrated health and safety systems at all facilities, we are able to reduce energy usage intensity by 25%, increase renewable energy usage by 75%, and reduce GHG intensity by 20%.

What is the next sustainability at OSI?

We’re becoming a stronger sustainability partner to our customers and to our suppliers. This report is another milestone in our goal of becoming more vocal about the great achievements we’ve had in sustainability and the progress we plan. Focusing in on our six strategic sustainability action areas, we identified a couple of key sustainability levers that we could pull in our first year as Chief Sustainability Officer to help our customers reach the commitments they have made toward a sustainable food industry.

*GHG = Green House Gas       **CDP = formerly Carbon Disclosure Project

2018 was a great year for OSI in terms of our increase in transparency and building a strategic sustainability action plan. Focusing in on our six priority topics will give us a great start in meeting our common goal: a sustainable food industry.
From raw material suppliers to the consumer’s table, OSI performs a critical role in a complex supply chain. This role positions us between the needs of our customers, demands of the market and the realities of on-farm operations and raw material suppliers. Although we have direct control over only some stages of the supply chain, we work hard to bring all parties together to ensure the highest quality possible.

Before a hamburger, nugget or slice of bacon ends up on the plate, OSI plays a critical role in connecting the dots in the supply chain and adding value to protein products.

OSI REGIONS

- Asia
- Australia
- Europe
- U.S.

OSI ACTIVITY

- Direct Operations
- Indirect Influences

* Leaders, partners, influencers

BEEF
- Industry Roundtable
- Cow-Calf Operations
- Sale Barns & Stockers
-Feedlots & Finishing Farms
- Primary Processing
- Further Processing
- Distribution
- Customer Store
- Consumer

POULTRY

- Broiler
- Hatchery

- Primary Processing
- Further Processing
- Distribution
- Customer Store
- Consumer

PORK

- Feed
- Producers
- Primary Processing
- Further Processing
- Distribution
- Customer Store
- Consumer

OVERVIEW | VALUES | STRATEGY | SUPPLY CHAIN | ENVIRONMENT | SOCIAL RESPONSIBILITY

<table>
<thead>
<tr>
<th>Sale Barns &amp; Stockers</th>
<th>Feedlots &amp; Finishing Farms</th>
<th>Primary Processing</th>
<th>Further Processing</th>
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<th>Customer Store</th>
<th>Consumer</th>
</tr>
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<tbody>
<tr>
<td>BEEF</td>
<td>POULTRY</td>
<td>PORK</td>
<td>INDUSTRY ROUNDTABLE</td>
<td>COW-CALF OPERATIONS</td>
<td>FEEDLLOTS &amp; FINISHING FARMS</td>
<td>PRIMARY PROCESSING</td>
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enriched master good Schorgerer their sustainable operations.

forward to reporting on other supply chain leaders and to highlight our Hungarian poultry supplier, pasture and forest. In 2016 and 2017, we were pleased management to protect the environment of alpine welfare with a loose house system and careful herd specifically recognized for its strong focus on animal farm in Austria. The dairy flagship farm was transfer of best practices to others within our network.

We're proud to highlight the outstanding farmers, Master highlights with our supplier base.

bring together thought leaders from across our industry to share best practices, including specific sustainability to showcase these individuals in our publications and sponsor them in recognition programs from customers and industry groups.

Team is critical in benchmarking supplier performance with best practices and ensuring consistent quality responsibilities. OSI is also proud to support commitment-led supply chain enrichment programs on behalf of in programs with our industry and supply chain to identify and address issues that do not meet our ethical commitments.

We view it as our responsibility to source high-quality materials and raise supplier expectations in order to ensure the best possible product before it enters our facilities. We recognize the importance of long-term, trusting relationships with raw material suppliers, and continually seek to engage them through industry roundtables. This helps us facilitate the sharing of best practices in environmental protection, business and supply chain efforts, as well as communicate economic opportunities from market demands.

We believe that animal welfare and good agricultural practices are pre-competitive issues, and so we participate in programs with our industry and supply chain to identify and address issues that do not meet our ethical responsibilities. OSI is also proud to support commitment-led supply chain enrichment programs on behalf of our customers. With expertise in a wide variety of such programs, our supply chain management experts engage our suppliers and industry partners in best practices through programs for.

Influencing the Supply Chain

We view it as our responsibility to source high-quality materials and raise supplier expectations in order to ensure the best possible product before it enters our facilities. We recognize the importance of long-term, trusting relationships with raw material suppliers, and continually seek to engage them through industry roundtables. This helps us facilitate the sharing of best practices in environmental protection, business and supply chain efforts, as well as communicate economic opportunities from market demands.

We believe that animal welfare and good agricultural practices are pre-competitive issues, and so we participate in programs with our industry and supply chain to identify and address issues that do not meet our ethical responsibilities. OSI is also proud to support commitment-led supply chain enrichment programs on behalf of our customers. With expertise in a wide variety of such programs, our supply chain management experts engage our suppliers and industry partners in best practices through programs for.

As part of this effort, we strive to recognize the highest performing suppliers and farmers. Our Quality Assurance Team is critical in benchmarking supplier performance with best practices and ensuring consistent quality through regular audits and supplier feedback loops. Through these activities, our suppliers can showcase their best practices and influence their peers and the industry to adopt practices that improve animal welfare, build environmental resilience, and create positive social and economic impacts for their communities. We're proud to showcase these individuals in our publications and sponsor them in recognition programs from customers and industry groups.

From 2018 onward, we will also engage our supply chain annually through regional conferences, where we bring together thought leaders from across our industry to share best practices, including specific sustainability highlights with our supplier base.

GRSB brings together people from around the world who represent all segments of the beef value chain, including individual producers who, ultimately, agree there’s massive value in sharing knowledge and who want to partner to drive new levels of performance in areas impacting GRSB’s principles of sustainability and critical beef.” - MICHAEL JOHNSON-KEMPAN

Industry Roundtables

Protein supply chains are complex systems with a wide variety of producers and practices that differ across each country, and region. For this reason, OSI harnesses our partnering mindset and looks for ways to work collaboratively with our counterparts in the industry in order to communicate effectively with our stakeholders and contribute to meaningful change.

OSI is a founding member and dedicated supporter of the Roundtable for Sustainable Beef. Since January 2018, our chief sustainability officer has served as the president of the Global Roundtable for Sustainable Beef and other members of OSI’s sustainability team also participate with the regional roundtables in Europe, the United States, and Australia.

OSI is also active within industry and agricultural associations for other proteins. Dan McDonald, President and CEO of OSI Group, has served on the Board of Directors for the North American Meat Institute (NAMI) since 2003. Ben Harrison, President and CEO of Avila Farms, has served on the Board of Directors and as Chairman of the National Chicken Council for 2017-2018. He is also currently serving on the Board of Directors of the U.S. Poultry & Egg Association.

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OSI respects OIE’s Five Freedoms of Animal Welfare, which standardizes primary animal needs under human control:

1. Freedom from hunger, malnutrition and thirst
2. Freedom from fear and distress
3. Freedom from physical and thermal discomfort
4. Freedom from pain, injury and disease
5. Freedom to express (most) normal patterns of behavior

Both OSI and our stakeholders insist on high standards of animal care in our supply chain. We recognize that this is not only an ethical responsibility; it also ensures a high quality product. For this reason, we are careful about our supply of raw materials. We source exclusively from approved external suppliers or, in some areas of the world, from our own primary processing facilities for beef and chicken, which we take care to operate according to best practices of industry experts such as the World Organization for Animal Health (OIE), Dr. Temple Grandin and the North American Meat Institute (NAMI) Animal Handling Guidelines.

The quality controls in our supply chain’s policies and procedures ensure humane treatment, handling and slaughter of animals at all times and in every global sourcing avenue. Our OSI Group Animal Welfare Policy is available for review on our website and we are regularly assessing the performance of our animal welfare management systems to improve outcomes of measurable key performance indicators.

• Since 2013, OSI has provided ongoing sponsorship of several science-based animal welfare organizations, including the Professional Animal Auditor Certification Organization (PAACO), North American Meat Institute (NAMI) and Professional Dairy Producers of Wisconsin (PDPW).
• OSI supports and promotes meat and poultry animal auditor trainings, assessments and programs throughout the industry in the U.S., Europe, China and Australia.
• OSI employs numerous PAACO certified auditors with ongoing goals for more.

OSI is committed to respectfully managing animals to ensure the health and welfare of livestock in our supply chain and lead best practices in our industry.
Some Specific Animal Welfare Guiding Principles of Our Activities Include:

1. Compliance with all applicable legislative, regulatory and non-regulatory requirements
   All livestock destined and received for slaughter at OSI facilities and suppliers will be treated humanely and with respect in accordance with OSI procedures and in compliance with regulations.

2. External standards and definitions of animal welfare responsibility from recognized, scientific experts
   CSI recognises that the public perception of animal welfare differs across cultures and regions. We intend to implement, at a minimum, consensus-based best practices for animal welfare. We do follow science-based, internationally recognized standards, such as OIE’s Five Freedoms and include veterinarians as part of our process. We also support the sharing of best practices between countries and regions where our suppliers are located, to ensure consistent quality controls are maintained in all areas.

3. Regular internal and external animal welfare verification audits
   In addition to daily animal welfare verification activities by designated, specially trained animal welfare officers, OSI conducts annual third-party auditing of its facilities. Our suppliers must demonstrate ongoing compliance, and any finding of egregious abuse or animals results in immediate suspension or potential termination of its facilities. If over 50% of CSI operated slaughter plants and some of our supply chain partners, we have already incorporated the latest in closed circuit television (CCTV) and computerized data analysis and automation of the livestock and slaughtering process. We intend to continue the roll-out of this technology to the maximum extent practicable in order to support robust animal welfare management.

4. Ongoing technological innovation for improved key animal welfare indicators
   We are investigating the use of technology to leverage improved animal welfare outcomes in our slaughter facilities. In over 50% of CSI operated slaughter plants and some of our supply chain partners, we have already incorporated the latest in closed circuit television (CCTV) and computerized data analysis and automation of the livestock and slaughtering process. We intend to continue the roll-out of this technology to the maximum extent practicable in order to support robust animal welfare management.

5. Training, competence and awareness for all employees handling livestock
   We strive to foster a culture of best practice in science-based animal welfare with trained and competent employees, auditors and suppliers. CSI’s auditors are trained under recognized animal welfare auditing certification programs, such as PAACO, and we utilise globally recognized subject matter expert trainers and training materials. This same level of excellence is expected of our suppliers, and we will continue to implement an animal welfare KPI scoring system for all suppliers in our primary processing business operations to further measure and manage animal welfare in our supply chain.

We were honored that, in 2017, our integrated poultry processing facility in Weihai was recognized as one of three outstanding Chinese companies with a “Good Farm Animal Welfare Award” for Good Chicken Production by the International Cooperation Committee of Animal Welfare (ICCAM) and Compassion in World Farming. For us, this award represents our leadership in animal welfare and the entire food industry in China. It has been very important to us to ensure that our Chinese livestock operations follow advanced international concepts including best practices such as reduced stocking densities, leg health plans, housing enrichment and natural light in the sheds. Our development of activities such as these is what makes us a best-in-class operation.
ON TARGET FOR 90% reduction of critically important Antimicrobials in Europe by 2019

Priority 2: Antibiotic Stewardship

OSI is committed to preserving antibiotic effectiveness for human and animal health by prioritizing healthy animals and the reduction of critically important antimicrobials from use in the supply chain.

Antibiotics play an important part in both human and animal health by treating bacterial infections. Unfortunately, some bacteria are no longer able to be controlled by antibiotics after developing full or partial resistance to their effectiveness. We recognize that using antibiotics appropriately in food animal production will lead to optimal animal health and welfare, which is good for producers and the rest of the food production chain, and is essential to helping ensure a safe, affordable and abundant food supply.

IN 2017, BEGAN PHASING OUT highest priority critically important antibiotics as defined by World Health Organization (e.g., Macrolides and Fluoroquinolones) across operations globally.

OSI Asia Pacific is actively collaborating with government officials in three different emerging markets at both a technical level for prudent use of antibiotics, and at the policy level to develop pilot programs to measurably reduce the use of antibiotics used in poultry grow out operations.
We Manage Antibiotic Use Through Responsible Sourcing Guidelines.

1. Dedicated antibiotic-free programs
2. Reduction of critically important antibiotics
3. Ensuring compliance with withdrawal times and residue testing
4. Supporting industry research
5. Managing antibiotic residues

In accordance with relevant laws and regulations, we have vertically integrated poultry supply chains or through dedicated suppliers in other protein categories, we are able to provide products to the growing number of consumers who want to ensure that their food is completely antibiotic-free.

Dedicated antibiotic-free programs

We recognize and believe that farmers and ranchers work diligently to manage their livestock in the best manner possible through sound husbandry practices, including genetics, nutrition, housing, handling, and veterinary care, in order to eliminate or reduce the need for medicine. When necessary, sick animals are treated in accordance with veterinary guidance and animal welfare commitments that adopt best practices that result in subsequent reduction of antibiotic use.

Reduction of critically important antibiotics

We recognize the World Health Organization’s categorization of antibiotics to include those antimicrobials designated as critically important to human medicine. OSI supports efforts of our suppliers to implement animal production practices that ensure that animals are treated in accordance with veterinary guidelines and residue testing that is closely followed in both our and our suppliers’ operations to ensure that raw material is subject to ante-mortem and post-mortem inspections confirming that it contains no antibiotic residue.

Ensuring compliance with withdrawal times and residue testing

Legal regulations and our clear supplier expectations dictate strict withdrawal guidelines and residue testing that is closely followed in both our and our suppliers’ operations to ensure that all raw material is subject to ante-mortem and post-mortem inspections confirming that it contains no antibiotic residue.

Supporting industry research

We work through industry groups to support ongoing and future research into the best practices for treating animals and the way that antibiotic resistance is developed in humans and animals.

Oversight Europe Targets Antibiotics Reduction Across The Poultry Supply Chain

We have been monitoring antibiotic use for many years in chicken integrations and working closely with our suppliers on reduction strategies to help meet future requirements of customers and make progress towards embedding sustainability practices within our supply chain. These activities include following World Veterinary Association’s 10 Prudent Use Principles for antimicrobial usage, restricting antibiotic use in the hatcheries, and good farm management practices that are combined with vaccination programs, feed which meets specific nutritional needs of the chickens, and so on.

Another challenge has been the phase-out of Highest Priority Critically Important Antibiotics (HPCIA). Since 2014, we have encouraged our suppliers to seek technical advice from experts and have facilitated meetings to speak about topics like substitution possibilities and best farm practices. OSI Europe has introduced antimicrobial susceptibility testing prior to treatment on a mandatory basis. Since the beginning of 2018, we have achieved the elimination of some of the HPCIA and the rest will follow in 2019. Despite these efforts, we know that to manage infectious diseases, it is sometimes necessary to turn to antibiotics. Therefore, our primary target is to reduce antibiotic use without compromising animal health and welfare.

Participants

Brigitte Miller, Domination Manager, Amick Farms

Communications Manager, Amick Farms

BRITTIE MILLER

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We want to be more than a “green” company and consider environmental stewardship to be particularly important given the opportunities and challenges that agricultural supply chains offer to our planet and the resources we rely on for our operations. We want to lead by example in environmental management and consider both our processes and sourcing decisions to be influential platforms to drive these impacts.

We have prioritized the establishment of Environmental Management Systems (EMS) in our facilities as part of our environmental and sustainability risk management. As a best practice, the EMS is developed from the ISO 14001 standard, which helps organizations manage environmental compliance and track performance against environmental goals.

**AS OF 2017**

| 13 facilities | ISO 14001 certified |

Four of OSI’s facilities and office buildings are LEED certified, a marker in Leadership in Energy and Environmental Design and the globally recognized marker of environmentally sustainable construction.

**Environmental Considerations are Especially Important to Our European Quality Assurance Raw Material Team. We’ve Guided Our Customers’ Dedicated Supply Base Through ISO 14001 Environmental Management Certification, or Equivalent Systems, Over the Past Seven Years.**

**As of 2017**

| 87% of suppliers | Grade A environmental ratings |

This indicates that, in addition to legal compliance, suppliers are also maintaining robust environmental policies, environmental risk management, regular trainings, and continuous improvement in energy, water, and waste efficiencies.
Priority 3: Conservation

OSI is committed to reducing our environmental impact through responsible stewardship of the most vulnerable resources in our supply chain, specifically water, waste and forests.

Healthy soil, water, air, plants and ecosystems are critical to ensuring sustainable agriculture. Our goal is to best use the materials needed for our products and, through regular review, identify suitable environmentally friendly alternatives or practices that will reduce any negative impact. We believe that properly using the natural resources in our supply chain will address critical risks to our areas of operation and supply chain.

In Europe, the waste management programs save more waste than 112 people generate in a year.

OSI BLACKTOWN, AUSTRALIA
recycled more than 123 tons of plastic since early 2016-2018, via energy bales and recycling into other plastic products.
**Every part of the animal and our process is optimized to create the most value possible, for both our planet and our business.**

- Animal-by-products that are not used for human consumption are used in a range of other products including biologics, animal feed, tallow, leather, cosmetics, pharmaceuticals and fertilizers.

- OSI’s further processing operations also identify new value in the waste stream by recycling excess packaging, plastics and paper products, rendering unused product and by-products in pet food, composting, or animal feed; and, when possible, reusing unsold product and inedible materials in new value in the waste stream by recycling, reuse, or recycling of by-products.

- Diverting waste that would otherwise be sent to landfill is not only good for our environment and reduces pollution, but it saves natural resources and raw materials that can be used for other purposes.

- At OSI, we maintain tight waste management controls within all of our plants. Throughout operations we have adopted several critical steps to smooth and accelerate the reduction of our waste footprint.

- We’ve engaged waste contractors following a thorough approval process, and, whenever possible, we keep the number of contractors we use to a minimum, so our waste management processes remain streamlined.

- We’ve reviewed our waste stream to implement new processes and/or install new equipment that makes reducing and recycling waste the easiest option, in addition to the best.

- We’ve worked with local partners to identify the best possible destination for materials that can no longer be used in our operations including recycling, material reuse, closed-loop solutions, waste minimization, and energy creation.

- We’ve celebrated the milestones successes along the way and shared the lessons learned and best practices across our group.

---

**Eliminating Waste to Landfill in the U.S.**

For the U.S. facilities, in particular, this goal seemed particularly ambitious. Other than OSI’s facility in Riverside, California, which was built to be landfill-free, alternative uses or potential recyclers for waste appeared unavailable or prohibitively expensive. After taking a dive into their dumpsters and finding a valuable partner to assist them, two facilities found success on finding waste worth in what they previously considered to be only waste.

*Before setting the Zero Waste to Landfill goal, most of our unusable product and remaining packaging was getting thrown together in a dumpster and headed to landfill. Even sorting the different materials seemed as though it would be too difficult for our processes and space constraints, not to mention that everyone thought it would add significant cost to our operations.* In 2017, we partnered with a recycling company that helped us review processes to make the sorting process obvious and easy for our operations and made helpful introductions to other service providers that could use by-products from our facility for animal feed, compost and energy. Once the providers were identified, we gained the most momentum by making recycling the easiest avenue for waste. We put recycling bins closer to the employee handling waste and removed all but one landfill dumpster/compactor, replacing them with recycling trailers. This made recycling much easier and landfill the most difficult option for waste. After making the change, we saw an immediate reduction in landfill hauls. By the time we added up the total costs for our waste removal, we realized that this extra attention and effort paid off in significant ways. We have already saved $132,000 by taking waste out of our landfill dumpsters and sending to alternative locations.

**Waste**

We believe it is important to be the best possible steward of our resources and seek to make full use of inputs and raw materials. Our waste reduction strategy highlights opportunities for energy production and recovery, reuse, or recycling of by-products. Diverting waste that would otherwise be sent to landfill is not only good for our environment and reduces pollution, it saves natural resources and raw materials that can be used for other purposes. At OSI, we maintain tight waste management controls within all of our plants. Throughout operations we have adopted several critical steps to smooth and accelerate the reduction of our waste footprint.

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*Bringing the whole team into the process has been critical to the success of our waste management program. At OSI, we’ve had to change old habits, but we held trainings and reviewed our practices and progress with the ways that we were throwing out our waste. Previously we were just trying to get rid of anything not used in creating the food products. Now, appropriately disposing of packaging and lining is part of the process. The new employees are taught our process in orientation and come into the system with good habits and training.**
160 liters of water saved per ton produced in all of our European food processing plants.

**WATER**

Water is increasingly becoming regarded as one of the planet’s most valuable resources. We recognize that water is also particularly important for our business given its central role in agricultural value chains as well as maintaining food safety at our processing facilities. In order to maintain our rigorous hygiene standards, our plants must be cleaned daily, which limits our ability to reduce the amount of water we’re utilizing in our production process. However, we still consider it particularly important to steward our water use well and regularly monitor water consumption to ensure that we continue to maximize the benefits of every drop.

With a variety of process changes and acquisitions in the past two years, our water footprint continues to change but the global operations have observed a 3.97% decrease in water intensity (m³/mT) since 2015 baseline. We will continue to prioritize water reduction to meet our targets for water intensity and identify any operational efficiencies or other circumstances where water use can be curtailed while still maintaining our high food safety standards.

**Forests**

The Amazon Biome and other important forest ecosystems continue to be an area of great concern for our customers and stakeholders. Even though OSI does not have any direct operations in these areas, we recognize that our supply chain has potential impact on commodities produced in these regions, and we remain committed to setting up sustainable sourcing strategies that regularly monitor areas of deforestation risk in our supply chains and communicates the progress we’ve already achieved in verifying responsible sourcing practices.

OSI also asks suppliers to guarantee that they continue to be in compliance with our legal and individual sustainability requirements in beef, soy used for chicken feed, and paper packaging products. Our Supply Chain and Quality Assurance Raw Material teams verify these sustainability impacts through annual assessments, traceability exercises, and continuous supplier engagement. We also plan to begin reporting to CDP’s Forest Questionnaire.

**OSI works closely with suppliers to triangulate the source of its supply in order to confirm origins outside of the Amazon biome. We are further partnering with Global Roundtable for Sustainable Beef to understand possible areas of partnership for reducing deforestation impacts of cattle production in the region.**

**Soy Moratorium, Roundtable for Responsible Soy, and ProTerra standards.**

80 percent of all European poultry supply is covered under Soy Moratorium, Roundtable for Responsible Soy, and ProTerra standards.

**OVERVIEW   |   VALUES   |   STRATEGY  |   SUPPLY CHAIN  |  ENVIRONMENT  |  SOCIAL RESPONSIBILITY**

**100 percent of cardboard packaging purchased is Sustainable Forestry Initiative (SFI) Certified.**

**100% of our global investment is aligned with UN Global Compact, Human Rights, and SDGs.**

| Water Withdrawal (Volume Used Globally) | | | | |
|---|---|---|---|
| 2016 | 2017 |
| 7.930 hm³ | 8.960 hm³ |

| Water Intensity (m³/mT Globally) | | | | |
|---|---|---|---|
| 2016 | 2017 |
| 5.13 | 5.40 |
NEWLY ACQUIRED CREATIVE FOODS EUROPE OFFSET over 4,259 tons of carbon dioxide in 2017 by supporting energy efficient projects in Africa, India and Brazil through partnership with NGO CO2balance.

Priority 4: Climate Change

OSI is committed to mitigating greenhouse gas (GHG) emissions in its operations in order to reduce the risk of changing climates. We also have a history of partnering with other suppliers to strategically locate our facilities and when possible, share logistics capacity in order to cut down on transportation associated with our products. These improvements have allowed us to keep our emissions source low, and we have consistently seen energy reductions in our operations.

In 2012, we began the process of a robust carbon footprint calculation with the creation of a comprehensive calculation tool to measure carbon dioxide equivalent (CO2-e) for Scope 1, 2, and 3 of our European primary processing business. We have been continually refining this calculation and plan regular reporting to the CDP Supply Chain Questionnaire.

**TOTAL ENERGY CONSUMPTION (GLOBAL)**

<table>
<thead>
<tr>
<th>Year</th>
<th>MWh/mT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1,255,895</td>
</tr>
<tr>
<td>2017</td>
<td>1,280,165</td>
</tr>
</tbody>
</table>

**ENERGY INTENSITY (GNP/MT GLOBALLY)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Intensity (mWh/mT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.880</td>
</tr>
<tr>
<td>2017</td>
<td>0.850</td>
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</tbody>
</table>

12.7% decrease in energy intensity (mWh/mT) since 2015 baseline

**RENEWABLE ENERGY CONSUMPTION (GLOBAL)**

<table>
<thead>
<tr>
<th>Year</th>
<th>MWh/mT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>125,464</td>
</tr>
<tr>
<td>2017</td>
<td>142,041</td>
</tr>
</tbody>
</table>

14 new conservation and greenhouse gas reduction activities will continue to build on the past two years’ achievements in energy creation.
Energy Initiatives

“Our new, state-of-the-art beef abattoir and processing plant opened in 2014 and was specifically designed to ensure that Pickstock Telford could achieve our vision of being the most environmentally friendly and sustainable red meat manufacturing establishment in the United Kingdom. In 2016, becoming the first beef slaughter facility in England to then install an Anaerobic Digestion (AD) plant on-site has enabled us to take our sustainability commitments one step further with the production of valuable renewable energy, generation of our own electricity, and creation of nutrient-rich fertilizer all from our plant’s waste streams. The high level of performance in each of these three areas has allowed us to achieve the difficult industry specification, British Standards Institution Publicly Available Specification 110, or BSI PAS 110 for the Green Energy AD. Each month, we’ve been pleased to track our environmental performance and can proudly report significant reductions in CO2 emissions associated with off-site treatment and transport of waste as well as substantial cost savings from our on-site electrical generation and regeneration of heat for hot water and cleaning systems.”

Greg Pickstock
Managing Director – Pickstock Telford, UK

OSI Reaches Key Energy Savings Milestone in North America

OSI’s Americas Zone reached a significant milestone in its Energy Reduction Initiative in December 2016 achieving 20 million kWh saved since the project’s inception in June 2013. Cascade Energy, OSI’s energy efficiency consultant and partner in the region, commemorated the achievement with a plaque highlighting this significant accomplishment. The program began in the summer of 2013 when Cascade Energy first began working with OSI’s Oakland, Iowa facility to teach the team how to be more efficient users of energy, especially with regard to the plant’s refrigeration systems.

By February 2016, OSI Oakland had saved 10 million kWh. Over the next 3.5 years, four more facilities followed that example:
- OSI Chicago-Racine, Illinois
- OSI West Chicago, Illinois
- OSI Geneva, Illinois
- OSI West Jordan, Utah

As a result of those efforts, the company saved a combined total of 20 million kWh as of December 2016.

In 2017, OSI Chicago-Ashland, Illinois and OSI Fort Atkinson, Wisconsin joined the Energy Reduction Initiative program. Over the past five years, OSI’s Americas Zone has achieved a 6.5% decrease in energy intensity despite undertaking additional energy intensive products.

5 facilities use only renewable sources

Facilities across Europe have long prioritized the purchasing of green energy to power their plants, from either the grid or their own self-generation.
We understand that our people are the reason behind our success and make the difference in our ability to produce the highest quality products for our customers. Our employees possess passion for their work, seek innovative solutions, and are proud of their role in our diverse global team.

OSI has a broad global network of assets and partnerships that has continued to grow and adapt over the years to better serve our customers.

### OSI Employee Regional Proportions

- **U.S.**: 42.28%
- **Asia Pacific**: 34.95%
- **Europe**: 22.77%

### OSI Global Workforce

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Part-Time</th>
<th>Temporary</th>
<th>% Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>12,845</td>
<td>1%</td>
<td>12%</td>
<td>34%</td>
</tr>
<tr>
<td>2017</td>
<td>14,537</td>
<td>1%</td>
<td>13%</td>
<td>34%</td>
</tr>
</tbody>
</table>

**Recruitment**

OSI is proud to hire people who have a passion for what they do and maintains a transparent recruitment process for those looking to join the company. OSI ensures all persons are treated with dignity and respect and it is our policy to provide equal employment opportunities to all persons regardless of age, national origin, gender, race, color, religion, pregnancy, gender identity, sexual orientation, protected veteran status, disability, or any other characteristic protected by federal, state or local law.

**Learning and Development**

We recognize the importance of empowering our people to act entrepreneurially and strive for continuous improvement. Career development training provided to OSI employees includes Individual Development Programs (IDP), English language classes, management and coaching programs, tuition reimbursement, apprenticeship and other local activities.

**Employee Health and Wellness**

OSI believes in promoting general health and well-being of employees so they can better contribute to their communities. Eligible employees have access to a competitive benefits package that meets the diverse needs of employees and their families, including paid vacation, healthcare, insurance, retirement and other programs relevant to local markets. Many OSI locations further supplement these benefits with additional wellness activities such as healthy communal lunches, medical examinations, vaccination programs, exercise groups and more.
Priority 5: Workplace

OSI is committed to maintaining safe workplaces where everyone’s rights are protected and skills are enhanced.

When asked to describe the culture at OSI, the first word that comes to Chairman and Chief Executive Officer, Sheldon Lavin’s, mind is “family.” Fostering the familial culture means that both safety and development are critical components for the well-being of our workforce and our success. We believe in the power of our collective team, both at the regional level and around the globe, and connect with our larger network to establish a high level of best practices for all those belonging to our larger OSI Group.

Beginning in 2018, OSI prioritized a standard global implementation of occupational health and safety programs, and uses the following formula for calculating its Incident Rate: (incidents x 200,000) / total hours worked. Regional breakouts are not provided due to reporting differences in regions around the globe. These figures are in line with the average 4.5 incident rate recorded for food processing facilities in the U.S., according to the Bureau of Labor Statistics.
Establishing a Culture of Safety
We are committed to operating our facilities at the highest levels of safety, meeting applicable laws and government standards as well as OSI’s own high expectations. Dedicated safety programs at each location maintain these standards and help to ensure that all rules, procedures and practices are strictly carried out. As a best practice, we seek to encourage all employees to participate in reporting any potentially unsafe procedure as part of our “We Mean It” program. We dedicate internal teams to regular checks on safety conditions, and carry out internal audits to ensure the safety programs are being maintained.

Dedication to Learning
We rely on the individual contributions of each member of our team and benefit from everyone performing at their best. We’re proud that so many have chosen to build their careers at OSI and support programs that nurture the next generation of our company’s leaders. In addition to regular training opportunities across our workforce, we run targeted programs for young professionals in order to prepare them for the next stage of their career. Through summer internships, apprenticeships, and Rotational Management Training positions, these individuals begin their careers as important members of our team with a combination of project-based activities, hands-on experience and dedicated mentorship from OSI leadership.

Open Doors and Easy Communication
Our leadership is proud that the doors to their offices are open and daily community lunches at our corporate office ensure the whole team has dedicated time to gather together. The plant operations similarly nurture friendly and collaborative attitudes with regular opportunities for employee feedback and leadership that is both accessible and engaged in what is happening on the operations floor.

Workplace Initiatives
“The need to prepare for tomorrow’s workforce and a desire for skilled labor are the same concerns of many others within our industry. In Germany, OSI participates in the country’s longstanding tradition of apprenticeship to provide on-the-job training to a dedicated group of individuals coming directly from school into this vocational training program. Although there are almost 350 possible programs running in Germany, OSI has become certified to train its apprentices in five different positions at four of our facilities. These positions include: Mechanic, IT Integration Specialist, Food Technology Specialist, Electrician, and Industrial Clerk. Following some introductory courses at a vocational school, apprentices enter the OSI facilities ready to put their knowledge into practice. They are assigned a technical instructor and, at the end of their experience, the apprentices test into their graduated positions as experienced and skilled members of our team. We recognize this as both a positive and established way to invest in young people and our future workforce with the goal of keeping these apprentices on board and transitioning them to permanent positions.”

STEPHANIE KAEDING
HR Director, OSI Europe

MC Mutual “Antonio Baró” Prize for OSI Food Solutions Spain
Since 2007, OSI Spain has been a leader in occupational health and safety by piloting customer workplace accountability audit schemes and achieving certification in SA8000, a best-in-class global social responsibility management standard. As the second company in Spain’s meat sector and fourth in the food sector to receive certification to these comprehensive and voluntary standards, the facility in Toledo has instituted and maintained socially acceptable practices in the workplace that go beyond common social welfare compliance. Their management practices cover areas such as labor rights, health and safety, collective bargaining, discrimination, disciplinary practice, working hours, and compensation. Exceptional performance in these categories has been recognized in both 2016 and 2017 by MC Mutual with the Antonio Baró Prize for the Prevention of Occupational Hazards.


Currently in 4th year of accreditation, OSI Spain is the second company in Spain’s meat sector and fourth in the food sector to receive certification.

vital worldwide certification of social responsibility management.
“Every day in our dedicated ‘huddle room’ at West Chicago, we bring together employees before they begin their shift to discuss the previous day’s performance, cover new training topics, and create an opportunity to raise concerns. The daily huddles give us, as supervisors, a chance to be a friendly face so our technicians and operators feel comfortable coming to us with their questions, and we can immediately respond to their problems. We have also found this to be the best way to ensure communication between all employees. In our short time together, we can quickly send out information about plant activities, recognize outstanding performance, and provide any updates on our immediate actions and long-term goals. In addition to daily huddles, we also hold monthly town hall meetings to review the previous month’s trainings, introduce any new team members, and ask leadership questions. I like being provided with these opportunities to recognize my team for their extra effort and outstanding achievements as well as have a regular time for updates and training. I can see how giving feedback, motivation and attention builds positive attitude and good spirits with the employees throughout the plant.”

KINJALBEN SHAH
Quality Assurance Assistant Supervisor, West Chicago, IL

The recognition of certified “Child Care Support Company” by the Minister of Health, Labor, and Welfare in 2017 was only the latest achievement by Orange Bay Foods (OBF) of Japan as they continue to expand benefits for employees and their families. OBF has long considered employee welfare benefits to be a critical component of securing and stabilizing their workforce and separately contracts a welfare program service to provide a wide variety of services to their employees including service and entertainment discounts and free e-learning courses. Their latest program expands and improves employee management activities internally, prioritizing issues related to children and family. As part of this effort, informational support and leave benefits were made readily available for their workforce and the plant was opened up to host employees’ families, schools and organizations. Both male and female employees were educated about these incentives and encouraged to take advantage of them in order to ensure that families can be together during significant events in their lives.

Certified “Child Care Support Company”
Priority 6: Community

OSI is committed to creating shared value for the communities and supply chain surrounding our company.

As food providers, we appreciate the power of eating together and celebrate the connections that can be made over food. We also recognize that there are critical needs in our community, and we are well-placed to help meet those needs as part of our corporate responsibility commitments. OSI’s owners have long been philanthropic supporters. Some of their key causes include agricultural development in East Africa, agricultural education, and children’s and families charities. The same spirit of giving back extends to the rest of the business and, in 2011, the OSI Group Foundation was established to support the charitable activities of our key stakeholders. Since its establishment, this foundation has supported a variety of organizations targeting areas relating to food research, focused education, food-related health, children’s charities, and other charitable causes.

Over the years, OSI has been able to partner with area food banks and hunger relief programs as a way to give back to the community and reduce food insecurity. Our employees have been instrumental in identifying opportunities and leading the way in community engagement. We recognize the importance of their personal commitment and position as ambassadors within our community and pledge to continue supporting a culture of volunteerism and community outreach throughout all of our operations.
Community Initiatives

RMHC around the World

OSI has been a long supporter of Ronald McDonald House Charities (RMHC) and its mission of providing housing to families of seriously ill children in order for them to be close at hand during long hospital stays. Over the years, RMHC has provided a convenient “second home” for some of our OSI family and friends. We are proud to have supported this charity for much of our long history, with our Chairman and CEO, Sheldon Lavin, also serving as a member of the RMHC Board of Trustees.

In 2016, we focused our global influence behind the RMHC cause, with each country and facility adopting unique activities and targets to raise funds and awareness. We continued such support in 2017 and 2018. Some of the initiatives included:

- Hosting meals and barbecues for the RMHC houses and charity barbecues (Germany, United Kingdom, Taiwan, U.S.)
- Fulfilling RMHC house wish lists with appliances, electronics, personal items, slippers and toys for the visiting families (U.S. and India)
- Running, golfing, playing badminton and tackling obstacle courses for RMHC causes (United Kingdom, Philippines, U.S.)
- Providing corporate philanthropic support
- Financial donations and support at the global and local level

OSI Oakland is one of the first new ‘Cooks in the Kitchen Sponsor’ for Ronald McDonald House Charities in the greater Omaha, Nebraska area. Shown in the photo are OSI Oakland’s human resources manager Dan Vanatta (left) and division manager Cheryl Goff (right), presenting a check to the RMHC representative in support of the extensive kitchen remodeling done in 2018. The Omaha house has doubled its space, and gone from hosting 20 families to 40 families. Our sponsorship helped them with the kitchen expenses. We have been faithful meal providers to the Omaha RMHC for the past six years.

Three corporate responsibility priority areas:
1. Food research and education
2. Health and nutrition
3. Children and families