

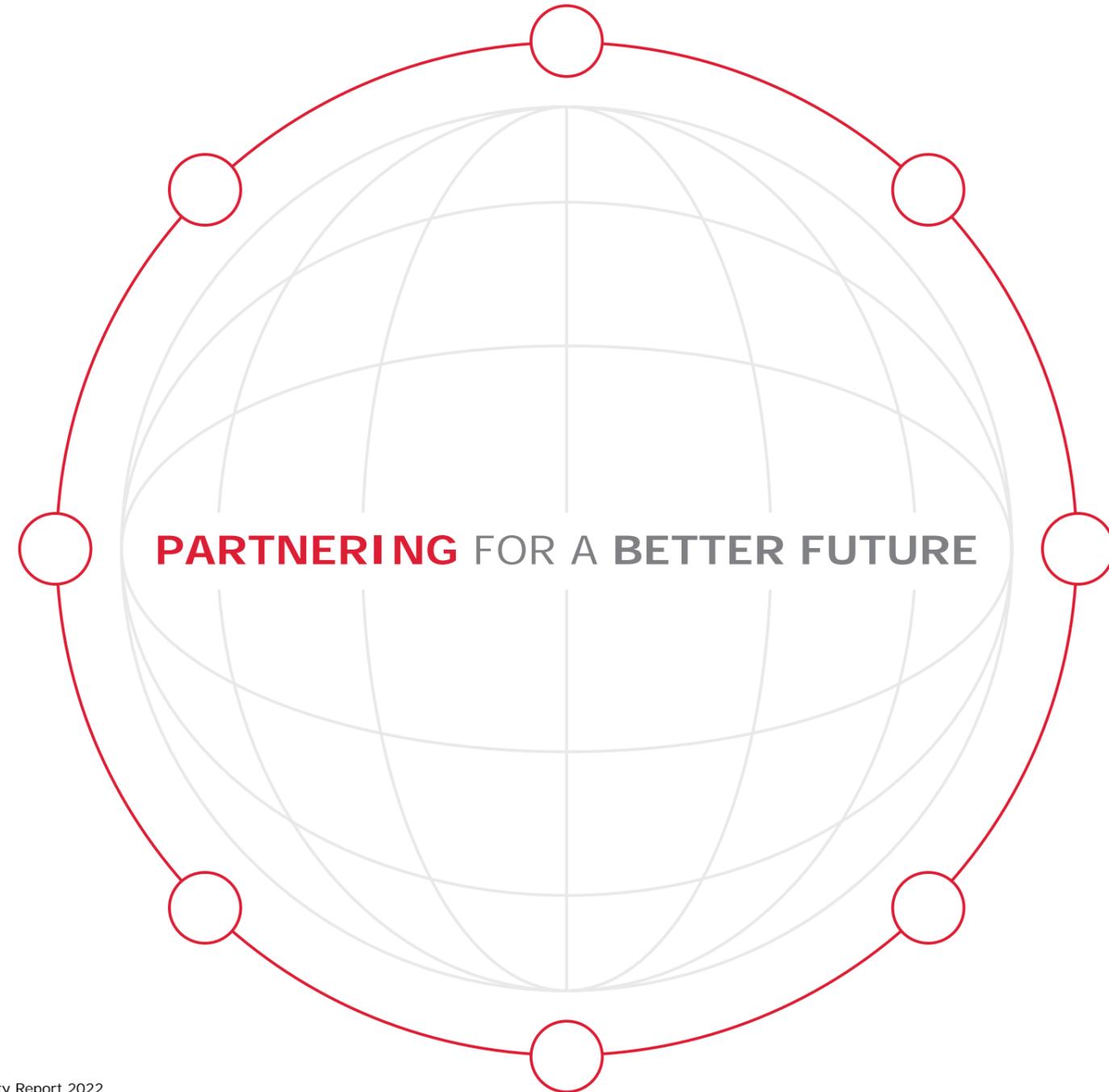


PARTNERING FOR A BETTER FUTURE

Global
Sustainability
Report

2022





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Foreword

ABOUT THIS REPORT

For more than 110 years, OSI has worked with farmers, customers, communities, and other stakeholders to produce an expansive array of culinary creations.

Our partnerships have been foundational to our business success and are proving critical in our efforts to address our sustainability priorities, both within our walls and beyond. This edition of our biennial sustainability report, Partnering for a Better Future, details our efforts to bring our suppliers, customers, communities, and other stakeholders along with us as we learn more about our footprint and take steps to accelerate industry-wide progress.

In the following pages, you will hear from our new chief sustainability officer, learn about our evolving approach to sustainability, challenges we are navigating, concrete steps we are taking to curb our environmental impacts, elevate and align our animal welfare standards, and disseminate best practices throughout our supply chain.

We are reporting on the 2020 and 2021 calendar years and all data in this report is from that time period. This report also includes recent case studies and other timely details to provide a more current snapshot of our sustainability activities and aspirations. Although we have business interest in 67 production facilities and offices around the world, the data disclosed in this report reflects the 47 production facilities where we have operational control.

We look forward to providing further updates in our next Global Sustainability Report, which will be released in 2024.

For questions, comments, or to offer welcome feedback, please reach out to:

osisustainability@osigroup.com



Dave McDonald

President and Chief Operating Officer

LETTER FROM THE PRESIDENT

As a food manufacturer for many leading global brands, OSI plays an important role in bringing new and innovative food solutions to our customers and their consumers around the world.

Like so many other businesses, the past 24 months have provided challenges and unique conditions that enabled OSI to pivot, innovate, and push forward for our team members, customers, and partners in many new ways. I am immensely proud of how the entire OSI organization continues to come together to make sure that, no matter how challenging, we never lose sight of our purpose to consistently deliver high-quality, safe and responsibly-sourced food to our diverse customers.

AN UPDATE SINCE OUR LAST REPORT

Since our last report, the global OSI family has continued to build a stronger series of initiatives in support of our sustainability objectives. Our commitment to food safety, safe workplaces, valued communities, farmer engagement, animal welfare, and responsible environmental stewardship are firmly integrated into our business. Amid the globally turbulent years of 2020 and 2021 — the period covered in this report — we were able to make impactful progress on many of our sustainability priorities. The progress was made possible because we actively live out our core value of putting people first, and we trust them to act with integrity to continuously improve our operations. Throughout this report, you will see several milestones we have reached as part of our efforts.

Everything we do at OSI begins with safety — food safety and team member safety. In 2021, we launched our *Food Safety Always* and *We Live Food Safety* initiatives and created the practices of Look Out, Speak Up, Act Now. *Food Safety Always* aims to empower team members' ownership of food safety in everything we do, and *We Live Food Safety* celebrates how food safety is not only crucial to our work, but an essential part of our lives as well. To track our efforts in broadening our culture of food safety, we measure food safety indicators, leader implementation, visibility, and communications, as well as team member understanding and commitment. We believe that these initiatives will further enhance our world-class food safety standards and will serve as a roadmap for leveraging the scale, scope, and talents of our global operations to advance our sustainability strategy.

Since the last report, OSI has also expanded the Sustainability 365 Farmer Recognition program through partnering with farmers and other organizations worldwide on several sustainability projects. To further understand and mitigate our environmental footprint, we implemented supplier benchmarking initiatives, continued to roll out our

carbon calculation tool, and celebrated projects that have curbed carbon output and water use at our production facilities. We have remained attentive to better understanding and addressing sustainability gaps and opportunities for improvement as we continue to explore solutions and manage our global energy and water usage without compromising food safety and sanitation protocols.

During the pandemic, OSI globally introduced facility-level worker safety KPIs that are designed to trend, predict, and, ultimately, prevent team member safety risks. Our approach was designed to help us meet our shared responsibilities for a safe working environment while continuing to produce safe and nutritious food.

Our talented team members, global infrastructure, and supply chain network have enabled us to make meaningful progress on our sustainability initiatives, but there is always more we can do. As we strive to become a beacon of sustainability within the food industry, we are driven by an unwavering responsibility to continuously reduce our footprint and drive best practices. We wholeheartedly accept the challenge before us and are excited to share in this report the steps we are taking to further advance our progress.

THE PATH FORWARD FOR OSI

The path forward for sustainability within OSI begins with continued engagement and collaboration from our global network of sustainability leaders. We will continue to call upon these leaders to seek partnering relationships and explore innovative solutions that will help drive locally relevant actions and embed our rich culture of sustainability into the deepest roots of our company.

Our global network will play a crucial part in our initiative to rethink the farm-to-fork process across our supply chain. OSI aims to establish a platform of sustainable activity that runs from our farms and processing facilities throughout our manufacturing and packaging footprint, and all

the way to the forks of consumers. This work is increasingly meaningful for OSI because we want to always remain mindful of how we are meeting our customers' expectations of having confidence in where their food comes from, that it was responsibly sourced, and always handled safely.

As an executive member of the North American Meat Institute (NAMI), I am proud of the leadership role we at OSI have played in helping to create the industry-wide Protein PACT initiative. The Protein PACT is the most inclusive industry-wide effort to harmonize how animal protein companies measure, report and verify sustainability, food safety, and health and wellness. As a company, OSI is committed to remaining a leader in animal safety and fulfilling our responsibilities as a Protein PACT signee to continuously operate according to the standards of proper animal treatment and safety. By signing the PACT, OSI is further advancing our commitment to environmental stewardship and animal welfare while serving as an advocate for the transparent reporting needed to make actual progress within our industry.

With these initiatives in mind and a strong culture of sustainability embodied by our leadership team and across the organization, we are focused on setting a science-based target (SBT) for greenhouse gas emissions for OSI and activating a plan to achieve it. The rigorous process to set a target will provide us and our customers with confidence in our commitment to action.

We look forward to continuing our work with partners around the world to responsibly serve our customers and sustainably steward resources for future generations.

**Thank you,
Dave McDonald**



Who We Are

OVERVIEW AND LOCATIONS

OSI Group (OSI) is one of the world's largest privately-held diversified food manufacturers. Our international network of food processing businesses helps leading foodservice and retail brands bring their products to life.

We assist our customers with everything from product innovation to the sourcing of raw materials. Our extensive international infrastructure includes our own vertically integrated poultry businesses and commodity trading arm, which enables us to influence the sourcing, development, production and distribution of everything from fresh produce to culinary innovations.

OSI is headquartered in the U.S. city of Aurora, Illinois. It is the parent company of a broad range of food processing and agribusinesses and is divided into two divisions:

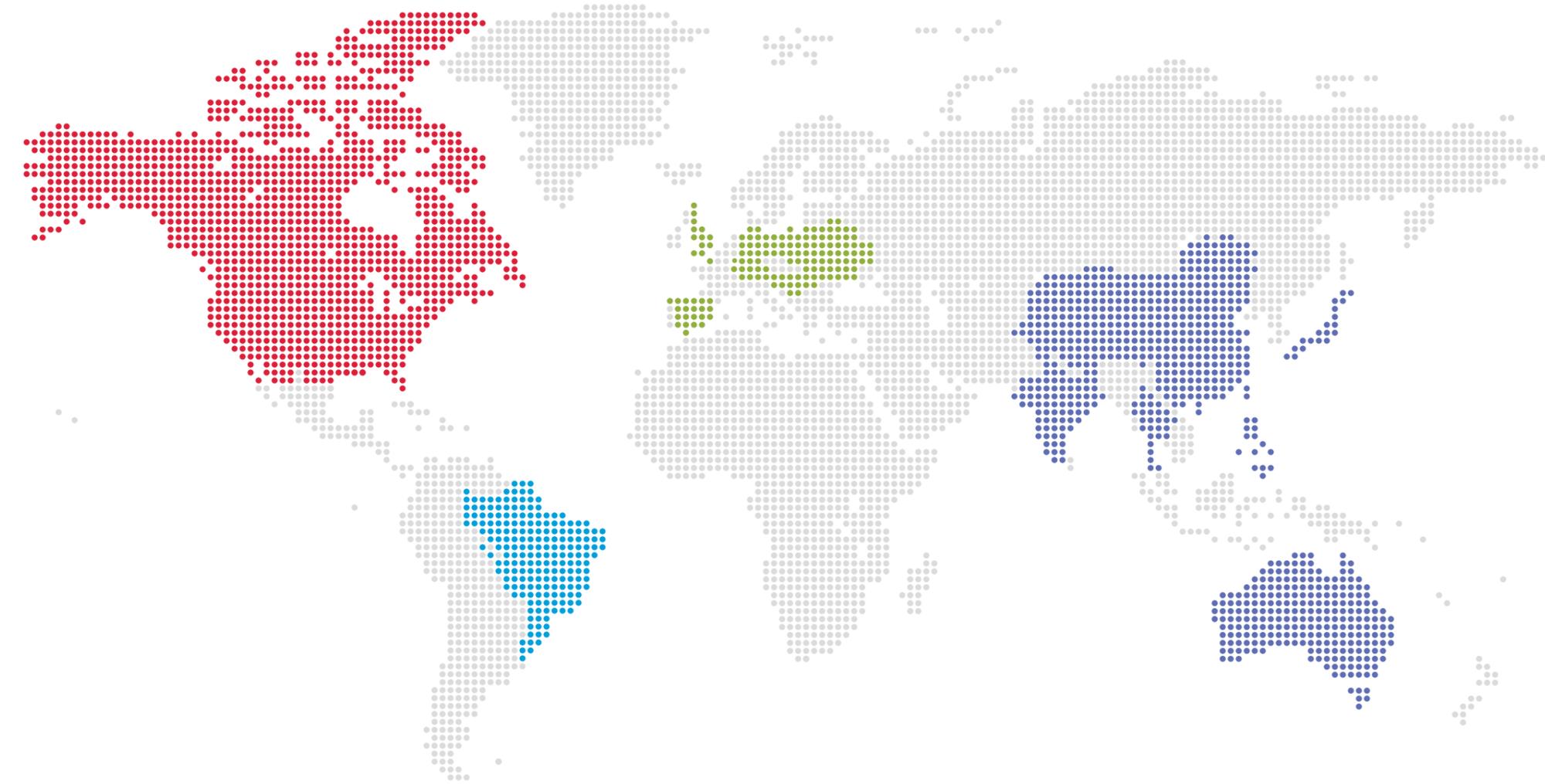
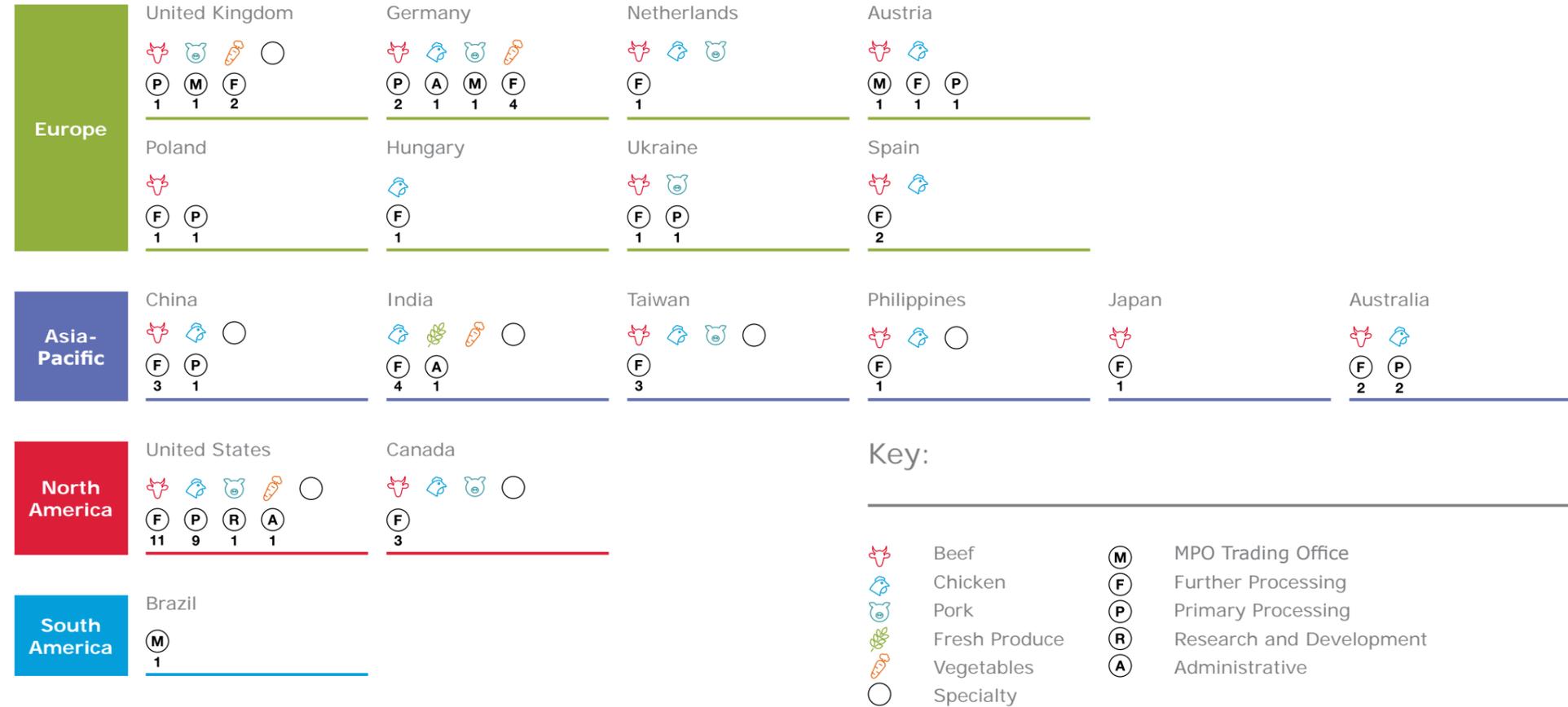
- **OSI Industries** (also known as OSI North America), which includes all U.S. OSI businesses and joint ventures.

- **OSI International**, which includes our businesses and joint-ventures in Europe, Canada, Australia, and the Asia-Pacific region.

Since publishing our last sustainability report, OSI has acquired four plants in the U.S., U.K. and India. We also expanded a facility in the U.K. to consolidate four smaller operations into one facility. Including joint ventures, we now produce products in 59 facilities worldwide.

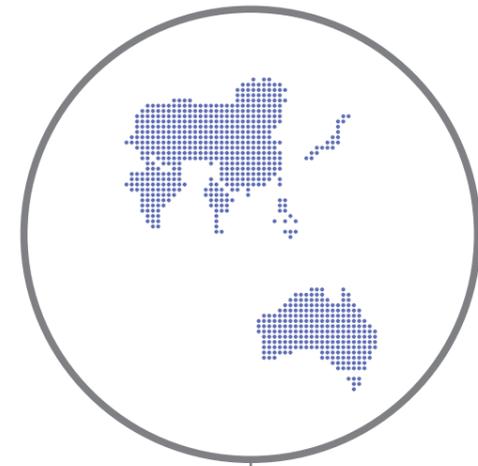
OUR GLOBAL FOOTPRINT

The OSI Group now has business interest in 67 production facilities and offices in 17 countries and territories and sells products into 77 countries around the world.





Europe



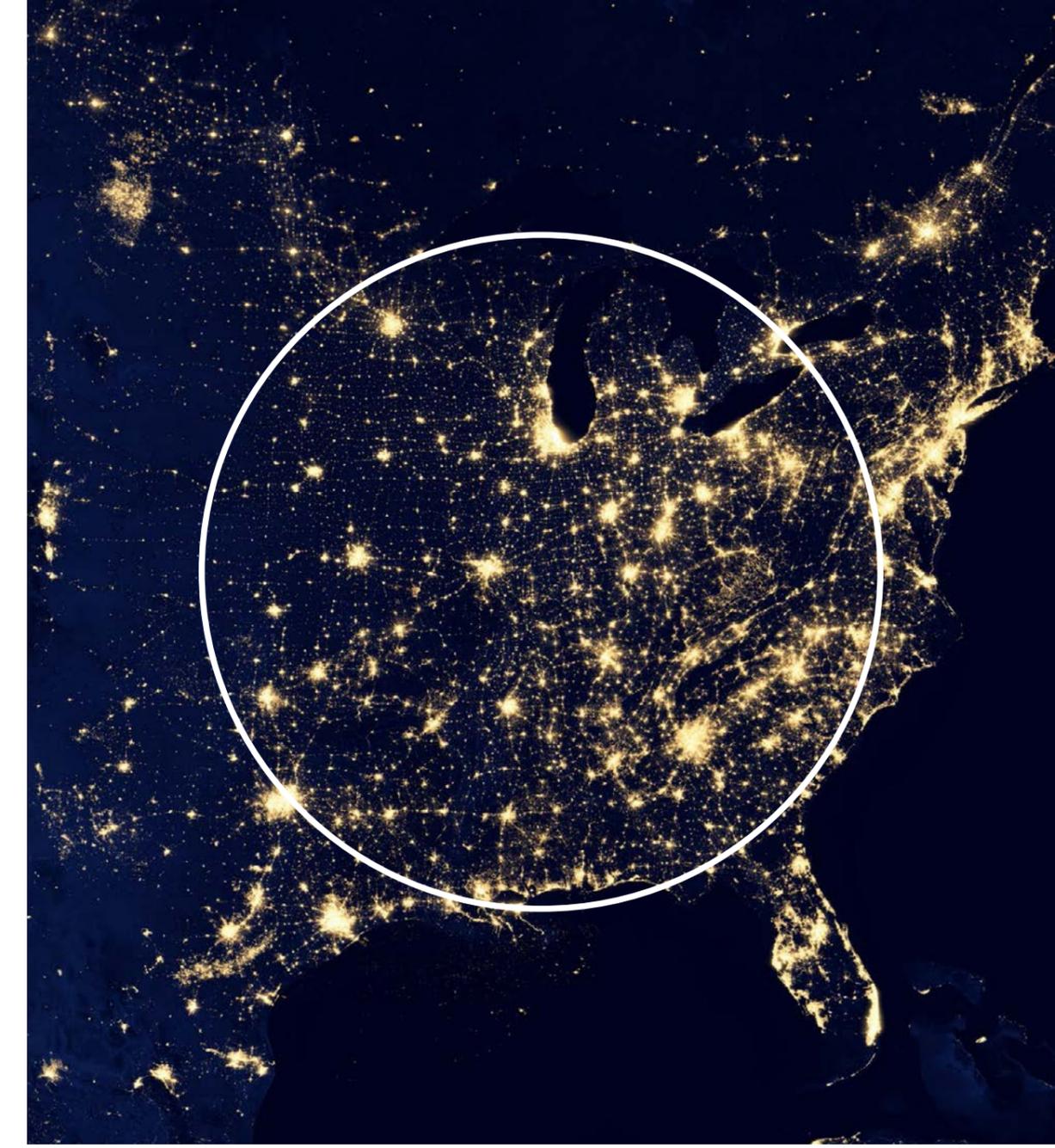
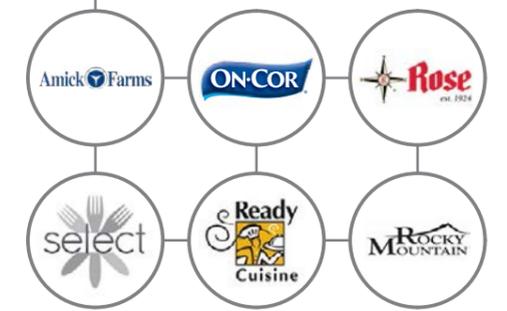
Asia-Pacific



GLOBAL FACILITIES AND BRANDS



North America



OSI VALUES AND COMMITMENTS



OSI aims to be the premier global food provider to leading branded companies.



To be an indispensable supplier and partner, putting the customer at the center of everything that we do.



From our leadership to the factory floor, OSI's values guide our work, how we engage with each other, and how we continuously strive to be the leader in our industry and trusted partner in the supply chain.

Act With Integrity

We pursue honest interactions. Our work is straightforward, reliable, and consistent throughout all global operations.



Put People First

We know that our work is fundamentally about people — whether they are those who grow, make or eat our products. We will work tirelessly to protect, support and nourish them sustainably.



Strive to Continuously Improve

We believe that any problem can be solved, and better operations and supply chains are always possible.



Explore Innovative Solutions

We go beyond what is easy or obvious because we desire excellence.



Steward Our Resources for Future Generations

We are conscious of the impact of our business activity on our world. We do not take the trust or contributions given to us lightly and strive to maintain a positive relationship with the people, communities and environments we affect.



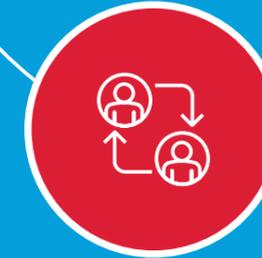
Work Together as a Team

We value each other because we are better together. The strength of our collective power is found in safe, diverse workplaces where our team members can thrive, develop and grow.



Seek Partnering Relationships

We will find the best solutions to difficult challenges in partnership with our team members, customers, suppliers, farmers and communities. Our partners' success is our success.



CORPORATE GOVERNANCE AND ORGANIZATIONAL STRUCTURE

OSI is governed by a Board of Managers who consider sustainability in their management of company strategy, risk, and investments.

The Board is chaired by Sheldon Lavin and meets quarterly. OSI's Global Leadership Team is responsible for ensuring we are sustaining our values throughout OSI operations.

Since our last report, there have been several changes to our leadership. Mark Richardson, who was previously Senior Vice President of Global Supply Chain, has assumed the position of Senior Executive

Vice President of OSI International Division. Brent Afman, who was previously Senior Vice President & Managing Director Asia-Pacific - China, Taiwan, Philippines & Japan, has been named Managing Director of the OSI Food Solutions Business based in Germany. We have also welcomed a new Chief Sustainability Officer, Gail Tavill, who reports directly to President and COO, Dave McDonald.



Sheldon Lavin

Chairman & Chief Executive Officer



Dave McDonald

President & Chief Operating Officer



Kevin Scott

Senior Executive Vice President, North America



Mark Richardson

Senior Executive Vice President, OSI International Division



Sherry DeMeulenaere

Executive Vice President, Chief Financial Officer, Treasurer & Assistant Secretary



Donna Coaxum

Senior Vice President, General Counsel & Secretary



Ken Petersen

Senior Vice President, Quality Assurance, Food Safety & Regulatory Affairs



Ben Harrison

President & CEO, Amick Farms, LLC

ETHICS AND BUSINESS PRINCIPLES:

Ethical conduct is foundational to our success and, along with our values, informs the way we approach our business operations at OSI.

Our OSI Global Business Standards (GBS) provides our team members with detailed information on key policies, expectations, and laws relevant to OSI's business operations. It communicates our standards on topics like diversity, harassment, fair treatment, workplace safety, fair competition, anti-corruption, privacy, insider trading, accurate records, conflicts of interest, international business, and human rights. It also includes a "no retaliation for reporting" policy that protects workers making a good faith report to a manager or human resource representative.

Every year, team members are required to review and commit to the Standards and can access them anytime through our corporate intranet website. Our Standards provide guidelines for our businesses to create their own localized team member codes of conduct and are supplemented by local policies that provide detailed operational direction. Across our organization, we also provide regular Standards trainings that emphasize the importance of safety, quality, fairness, respect, and trust in all that we do. The trainings reinforce our expectation that every member of our team practices the highest standards of ethical conduct in their business activities.

OSI promptly and thoroughly investigates all allegations of violations of the GBS, company policies and the law and takes appropriate action when necessary. Violations of the GBS are grounds for disciplinary action, up to and including termination of employment.

Our CEO and President have endorsed the GBS, which are maintained and updated by our legal department. Our Chief Compliance Officer reports directly to our Senior Vice President & General Counsel. To ensure that we maintain the highest levels of accountability, we encourage our team members to raise their concerns and questions through our open-door policy and other reporting mechanisms, including our confidential MAKE IT RIGHT global hotline. For those seeking further guidance, OSI has a team of human resource and legal professionals available to assist them.



OUR COMMITMENT TO FOOD SAFETY AND QUALITY

Our partners, including some of the largest food brands in the world, trust us to integrate food safety and quality standards into every aspect of our operations, from our sourcing of raw materials to the delivery of products to our customers. We are committed to not only fulfilling this responsibility, but also striving to continuously improve.

Integrating Food Safety Across Our Organization

Our approach to food safety is guided first and foremost by our organization's food safety culture. Our Global Food Safety Policies form the foundation of our Food Safety System. The policies pertain to:

- *The commitment of our management and leadership*
- *The safety of our facilities, infrastructure, and equipment*
- *The safety of our manufacturing and hygiene processes*
- *Prevention of food safety issues*

Our Global Food Safety and Quality Council uses OSI food safety data and the latest scientific research to keep our policies up to date and to lead our holistic approach to food safety and quality. The Council also works to align our goals and expectations, drive continuous improvement, and strengthen our food safety culture. OSI's Senior Vice President of Quality Assurance, Food Safety, and Regulatory Affairs leads the Council, which communicates monthly with OSI President and COO, Dave McDonald.

The Council is composed of vice presidents and directors from all global zones, who identify emerging trends or risks that then inform policies they work to implement in their respective regions.

The Council's governance role includes:

- Establishing, updating, and communicating policies, ensuring that team members are trained to adhere to them, and that audits and checks are in place to monitor their execution. These policies often exceed customer and regulatory requirements and have made our facilities, in many areas of the world, stand out as beacons of excellence.
- Setting expectations for raw materials by requiring suppliers to approach food safety according to Hazard Analysis and Critical Control Points (HACCP) standards, an internationally recognized preventative management approach to food safety.
- Ensuring compliance with all policies via:
 - **Audits:** The Council's auditing arm conducts regular internal and customer food safety audits across the company to ensure ongoing compliance to OSI's global policies and practices.
 - **Key Performance Indicator Monitoring:** Since 2018, every OSI plant around the world has reported the same food safety metrics into a global database each month that management uses to benchmark facilities. These Key Performance Indicators (KPIs) track strategic global metrics, such as audit findings, with the goals of preventing issues from arising and identifying areas for potential improvement. The results of these KPIs are discussed routinely with OSI leadership and help identify areas of excellence and guide improvements.





Fostering a Food Safety Culture

In 2021, OSI's Food Safety Council launched a new food safety brand, Food Safety Always, to further strengthen the organization's food safety culture. The Council began by analyzing results from a benchmarked survey of food safety culture across 55 global locations to understand opportunities for improvement. These results offered valuable insights into our new globally-aligned messaging designed to spur team members to actively make food safety a conscious part of their daily work. Beyond requiring adherence to food safety rules, the new messaging urges every member of the OSI family, from executive leadership to plant team members to:

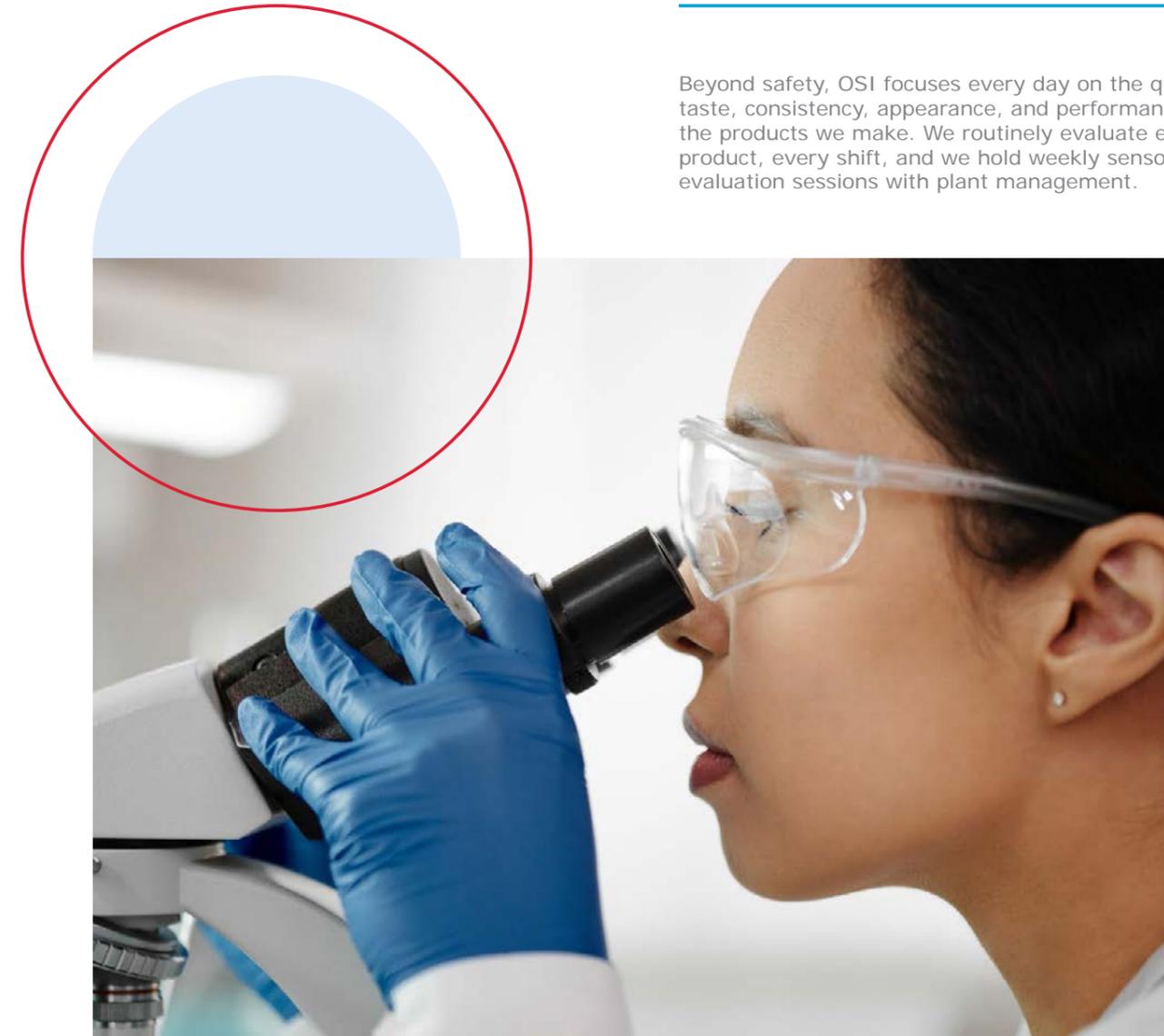
- **Look out** for one another and be proactive in identifying potential food safety risks.
- **Speak up** when you see food safety concerns and expect excellence.
- **Act now** by putting food safety practices into action always.

Site leaders, quality leaders, and food safety ambassadors are equipped to support brand adoption across the organization through a variety of support tools, including an explainer video and webinar for site leaders. The Food Safety Council will also introduce recognition and other OSI-wide programming over time that help to reinforce and further strengthen our food safety culture.

To track our efforts, we are using a third-party company to survey team members and measure our food safety progress against 2018 benchmark data. The initiative represents our most robust effort yet to align around messaging that reminds all of our people at OSI about the role they each play every day to help keep the world's

food supply safe. It is now the basis for all food safety communication at OSI, which includes:

- **A Mandatory and Rigorous Training Program:** *New team members are required to take documented Good Manufacturing Practices (GMP) training as part of their orientation and at least annually thereafter.*
- **General Food Systems Training:** *All team members are required to take HACCP training and food safety defense training, which emphasizes the need for them to speak out when they see potential risks.*
- **An Annual Food Safety Week:** *Since 2018, OSI has organized an annual week of food safety-related activities, events and strategic communication around a particular theme. Last year, the event was one of the ways we introduced Food Safety Always to our team members at management offices and manufacturing sites. Organizers spent more than 1,500 hours preparing for the week, which included 2,000 hours of activities across 50 manufacturing locations.*
- **Food Safety Events:** *Each year, OSI organizes activities around relevant World Health Organization events, including World Food Safety Day on June 7th, and Global Handwashing Day, October 15th.*
- **Quarterly Toolkit:** *Each quarter a food safety toolkit is shared that includes food safety messaging around a particular topic and provides managers with engaging activities and signs to hang at their facilities that align with the topic.*



Ongoing Sensory Evaluation

Beyond safety, OSI focuses every day on the quality, taste, consistency, appearance, and performance of the products we make. We routinely evaluate each product, every shift, and we hold weekly sensory evaluation sessions with plant management.

Industry Influence

As a supply chain leader, OSI is also dedicated to sharing and promoting best practices beyond our company walls. We do this regularly through industry workshops and meetings. In the last two years, we relied heavily on webinars and remote video to maintain robust industry engagement while adhering to COVID-19 safety protocols, which limited opportunities for in-person events.

On one virtual call organized by a key customer, OSI experts made a presentation covering several food safety topics to more than 800 other attendees. OSI also hosted many webinars with our vendors to review food safety performance and expectations. In addition to this type of routine engagement, we also connect suppliers to experts in the most advanced farming and processing facilities around the globe. While we expect a lot from our suppliers, we also work with them to help them meet the quality benchmarks we set and bring them with us on our sustainability journey.

We are also proud to play a leading role in supporting food safety research, education, and outreach, and are partnering with universities and technical programs to develop talent and empower future leaders.



Our Sustainability Team and Strategy

As a sustainability leader with experience at large consumer packaged goods companies and with trade associations advocating for environmental policies, I have a broad perspective and deep understanding about what it takes for sustainability solutions to stick. My work over more than 30 years in Research and Development (R&D), Environment Social Governance (ESG), and Corporate Social Responsibility (CSR) in the food industry has instilled in me a very practical approach to sustainability that asks no favors and instead offers clear benefits to businesses. My policy background has shown me the importance of industry collaboration, while my engineering and R&D experience has informed my disciplined, data-driven approach to problem-solving, which will be reflected in the evolution of our sustainability strategy.

To develop our path forward, I spent my first months with OSI visiting production facilities, meeting colleagues, customers and suppliers, and diving deeply into our data and processes. I am encouraged by the number of strengths we have at OSI and am eager to continue to build on them. OSI's Food Safety Program has done a fantastic job of

developing and maintaining a consistent and strong global approach to food safety and an organization-wide food safety culture. The program serves as a great model for global sustainability alignment that our team can learn from. I have also been pleased to observe OSI's disciplined approach to capturing robust, line-level data that we can better leverage for sustainability purposes. To ramp up supply chain collaboration, I am looking forward to joining my OSI colleagues who are already proactively involved in the North American Meat Institute's Protein PACT, a commendable industry effort to harmonize the way companies report and verify sustainability progress. I am also eager to build on OSI's impressive history of meeting rigorous customer sustainability requirements and to more proactively implement solutions that go above and beyond.

While OSI is already a premier provider of choice for our history of service, quality and flexibility, my vision is for OSI to also be known for sustainability and transparency. To get there, I will be focused on better using our global infrastructure, experience and access to resources to exchange best practices and ramp up

sustainability programming. Within our walls, I will be focused on further developing an organization-wide sustainability culture, better harnessing data, and doubling down on our renewable energy strategy. Beyond our facilities, my sights are set on better understanding our supply chain opportunities. This involves working with suppliers and farmers in our network to understand their challenges, help them find value in implementing sustainable practices, from regenerative grazing to feed changes, or to simply help them better quantify and report the good work they're already doing. Creating deeper partnerships with suppliers and farmers and sharing their stories so that others can learn from their experiences will result in reduced Scope 3 impacts.

I feel privileged for the opportunity to lead OSI toward this vision and look forward to sharing more updates on our progress, both in this report, and through more regular disclosures going forward.

Gail Tavill
February 2023

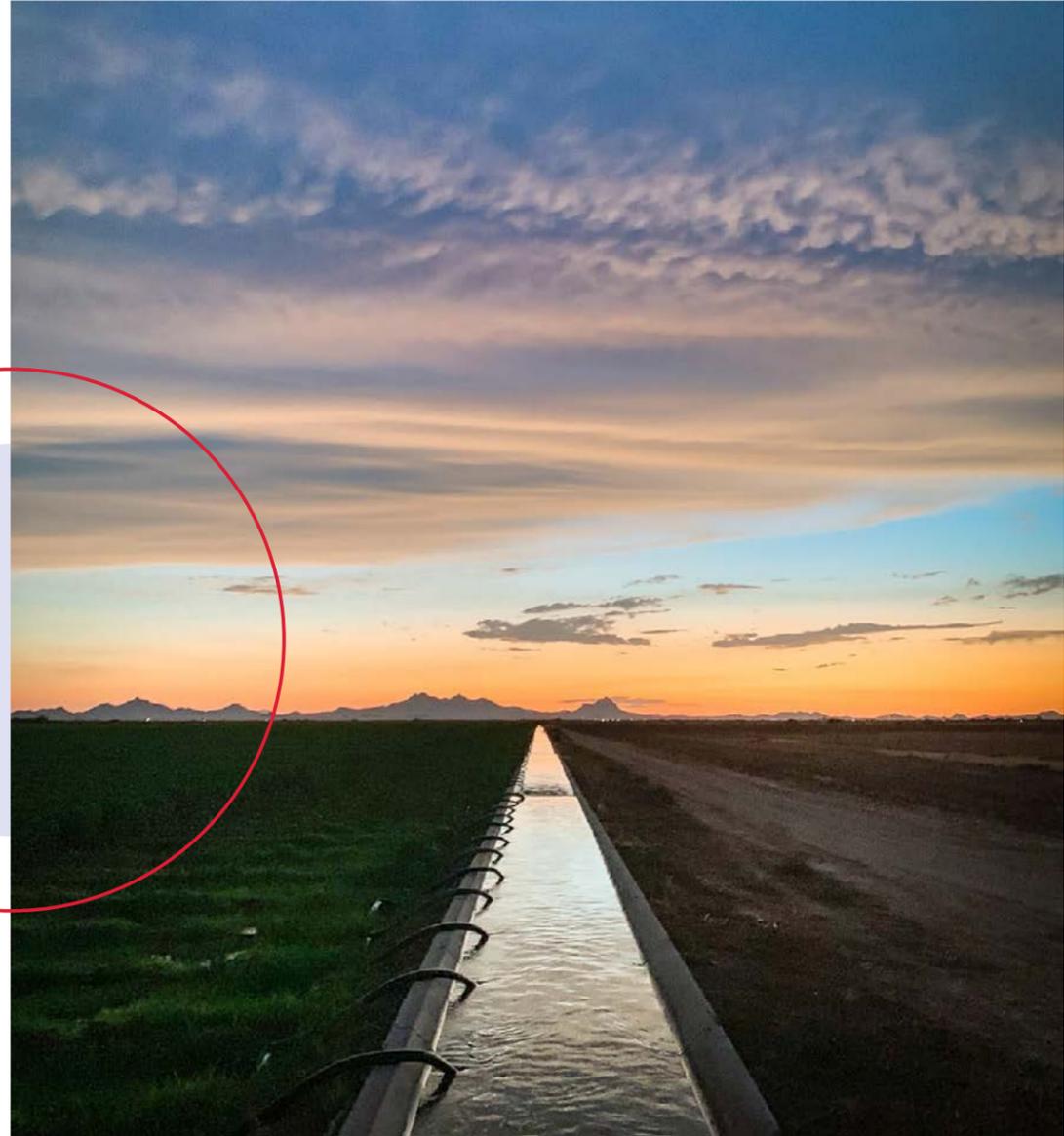
A MESSAGE FROM OUR NEW CHIEF SUSTAINABILITY OFFICER



SUSTAINABILITY GOVERNANCE

OSI's Chief Sustainability Officer leads a team of internal sustainability stakeholders and subject matter experts who provide local and regional perspective and engage across the company to drive progress toward our goals.

These subject matter experts are embedded in business unit operations across OSI regions helping to ensure our sustainability strategy and direction align with local business culture and objectives. In the period covered in this report, regional sustainability leaders planned and implemented business-specific sustainability activities that aligned with global sustainability priorities and helped drive the organization toward our goals. These leaders communicated progress to their regional stakeholders, global counterparts on the global sustainability team, and, finally, to the senior executives as part of the annual business planning and goal setting process and through frequent interaction.



OUR SUSTAINABILITY PROCESS

The heart of our sustainability process is seizing the opportunity that comes with a diverse and experienced global workforce and working to uncover, align, and disseminate the wealth of best practices and innovations that exist across our organization. The pillars of our process are aligning globally, strengthening our sustainability culture, and using our position to influence the wider industry.

Global Alignment

OSI's global sustainability team establishes and refines the company's sustainability priorities and works with colleagues across regions and departments to advance toward those goals.

While each OSI region has the flexibility to work toward these shared objectives in the way that makes most sense in their part of the world, we continue to prioritize alignment around the standards we follow, the metrics we use to measure progress toward our goals, and the way we report and respond to those metrics.

To do this, we continue to tap our own experience in adopting best practices, equipping leaders, and using data to track our performance. We continue to apply the same strategies to the management of our sustainability goals.

That means we:

- Stay up to date on best practices and ensure that our team members and suppliers do so as well.
- Empower rising leaders to bring their ideas to the table and implement their visions across their areas of operation.
- Use data to track our progress, find successes to replicate, and identify areas in need of improvement. Where data is not available or aligned, we are working alongside others in the industry and our supplier base to build new systems and track new metrics.

In the last two years, we have developed industry-leading programs in animal welfare for beef and poultry, expanded our carbon footprint calculator and program to include all global sites, and progressed in our rollout of new global standards for safety performance.



OUR SUSTAINABILITY PROCESS

Sustainability Culture

We recognize that the only way to progress toward our shared goals is to ensure that everyone connected to OSI's facilities and products — from our suppliers and factory workers to our sales and research and development teams — can connect with their role as a critical player in our sustainability journey.

Our mission is complementary, not tangential, to our business objectives and can only be accomplished by integrating our environmental, supply chain, and social responsibility goals into our daily business operations. That is why we are deliberate about establishing a company-wide, as well as network-wide, culture of sustainability.

OSI has taken steps to increase communication on sustainability topics, identify opportunities to be more transparent, and organize information in easily-referenced reporting frameworks.

We do this through:

- *Leadership commitments that hold our company and partners to high international standards and define us as a business that cares about the planet, the animals in our supply chain, our people, and the communities in which we work.*
- *Communicating constantly to our team members and partners — through trainings, events, campaigns, and published materials — about the key roles they play each day in upholding our values and moving us toward our goals.*
- *Offering local ownership to our regional businesses and allowing them to foster a sustainability culture in a way that works best for them.*
- *Consistent, deliberate, thoughtful engagement with external stakeholders — whether that is a cattle farmer, a customer or a peer in a sustainability roundtable.*

Industry Influence

Our engagement with stakeholders allows us to share our sustainability culture and influence across the broader industry. In the last few years, we have made a more concentrated effort to take a leadership role in encouraging our suppliers, partners, and even competitors toward the same ambitious sustainability goals we set for ourselves. See “Industry and Multi-Stakeholder Engagement” in our Supply Chain section (page 66) for details on our approach to this work.



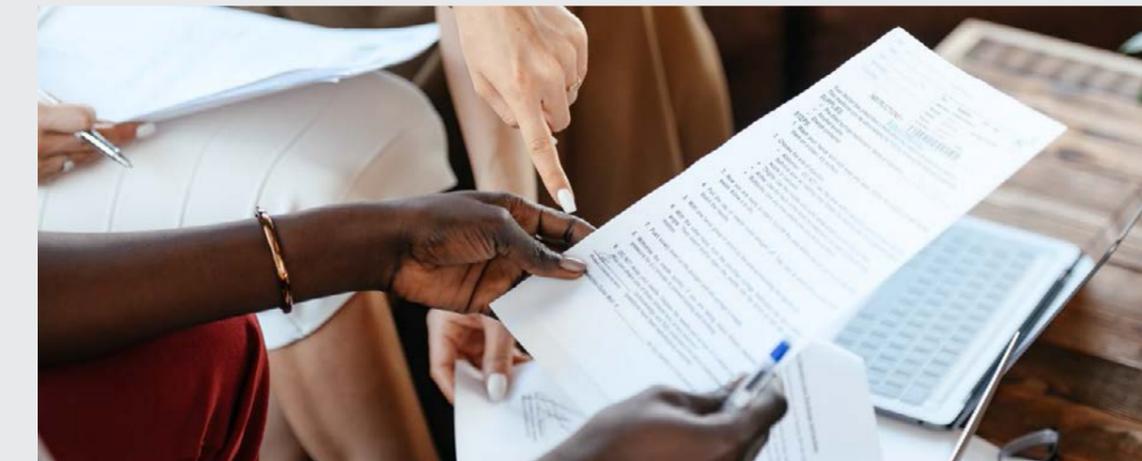
MATERIALITY

In 2020, we conducted a materiality analysis to identify the economic, environmental and social issues most relevant to OSI. The exercise analyzed everything from executive and stakeholder feedback to media attention, to assess how priorities might have shifted since 2018.

We analyzed issues based on two dimensions: those most “material” or important to OSI’s business success and those most material to a range of outside stakeholders.

Importance to Business

We define “importance to business,” the horizontal axis, as the extent to which topics are relevant to OSI business operations and important to internal stakeholders. To determine what mattered most to internal stakeholders, we interviewed executives about risks and opportunities and conducted an extensive team member survey and assessment of sustainability priorities we had previously set.



MATERIALITY

Importance to External Stakeholders

Results

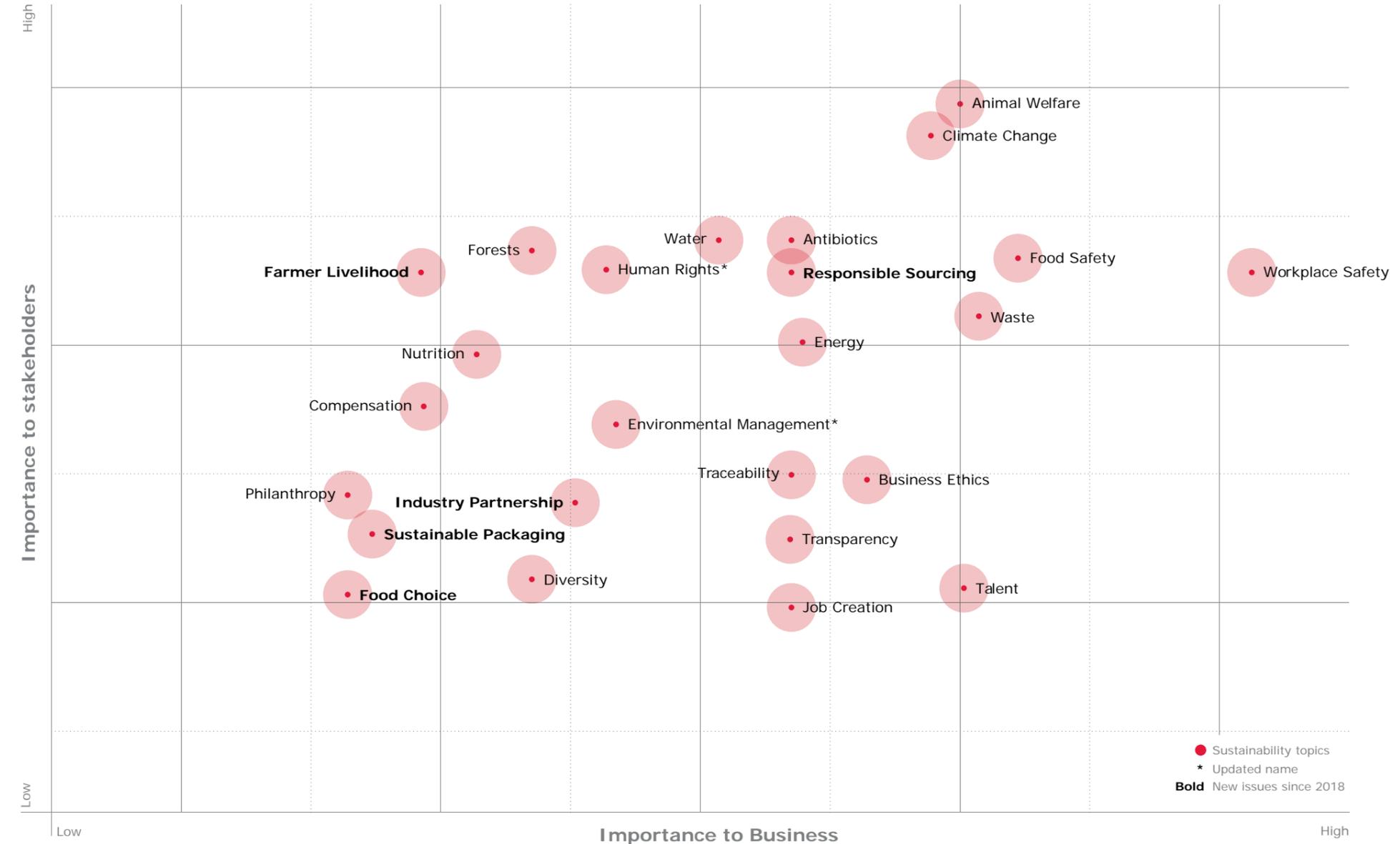
To determine the top sustainability priorities of outside stakeholders, we identified and analyzed the top issues motivating industry influencers to engage with OSI. The influencers included key customers, suppliers, non-governmental and community organizations, industry trade groups, competitors, as well as media. Feedback from the most important stakeholder groups was given the most weight. The vertical axis represents the weighted average.

The 2020 materiality analysis identified the most important economic, social, and environmental issues to our business: workplace safety, energy, animal welfare, food safety, waste reduction, water stewardship, climate change, antibiotics, talent development, responsible sourcing, and protecting forests. Compared with previous results, we found notable shifts in several areas. Workplace safety became a top business priority, growing in importance to both OSI stakeholders and internal representatives. This shift informed our priorities and was further heightened due to the pandemic.

The analysis also found that climate change had risen in relevance, while a range of new issues were of emerging importance: responsible sourcing, farmer livelihood, consumer food choice, sustainable packaging, industry leadership and partnerships.

While these items are clearly still material to our business, the COVID-19 pandemic brought a new set of unanticipated challenges. Like all global food manufacturers, OSI faced supply chain disruptions, customer demand uncertainty, and staffing shortages in 2020 and 2021. These, and other pandemic-related challenges, had much of our industry operating in business-continuity mode. On a positive note, they also underscored the value of our supply chain partnerships, especially the relationships we have with farmers. Upon reflecting on this, we have added a new priority area to this report: Farmer Engagement.

As always, we will continue to monitor topics identified in our materiality assessment through ongoing dialogue with our stakeholders and will continue to adjust our strategies accordingly.



● Sustainability topics
 * Updated name
Bold New issues since 2018



SUSTAINABILITY PRIORITIES

We have grouped these material topics into six themes and are now approaching them in a more circular and interconnected way.

In this report, rather than address each of these priority topics individually, we will be addressing them more holistically in recognition of their natural overlap. The remainder of the report, therefore, will be organized into two broad sections — “Within Our Walls” and “Beyond Our Walls” — that each delve into the ways we address our priorities in these differing contexts.





Our Priorities



IN THIS SECTION YOU CAN READ ABOUT

1. **Our Workforce**
 - Hiring, Training, and Development
 - Health, Safety, and Well-being
2. **Environmental Stewardship**
 - Waste
 - Water
 - Energy

OVERVIEW

Though our sustainability ambitions go far beyond our walls, we understand that sustainability begins at home, in our offices, factories, and agricultural settings around the world.

These workplaces, and the thousands of men and women who power them, set the foundation for our broader sustainability work. For that reason, we've been increasingly focused on further strengthening our own social and environmental practices. This wide-ranging work includes attracting and retaining valuable team members, ensuring our workplaces are safe and respectful, developing an organization-wide sustainability culture, and improving the environmental footprint of our facilities so we can serve as an example to our partners and drive more influence deeper into our supply chain.



PART I: OUR TEAM

We are committed to ensuring that all OSI locations and majority-owned subsidiaries are safe, inclusive, fair, and respectful workplaces where team members at any level can learn and grow. It is the right thing to do, and it also creates a more motivated, innovative workforce that helps us better serve our customers.

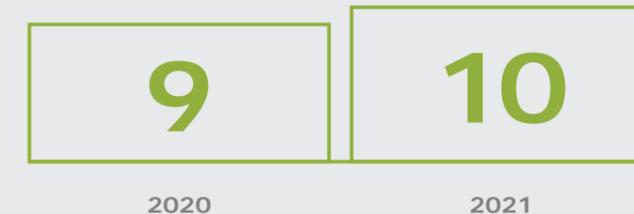
Our broad approach to workplace safety and human rights is guided by our Global Business Standards (see page 19) and Human Rights Policy, which apply to all OSI Group locations, from farms and factories to offices. Locally, our businesses and facilities incorporate these commitments into their own policies, team member benefits, resources, and trainings to meet relevant laws and expectations.

Human Rights Policy

Our GBS is augmented by a company-wide [Human Rights Policy](#), which was published on our website in 2020 and is made available to all team members. It applies to OSI and our majority-owned subsidiaries and is guided by the principles articulated in the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. We believe that human rights are universal and intrinsic to every human being. We strive to respect the fundamental rights of our team members, which are:

- Freedom from slavery and child labor
- Freedom to associate (or not associate) and collectively bargain
- Equal opportunity for everyone
- A safe and healthy workplace
- Freedom from discrimination and harassment

Facilities With Collective Bargaining



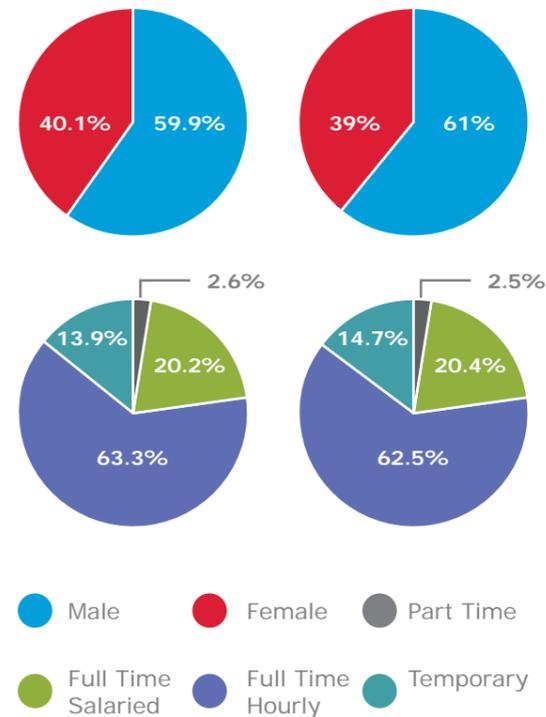
While human rights are the responsibility of all of us at OSI, executive oversight and responsibility for the implementation of our Human Rights Policy rests with our Global Sustainability Team. The OSI Board of Managers oversees the implementation of this policy at the board level and is responsible for ensuring adherence to these commitments. Our senior management is responsible for overseeing the implementation of this policy throughout the rest of the organization.



Our Workforce at a Glance*

2020
Total Team Members: 15,299

2021
Total Team Members: 15,558



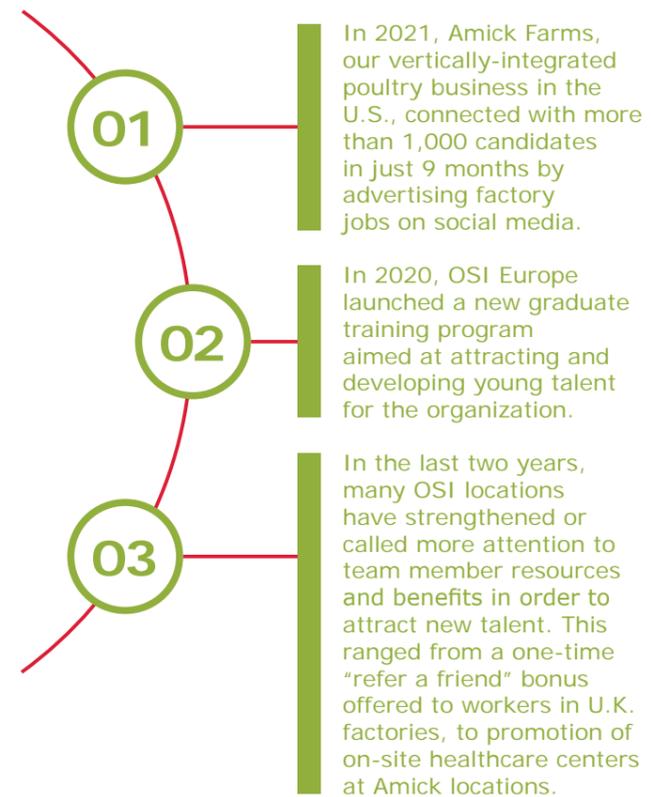
*The workforce data below comes from the 40 production facilities we are reporting on. Including our offices and joint ventures, OSI has over 20,000 team members

SPOTLIGHT ON HIRING, TRAINING, AND DEVELOPMENT

Building Our Talent Pipeline

OSI has a transparent hiring and recruitment process that has evolved in recent years to address new challenges. The ongoing pandemic has left factories with more positions to fill. A strong job market in many of our regions has also made recruitment for senior and technical positions more competitive. Responding to these challenges, our Human Resource professionals have ramped up online lead generation for factory positions and dedicated new energy to our talent development programs for managers and technical staff. Across the organization, OSI has maintained strong ties with high schools, technical schools, and universities, which are key talent pipelines.

No matter the avenue of recruitment, our corporate values, Global Business Standards, and Human Rights Policy require us to treat all potential job candidates and team members with dignity and respect and to provide equal employment opportunities to everyone, 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.



TEAM MEMBERS RECEIVING PERFORMANCE REVIEWS

↑ 2.6%

2020:
1,961
(12.6%)

2021:
2,094
(14.2%)

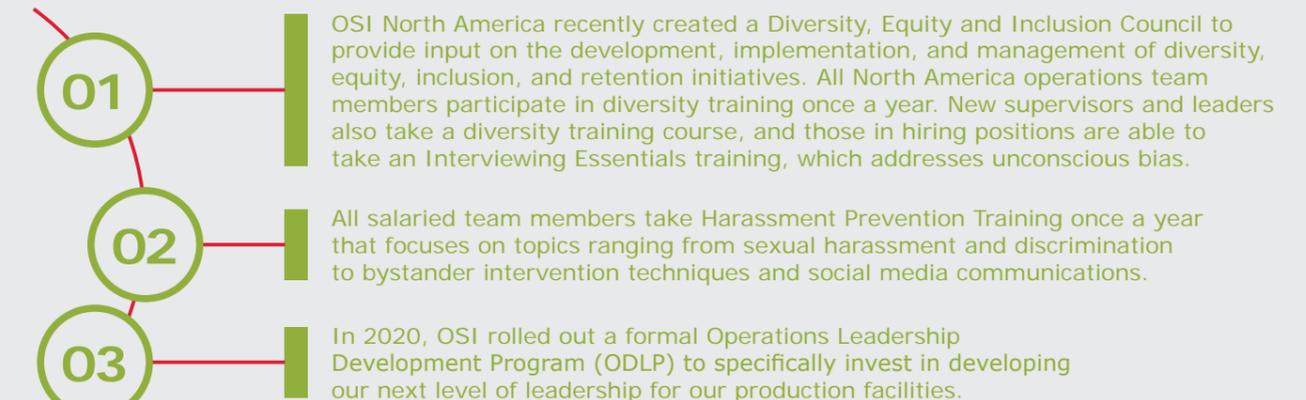
Talent Development and Retention

OSI has a long history of recognizing and nurturing talent. Through both formal programs and informal practices, our managers and supervisors seek out ambitious and entrepreneurial recent graduates as well as current OSI team members at all levels and equip them with the skills and knowledge they need to progress at the company. Some of the ways we do this include:

- **Programs to Develop Young Professionals:** OSI offers a range of internships, apprenticeships, and management training programs that offer recent graduates and young professionals with mentorship and practical experience at OSI with the expectation that they will continue their careers at the organization.
- **Programs to Develop Managers and Supervisors:** Many of our locations also offer managers and frontline supervisors leadership training that, in part, teaches them how to identify and nurture talent on their teams, while reinforcing and developing their skills like communication, trust-building, and organizing.

• **Tailored Support:** Beyond these programs, OSI also works to develop talent by offering team members support that is tailored to their needs. For factory workers, many of whom come from immigrant backgrounds in certain OSI regions, that may include free language classes or tuition reimbursement for courses, certifications, or degrees that could help them advance in the company. For other team members, that may mean working with them on individual development plans, nominating them for an industry award, or sponsoring their participation and membership in professional development events and organizations.

• **Employee Town Hall Meetings:** In 2020, OSI senior leaders began hosting regular town hall meetings to boost communication and engage team members from all levels of the organization. The calls, now hosted by corporate business units and at the facility-levels, bring team members from across the company together to hear about current business activities and ask questions that improve alignment across the organizations.



Caring for Our People through Competitive Benefits

OSI believes in promoting the general health and well-being of team members so they can better contribute both to our organization and their communities. Eligible team members have access to a competitive benefits package that includes 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, on-site doctors, exercise groups, and vaccination programs, including a COVID-19 vaccine program that covered all team members as well as their families in some locations. In addition to physical well-being, OSI recognizes the importance of team members' mental well-being and offers a range of support programs.

- 01 In the U.S., OSI's Employee Assistance Program provides subscribers and their families with confidential, professional counseling by phone for a range of issues including financial concerns, emotional, and legal problems.
- 02 All team members of TurOSI, OSI's joint venture company in Australia, have access to 24-hour phone or face-to-face counseling through a third-party partner staffed with counselors, psychologists, and social workers.
- 03 Many of our locations offer scholarships or tuition support for the children of team members.
- 04 TurOSI also recently offered supervisors the opportunity to get certified as mental health first responders equipped to identify and help team members in need of mental health resources.



Developing Our Frontline Supervisors

In Australia, TurOSI recently rolled out a two-day leadership program for new supervisors, team leads, and others targeted for advancement. By mid-2022, nearly 100 team members had been through the training, which covers a broad range of topics tailored to business needs, including communication, team-building, goal setting, tackling challenging conversations, safety, training trainers, and mental health first aid. The U.S., meanwhile, recently launched a yearlong leadership development program that is similarly focused on developing core competency leadership skills. Surveyed TurOSI participants have called their program "eye opening," while OSI program participants indicated that it has helped them develop trust with their team members.



Training the Next Generation of Industry Leaders

OSI Europe launched an 18-month Graduate Program in 2020 to attract and retain young professionals amid a competitive continent-wide battle for top talent. Similar to the U.S. Rotational Management Training Program, the new initiative selects qualified recent graduates to rotate through different departments, countries, and business units, while receiving dedicated mentorship and training on hard and soft skills like project management, communication, presentation, and development. Beyond offering participants a broad view of the company and concentrated, hands-on experience, the program promises to add a new layer to talent development at OSI Europe.



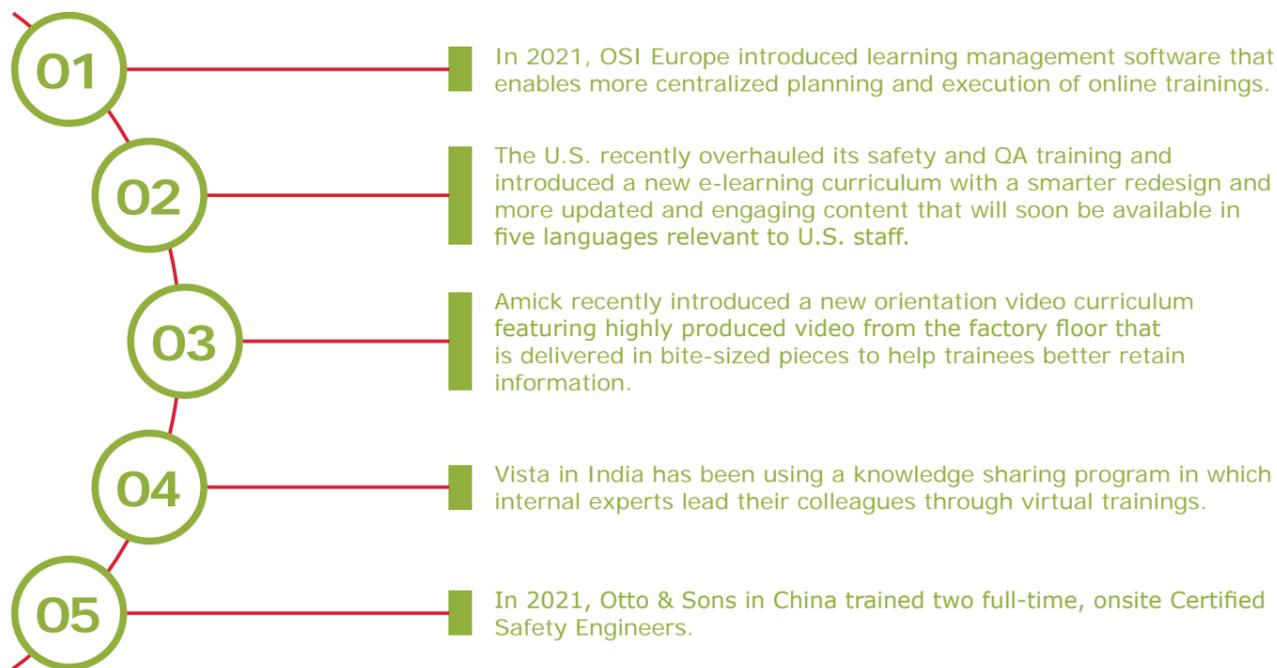
SPOTLIGHT ON WORKER SAFETY AND WELL-BEING

Developing a Safety-Focused Workforce

OSI's commitment to worker safety is integrated into our value of "putting people first," upheld by our Ethics and Business Standards, and driving our progress toward our 2025 goal of integrating a unified health and safety system across all locations. The people and activities described below ensure that safety is integrated into every aspect of our organization, from leadership to the factory floor.

- **Dedicated Safety Personnel:** Every business unit has a safety professional who interprets and guides safety programming in their respective areas. Every site has a safety manager or leader who manages safety practices including training, incident follow-up, and improvement projects to help meet OSI's goals of safety integration.
- **Safety Leader Professional Development:** Health and safety managers attend annual conferences to stay up to date on best practices. Some regions, including Australia and the U.S., have integrated safety topics into training for senior leaders.
- **Global Environmental Health and Safety Council:** Our health and safety-focused Council works to foster further alignment around best practices and drive adoption of our new global standards for safety. It serves as a forum for regional safety leaders to share best practices.

• **Team Member Training, and Education:** All new workers attend a mandatory orientation, while all team members are required to participate in regular trainings that vary according to their role in the company, but, generally, cover the Global Business Standards, workplace safety, food safety and quality, and reinforce the best practices within their role. Much of the organization now delivers trainings through digital platforms that have boosted attendance and enabled supervisors to track training completion more closely.



GLOBAL INJURY FREQUENCY RATE

↓ 0.37

2020: 4.33

2021: 3.96

* We used the following formula to calculate our IFR: Number of total recordable injuries/total hours worked x 200,000.



• **Fostering a Safety Culture:** OSI is continuously striving to strengthen our safety culture by communicating the role each of our team members play in maintaining a safe environment.



• **Reporting and Investigations:** All team members are encouraged to report safety concerns to managers or supervisors through our "Near Miss" program. At all our facilities, potential safety concerns, whether raised through a team member or audit, are investigated, and all accidents immediately trigger root-cause investigations that, in turn, inform future trainings and safety procedures.



Developing a Safety-Focused Workforce

- **COVID Safe Plans:** All plants have COVID safety plans that are regularly updated and specify expectations around everything from mask-wearing to thermal temperature checks.

- **Safety Sign-Off for Capital Projects:** Capital projects require a local safety sign-off before they can progress.



Keeping Each Other Safe During COVID

As a global food producer, we have played a critical role in keeping food on shelves around the world throughout the COVID-19 pandemic. To do this while continuing to prioritize the safety of our workers, we instituted new, proactive measures beyond our usual protocols, some of which included temperature checks, increased sanitation on the operating floors, in communal areas and offices, as well as eliminating non-critical, in-person meetings and non-essential visitors to our facilities.

Our teams in different parts of the world have experienced the pandemic differently, with some areas already returning to normalcy as other areas continue to fight the spread

of the virus. OSI has, therefore, been working with local authorities and health officials to ensure the decisions we make for each region and facility are grounded in facts and recommendations from experts in that geography. We have responded agilely to supply chain disruptions by tapping our relationships and expertise obtained through decades of managing global supply chains and serving the world's leading food brands. We have also continued to serve our communities and those most in need by donating food and other necessities, including medical supplies, in every region where the company operates.



Prioritizing Worker Mental Health and Well-being

OSI takes a proactive approach to investing in the health and well-being of our team members. Our leadership sets the tone by keeping doors to their offices open and engaging with their team during daily community lunches at our corporate offices, and monthly company town halls. Our plant operations similarly nurture friendliness and collaboration via pre-shift "huddles" and other regular opportunities for team member feedback. We routinely make ergonomic upgrades in our offices and factories and offer all team members access to a confidential hotline that offers support on a range of issues from mental health to personal finance. One of our businesses recently went

above and beyond to prioritize its workers' mental health. TurOSI, our joint venture in Australia, recently rolled out a new program aimed at empowering people in plants to serve as "mental health first responders." The Healthy Life Healthy Mind certificate program trains supervisors to recognize signs that workers may be struggling with a mental health issue and to direct them to appropriate resources. The business rolled out the program in 2020 with help from an external partner. Since launching, dozens of supervisors and managers have been through the program, which has led to an uptick in the number of workers taking advantage of our mental health resources.

A New Approach to Safety in North America

In 2021, OSI North America became the first region to roll out a higher-level safety system that all our regions are working toward as part of our 2025 safety goal. At the heart of the new North America system is the Safety Performance Rating, a metric devised to motivate supervisors to do everything in their power to prevent safety issues from arising. Rather than focus on injury rates, a popular indicator, the new formula focuses on injury prevention by putting more weight on categories like trainings, walkthroughs, safety talks and other activities that empower hourly workers — the largest group of team members

at OSI — to prioritize safety. A user-friendly training platform has been helping supervisors train their team members more efficiently, while a new dashboard has given them clearer visibility into their safety performance and pending activities. Meanwhile, a new financial incentive tied to Safety Performance Rates has added new energy to EHS in North America and contributed to measurable improvements. Since the new Safety Performance Rating was implemented, the lost time injury rate has dropped from 3.02 to 2.44. Meanwhile, the rate of completion for safety activities has risen from 97.37% to 99.34%.

PART II: ENVIRONMENTAL STEWARDSHIP WITHIN OUR WALLS

As a global business reliant on global resources, we consider it our duty to be responsible stewards of the environment, both where we operate facilities and where we source ingredients and packaging. Our three key environmental pillars are waste, water, and climate. Specifically, we are focused on:



Reducing waste generated and diverting unavoidable waste from landfills by recycling or recovering energy whenever possible.

Conserving water and improving wastewater quality.

Reducing our carbon footprint through energy conservation projects and strategic investments in renewable energy.

OSI's Sustainability Team is leveraging learnings from our approach to Global Food Safety to build a global strategy on a foundation of compliance with regulations, customer expectations, and relevant local and regional social norms. Developing this stable base will enable OSI to build a culture of engagement and accountability that will see us through an ever-changing global landscape.

Another important part of our global sustainability strategy will be a shift from a linear "take, make, dispose" approach toward a more circular business model both internally and with our supply chain partners. Internally, this will involve further developing our recycling practices, investing in renewables, and developing an organization-wide sustainability culture.

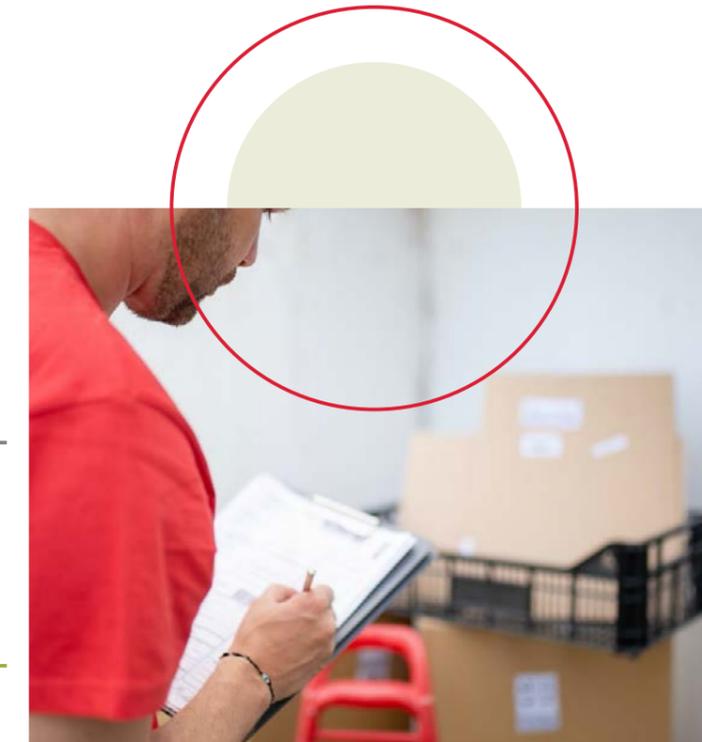
WE CURRENTLY MANAGE ENVIRONMENTAL IMPACT WITHIN OUR FACILITIES THROUGH:

Environment Policies

Robust environmental policies are in place for each of our facilities that ensure compliance with all applicable legal requirements and require the reporting of any issues to key stakeholders. The policies also outline priorities for improvement activities, accountability mechanisms, and a commitment to ensure the proper resources and training are in place to achieve our objectives.

Environmental Management Systems

Twelve OSI facilities have ISO 14001-certified environmental management systems, which guide our approach to responsibly managing environmental impacts. Other facilities have ISO 14001-aligned systems, while the rest are working toward implementing them. These systems help OSI manage environmental compliance and track performance against environmental goals.



6 OSI FACILITIES EMAS CERTIFIED

The higher-level, voluntary Eco Management and Audit Scheme (EMAS) certification is available to organizations in the European Union and requires them to be legally compliant, maintain an environmental management system, and publish independently-verified reports on environmental performance.

- OSI Food Solutions Austria (Enns)
- OSI Food Solutions Germany (Duisburg)
- OSI Food Solutions Germany (Günzburg)
- OSI Food Solutions Hungary (Bábolna)
- OSI Food Solutions Poland (Ostróda)
- OSI Food Solutions Spain (Toledo)

WE CURRENTLY MANAGE ENVIRONMENTAL IMPACT WITHIN OUR FACILITIES THROUGH:

Designated Personnel

An environmental manager or environment champion at each OSI facility shepherds these policies alongside facility management to assure that they are followed, and that systems are up to date and in accordance with regulatory and non-regulatory obligations. Several regions also employ higher-level managers with environmental oversight at the corporate business unit level. These Directors and Managers act as subject matter experts developing and deploying continuous improvement programs, providing support to plant-level professionals, and auditing the activities across the business. In all regions, experts in environmental regulation oversee impacts and ensure compliance with our environmental policies and standards, which vary based on local laws and stakeholder expectations.

Key Performance Indicators

Each facility reports environmental Key Performance Indicators (KPIs) into a proprietary dashboard that regional managers use to track company-wide progress toward our water, energy, and waste reduction targets. Annually, the company follows a similar process to evaluate the carbon footprint of production facilities and, in some cases, individual production lines.

Audits

- **First-Party:** *Eleven North America plants and 12 of our 19 plants in Europe have an internal environmental audit system. Managers in our other plants are continuing their work to develop internal environmental audit programs.*
- **Routine Internal Audits:**
 - *Our EMAS and ISO 14001-certified plants undergo third-party audits to ensure system compliance.*
 - *North America facilities complete self-assessments and are subject to corporate EHS audits annually. They also began gathering environmental data in 2021 to disclose as part of our Protein PACT commitment.*
 - *To fulfill customer requirements, 14 OSI facilities in Europe and 5 in the United States undergo third-party social accountability audits that check for compliance with non-regulatory environmental management obligations.*

Global Environment Health and Safety Council

Our council brings OSI's subject matter experts together to collaborate on areas of shared responsibility and interest, fosters further alignment around best practices, and drives adoption of stronger environmental management systems. It serves as a forum for regional Environment, Health, and Safety (EHS) leaders to share best practices.

Training, Education, Communication

Through targeted communication and company-wide events and activities, we strive to reinforce awareness about the role everyone at OSI plays in safeguarding and responsibly using the natural resources we depend on. For years, we have marked World Environment Day at our offices and facilities. In June 2022, we hosted a global celebration of environmental action under the U.N.'s theme "Only One Earth" to help our team members understand the opportunities both individuals and OSI to curb our carbon footprint, water use, and waste output.



SPOTLIGHT ON WASTE

Our Commitment

The expansion of our business between 2020 and 2021 resulted in an increase in production and, consequently, an increase in waste. However, we have accelerated recycling in certain regions and now operate 22 zero-waste-to-landfill facilities, up from 18 in 2020. We have been limited in our overall progress by a lack of recycling infrastructure in some parts of the world in which we operate. To address this challenge, and to improve our overall footprint, we maintain a waste management strategy that includes the activities described below:

- Most OSI facilities maintain policies on universal and hazardous waste. All European facilities have procedures in place for the collection, sorting, and handling of waste.
- Routine waste characterization assessments that help us understand what processes and/or equipment can help us improve yields and reduce waste.
- Engagement with local partners to identify the highest and best use for unavoidable waste streams such as: animal feed, recycling, returnable packaging systems, composting, land application, and energy generation.
- Celebrating milestone successes and sharing lessons learned and best practices across our system.



22 ZERO WASTE-TO-LANDFILL FACILITIES

- A+B.HIDES (Geldern, Germany)
- A+B.HIDES (Wegberg, Germany)
- Alpenrind (Salzburg, Austria)
- Creative Foods (Burton on Trent, UK)
- Gelderland Frischwaren (Emmerich, Germany)
- Orange Bay Foods (Japan)
- OSI Bad Iburg (Germany)
- OSI Food Solutions Austria (Enns)
- OSI Food Solutions Germany (Duisburg)
- OSI Food Solutions Germany (Günzburg)
- OSI Food Solutions Hungary (Bábolna)
- OSI Food Solutions Poland (Ostróda)
- OSI Food Solutions Spain (Toledo)
- OSI Food Solutions UK (Scunthorpe)
- OSI Fort Atkinson (Wisconsin, USA)
- OSI Geneva (Illinois, USA)
- OSI Poland Foodworks (Chroscina)
- Pickstock (Telford, UK)
- Vista – North (India)
- Vista – South (India)
- Vista – West (India)
- Vital Convenience (Erkelenz, Germany)

01

79% of OSI facilities in Europe are now zero waste-to-landfill. Plants located in regions that lack sufficient recycling infrastructure are researching alternative actions we can take to reduce waste.

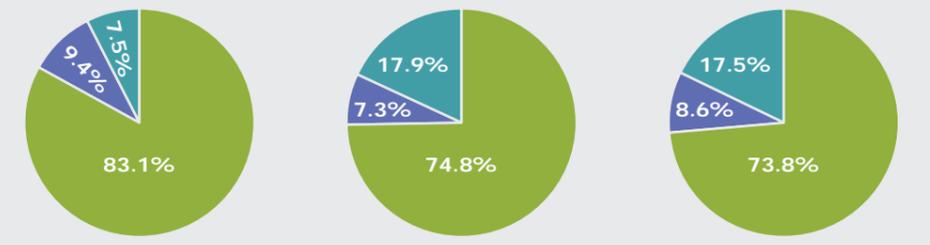
02

Plants in India have partnered with farmers who use vegetable waste to produce compost.

03

Facilities in Australia are looking into packaging alternatives to reduce plastic waste.

Total Waste Generated (kg/MT of product produced): **2015 BASELINE 79.8**, **2020 67.1**, **2021 60.8**



● Total Recycled
● Total Landfilled
● Total Incinerated



Rethinking Packaging at TurOSI

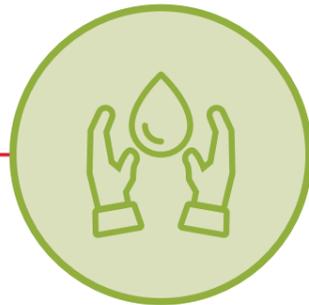
TurOSI, the OSI joint venture in Australia, is one of more than 1,500 businesses from across the country's packaging supply chain to have signed an ambitious National Packaging Covenant, which offers signatories access to resources, expertise, and other support for rethinking approaches to packaging.

All signatories must develop a yearly action plan and submit an annual report that tracks progress toward national 2025 goals. Currently, TurOSI is working with experts to devise a plan to develop alternatives to packaging used for transporting food products from its four manufacturing

facilities to customers across the country. TurOSI has committed to a trial with a supplier that makes recyclable plastic packaging trays. When fully implemented, the trays could replace non-recyclable materials currently used to keep packaged products fresh. The scheme is already facilitating discussions around innovative new product development solutions for packaging with suppliers and customers. The solutions TurOSI develops to meet Australia's targets will be shared with the wider organization for consideration in achieving OSI's goal of having zero waste-to-landfill facilities by 2025.

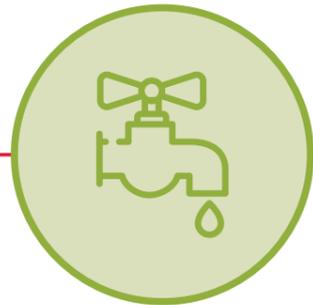
SPOTLIGHT ON WATER

The addition of new facilities and customers has resulted in increases in our total water withdrawal and water intensity between 2020 and 2021. Our mix of products is now more water intensive in terms of ingredients and processing. For food safety purposes, all our facilities require minimum daily cleaning. To aid with sanitation, many of our facilities have adopted automated cleaning systems, which can consume more water than manual cleaning. To address our water challenges, OSI has been engaged in the following activities:



Monitoring and Analysis

Monitoring of water consumption to help us understand how much water is being used specifically for sanitation purposes. Meters capable of collecting the more granular data are being installed at OSI facilities that don't currently have them. This will help us establish goals and expectations around how much water can realistically be reduced without sacrificing food safety requirements.



Projects

Many OSI plants have introduced more efficient water nozzles and spray guns to direct and control water more efficiently to reduce water usage. This is a best practice we continue to promote where it is not yet implemented.

01

Two Amick Farms plants in the U.S. have demonstrated their ability to reuse 20% of the average 1.4 million gallons of ground water after implementing water reuse systems in 2020 and 2021.

02

Plants in India have been working with farmers on a hydroponics project that enables water to be reused in the production of lettuce.

Total Global Water Withdrawal Volume (HM ³)		Global Water Intensity (l/kg of product)		Water Intensity Increase vs. 2015 Baseline	
2020	2021	2020	2021	2020	2021
9.731	10.132	5.56	5.73	3.0%	6.2%



Amick Farms Boiler Project Curbs Carbon Output and Water Use

An Amick Farms processing plant in the U.S. recently implemented a project to increase the efficiency of their boilers, which resulted in the reduction of carbon and water. The plant switched to a tannin chemical treatment on its boilers which allowed for higher conductivity to be held. This, in turn, allowed for its blowdown water, make-up water, and overall energy use to decrease relative to its boilers while increasing overall steam efficiency. The

change equated to offsetting ~200 tons/year of CO₂, which has the same impact of removing ~44 mid-size cars from the road. It also resulted in the offsetting of ~1.3 million gallons of make-up water, and ~1.8 million gallons a year of sewer water. The savings from a natural gas energy standpoint is ~3,700 dth/year which is comparable to heating 85 residential homes for 1 year.

SPOTLIGHT ON CLIMATE CHANGE (SCOPE 1 + 2 EMISSIONS)

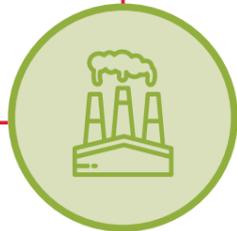
OSI is committed to mitigating greenhouse gas (GHG) emissions in our operations to reduce the risk of changing climates. The steps we are taking to continuously improve our energy efficiency and reduce our carbon footprint within our own operations are critical to the future of our company's operations and the continued trust of our stakeholders. They include:



Committing to Science Based Targets

In November 2022, OSI submitted our formal commitment letter to the Science Based Targets initiative (SBTi), a global body that will help us set and report emissions reduction targets based on the latest climate science.

We are in the process of doing our due diligence in pursuit of setting our target aligned with the Paris Agreement and to what science dictates is necessary to limit global warming to 1.5 degrees Celsius.



Carbon Calculation

OSI's carbon calculation tool is aligned to the GHG protocol and informs our sustainability strategy by helping managers identify and quantify carbon emissions in our facilities and supply chain. The tool tracks what are known as Scope 1, 2, and 3 emissions, which respectively, come from in-company operations (heating, cooling, the use of company-owned vehicles, etc.), the buying of utilities (electricity, natural gas, etc.), and our up and downstream activities (business travel, transportation and distribution of products, production of raw materials, etc.). The tool is being used in Europe and the U.S. and will be rolled out in the Asia-Pacific region to inform our approach to emission reduction and allocate emissions across our customer and product portfolios.



Plant Level Improvements

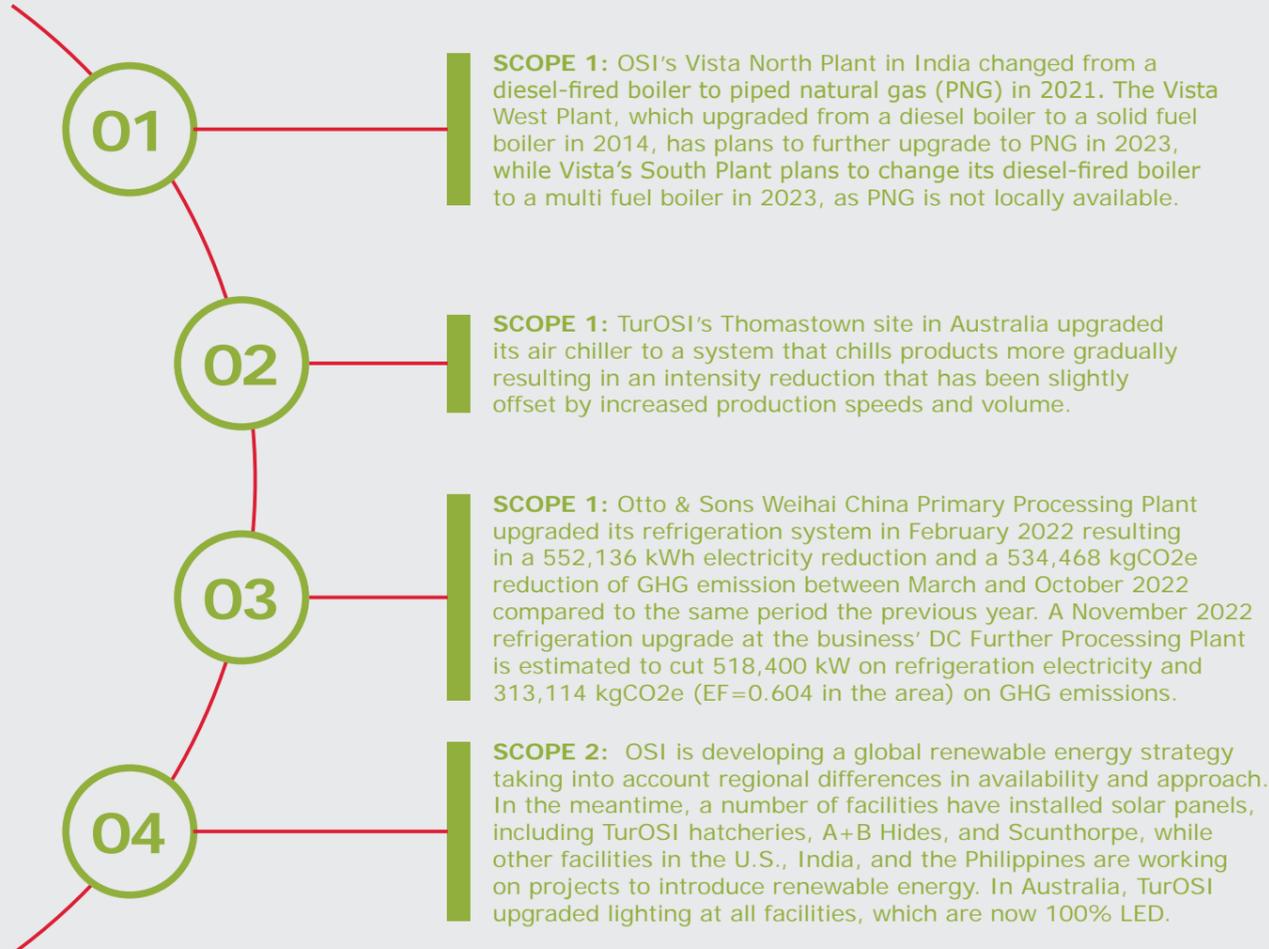
At the plant level, our main sources of energy and GHG come from natural gas, which, in addition to our cooling activities, comprise the two largest sources of GHG emissions from our direct operations.

Examples of energy conservation strategies include:

- Installing renewable energy sources on site
- Calibrating refrigeration equipment
- Installing alternative systems and equipment to promote energy efficiency and reduce losses



	2020	2021
Renewable Energy SCOPE 1 GHG Emissions	5.56%	5.73%
SCOPE 2 GHG Emissions (MT CO2e)	123,440	123,553
SCOPE 1+2 GHG Emissions (MT CO2e)	270,111	280,611
GHG Emissions Intensity (MT CO2e/MT Produced) SCOPE 1+2 ONLY	0.3257	0.3345
% CHANGE FROM 2015 BASELINE	-5.46%	-2.89%



Two U.K. Facilities Aim for Net Zero Emissions by 2025

Two facilities in the U.K., Scunthorpe and Pickstock, are working to reach net zero emissions by 2025. Both sites have switched to 100% green electricity and installed meters to track energy consumption enabling the plants to set targets and increase power quality. Scunthorpe has installed a 277 kWp PV solar power system with the potential to offset approximately 182 tonnes of CO₂ per year, which will have about the same environmental impact as planting 17,280 trees.

To further curb energy use, the plant has also upgraded aging compressors and cold storage systems, replaced all lighting with LED lights, which will save approximately 52 MWh of energy per year. Pickstock, meanwhile, was the first abattoir in England to use an anaerobic digester to convert manure and animal byproducts into heat, electricity, and nutrient-rich fertilizer for crops and animal feedstock. The anaerobic digester produces more than 4 million kW of power a year, while an onsite rainwater harvester saves the plant more than 43 million liters of water a year, enough to fill 17 Olympic-sized swimming pools. The plant's upgrades have enabled it to use 70 percent of its own electricity.

03

Our Priorities



IN THIS SECTION YOU CAN READ ABOUT

- 1. **Our Supply Chain**
 - Forests and Land
 - Scope 3 Emissions
 - Farmer Engagement
- 2. **Community Engagement**

OVERVIEW

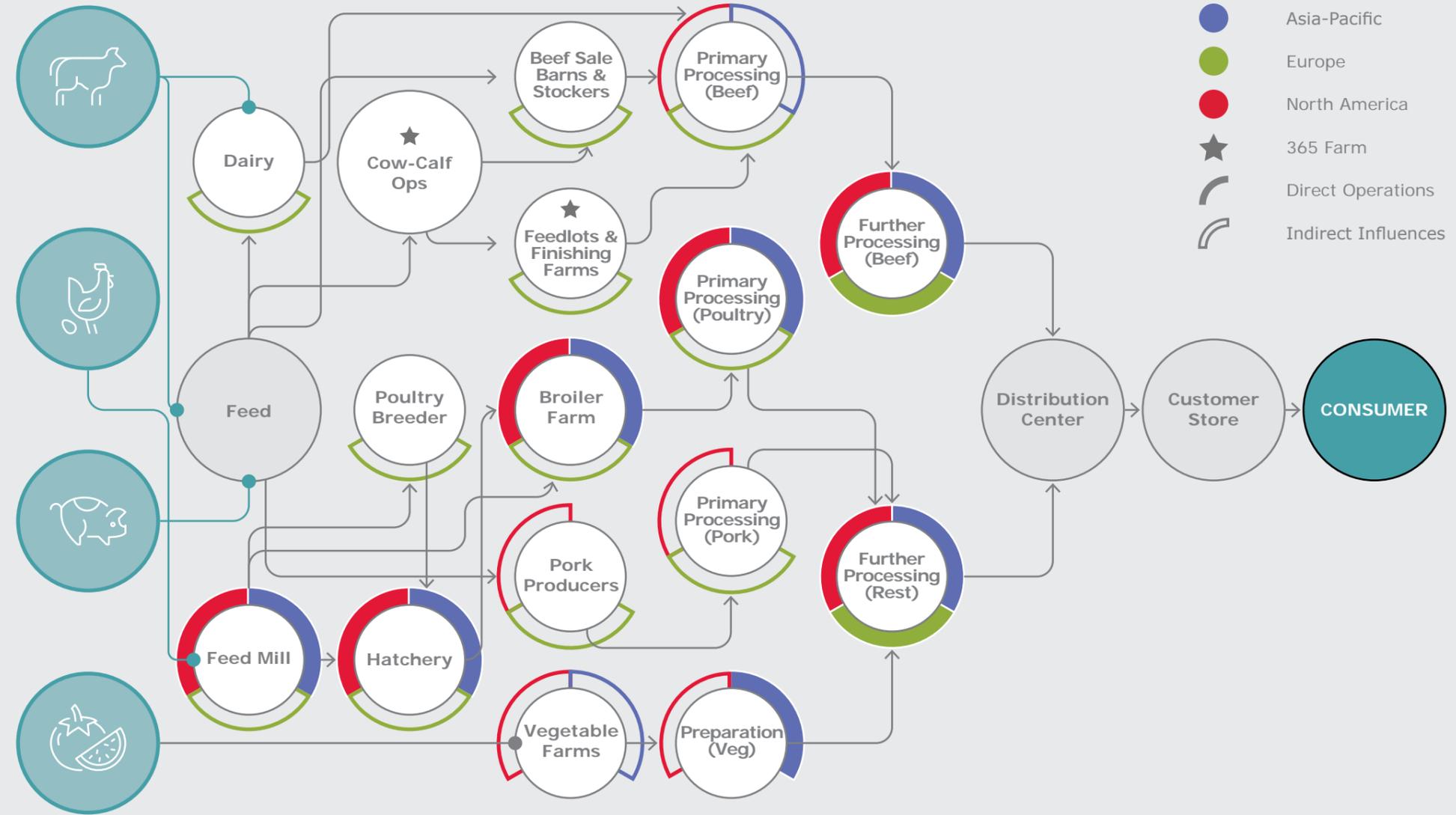


PART I: OUR SUPPLY CHAIN

While we are laser-focused on strengthening our approach to social and environmental issues within our walls, we are simultaneously focused on leveraging our global network and presence to maximize our positive influence beyond our walls.

In this section, we provide an overview of our supply chain and describe the ways we are working to influence environmental and social impacts stretching back to our raw material suppliers. One of the key ways we are doing this is through closer engagement with farmers deeper in our supply chain, which you can read about in this section, along with a summary of efforts we make to give back to the communities in which we operate.

Each year, OSI sources over 1.5 billion pounds of raw materials from more than three dozen countries to bring our customers' culinary creations to life. Our complex global supply chain spans from raw material suppliers to the consumer's table and requires us to agilely respond to customer needs, market demands and disruptions, and the realities of on-farm operations and protein raw material suppliers.



SUPPLY CHAIN MANAGEMENT

Agreements

Our supplier-specific agreements set clear sourcing expectations for our suppliers related to quality, food safety and animal welfare. These agreements form the foundation of our partnering relationships with suppliers and are supplemented by customer-specific standards that, in some cases, go above and beyond industry standards.

Supplier Code of Conduct

Suppliers must also sign our Supplier Code of Conduct, which sets forth OSI's safety and human rights requirements. The Code of Conduct requires suppliers to create internal management programs for upholding human rights, which encompasses handling reports of workplace grievances, including anonymous reports, and protecting whistleblowers. Suppliers are responsible for prompt reporting (including to OSI, as applicable) of actual or suspected violations of law, the Code, or our Global Business Standards for OSI's team members. This includes violations by any team member or agent acting on behalf of either the supplier or OSI.

Audits

We deploy auditors to all vendor locations annually to ensure compliance with vendor agreements and our Supplier Code of Conduct. As an added layer of accountability, many OSI facilities undergo Supplier Workplace Accountability audits. The audits ensure, among other things, that workers are of legal age, employment is offered on voluntary terms, and that workers understand that they have the right, without fear of reprisal, to associate, or not, with any group permitted by law.

Vendor Management Systems

Some of our regions use surveys and other vendor management systems to communicate and problem-solve with suppliers in real-time, and track their audit reports, performance, ranking, and evaluations.

Direct Supplier Engagement

We go to great lengths to engage directly with our suppliers and maintain a presence in all our key raw material markets. From vertically integrated poultry farms in Europe to processing plants in the U.S. or trading centers in Thailand, our own team members are embedded deep within the supply chain, as auditors, trainers, and sustainability project partners. Where we can, we engage directly with farmers via designated personnel and through programs described later in this report. Our longstanding commitment to personal relationships ensures the highest safety and quality of our products and allows us to influence sustainability strategies to drive mutually beneficial priorities beyond our walls.

SUSTAINABLE PROCUREMENT

For years, we have helped customers meet their own sustainability goals by working with suppliers and within our own vertically integrated businesses to build capabilities, and by developing new, resilient and agile sources of supply.

At the same time, we have been working to elevate our own standards and ensure we always source ingredients and packaging needed for our products in the most responsible way possible and conduct regular reviews to identify suitable, environmentally advantageous alternatives. Since our largest climate impacts occur within our landed, agricultural supply base, we are especially focused on reducing emissions within our supply chain. We are also focused on better understanding and mitigating deforestation risks, which is an industry-wide challenge.

01

Vista Global GAP Certification: Vista Processed Foods, OSI's business in India, helped two suppliers and three farms attain Global GAP Certification in 2021. The suppliers are among a select few in the country to have attained the global certification, which recognizes suppliers that adhere to its rigorous good agricultural practices.

02

TurOSI RSPCA Certification: In 2020, TurOSI broiler farms received certification from the Royal Society for the Prevention of Cruelty against Animals for implementing a range of higher animal welfare and enrichment standards.

03

Europe Enrichment R&D Projects: OSI Europe is working with partners in several counties on animal welfare trials that are testing the impact of higher enrichment standards, such as perching and increased natural light, on broiler farms.



OUR HISTORY OF SUPPORTING COMMITMENT-LED ENRICHMENT PROGRAMS

Company supply chain commitments and sustainability standards are becoming the norm for customers of all sizes.

Our extensive supply chain experience, infrastructure and financial resources position us as an important resource for customers interested in learning more about market opportunities, potential tradeoffs, and how best to achieve their goals. Our supply chain team has a long history of investing in and developing the capabilities of our suppliers to help our customers meet their brand commitments, related to everything from animal welfare to environmental goals.



TECHNOLOGY AND TRACEABILITY

Since digitizing our supply chain in 2019, we have been able to communicate and problem-solve with our suppliers in real time, respond to changes more rapidly, and gain much deeper visibility into the pathways that products take before they enter our facilities.

Ongoing evolution of these technologies and continuous improvement in transparency reporting will be key to our collaboration strategy with suppliers and customers while we jointly tackle our extended environmental footprint.



SPOTLIGHT ON FORESTS

OSI does not have any direct operations in vulnerable forest ecosystems; however, we recognize risks in our supply chain related to commodities known to contribute to deforestation. Our sustainable sourcing strategies are designed to regularly monitor areas of deforestation risk in our supply chains.



Supply Chain Due Diligence

Our Supply Chain and Quality Assurance Raw Material Teams investigate the practices of suppliers who provide us with beef, soy used for chicken feed, palm oil and its derivatives, and paper packaging products to understand the level of risk of deforestation.

Our Food Safety Quality Assurance Team does this through:

- Annual supplier assessments and surveys
- Traceability exercises
- Continuous supplier engagement



Voluntary Disclosure

For the last three years, we have submitted a response annually to the CDP Supply Chain Forest Questionnaire. This disclosure allows our leadership and requesting customers to see our forest-related risks, opportunities, and impacts in detail to ensure that our purchasing decisions are aligned with sustainability goals and commitments within our industry.



Stakeholder Engagement

We regularly engage with industry peers, customers, experts, suppliers, and other key stakeholders to stay abreast of best practices regarding supply chain due diligence and traceability.



SPOTLIGHT ON SCOPE 3 EMISSIONS



OSI is accelerating efforts to measure and reduce our Scope 3 emissions from our up- and downstream activities, such as business travel, the transportation and distribution of products, and the production of raw material, including cattle.

We are using our carbon calculation tool to measure our Scope 1, 2, and 3 emissions in Europe and the U.S. and will roll it out in the Asia-Pacific region to inform our approach to emission reduction and to allocate emissions across our customer and product portfolios. We also make annual supply chain disclosures to the climate nonprofit CDP about potential impacts OSI and our supply chain may have on the climate, which helps us identify potential areas for improvement. Our goal is to elevate agricultural best practices in deforestation, land management, regenerative techniques, and other environmental areas and reduce susceptibility to climate change risks in our supplier base.

Industry and Multi-Stakeholder Engagement

One of the key ways we are working to curb our Scope 3 emissions and advance our other sustainability goals is through engagement with a wide range of stakeholders who have the expertise, experience, and resources to elevate industry standards. OSI's Sustainability, Procurement, and Quality Assurance Raw Material teams regularly engage with suppliers and other stakeholders through our participation in dozens of multi-stakeholder roundtables and industry groups, which allow us to exchange best practices, address issues that do not meet our ethical standards, and better understand on-farm challenges and opportunities.

These roundtables ensure we hear the voices of all our stakeholders and facilitate collaboration with academic experts and industry leaders, who, in turn, help us to advance innovations for our supply chain, as well as train others on best practices.

Our leadership positions on industry sustainability efforts give us a voice in setting industry standards for sustainability.

These positions include:

- Our advocacy for adoption of the North American Meat Institute's Protein PACT by example and through clear alignment.
- Our championing of global goals for sustainable beef through leadership positions on the Global Roundtable for Sustainable Beef (GRSB) and the European Roundtable for Beef Sustainability (ERBS) along with membership in other country roundtables.
- Our leadership on the National Chicken Council (NCC) to educate and influence U.S. policy-makers on chicken production and processing.

OSI Industry and Multi-Stakeholder Group Memberships

	Beef	Poultry	Multispecies	Food Production
Global	<ul style="list-style-type: none"> *Global Roundtable for Sustainable Beef (GRSB) 	<ul style="list-style-type: none"> International Poultry Council (IPC) 	<ul style="list-style-type: none"> *International Meat Trade Association (Board Member) 	<ul style="list-style-type: none"> Roundtable on Responsible Soy (RTRS) Roundtable on Sustainable Palm Oil (RSPO) *International Association of Food Protection (IAFP) *Campden BRI
Asia-Pacific	<ul style="list-style-type: none"> Australian Beef Sustainability Framework 	<ul style="list-style-type: none"> *Australian Chicken Meat Federation (ACMF) *Victorian Chicken Meat Council (VCMC) Agrifutures Chicken Meat Advisory Panel Australian Veterinary Poultry Association (AVPA) Poultry Health and Welfare Liaison Group (PHWLG) Poultry Hub China White Feather Broiler Association China Poultry Industry Association (CAAA) 	<ul style="list-style-type: none"> Australian Meat Industry Council (AMIC) *Protein Foods & Nutrition Development Association of India (PFNDIAI) Compound Livestock Feed Manufacturers Association of India (CLFMA) Shandong Feed Industry Association TWG Codex Committee on Fish and Fishery Products 	<ul style="list-style-type: none"> Australian Industry Group U.S. China Agriculture and Food Partnership (AFP) *ASEAN Food & Beverage Alliance (AFBA) *Philippine Chamber of Food Manufacturers Inc. (PCFMI) TWG Codex Sub-Committee on Food Hygiene
United States	<ul style="list-style-type: none"> U.S. Roundtable for Sustainable Beef (USRSB) Professional Dairy Producers of Wisconsin (PDPW) 	<ul style="list-style-type: none"> U.S. Poultry & Egg Association *National Chicken Council (NCC) U.S. Roundtable for Sustainable Poultry and Eggs (US-RSPE) International Poultry Welfare Alliance (IPWA) 	<ul style="list-style-type: none"> Professional Animal Auditor Certification Organization (PAACO) Animal Agriculture Alliance *North American Meat Institute (NAMI) Farm Foundation NAMI Protein PACT Advisory Council 	<ul style="list-style-type: none"> Women's Food Service Forum (WFF) *Food Research Institute (FRI)
Europe	<ul style="list-style-type: none"> *European Roundtable on Beef Sustainability German Meat Association (VDF) Asociación Nacional Industrias de la Carne de España (ANICE) Polish Beef Association *Polish Platform for Beef Sustainability Austrian National Working Groups for Improvements in Beef Supply Chain 	<ul style="list-style-type: none"> German Poultry Association (ZDG) Association of Poultry Processors and Poultry Trade in the EU Countries (AVEC) BVE (Bundesverband der Geflügelschlachtereien) WPSA World Poultry Association Germany 	<ul style="list-style-type: none"> British Meat Processors Association (BMPA) Ukraine National Association of Meat and Meat Products Producers (Ukrmjaso) Polish Meat Association The Association of Sustainable Agriculture in Poland (ASAP) Subgroup Animal Welfare Labelling in European Commission Animal Welfare Platform 	<ul style="list-style-type: none"> Bundesverband der Systemgastronomie e.V. (Federal Association of System Gastronomy e.V) EHEDG (European Hygienic Engineering & Design Group) Meat Business Women QS (Qualität und Sicherheit GmbH) Wirtschaftskammer Österreich

* Indicates OSI Leadership Role

Farmer Engagement

One of the most important groups we engage with in our efforts to curb Scope 3 emissions and to elevate other environmental, social, and animal welfare standards, are the farmers in our supply chain.

As a company stewarded by leaders with deep connections to the farm, OSI has always championed farmers and seen them as an integral part of our business and sustainability journey. We are conscious of the challenges farmers around the world face when adopting any new practice and are, therefore, committed to partnering with and supporting them in fulfilling sustainability-related requirements and making voluntary improvements. Our commitment to farmers also includes elevating those excelling in sustainability practices who can serve as models for others in our network striving to better steward land and resources for the next generation.



We support farmers via:

• **Programs:** OSI supports programs aimed at driving awareness and adoption of on-farm sustainability practices. These programs enable us to extend our influence on parts of the supply chain where we do not have direct access and are focused on creating consistency, driving investment for industry advancement, and ensuring farmers are aware of opportunities. At times, this work happens at a product or customer-specific level. Other times, OSI works as a critical link in the value chain and key actor in creating and accelerating industry progress.

• **Amplifying Exemplary Farmers for Peer-to-Peer Sharing:** We give exemplary farmers a platform so other farmers can learn from them.

01 The Northern Great Plains Regenerative Grazing Project: In 2019, OSI and partners launched a pilot program to advance adoption of regenerative grazing in the Northern Great Plains of the United States by providing ranchers with educational resources, practical advice, financial incentives through the use of carbon offset credits, and a community of support to help them explore transitioning to the more sustainable practice. OSI's role in the project is centered around rancher education and engagement executed through workshops and peer discussions intended to increase rancher awareness around regenerative grazing.

02 The Broiler Flagship Farm: This broiler farm in Europe is used to share best practices within OSI's supply chain in regard to enrichment objects, hygiene, biosecurity, and good farming practices.

01 OSI Sustainability 365 Program: Our Farmer Recognition Program began in 2019 to recognize farmers in our supply chain doing exemplary sustainability work and to create a broad and representative network of sustainability farmers. The program aims to create a stronger link between our food and the farmers around the world who produce it. It also helps our company and partners maintain a connection back to these producers and their farms. Through this program, we are working to facilitate idea sharing, so farmers and partners throughout the supply chain can learn from each other and improve the overall sustainability of our industry. In 2022, OSI named its first 365 Farm in Poland.

02 In Europe, OSI has launched its own program to benchmark suppliers based on sustainability criteria. The benchmark, which was trialed in the U.K. and Ireland starting in 2020, allows OSI to understand how engaged our suppliers are with sustainability. It also enables us to encourage greater engagement with our valued suppliers in core areas. In 2021, we scaled this benchmark to Poland and Germany and plan to further scale it to Spain.

03 Europe Carbon Footprint Testing: Several beef farms that supply OSI Europe have been using the Cool Farm Tool, which tracks carbon and helps farmers understand how well their emission reduction strategies are working.

Our Carbon Neutral Trial Farm Plots Next Steps

Over the last two years, OSI Europe has been working with partners to collaborate with a trial farm in the U.K., that is roughly the size of 430 soccer fields, to become carbon neutral by 2030. The Net Zero Pathway Project has been taking place on Brongain Farm, a series of six farms in Wales, that supplies beef to OSI Europe. The project aims to reduce emissions at all stages of the beef production supply chain, from feed production through final processing of the animals.

As with all our carbon-reduction projects, this one began with an extensive review to establish a baseline of total carbon dioxide, methane, and nitrous oxide emissions, which are converted to CO₂e using an online carbon accounting tool. With the baseline now established, the project partners are now able to have informed discussions about mitigation efforts and are working to identify options to reach their goals. Potential strategies they are considering include sourcing feedstock locally, transitioning to more sustainable fertilizer, investing in genomics to select the least emission-intensive herd, and adopting more sustainable grazing practices. Having established a baseline, OSI will next begin second-stage soil sampling to calculate the amount of CO₂e being offset by biomass on the farms. Armed with that information, OSI will plan its mitigation measures and determine how best to reach the net zero goal.

PART II: COMMUNITY ENGAGEMENT

The generosity and cooperation of the communities in which we operate enable us to do business around the world. OSI values its community relationships and engages in several ways. From food pantry volunteering and donations to internship opportunities, OSI's goal is to create opportunity and partnership within the communities that its team members call home. As food providers with global reach, we are well-placed and proud to meet some of their critical needs.

A Culture of Giving Back

OSI leadership drives the company's culture of philanthropy. Our owners have a long history of supporting philanthropic causes, including agricultural development in East Africa, agricultural education, and children's charities. The same spirit of giving back extends to the rest of the business through our charitable foundations. The OSI Group Foundation, which we established in 2011, targets charity in the U.S. toward three key social responsibility areas: food research and education, health and nutrition, and children and families. TurOSI Giving, established in Australia in 2011, focuses on a range of charities, especially those serving children.

Corporate offices in each OSI region oversee team member-led volunteering that ranges from formal company-sponsored time off in Australia, to informal company-sanctioned volunteering in the U.S., where an Outreach Team coordinates opportunities to serve local communities. In Europe, sites have the autonomy to organize engagement events.



A Note on Our Operations in Ukraine

OSI operates two plants and employs valued team members in Ukraine. The ongoing conflict in the country has forced both OSI and our team members in the country to make difficult decisions. After careful consideration, we decided it was important for us to continue to operate in the country to fill critical food shortages. However, we also communicated to our team in Ukraine that we would support whatever decision they believed was in the best interest of themselves and their loved ones. For the many who have chosen to stay at OSI, we have offered food and shelter. We have also invited our team members around the world to share messages of support, solidarity, and love with their colleagues in Ukraine and to remind them that we are thinking of them and forever grateful for the sacrifices they are making through this terribly difficult time.

Community Partnerships and Initiatives

Over the years, OSI has partnered with a wide range of food banks and hunger relief programs to give back to local communities and reduce food insecurity. Amid the COVID-19 pandemic in 2020 and 2021, we balanced our commitment to keeping our team members and community partners safe with our desire to do as much as safely possible to donate food, funds and provide assistance to those in need — from our own team members to global and community organizations providing essential services. As a safety precaution, we temporarily suspended many of our company-sponsored in-person community volunteering activities. Volunteer time for company-sponsored community activities, therefore, dipped from 945 hours in 2019 to 698.5 hours in 2020.

That number, though, has begun to rebound with facilities logging 758.5 volunteer hours in 2021. Even as we pulled back on in-person activities, we remained focused on providing donations. During the reporting window for this report, OSI donated nearly 95,996 pounds (43,543 kg) of food and \$1,038,202 in financial assistance to a range of charitable organizations.

- 01 Our Amick Farms Batesburg facility in the U.S. helped a local group raise funds for sick community members, donated funds to a local recreation department and soup kitchen, donated school supplies to team members and local schools, and sponsored a local "Miss South Carolina" contestant.
- 02 Our facilities in Europe donated cloth face masks, engaged in litter clean-up activities, raised funds for local education programs, and offered support to local retirees and families in need.
- 03 In Australia, TurOSI donated money to a local hospital to support children removed from their homes because their parents contacted COVID-19.
- 04 In China, Otto & Sons cooked hot meals for workers at COVID checkpoints throughout Weihai China.

03

Our Priorities



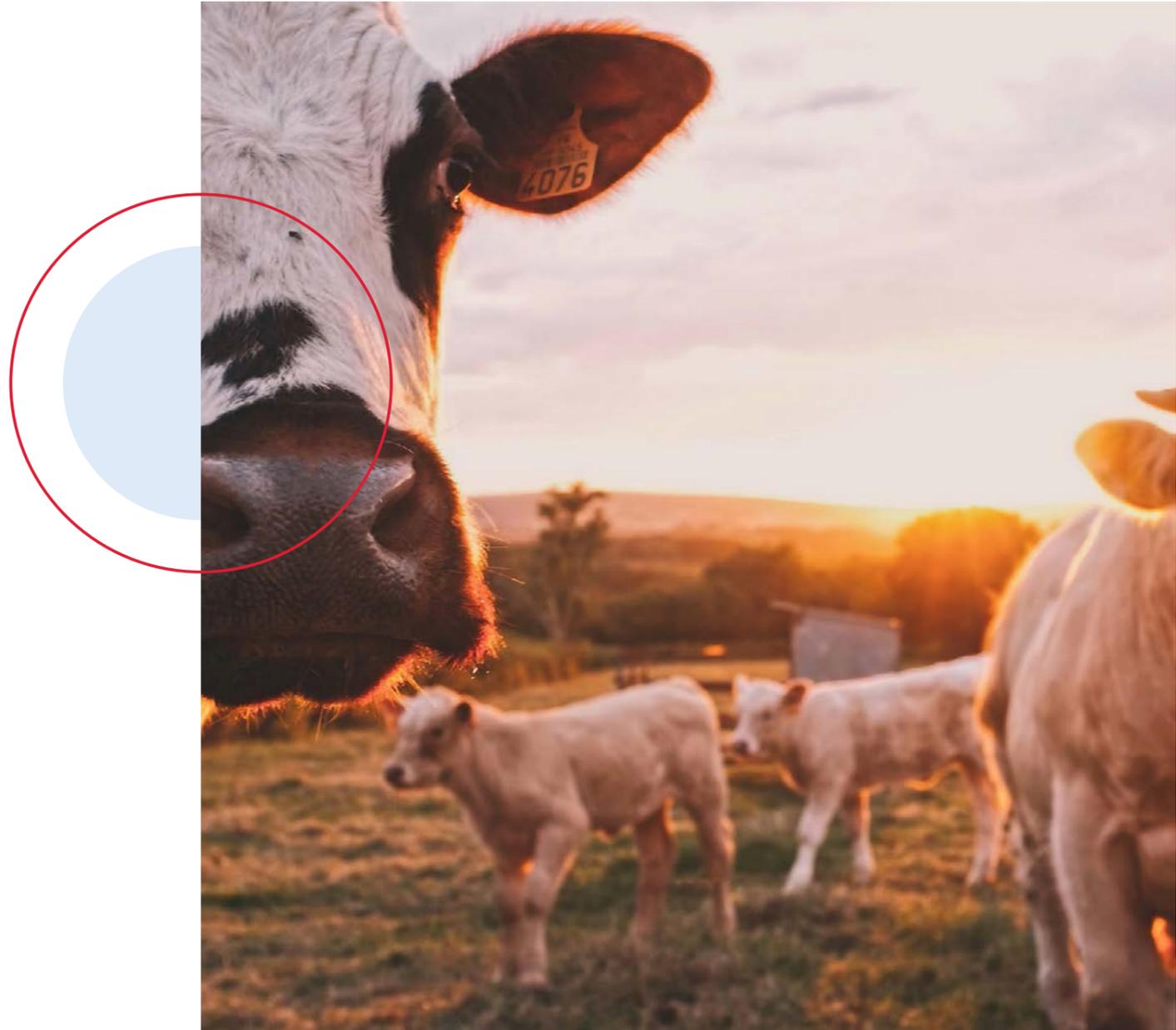
IN THIS SECTION YOU CAN READ ABOUT

- 1. Our Supply Chain
- 2. Antibiotic Stewardship

ANIMAL WELFARE

At OSI, we and our stakeholders insist on high standards of animal care in our supply chain. We are committed to ensuring humane treatment, handling and processing of animals at all times at our own farms and primary processing plants and in all of our sourcing avenues.

This dedication is a long-standing component of our company's business practices and these requirements are enforced throughout our supply chain. We are also committed to leading our industry in animal welfare best practices, and to preserving antibiotic effectiveness for human and animal health by prioritizing healthy animals and responsible use of critically important antimicrobials in our supply chain.



The policies and expectations below guide our broad approach to animal welfare and antibiotic use in our operations and supply chains. They are augmented by region and customer-specific requirements, which, in some cases, go above and beyond industry standards.

Animal Welfare Policy Commitment

This public-facing document establishes uniform standards and high expectations around the treatment and welfare of all animals we source. It is available to all team members, customers, and suppliers. The policy commitment requires OSI and our suppliers to comply with all laws and regulations, maintain a robust animal welfare management system, undergo regular animal welfare verification audits, maintain a culture of animal welfare awareness, continuously improve, partner with suppliers to advance their animal welfare practices, and respect the Five Freedoms of animal welfare under human control as defined by the World Organization for Animal Health:

- Freedom from hunger, malnutrition, and thirst
- Freedom from fear and distress
- Freedom from physical and thermal discomfort
- Freedom from pain, injury, and disease
- Freedom to express (most) normal patterns of behavior

Supplier Agreements

These agreements set clear sourcing expectations for our suppliers related to quality, food safety, and animal welfare; forming the foundation of our partnering relationships with suppliers and supplemented with customer-specific standards that often go above and beyond industry standards. The expectation agreements require our suppliers to:

- Develop management systems for all required procedures outlined in the document. These systems should work best for their context and operations but, ultimately, meet all safety and quality objectives.
- Maintain documentation that supports the efficacy of their programs and approach and provide that evidence to OSI when requested.
- Adhere to our Supplier Code of Conduct, which outlines guiding principles and minimum standards that we expect our suppliers to adhere to throughout the course of our business relationship. This Code of Conduct specifically identifies animal welfare as a shared value that we expect for our supply chain partners.

Antibiotic Guiding Principles

These principles are published on OSI's website and made available to all team members, customers, and suppliers. It communicates our support for:

- The international consensus that livestock producers, working with their veterinarians, are in the best position to ensure the prudent and judicious use of antibiotics in food animal production consistent with animal and public health protection, while ensuring the ability to treat animals and maintaining the highest standard of animal welfare practices.
- The WHO's categorization of antibiotics, which includes antimicrobials designated as critically important to human medicine.
- Supplier efforts to implement animal production practices that reduce and, where possible, eliminate sub-therapeutic antibiotic use in food animals, and adopt best practices that would result in responsible antibiotic use.
- Adherence to all laws and regulations.
- Protocols that ensure animals are not introduced into the food supply until medicines have sufficiently cleared their systems.

MANAGING ANIMAL WELFARE IN OUR OPERATIONS AND SUPPLY CHAIN



Industry Best Practices and Elevated Standards

Our own farms and primary processing plants operate according to the best practices set by industry experts, such as the World Organisation for Animal Health (OIE), Dr. Temple Grandin, and the North American Meat Institute Animal Handling Guidelines. OSI's beef and chicken farmers are audited under specific farm assurance standards that promote best practices. OSI works with our roundtable partners to establish and maintain standards that benchmark supplier performance with best practices and ensure consistent quality and animal welfare through regular audits.

A Culture of Trained Leaders and Team Members

- **Designated Personnel:** Professionals across our organization are responsible for overseeing animal welfare and sustainability practices on our own farms and in our supply chain.
 - **Farm Managers:** In areas where we have vertically integrated operations, OSI employs internal farm managers who work with our farmers to ensure that animals are properly cared for and that best practices are followed.
 - **Quality Assurance Auditors:** To keep OSI connected to production practices and tuned in to any concerns that might impact OSI customers, we employ or contract quality assurance auditors, who maintain sourcing expectations.
 - **Supply Chain and Sustainability Leaders:** Our teams of supply chain and sustainability leaders participate in industry groups and work with OSI suppliers to extend their influence further into the supply chain. Both teams also directly engage with co-ops to develop new suppliers and enable them to meet higher value standards.

- **Mandatory Internal Training:** All our team members who handle animals must be competent and receive training from globally recognized subject matter experts.
- **Internal Culture Building:** OSI incorporated animal welfare into a key Food Safety communications initiative aimed at motivating all OSI team members to make safety best practices a conscious part of their daily work.
- **Upstream Training and Education:** OSI deploys external trainers or our own animal welfare experts to conduct upstream trainings of animal transporters and farmers. Routine communication via workshops, pamphlets, online information, and goal-setting meetings also ensures that farmers who supply to us are aware of and capable of meeting our animal welfare expectations.
- **Pro-Active Management of Vertically Integrated Suppliers:** OSI requires all our vertically integrated chicken suppliers to develop their own farm quality control supervisors who are responsible for maintaining live bird conditions from hatching until processing and to evaluate Key Welfare Indicators (KWIs) provided from slaughterhouses. The KWI data are used for continuous improvement activities.

Programming and Implementation

• Audits and Verification:

- **First-Party:** OSI employs quality representatives around the world who are certified by recognized animal welfare auditing certification or benchmarking programs, like the Professional Animal Auditor Certification Organization (PAACO). These team members conduct daily internal animal welfare verification activities and ensure that both OSI and our suppliers are adhering to all appropriate expectations, including our policy and guidelines.
- **Second-Party:** OSI supports best-in-class customers who audit our facilities against elevated animal welfare standards.
- **Third-Party:** We use third-party remote video audits that review live animal handling, 24 hours a day, at all OSI beef slaughter operations and some poultry slaughter operations. These audits generate daily reports that are sent to designated animal welfare staff in Europe and the U.S., who can promptly implement preventive measures and further escalate critical issues to company leadership. Our sites also undergo audits tied to certification programs, where applicable.
- **Supplier Audits:** Across our organization, we use independent third parties or our own trained and competent auditors to audit all suppliers in our supply chain every year to 24 months to ensure they are complying with our animal welfare policy and guidelines. OSI has zero tolerance for abuse of any kind, and any finding of animal mistreatment results in immediate suspension or potential termination from the business.

• Monitoring:

- **Key Welfare Indicators:** Within our own farms and processing facilities as well as some of our suppliers, we continue to work to unify around best-in-class key welfare indicators (KWIs). These indicators go above and beyond industry requirements and enable us to track and respond to animal welfare in our facilities more uniformly and objectively. In addition to using a common set of best-in-class KWIs for beef in Europe, we are implementing best-in-class KWIs at all poultry farms and plants under the OSI umbrella. The enhanced indicators give us a robust picture of animal welfare from the farm through slaughter, and are our new foundation for goal setting, performance review, and continuous improvement activities.
- **AI Animal Welfare Monitoring:** Since publishing our last report, we have introduced AI animal welfare monitoring at several of our chicken primary processing facilities. This technology performs video assessments of animals that provide us with robust data on the health of a flock. The technology will be rolled out at more OSI locations in the coming year, including beef slaughterhouses in Europe.
- **Supplier Benchmarking:** We use a Key Performance Indicator (KPI) scoring system to track data on animal well-being for most of our chicken suppliers.



01

In response to a customer lighting and enrichment policy for poultry that will take effect in 2024, OSI Europe is now working to test and fine-tune elevated standards at supplier broiler farms. One ongoing pilot project is assessing the health impacts of different types of on-farm lighting and enrichment, while another is testing the effectiveness of technology that captures round-the-clock data on everything from environmental conditions to animal health.

02

Last year, a key customer recognized TurOSI for demonstrating “supplier self-led excellence” in meeting ambitious chicken animal welfare goals. TurOSI was one of just three suppliers recognized for activating chicken farming practices approved by the Royal Society for the Prevention of Cruelty to Animals (RSPCA), committing to collecting and reporting KWIs, supporting the customer’s animal welfare advisory committee, exploring new technologies to track and monitor KWIs, and committing to involvement in chicken welfare research.

Industry Influence

As a supply chain leader, OSI is committed to sharing animal welfare best practices through industry memberships, sponsorships, partnerships, and business relationships. Our participation in multi-stakeholder industry groups gives us access to the most current research on animal welfare. The sharing of best practices, however, flows both ways. We often learn about innovative technology and best practices by testing or observing them within our own supply chain and then sharing our positive experiences with the wider industry. We have several key avenues we rely on for the mutual sharing of animal welfare best practices.

- **Committees:** Our subject matter experts organize and participate in committees to advocate for industry advancement in animal welfare, and we incorporate learnings from those activities into our own expectations.
- **Industry Groups:** OSI participates in several industry groups, including the North American Meat Institute, the China Meat Association, and the German Meat Association (see full list of memberships on page 66). Within some of these groups, we participate on animal welfare committees and send representatives to sponsored animal handling trainings to stay abreast of new research and to keep our own animal welfare guidelines, management systems, and practices up to date.
- **Roundtables:** OSI participates in a number of roundtables around the world including the Global Roundtable for Sustainable Beef and regional beef roundtables within that network in each of our processing regions. Because management practices differ between regions and countries, OSI works with the regional roundtables to identify and

address any specific pre-competitive issues within our industry that do not meet our ethical standards. OSI will continue to be an industry leader in promoting industry harmonization of best practices.

- **Animal Welfare Organizations:** OSI sponsors several science-based animal welfare organizations, including the Professional Dairy Producers of Wisconsin (PDPW), Cloverleaf, and the Professional Animal Auditor Certification Organization (PAACO). OSI employs numerous PAACO-certified auditors.
- **Engagement with Policy Leaders:** OSI representatives are often invited to share their expertise in animal welfare and other areas with both officials and policy leaders around the world, and during various international conferences.
- **University Partnerships:** We seek the expertise of academics at institutions around the world to inform decision-making and policy development based on current research
- **Farm Assurance and Higher Welfare Programs:** Many of OSI’s beef farmers are audited under specific farm assurance standards. These programs include Red Tractor (U.K.), Bord Bia - Sustainable Beef and Lamb Assurance Scheme (Ireland), Beef Quality Assurance or BQA (U.S.), Global Animal Partnership or GAP (U.S.), and Livestock Production Assurance On-Farm Quality Assurance or LPA QA (AUS). Where these programs have not previously existed, OSI works with our roundtable partners and, if necessary, independently, to establish standards that benchmark supplier performance with best practices and ensure consistent quality and good animal welfare through regular audits.



Elevating Chicken Animal Welfare

In 2019, OSI partnered with global animal welfare experts to implement a best-in-class approach to broiler chicken welfare that improves global alignment of key standards on top of existing, country-specific standards and regulations. To introduce the new approach, OSI completed trainings at each of our three business units, which together oversee our five broiler operations in China, Australia, and the U.S. The trainings reviewed the KWIs that now measure animal welfare performance at every stage of the process, from on-farm management to processing. In 2022, OSI will complete the implementation of the program, which is intended to improve global alignment of key standards that are part of, or missing from, existing farm assurance programs, while providing a pathway to continuous improvement of our robust animal welfare programs.

It complements our enhanced beef animal welfare program, which includes video audits and robust animal handling metrics of all beef slaughter operations for live animal handling and expanded training and certification programs for handling live animals. As part of the program rollout, TurOSI, our joint-venture in Australia, recently piloted a 4-day “train the trainer” program, in which animal welfare managers, veterinarians, slaughter supervisors, broiler servicemen, and anyone else executing animal welfare functions, were equipped to train their subordinates in animal welfare best practices.

SPOTLIGHT ON ANTIBIOTIC STEWARDSHIP

Through responsible sourcing guidelines, OSI can manage antibiotic use at various stages in our supply chain through the following activities:

Compliance

The Raw Material Quality Assurance Team and Vendor Management Program are responsible for ensuring compliance with our guiding principles and maintaining specialized sourcing programs that go above and beyond the acceptable use of animal medicine for animal welfare purposes. OSI only purchases raw material from approved, externally inspected facilities, where animals are subject to antemortem and postmortem inspections. In accordance with national regulations, labels of approved animal drugs must include very clear “withdrawal time” requirements. Similarly, OSI adheres to and sets clear expectations for our raw material suppliers who purchase livestock. When antibiotics are administered, our facilities and suppliers have protocols in place to monitor and verify that the animals are not introduced into the food supply until drug withdrawal times are met or exceeded. To that end, our suppliers require their livestock producers to work with a qualified veterinarian.

Dedicated antibiotic-free programs

We have dedicated programs that enable us to provide products to the growing number of customers who want to ensure that the food they eat is antibiotic-free. These programs are run either through our own vertically integrated poultry supply chains or through dedicated suppliers of other proteins. Through these programs, any livestock used in production have never been given antibiotics of any kind at any time during their life. Our antibiotic-free programs are closely monitored, and this livestock is kept separate from the remainder of the conventional supply.

Ensuring compliance with withdrawal times and residue testing

Residue testing ensures that OSI and our suppliers adhere to legal regulations and our own strict withdrawal guidelines.

Reduction of critically important antibiotics

OSI supports supplier efforts to implement animal production practices that reduce, and, where possible, eliminate subtherapeutic antibiotic use in food animals. We also encourage and are piloting programs that adopt best practices that result in subsequent reduction of antibiotic use and are reporting against the establishment of these programs for all core proteins and OSI markets.

Supporting industry research and producer education

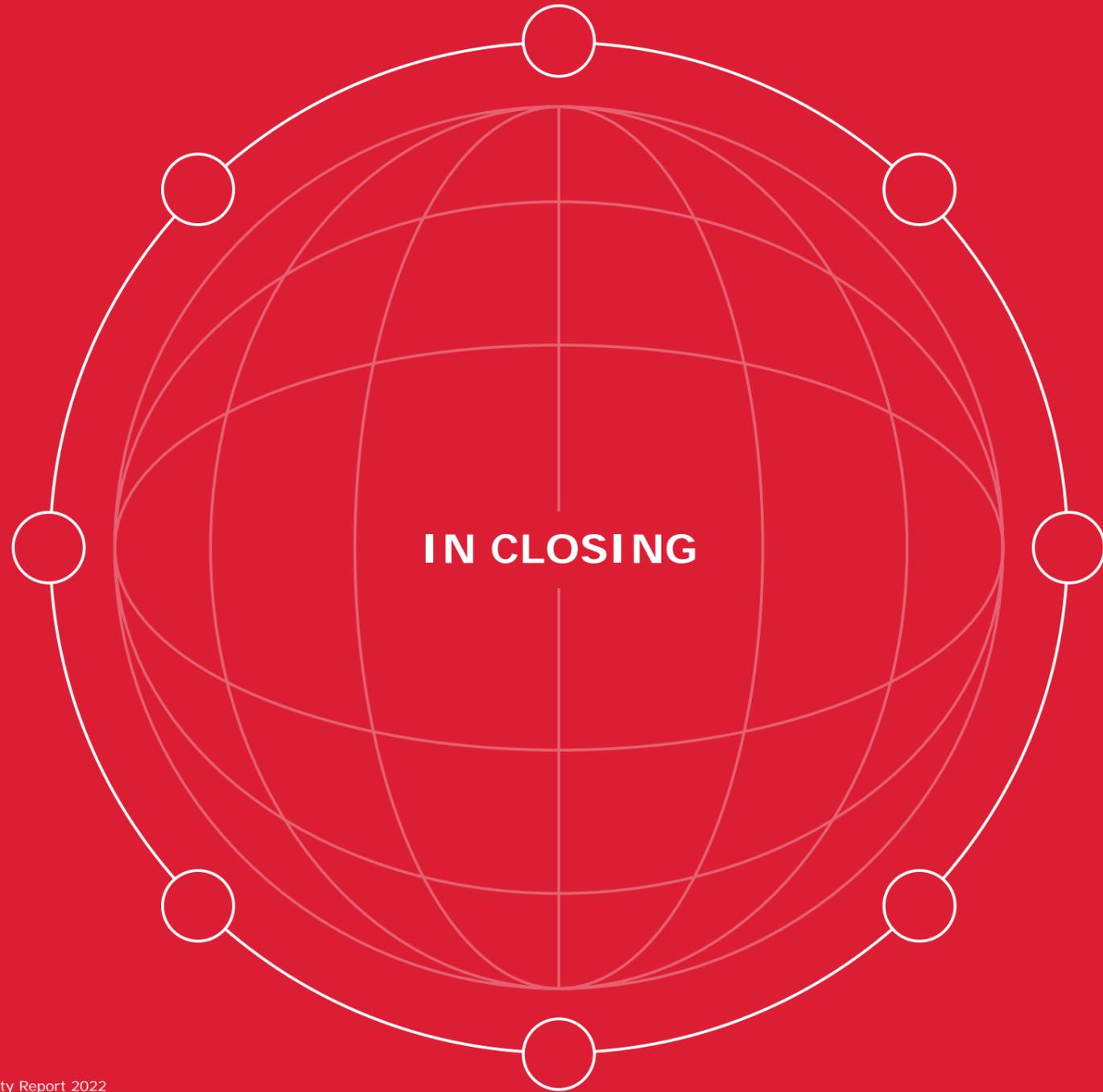
We work through industry groups to support ongoing and future research into the best practices for treating animals and how antibiotic resistance is developed in humans and animals. The company is also involved in producer organizations to further the advancement of producer quality assurance programs and education on best practices for the use of animal medicines.

Fostering Antibiotic Reduction in Asia

In the last few years, OSI has participated in multiple initiatives aimed at reducing the widespread use of antibiotics in the poultry husbandry industry in parts of Asia. The initiatives involved close engagement with a priority customer, local government regulatory agencies, poultry industry leaders, OSI poultry suppliers, and technical experts. Together, we worked with these groups to identify and address challenges to reducing the use of antibiotics, and to share research and best practices with suppliers that culminated in several notable successes: We supported a supplier in India in its adoption of a Never-Ever Antibiotic strategy and enabled an OSI primary processing plant in China to completely discontinue the use of Highest Priority Critically Important Antibiotics (HPCIA) and to limit the use of Florfenicol to therapeutic purposes. We also offered technical support to Indian regulators on poultry feed and meat standards, funded a national program in India on the

“smart use of antibiotics” in the poultry value chain and prevention of avian influenza, and helped inform government guidance released in Taiwan aimed at promoting antibiotic reduction. In the meantime, we have also invited experts to educate members of our OSI Asia-Pacific teams to review best practices with our teams to help them understand the complexities of monitoring antibiotic use in the supply chain. Trainings have focused on the importance of antimicrobial stewardship programs and the need to shift toward disease prevention and away from the use of antimicrobials as the primary disease management tool. These trainings have further equipped our team members to continue promoting the responsible use of antibiotics with their contacts, including farmers, who are grappling most closely with the complexities of these issues. We are proud that these efforts go above and beyond our customer requirements and exemplifies OSI’s commitment to relentless improvement.





IN CLOSING



We are pleased to share the latest on our sustainability progress at OSI! We are intently focused on partnering for a better future – one that continues to build on the progress we have made to date and the plans we have in place as we look ahead. We are proud of what we have achieved so far and fully understand that our partners, up and down the value chain, have contributed to making this progress a reality. As we continue our journey forward, we know that these collaborations will be needed even more to accomplish our goals ahead. Together, we can continue finding ways to take care of our world, our resources, and each other. Thank you!



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