



Sustainability **It's In Our Nature**





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Sustainability Mission Statement

“Tyson Foods, Inc., recognizes the importance of being a responsible corporate citizen. Our Core Values – which define who we are, what we do, and how we do it – are the foundation of corporate sustainability at Tyson. We are committed to making our company sustainable – economically, environmentally, and socially. Our progress in this endeavor will be measured by how we develop and market our products, how we care for the animals, land, and environment entrusted to us, and how we treat people, including our Team Members, consumers, suppliers, and the communities in which we live and operate.”

John Tyson
Chairman, Tyson Foods, Inc.

From Our CEO

There are many different definitions of sustainability. Some say it means “meeting the needs of the present without compromising the future.” Others say it is “extending the Golden Rule through time,” or “leaving the world better than you found it.” I believe sustainability is simply doing the right thing, whether it involves protecting natural resources, creating alternative energy, or feeding the hungry.

Sustainability at Tyson Foods is a natural outgrowth of our Core Values, which call on us to “serve as stewards of the animals, land, and environment” and “operate with integrity and trust.” It involves taking both ethical and social responsibility, but it can also have economic implications if you choose to ignore it.

There are three major aspects of our sustainability efforts, which we refer to as our “triple bottom line.” They include our economic, social, and environmental performance. While we are obviously focused on the economics of our business, we also pay attention to our social and environmental responsibilities. This includes ethics, worker dignity and respect, food and worker safety, animal well-being, and community relations.

We have staff members specifically assigned to ensure we are properly addressing these important areas. Because sustainability touches virtually every aspect of our operations, however, we strive to make it the responsibility of every Tyson Team Member. We have also set the following sustainability goals for the company:

- As a company, we use approximately 28 billion gallons of water each year to produce safe and healthy food products for our customers. Our goal is to conserve this important natural resource, and over the past two years we have reduced water

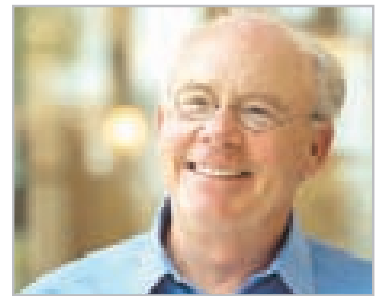
use by 15 percent. To ensure continual improvement, during fiscal year 2008, we will establish and begin implementing initiatives for improving our water conservation efforts.

- Our new Tyson Renewable Products unit is pursuing ways to convert by-products such as animal fat into alternative energy. Through announced alliances with other companies, we currently plan to produce up to 250 million gallons of biofuel a year from animal fat within the next three to four years.
- The continued escalation of grain prices, driven largely by government mandates for corn-based ethanol, has resulted in higher input costs for the food industry, as well as higher consumer food prices. Tyson Foods will continue efforts to effectively manage these additional input costs and will also continue advocating changes in government policy on the use of corn for ethanol.
- Tyson Foods is a leader in the fight against hunger. In 2006, the company committed to donate 10 million pounds of protein over three years to America’s Second Harvest – The Nation’s Food Bank Network. We are already on track to exceed this goal well ahead of schedule.

I believe the Team Members of Tyson Foods will continue to succeed in our sustainability efforts because so much of it is part of who we are and how we operate our business. We’re proud of what we have already accomplished, and we are committed to doing even better.



Richard L. Bond
President and Chief Executive Officer of Tyson Foods



“I believe the Team Members of Tyson Foods will continue to succeed in our sustainability efforts because so much of it is part of who we are and how we operate our business.”

Richard L. Bond
president and CEO of Tyson Foods

About This Report



With the release of *It's In Our Nature*, our second biennial sustainability report, we continue to demonstrate that sustainability is a fundamental element of Tyson Foods' culture. This report provides facts and data illustrating that sustainability is an inherent part of who we are as individuals and as a company.

Simply said, it is in our nature to care about important issues such as hunger relief, environmental protection, resource conservation, food safety, animal well-being, ethical business practices, the safety and health of our Team Members, and community support.

Tyson Foods published its first sustainability report, *Living Our Core Values*, in 2005. Both reports can be viewed at www.tyson.com.

Report Period and Scope

The data in this report, including financial information, covers fiscal reporting years 2006 (October 2, 2005 - September 30, 2006) and 2007 (October 1, 2006 - September 29, 2007). Financial information is given in U.S. dollars. Unless otherwise noted, this report covers all U.S.-based operations, with additional information provided on select international operations, subsidiaries, and joint-ventures. The scope of the report does not include data from independent producers, external organizations, or activities over which the company has limited control or influence.

Report Content

Tyson Foods collaborated with both internal and external sources to determine the topics in this report. These sources included company objectives and strategies; roundtable discussions with the company's senior management team; focused discussions and workgroups with key business units; customer and consumer feedback; comments specific to Tyson Foods' previous Sustainability Report; and the Global Reporting Initiative (GRI) G3 Reporting Guidelines.

Based on our assessment, we determined that the topics of greatest importance to our company and its stakeholders can be categorized as follows:

Maintaining a Proud Workplace

- Ethics and Governance: Doing What's Right
- People: Respecting Our Team Members

Building Trust Everyday

- Food Safety: Maintaining Consumer Trust

- Animal Well-Being: Treating Animals Right
- Environmental, Health, and Safety: Making a Difference
- International: Sharing with the World

Creating Meaningful Change

- Research and Development: Focusing on the Future
- Shareholders: Creating Long-Term Shareholder Value
- Supply Chain: Partnering with Suppliers
- Community: Touching Lives and Meeting Needs

Key Stakeholders

This report is designed to provide information about our company's sustainability efforts to individuals and organizations interested in Tyson Foods' economic, social, and environmental performance. We expect this report to be used by the following stakeholders:

- Team Members
- Shareholders and potential investors
- The Board of Directors
- Independent producers
- Communities near our operations
- Customers and consumers of our products
- Multicultural organizations
- Nongovernmental organizations
- Local, state, and federal governments
- Suppliers
- Joint ventures and alliances

COMPANY PROFILE

Tyson Foods, Inc. [NYSE: TSN], founded in 1935 with headquarters in Springdale, Arkansas, is the world's largest processor and marketer of chicken, beef, and pork, the second-largest food production company in the *Fortune 500*, and a member of the S&P 500. Our company produces a wide variety of protein-based and prepared food products and is the recognized market leader in the retail and food service markets it serves. Tyson Foods provides products and service to customers throughout the United States and more than 80 countries. Our company has approximately 104,000 Team Members employed at more than 300 facilities and offices in the United States and around the world. Through our Core Values, Code of Conduct, and Team Member Bill of Rights, Tyson Foods strives to operate with integrity and trust and is committed to creating value for our shareholders, customers, and Team Members. Tyson Foods also strives to be faith-friendly, provide a safe work environment, and serve as stewards of the

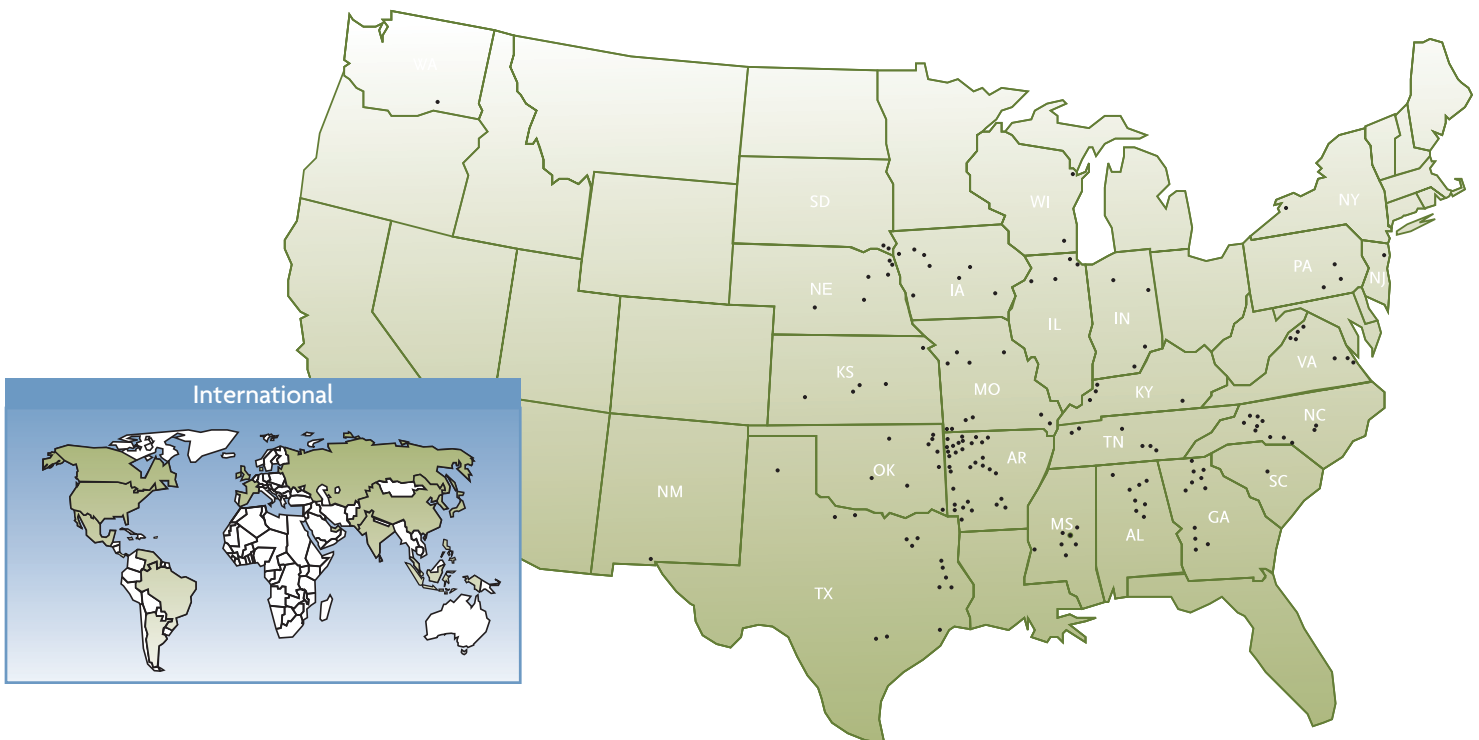
animals, land, and environment entrusted to us.

Our vision is to be the world's first choice for protein solutions while maximizing shareholder value, living our Core Values, and fostering a fun place to work. Our mission is to produce and market trusted quality food products that fit today's changing lifestyles and to attract, motivate, and retain the best people in the food industry.

As the largest protein company, Tyson Foods produces nearly one out of every four pounds of chicken, beef, and pork consumed in America. We are the only company selling all three proteins through all major distribution channels. We lead domestic beef production with a 25-percent market share*. We also hold the number two position in chicken and pork production with a 24-percent and 17-percent market share*, respectively.

**Chicken market share is based on average weekly slaughter. Beef and pork market share is based on reported processing numbers.*

Tyson Foods Production Facilities



COMPANY STRATEGY

With our talented, diverse, and high-performing team, we will drive performance in a winning, highly accountable culture reflective of our Core Values.

We will:

- **Create innovative and insight-driven food solutions:** Discover and sell market-leading products and services to grow Tyson Foods' brand equity and help our customers succeed through our commitment to joint value creation
- **Optimize commodity business models:** Emphasize cost focus in operations, manage margins, and maximize revenue by capitalizing on scale, yield, pricing, product mix, and services
- **Build a multi-national enterprise:** Accelerate expansion in cost-competitive regions and markets with the greatest growth potential as well as increase and diversify U.S. exports
- **Revolutionize conversion of raw materials and by-products into high-margin initiatives:** Commercialize opportunities outside the core business, such as creating renewable energy from fat and developing other technologically advanced platforms from materials such as feathers and other animal by-products

With the opening of the *Tyson Discovery Center*™ in fiscal year 2007, Tyson Foods significantly increased its efforts to create innovative and insight-driven food solutions. This state-of-the-art research and development facility enhances our ability to create new foods and bring them to the marketplace quickly. This year we introduced 100% All Natural Chicken for our Foodservice customers. In the consumer products channel, we launched *Any'tizers*™ snacks and fresh chicken "Raised Without Antibiotics." In December 2007, Tyson Foods announced a change to a more informative label based on consumer research: "Chicken Raised Without Antibiotics that impact antibiotic resistance in humans" that more clearly addresses concerns regarding future antibiotic effectiveness.

We also pay close attention to costs and the efficiency of our operations. In the fall of 2007, Tyson Foods undertook an initiative to examine every aspect of the business to ensure best practices are shared throughout the company. The result of this process will be an optimization of resources that align production, customer needs, and efficiencies.

Toward our goal of international expansion, we entered into a joint venture in 2007, creating the first vertically integrated beef operation in Argentina. Tyson Foods is pursuing additional opportunities in South America as well as Asia.

The newest aspect of our corporate strategy is to revolutionize the conversion of raw materials into high-margin initiatives. Renewable energy is an important aspect of this strategy, and we have created a new division to support this effort. The Tyson Renewable Products group is in a strategic partnership with ConocoPhillips to produce renewable diesel fuel from beef, pork, and chicken fat. The companies anticipate production of 175 million gallons of renewable diesel fuel per year by 2009.

We also entered into a joint venture with Syntroleum Corporation, a synthetic fuels technology company. The partnership, named Dynamic Fuels LLC, will target the renewable diesel, jet, and military fuels markets. When the first standalone production facility is completed in 2010, the companies anticipate production of 75 million gallons of synthetic fuels annually.

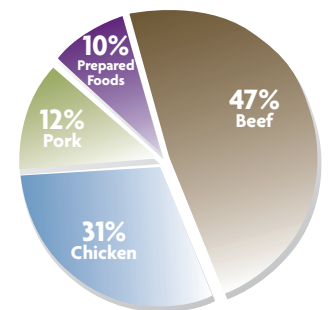
Tyson Foods will also continue efforts to mitigate the impact of higher grain prices, which have largely been caused by the use of corn for ethanol production. Grain is a significant input cost in the livestock and meat industry, representing almost half the cost of raising a chicken. Because of the impact of increased grain costs on our company as well as our customers and consumers, the company will continue to push for changes in government policy on ethanol production.



The new Any'tizers™ packaging

2007 Sales by Segment

\$26.9 billion



Foodservice Brands

- Tyson®
- IBP®
- Bonici Italian®
- Mexican Original®
- Wright Brand®
- Star Ranch Natural Angus Beef™

Retail Brands

- Corn King®
A leading national brand of value-priced bacon, ham and deli meats.
- Russer®
A brand of deli meats and cheeses for both self-serve and service deli departments.
- Weaver®
The Northeast's leading brand of quality frozen fully cooked chicken products.
- Wilson™
A brand of ham and deli meats.
- Wright Brand™
The Southwest's largest supplier of high-quality bacon and hams.

Wholly-Owned Subsidiary

Cobb-Vantress, Inc., a Tyson Foods wholly owned subsidiary, is the world's leading supplier of broiler breeding stock and technical expertise for the chicken-meat industry. Cobb-Vantress works with customers in more than 90 countries to provide for the growing demand for chicken, helping them to increase production efficiency and improve overall returns. Care for the welfare of the chickens and for the needs of the customers is central to Cobb-Vantress' business philosophy.

Cobb-Vantress Distributors





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Ethics and Governance

Doing What's Right





We strive to conduct our business in an ethical, honest manner and in full compliance with all applicable laws and regulations. We believe integrity is a fundamental element in our relationships with our many stakeholders. Our commitment to operating with respect, trust, accountability, and honor is modeled daily by our Team Members.

In 2007, Tyson Foods introduced a revised Code of Conduct and developed a Code of Conduct/Ethics DVD to address the training needs of our hourly Team Members. In addition, computer-based ethics and Code of Conduct training courses were implemented for all management and management-support Team Members. Tyson Foods also created the Office of Compliance in 2006 to facilitate our compliance program.

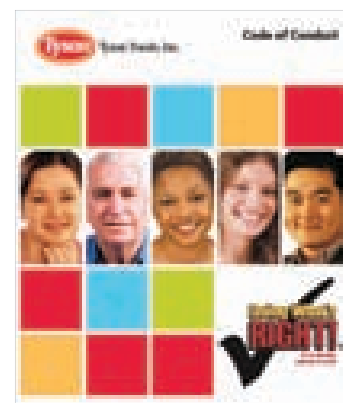
OUR CODE OF CONDUCT

The Code of Conduct sets forth ethical standards that apply to the Board of Directors, all Team Members, business divisions, and subsidiaries of Tyson Foods. Team Members from across the company assisted in the 2007 revision of the Code of Conduct. The Compliance Coordination Committee, the Executive Compliance Committee, and the Board of Directors approved these revisions.

In conjunction with the release of the revised Code of Conduct, a computer-based training course for management and management support was implemented. The course ensures Team Member's awareness of the company's Code of Conduct requirements with respect to integrity and honor in key business areas, such as:

- Food safety
- Animal well-being
- Environmental management
- Conflicts of interest
- Safety and health
- International business practices

Team Members must successfully complete a test to obtain credit for the course. Newly hired or promoted management and management-support Team Members are required to complete the Code of Conduct course to ensure their awareness of the company's ethical standards set forth in the Code.



For additional information, visit our Web site at www.tyson.com. Many resources about our corporate governance program are available there, including our Corporate Governance Principles, committee structures, charters, and Code of Conduct.



OUR CORE VALUES

We are a company of people engaged in the production of food, seeking to pursue truth and integrity, and committed to creating value for our shareholders, our customers, and our people in the process.

Who We Are

- We strive to be a company of diverse people working together to produce food.
- We strive to be honorable people.
- We strive to be a faith-friendly company.

What We Do

- We feed our families, the nation, and the world with trusted food products.
- We serve as stewards of the animals, land, and environment entrusted to us.
- We strive to provide a safe work environment for our Team Members.

How We Do It

- We strive to earn consistent and satisfactory profits for our shareholders and to invest in our people, products, and processes.
- We strive to operate with integrity and trust in all we do.
- We strive to honor God and be respectful of each other, our customers, and other stakeholders.



ETHICS TRAINING

All Tyson Foods Team Members, including the Board of Directors, annually attend approximately one hour of Ethics and Code of Conduct training. This training provides information on various 'real life' ethical scenarios. Team Members are taught to make good decisions within the framework of "Doing What's Right." They are instructed to ask themselves the following questions when they are uncertain about the proper course of action in a difficult situation:

- Does it comply with Tyson Foods' Core Values?
- Is it the right thing to do?
- Were others treated the way I want to be treated?
- Would Tyson Foods or I be embarrassed if this action were reported in the newspaper?
- Is it legal?

MANAGING ETHICAL CONCERNS

It's understood that the written Code of Conduct cannot provide guidance on every situation Team Members may face during their business activities. When the Code of Conduct is not enough, the Tyson Help Line is available.

In 2007, Tyson Foods implemented a new Help Line tracking system. This system allows Help Line personnel to more accurately analyze calls for the purpose of investigation and follow-up. In addition, the nature of each call to the Help Line is evaluated. Results, trends, and statistics are reported quarterly to the appropriate Board of Directors committee.

The Help Line may be used anonymously to report any suspected violation of the law, applicable regulations, company policies, or provisions of the Code of Conduct. The Help Line is accessible to callers from the United States, Canada, Mexico, and China 24-hours a day, and offers assistance in more than 150 languages.

COMPLIANCE

In 2006, the company created the Office of Compliance and performed a Compliance Risk Assessment. The assessment, which will be updated periodically, was developed to:

- Create an inventory of Tyson Foods' compliance risks
- Measure the likelihood and significance of a compliance violation specific to that risk
- Gauge the effectiveness of management's efforts to manage the risk
- Offer suggestions for improvement

A Compliance Coordination Committee was also established during 2006. The committee is a cross-functional management team representing key compliance business processes. Its mission is to enhance our ability to collaborate on compliance best practices. The committee will help foster effective and efficient communication across compliance risk areas.

The Compliance Coordination Committee provides information on compliance risks and key business drivers to the Executive Compliance Committee, a committee of senior leaders at the company. The Executive Compliance Committee sets the tone and direction of the company's compliance program.

GOVERNANCE

Tyson Foods is committed to best practices in corporate governance. We believe maintaining qualified independent directors on the Board of Directors is an integral part of effective governance. Since 1998, the percentage of independent directors has increased, while the overall size of the board has decreased. Of ten directors currently serving, six are independent. In 2006, the functions of Chairman and Chief Executive Officer were separated. John Tyson serves as Chairman while Dick Bond is the President and Chief Executive Officer. Tyson Foods values the diverse thoughts, backgrounds, skills, and characteristics of our directors. Tyson Foods has four working committees of the Board – Audit, Compensation, Governance, and Nominating – each of which is comprised of independent directors. Currently, we have four minority directors on our board. Furthermore, our directors bring broad-based experience related not only to food production but also investments, health care, and marketing.





People

Respecting Our Team Members





At Tyson Foods, we know our employees, whom we call Team Members, drive our continued success and provide the unique contributions required to build a sustainable company. We strive to celebrate those unique contributions and provide personal and professional opportunities for growth for each Team Member. We seek to recruit a highly skilled and motivated workforce, offer competitive compensation and benefits, and above all, treat our Team Members with dignity and respect.

In 2006 and 2007, Tyson Foods launched the Pipeline Management Process. Focused primarily in our plants, this process helps prepare a diverse talent base for future management opportunities at every level of our company. In addition, our Professional Recruitment department re-engineered our recruiting process to develop proactive talent-management plans for each business unit. Furthermore, Tyson Foods unveiled a new strategy for communicating its diversity and inclusion efforts, expanded its health benefit plans, and designed a new reward and recognition program for Team Members.

MANAGING INCLUSION - VALUING DIVERSITY

Inclusion, diversity, and engagement are the cornerstones that have supported the sustained success of our company. We believe these cornerstones:

- Increase innovation
- Enhance customer and investor confidence
- Help maintain a competitive advantage
- Attract and retain the best of all groups
- Support our success and growth in the future

Tyson Foods is committed to building and maintaining a culture that fosters inclusion and diversity. We will do this by increasing our awareness about how our own thinking, actions, and backgrounds impact those around us. We will also continue to educate our leaders on how to effectively champion and energize a multi-cultural workforce.

One Person, One Team, One Goal

Our Core Values state, “We strive to be a company of diverse people working together to produce food.” Diversity, however, is about more than a person’s outward appearance; it’s about the individual and collective thoughts, backgrounds, and talents of our 104,000 Team Members.

Our strategy, “One Person, One Team, One Goal,” supports our Core Values, Code of Conduct, and Team Member Bill of Rights. This concept moves each Team Member closer to realizing the truth behind the personal statement, “At Tyson Foods, I have the opportunity to be part of a winning team, and grow personally and professionally, while being myself.”





Inclusion and Diversity Initiatives

Tyson Foods has developed and implemented key activities supporting its inclusion and diversity business strategies. Our company established an Executive Diversity Business Council in March 2005. This council develops and leads initiatives that foster inclusion and participation of all Team Members. Led by our President and CEO Dick Bond, the goal of this council is to ensure all Team Members are treated with dignity and respect.

Involvement is a key factor for Team Member retention. Tyson Foods established three Business Resource Groups for this reason. The Women's, Multicultural, and Men's Business Resource Groups help ensure all Team Members feel connected to our company's overall business strategy. Not only do these groups help foster engagement in our company, they also aid our Team Members' understanding of how they can more effectively support our business strategy. Business Resource Groups also provide an avenue for Team Members to network and to develop further their professional knowledge and skills.

Tyson Foods has established an Organizational Effectiveness Assessment. The purpose of the assessment is to solicit Team Member feedback regarding Tyson Foods' effectiveness in fulfilling its business strategy and mission. The assessment focuses on key business elements such as:

- Innovation and operational excellence
- Inclusion
- Decision-making
- Customer focus
- World-class talent development

Team Members looking for advancement will have a new opportunity as the Pipeline Management Process (PMP) is implemented throughout most of the company. Primarily focused in the plants, the PMP provides a system to identify Team Members from first-level supervisors to upper management as candidates for development potential and possible advancement opportunities.



Team Members throughout the company may become candidates for the PMP program.

HIRING THE BEST

Hiring the right people is a part of Tyson Foods' success. A robust hiring process helps ensure compliance with federal, state, and local hiring practices. Moreover, it helps us ensure the skills and experiences of our Team Members are properly aligned with our business needs and that we have a talent pipeline for future leadership opportunities.

Improving Our Recruiting Process

Our Professional Recruitment department redesigned the recruitment process in 2006. By partnering with our internal customers such as hiring managers, we were able to develop proactive talent management plans for each of our business units. The changes resulted in significant time and cost savings and provided these additional benefits:

- A comprehensive talent acquisition plan and recruiting strategy for each available position
- An automated applicant tracking system to better utilize Internet recruiting sites
- An enhanced employment record-keeping process
- Expanded search capabilities for both candidates and recruiters

Focusing on College Recruitment

We hire a number of Team Members from college campuses. Our Executive Diversity Business Council directly supports five colleges and universities throughout the country. We also support the Historically Black College Classics program, and our partnership with the Junior Military Officer recruiting program is a significant source of diverse candidates for all areas of our business.

We sponsor a recruiting room in the Career Placement Office at the University of Arkansas. Here we conduct mock interviews to help prepare students for job interviews. In addition, leaders from Tyson Foods participate in classroom teaching opportunities through case studies, projects, and lectures.

Regional Recruiting

Finding a qualified supply of labor is an ongoing challenge for the company. With a renewed focus on our Regional Recruiting program, we have been able to make significant achievements in staffing hard to fill positions and locations. The Regional Recruiting program identifies qualified individuals, usually from large cities, who are willing to relocate to rural areas where our plants are located. The company provides relocation assistance, job skills training, and benefits coverage. As an example of this program's success, our Louisa County and Storm Lake, Iowa, plants achieved full capacity through this program.

ENSURING EMPLOYMENT COMPLIANCE AND ELIGIBILITY

Tyson Foods is committed to equal opportunity in all aspects of employment. Our company maintains a strict policy prohibiting any kind of unlawful harassment or discrimination, such as that involving race, sex, religion, color, age, national origin, veteran's or disability status, or sexual orientation. This policy applies to anyone in the workplace including managers, supervisors, co-workers, vendors, clients, or customers of Tyson Foods. Tyson Foods requires 100 percent of its Team Members annually to attend approximately one hour of anti-harassment and anti-discrimination training. The company considers harassment, discrimination, and retaliation to be serious issues and has invested considerable resources to prevent their occurrence.

Tyson Foods is also committed to ensuring all its hiring locations consistently follow the Tyson Foods Employment Eligibility Policy and maintain compliance with the Immigration Reform and Control Act (IRCA) of 1986 and Form I-9 regulations. We will not tolerate any person knowingly hiring or allowing anyone to continue working if he or she is not authorized for employment. The company has therefore established procedures to ensure its compliance with all federal and state laws regarding the verification of employment authorization. Strict training, certification, record keeping guidelines, and third-party verification processes are used regarding I-9 forms. The company also participates in the Department of Homeland Security's E-Verify Employment Eligibility Verification Program.

PAYING A COMPETITIVE WAGE

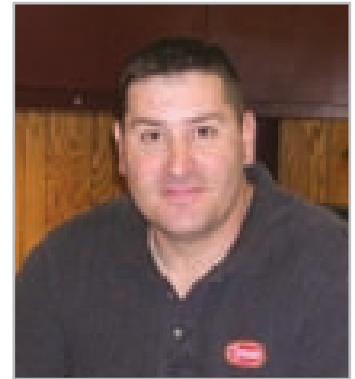
Tyson Foods offers its Team Members one of the best benefits packages in our industry. Our compensation package is competitive and affords our Team Members the opportunity to acquire a stake in the future of our company. Our health-care benefits focus on all aspects of lifestyle changes, good health, disease prevention, and education. These programs not only ensure our Team Members are properly compensated for their workplace contributions, they also support the broad-ranged health and well-being needs of our Team Members.

Compensation Benefits

We conduct wage surveys and review cost of living indicators and community norms regularly. At \$10.83 per hour, our average hourly rate is substantially higher than the national minimum wage. Team Members are given the opportunity to have a financial interest in our continued success through our stock purchase plan. The plan allows Team Members to contribute up to 20 percent of their pay to stock purchase. After a year of service, the company will match a portion of the first 10 percent contributed.

Tyson Foods' Retirement Savings Plan helps our Team Members fulfill one of their most important goals – financial security. In addition to the company match and payroll-deduction features, we now offer three new plan benefits to help our Team Members manage their investments:

- Three age-based investment funds that offer a moderate-risk portfolio appropriate to an individual Team Member's age
- An InvestForward program that automatically places a Team Member in the appropriate age-based fund and manages annual rebalancing
- GuidancePlus, an online tool, which helps Team Members set retirement goals and determine if their contribution level is sufficient for meeting these goals



Thanks to Tyson Foods' policy in support of the U.S. military, Team Member David Rook did not suffer financially when he was called to serve with his National Guard unit in Iraq. The policy provides differential pay for all Team Members called to active military duty.

"I'm thankful for the company's position on differential pay. Our family would have faced financial trouble without it,"

*David Rook
complex safety manager,
warehousing/distribution
Springdale, Arkansas
Served in Iraq July, 2005 to
November, 2006*



Health Care

Tyson Foods understands the importance of having access to affordable and comprehensive health care coverage. We require that all Team Members have health care coverage through either the company-sponsored health plan or through a spouse's employer's plan. Therefore, 100 percent of the company's eligible Team Members have health care coverage.

Our goal is to partner with our Team Members to help them become better health care consumers and to make better lifestyle choices. Several enhancements became effective in January 2008:

- Tobacco Cessation Program
- Life and AD&D Insurance option for Team Members not enrolled in the Tyson Foods Group Health Plan
- Option for additional Voluntary Life Insurance coverage
- Option for additional Voluntary AD&D coverage
- Discount on Diabetic Test Strips
- Generic Medication Incentive
- Disease Management Program
- Free Personal Health Risk Assessment
- Health Matters Condition Management Program



"My wife stays at home with our two children, and with one income, the education assistance has been a highly valued benefit for us. Tyson Foods' commitment to professional growth and development and work-family balance is a value that is hard to replace. I'm in the last semester of a three-year master's degree in public administration. That degree has opened my eyes to a different perspective on how Tyson Foods relates to government and how laws and politics play into our everyday business."

*Mike Chapman
manager of process safety
management and risk management
programs services*

Talent Review and Succession Planning

A Talent Review and Succession Planning initiative in each business unit and shared services department provides a way to identify our human resource needs as they relate to our business strategy and to offer the right development resources to meet those needs.

Individual Development Plans

In addition to the approximately 15 percent of our Team Members who are required to receive regular performance and career-development reviews, many of our Team Members use an Individual Development Plan (IDP) to create a road map to reach career objectives. An IDP is used to strengthen areas identified for growth and to "fine tune" already well developed skill sets. Team Members are encouraged to share their IDP with a supervisor or mentor who may be able to help them achieve their goals more completely and quickly. Team Members are also encouraged to take advantage of the many resources Tyson Foods provides that can aid in their professional development.

Leadership College in Springdale, Arkansas

Tyson Foods Leadership College is open to all management and management-support Team Members. It provides a curriculum focused on developing six core-leadership attributes: business acumen, leadership, strategic agility, communication, developing self and others, and understanding Tyson Foods.

Educational Assistance Program

During the 2007 fiscal year, 267 Team Members took advantage of the company's Educational Assistance Program, with the company's overall investment totaling just over \$523,000. The Educational Assistance Program encourages and enables Team Members to increase their knowledge, develop skills, and further their education. The company will reimburse eligible Team Members 75 percent of the cost of tuition, books, and fees, up to \$3,500 maximum for a calendar year for qualified classes.

TEAM MEMBER TRAINING AND DEVELOPMENT

The goal of Tyson Foods' Leadership and Professional Growth department is to create an integrated talent-management process that identifies, develops, deploys, and retains leaders within our organization. The department provides a variety of services and programs to help prepare our Team Members for future leadership challenges.

Leaders into Champions

Leaders into Champions (LINC) is a two-year intensive development opportunity designed to empower our high-potential leaders as organizational and industry champions who contribute significantly to the performance and profitability of Tyson Foods and expand the company's depth of influence and leadership within the industry.

Team Members nominated into the program participate in a rigorous selection process. The first year of the program focuses on the Team Member's own personal-development planning, peer-to-peer development sessions, coaching from a mentor, and monthly learning sessions led by a senior leader of the company. In year two, LINC members may participate in a number of different developmental experiences including job rotation, action learning teams, or special project assignments.

CARING FOR OUR TEAM MEMBERS

Tyson Foods cares about its Team Members. We recognize that our Team Members may experience personal problems such as health concerns, marital and family issues, grief and death, substance abuse, or job and financial concerns. If unresolved, these issues may affect emotional health. It is our goal to provide a confidential resource for our Team Members to help address these issues.

Tyson Foods' Chaplain Services

Initiated in 2000, the program provides compassionate pastoral care and ministry to Team Members and their families, regardless of their religious affiliation or beliefs. More than 120 chaplains representing 31 different faith group affiliations support the program. Team Members talk in confidence with chaplains about many issues including good times or stress concerns. Our chaplains also provide premarital counseling, conduct weddings, celebrate when new babies are born, and conduct funerals for our Team Members and their families. Chaplains also provide cultural support and help integrate new workers who may be struggling to adapt to new and different cultures.

Outplacement Assistance

Like many organizations in today's marketplace, Tyson Foods has faced economic and financial pressure. From ideas submitted by our Team Members, our 2006 Cost Management Initiative (CMI) realized over \$265 million in cost reductions and savings. Unfortunately, some Team Members' positions were eliminated as part of this streamlining. For those affected, the company provided an enhanced severance package and outplacement assistance. Our outplacement assistance efforts included:

- Resume writing and interviewing skills training
- Counseling services from the Chaplaincy Program
- On-site employment interviews with local companies



Tyson Foods was honored to receive the 2007 International Spirit at Work Award from the International Center for Spirit at Work, a worldwide non-profit organization for people who are integrating spiritual values into the workplace. Tyson Foods was one of seven organizations that received the award.



Team Members participate in a round table discussion.

Communication with Team Members

Tyson Foods' culture is built on open and frequent communication. We engage in several different types of communication to ensure our Team Members have access to important information. As an example, each month a different business leader from our company hosts a "Brown Bag Luncheon", which is also viewable online. In addition, our Executive Leadership Team routinely produces video messages updating Team Members on recent initiatives and projects. We have also established:

- Tyson Help Line for Team Members to report concerns or complaints regarding employment, workplace issues, discrimination, or harassment
- Feedback Forum where Team Members can submit anonymous questions and have them answered on our company intranet

REWARDING AND RECOGNIZING OUR TEAM MEMBERS

In 2006, Tyson Foods formed a task force to explore the types of reward and recognition our Team Members value. The goal was to design a reward and recognition program that:

- Encourages extraordinary behaviors that create positive business results
- Drives the goals and strategies of the organization
- Is a catalyst to transform our culture and enhance Team Member involvement

Internal feedback from the task force overwhelmingly indicated business units and departments wanted the flexibility to create their own programs specific to their functions. They wanted their programs to be sincere and simple, meaningful, adaptable, relevant, and timely. As a result of this effort, many departments have put together their own task forces and created unique reward and recognition programs.

- Our Human Resources department created the Think PIC award which is presented quarterly and recognizes Team Members who go above and beyond the qualities of being proactive, innovative, and customer focused.
- The Information Systems department's Captain Reboot award incorporates humor, spot awards, and team communication to recognize great service and enhance the department's culture.
- The Tyson International Great Efforts and Results (TIGER) award recognizes a Team Member's above-and-beyond contribution to the success of the International team. The award recognizes the way the Team Member accomplished their success using collaboration, customer service, and other key leadership attributes.



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Food Safety

Maintaining Consumer Trust





As an industry leader, Tyson Foods has been committed to providing safe, quality foods people can trust for more than 70 years. We have a history of developing innovative and effective food safety systems. These systems have been recognized as gold standards in the industry and as state of the art by government regulators. These innovations are essential in maintaining the confidence customers and consumers have in the Tyson Foods brand. Our commitment to innovation helps ensure each product leaving a Tyson Foods plant meets or exceeds customers' and consumers' expectations.

Tyson Foods participates in a number of national food safety and quality programs, as well as its own programs each year. The company's *foodWISE*® program helps educate our customers and consumers on our general food safety practices.

In 2006 and 2007, we heard from approximately 250,000 customers through our IN TOUCH WITH TYSON program. Our consumer input is invaluable in helping us develop safe, quality food consumers want. In 2006, we converted our marinated fresh chicken to *100% All Natural*™. In response to broad scale consumer demand, we began producing all of our *Tyson*® brand fresh chicken under our "Raised Without Antibiotics" Food Safety and Inspection Services (FSIS)-approved label in June of 2007. In December 2007, Tyson Foods announced a change to a more informative label based on consumer research: "Chicken Raised Without Antibiotics that impact antibiotic resistance in humans" that more clearly addresses concerns regarding future antibiotic effectiveness.

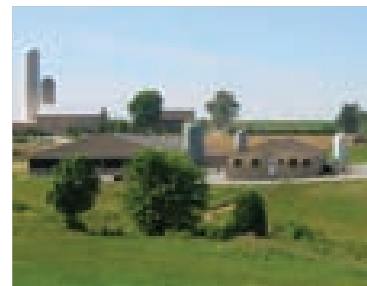
QUALITY AT THE FARM

We take steps at every level to make sure each product meets the company's rigorous safety and quality criteria. In fact, everything in our business is designed with these two factors in mind, beginning at the farm and continuing all the way to the dinner table.

A solid commitment to protecting animal health provides a foundation for the quality of meat produced. Below are examples of how this commitment is fulfilled.

- Soil and water quality tests are performed at all company-owned and independent poultry farms before houses are built. Each chick receives an immunization regimen to prevent illness at the farm and each flock of chickens is regularly evaluated for healthiness.
- Strict biosecurity measures are implemented to prevent the spread of disease among farms and animals. We perform thousands of tests each week to confirm the health of our animals.

- We produce chicken feed at our 33 U.S.-based Food and Drug Administration registered feed mills. We use ingredients from suppliers that are members of the Animal Protein Producers Industry. Our feed typically consists of grain, vegetable proteins, and other natural ingredients. These ingredients are tested by our Quality Assurance laboratories to ensure safety, quality, and nutritional value. Steroids and growth hormones are never used in any of our chicken feed, as prescribed by the federal government.
- Before being transported to a processing facility, we test every flock of chickens to ensure they are pesticide free. Pesticides that could leave a residue in and around poultry houses are prohibited. In addition, we check every flock of chickens to ensure good health. This includes our decision in the fall of 2005 to expand on-farm avian influenza testing to include pre-screening all flocks prior to transport to processing facilities.





ENSURING SAFE, QUALITY FOOD AT OUR FACILITIES

From our laboratories, to our product and process monitoring programs, to our Hazard Analysis and Critical Control Point (HACCP)-verification processes, our dedication to safe, quality food is evident in the programs and controls we have to protect our products.

Food Safety and Quality Assurance Team

Our Food Safety and Quality Assurance (FSQA) Team consists of approximately 2,500 FSQA Tyson Foods professionals. This team partners with operational units to ensure the safety and quality of every product. FSQA Team Members monitor the execution of our food safety and quality assurance programs including:

- Food safety and sanitation
- Policy adherence and regulatory compliance
- Laboratory services and statistical support
- Product and process performance
- Good Manufacturing Practices
- Food safety and quality training

The safety of our products is closely monitored by a company Food Safety Team located at each facility. These multi-departmental teams systematically evaluate key aspects of the production processes to prevent potential food safety issues. The Food Safety Team then works with the facility to develop, implement, and monitor controls and procedures to drive continuous improvement.

A key success factor for continuous improvement is training. Our Team Members participate in ongoing food safety and quality-assurance training. For example, in partnership with the University of Arkansas, we developed the Food Safety Training and Education Initiative. This initiative provides courses on key food safety topics such as:

- Food safety management
- HACCP
- Food processing and statistical process control

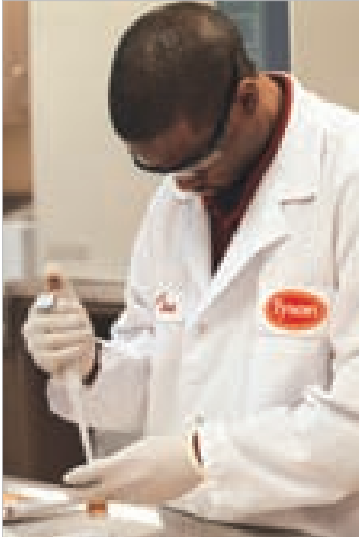
We also partnered with Texas A&M University to offer two of the few industry-sponsored training programs approved by the International HACCP Alliance. These programs include case studies and small working-group sessions that provide a working knowledge of HACCP.

We also offer certification support training for our Team Members. This support helps them prepare for certifications from organizations such as the American Society for Quality's Certified Quality Engineers and Auditors and the National Restaurant Association's Educational Foundation.

Food Safety Laboratories and Research

Our Food Safety and Laboratory Services Network is recognized throughout the industry as a research leader in serological testing, food chemistry, microbiological testing, food safety research, and environmental water testing. Our accreditations include:

- U.S. Department of Agriculture (USDA)-Food Safety and Inspection Services (FSIS) Food Chemistry
- USDA-FSIS Pesticide Analysis
- USDA-Agricultural Marketing Service Russian Export/Chemistry and Microbiological Testing
- National Poultry Improvement Plan for Testing Avian Influenza, *Mycoplasma synoviae*, and *Mycoplasma gallisepticum*
- USDA-Animal and Plant Health Inspection Service for Salmonella Analysis



Tyson Laboratory Services Network includes 18 company-owned and operated laboratories throughout the United States.



Our award-winning laboratory network is composed of 18 company-owned and operated laboratories across the country, including a 25,000 square-foot, state-of-the-art food testing and research laboratory at our World Headquarters in Springdale, Arkansas. The Springdale laboratory is dual certified under the International Organization for Standardization (ISO) quality management system standard ISO 9001:2000 and the ISO/International Electrotechnical Commission (IEC) 17025 standard for the competence of testing and calibration laboratories. In addition, seven other company-owned regional and corporate laboratories are certified under the same ISO/IEC 17025 standard.

The company also has 58 plant-based Quality Assurance laboratories. All tests conducted in these laboratories are thoroughly detailed in the company's Laboratory Manual. A 3½ day microbiology and chemistry course is offered quarterly for management personnel and laboratory technicians located in our processing and rendering plants. Regularly scheduled audits of these laboratories underline our continuing commitment to quality.

Our commitment to food safety is not a point of competition between manufacturers. We openly share our food safety research and technologies with peers and colleagues. With the support of our Laboratory Services Group, we partner with government, academia, trade associations, and other industry members to sponsor food safety research. Tyson Foods has made substantial contributions to research covering *E.coli* O157:H7, *Salmonella*, Avian Influenza, *Listeria monocytogenes*, *Campylobacter*, and other public health issues and initiatives aimed at improving food safety.

The Tyson Foods Laboratory Services Group is also focused on our future food-safety and business needs. Whether it's marshaling resources to develop rapid methods for new analytes, such as melamine, or redeploying resources in support of our new business ventures, such as renewable diesel fuel, the Laboratory Services Group is available to provide the resources needed to support our food-safety and quality promises.

Statistical Support

Our Statistics Group provides Statistical Process Control (SPC) training and support to the company, its subsidiaries, and the food industry as a whole. This group also supports our continual improvement efforts, partners with our sales teams and customers to address potential quality issues and functions as an industry resource for research projects that provide statistically valid experiment results to USDA. The group partnered with our facilities to establish SPC programs to:

- Reduce processing errors and waste
- Control and validate critical HACCP limits
- Maximize finished product quality

FOOD DEFENSE

Tyson Foods takes extraordinary measures for protection against deliberate acts of food product tampering. We require all facilities and co-packers to conduct vulnerability assessments. From this assessment, each facility then develops and maintains a site-specific food defense plan. This plan identifies the measures that will be implemented to avoid risk involving deliberate product tampering. We also require that each facility develop a response strategy in the event a threat to the food products they produce is made or detected.



Internal and External Food Safety Audits and Inspections

Our facilities receive routine internal quality assurance and food-safety assessments. These assessments are conducted by quality control managers. They focus on:

- Critical food-safety elements
- Sanitation performance
- Company policy adherence
- Regulatory compliance

Each facility is audited in accordance with the company's Comprehensive Food Safety Audit Program. These internal audits are composed of audit Team Members who are independent of the location being audited.

Our facilities receive periodic independent third-party audits of their food-safety systems. These reviews, conducted by or on behalf of our customers, are performed by nationally recognized independent auditing firms.

Government agencies also provide independent inspection reviews of our production facilities. For example, the USDA-FSIS engages in on-site inspection of all of our meat and poultry plants. Furthermore, Tyson Foods has four non-USDA facilities which are regulated by the Food and Drug Administration (FDA). FDA inspectors perform routine inspections at each of these facilities.

COMMUNICATING WITH CONSUMERS AND CUSTOMERS

Even after our products leave our direct control, our quality assurance service continues. We are committed to educating consumers about the importance of safe food handling and healthy eating. We listen to our customers and their feedback about the products we produce.

Educating our Consumers

Tyson Foods' *foodWISE*® program helps educate our customers and consumers on the comprehensive food safety practices in all areas of our business. This program provides tips to bring food-safety techniques into the home. The program encompasses items such as tips for buying meat, food and meat handling techniques, Team Member training, food safety at our plants, and the company's laboratory practices. Information about the *foodWISE*® program is communicated through consumer events, product packaging, and our Web site (www.tyson.com).

Eating Healthy

In 2004, we were one of the first companies in the industry to remove added trans fats from our breaded poultry products. In 2006, we converted our marinated fresh chicken to *100% All Natural*™, which means it is minimally processed and contains no artificial ingredients. We are proud to have the resources residing in our Tyson Discovery Center that enables us to offer products and benefits our consumers and customers deserve. While our marinated chicken wing sections do have a higher sodium level than non-marinated, we are providing the benefit of tenderness and juiciness to consumers at approximately half the sodium level of competitive products.

In response to broad scale consumer demand, we began producing all of our *Tyson*® brand fresh chicken under our "Raised Without Antibiotics that impact antibiotic resistance in humans" FSIS-approved label in June 2007. Tyson Foods uses feed ingredients containing ionophores that do not impact antibiotic resistance in humans. This is another example of our strategy to offer meaningful benefits to consumers who are focused on health, wellness, and convenience.



New packaging includes "Raised Without Antibiotics that impact antibiotic resistance in humans"

Listening to Others

We take consumer and customer satisfaction seriously. Consistent with our promise of food safety and quality, the Consumer Relations Department is an integral part of the Food Safety and Quality Assurance Team. This structure enhances uninterrupted information flow from our customers and consumers directly to our Food Safety and Quality experts.

Tyson Foods responds promptly to all inquiries. Consumers and customers can reach us through our IN TOUCH WITH TYSON program, or they may contact us in writing, via our Web site (www.tyson.com), or by calling our Consumer Response Line (800-233-6332). The response line is staffed by trained representatives who not only resolve product quality issues but also answer questions about:

- Nutritional content
- Packaging
- Shelf life
- Storage
- Preparation
- New product lines

If a question or concern cannot be answered immediately, we will respond within 48 hours via phone, e-mail, or other customer-preferred methods.

Along with our product satisfaction guarantee, the IN TOUCH WITH TYSON program is described on every retail package. During fiscal years 2006 and 2007, we heard from approximately 250,000 consumers. The majority of these requests focused on:

- Nutritional and ingredient information
- Recipes
- Praise
- Retail locations

We value this input and feedback because it helps ensure we provide the safe, quality food products our consumers and customers want, and helps us maintain a steady focus on continual improvement.





Animal Well-Being

Treating Animals Right





Tyson Foods has a long-standing commitment to the well-being and proper handling of the animals used in its food products. This is not only the right thing to do; it is also an important moral and ethical obligation. All Team Members, as well as our poultry, beef, and pork supplier associates, are expected to respect the animals they work with and ensure they are treated in a proper and humane manner.

In 2006 and 2007, Tyson Foods carefully researched and evaluated automated chicken catching and controlled atmosphere stunning as part of its continued research into proper bird-handling practices.

PRACTICES, PROGRAMS, AND OVERSIGHT

Tyson Foods was the first U.S. poultry company to establish an Office of Animal Well-Being and has had a program in place for many years. The office is led by Kellye Pfalzgraf, DVM, and includes a cross-section of senior management that advises Tyson Foods on animal well-being issues and implements educational, technical, and evaluative programs on these issues.

The office works with independent suppliers, transporters, and trade groups to ensure animal well-being is maintained from the farm to our facilities. The office assisted the Pork Checkoff Animal Care Coalition in the development of the Pork Quality Assurance (PQA) Plus Program. PQA Plus is a voluntary improvement program designed to assure customers they are purchasing the highest quality, safest pork available from producers committed to caring for animal well-being. Tyson Foods actively encourages all of its pork suppliers to obtain this certification. The company anticipates purchasing pork from PQA Plus animal-welfare certified producers by 2011.

RESEARCH AND CONTINUAL IMPROVEMENT

Each of Tyson Foods' chicken processing facilities maintains catching crews. These crews are responsible for catching the chickens and loading them onto trucks. Team Member safety and animal well-being are of paramount importance during this process. For this reason, we extensively researched and evaluated the use of automated catching equipment.

In our 2005 Sustainability Report, we reported approximately 50 percent of our chickens were caught using mechanical catchers. We planned to increase this percentage; however, after further research and evaluation, we found an increase in bruising and wing breakage during automated catching. Although our investment is significant, we feel this equipment potentially compromises animal well-being. Therefore, we will phase out the use of automated catching equipment and resume hand catching. At the same time, we will recruit and train catchers in animal handling and personal safety.





Family Farming

Most of our chicken is raised by independent poultry producers. Currently, Tyson Foods contracts with approximately 6,700 independent producers. We also have 87 company-owned chicken farms.

Producing for Tyson is a steady source of income for farms that otherwise have to deal with the uncertainty of fluctuating prices for agricultural crops and produce. Our contractual relationships with producers enable many families to remain on farms instead of potentially being forced off by economic pressures. We provide farmers with state-of-the-art veterinary support, scientifically-formulated feed, and technical assistance, with our technical advisors typically visiting farms on a weekly basis. We provide producers with information on sound environmental practices, optimal lighting and ventilation for chickens, and disease control. We also strongly promote animal well-being at all life stages of the chickens' lives. None of our broilers are raised in cages at any stage of their lives. Above all, we strive to support producers in their efforts to run their businesses wisely and to be independent and sustainable enterprises.



“Most people have a special place in their hearts for animals. The majority of people in the world own and care for livestock or a pet of some kind. While good animal husbandry practices have always been a hallmark for those who raise animals for food, consumer awareness of these practices has grown tremendously in the last few years. Consumers are now formally asking producers and packers to demonstrate their commitment to quality animal care. At Tyson Foods, our commitment to animal well-being is so inherent to our culture that it is part of our Core Values, which state we will serve as stewards of the animals entrusted to us.”

*Dr.. Kellye Pfalzgraf
senior director of Animal Well-Being*

Gestation Stalls for Pigs

The use of gestation stalls in the pig industry has become an emerging issue. Current information indicates there are several types of gestation systems that are neither harmful nor hurtful to the well-being of the pig. These include open pens, gestation stalls, and open pasture.

Tyson Foods makes animal welfare decisions based on the foundation of what is best for the pig and takes into account the best scientific research and advice from animal-welfare experts. Until more conclusive scientific research is available, we will continue to buy pigs from producers that use both individual and group housing systems.

Unlike our vertically integrated chicken business, beef and pork operations depend upon independent livestock producers to supply our plants. The company's fresh meats operations are strategically located near large supplies of high quality cattle and hogs.

To ensure a steady supply of livestock, Tyson Fresh Meats maintains an extensive buying network. Approximately 60 cattle buyers and 120 hog buyers make competitive bids on the cattle and hogs that meet the company's specifications for high quality beef and pork. The company buys millions of cattle and hogs each year to supply its beef and pork plants.



Controlled Atmosphere Stunning

In October 2006, Tyson Foods concluded a preliminary study into an alternative method of preparing chickens for slaughter. For two years, we examined the methodology and effectiveness of Controlled Atmosphere Stunning (CAS). This was done not only at the request of our customers but also as part of our on-going commitment to animal well-being. CAS involves the use of a gas mixture to render chickens unconscious before slaughter.

During the study, we considered animal well-being, food safety and product quality, human health for those involved in the slaughter process, and other scientific research. Our research concluded that CAS may be an acceptable alternative to conventional electrical stunning; however, we have not found it to be more humane.

Our company is committed to continue monitoring CAS and other emerging technologies. In fact, we have asked the agricultural science professionals at the University of Arkansas to initiate an independent CAS study. The research will be coordinated by the Department of Food Animal Well-Being in the Dale Bumpers College of Agricultural, Food, and Life Sciences.

Antibiotic Usage

There have been continual improvements in animal husbandry and preventive veterinary medical practices, advances in nutrition, and increased biosecurity measures. As a result, we have been able to decrease antibiotic usage in poultry flocks steadily since the late 1990s.

On the rare occasion antibiotics are used for poultry, they are prescribed by one of our licensed veterinarians. This process has several benefits:

- Optimizes chicken health
- Provides for the minimal use of antibiotics
- Ensures compliance with dosage, treatment, duration, and withdrawal period requirements

As a part of our commitment to animal well-being, we will continue to use antibiotics on our chickens when necessary and only for therapeutic reasons. Any flock that is treated with antibiotics is automatically excluded from our Tyson® line of fresh chicken products.

In addition, the cattle and hog industries have also taken steps to limit the use of antibiotics. We are actively engaged in working with producers and livestock industry trade groups to ensure antibiotics usage is properly managed.

VETERINARY SERVICES

In addition to the Office of Animal Well-Being, we depend on the direction and guidance provided by our Veterinary Services group. Through the practice of sound preventive and veterinary population medicine, this group promotes and protects flock health, food safety, and animal well-being.



Environmental, Health, and Safety

Making a Difference





In conjunction with our Core Values, our Environmental, Health, and Safety (EHS) Policy serves as the foundation for managing our EHS business activities. We believe protecting natural resources is essential to achieving clean air, water, and land for a sustainable world. We also believe our Team Members, contractors, and visitors have a right to a safe work environment.

During fiscal years 2006 and 2007, we spent more than \$16 million in capital projects to improve wastewater treatment systems. Further, the company achieved across its beef, pork, and chicken segments, a 15 percent reduction in water usage per pound of finished product from fiscal year 2005 to fiscal year 2007, through a combination of water conservation efforts and facility closures.

The company also reduced its Lost Time Incident Rate by 20 percent and its Total Recordable Incident Rate by 16 percent during fiscal year 2007. Finally, the company launched a new Commercial Motor Vehicle Driver Evaluation System in 2006 and implemented a formal Job Safety Analysis and a 6-step “root cause” incident investigation program in 2007.

EHS MANAGEMENT SYSTEMS

As a requirement of a U.S. Environmental Protection Agency (USEPA) compliance agreement, Tyson Foods successfully implemented Environmental Management Systems (EMS) at nine facilities in the United States from 2003 through 2006. Based on the success of the EMS project, during 2007, we continued progress on establishing Environmental, Health, and Safety Management Systems (EHSMS) at all of our operating facilities in the United States, Mexico, and Canada. The system will be in place by December 2008. We believe establishing this system is fundamental to managing key aspects of our Environmental, Health, and Safety (EHS) performance.

The system will meet the challenging requirements of International Organization for Standardization (ISO) 14001 and Occupational Health and Safety Assessment Series 18001, and assure compliance with both regulatory and internal requirements. Although we are not currently seeking ISO certification, implementing the system represents a significant advance from current industry practices. We believe our EHSMS will help ensure the sustainable future of our company in the global marketplace. Moreover, we believe it will:

- Enhance our environmental, health, and safety performance
- Improve our natural resource conservation efforts
- Boost the cost effectiveness and efficiency of managing our environmental, health, and safety commitments

ASSURING COMPLIANCE

The careful management and monitoring of our EHS programs and progress include critical human efforts and technology to ensure our success. Through a combination of software technology, internal audits and assessments, data collection, and communication, we are able to quickly respond to any EHS issues, identify opportunities for improvement, and highlight our successes.

Technologies for Compliance & Efficiency

Tyson Foods implemented the Electronic Compliance Assurance Toolset (eCAT) in fiscal year 2006. The eCAT system is designed to:

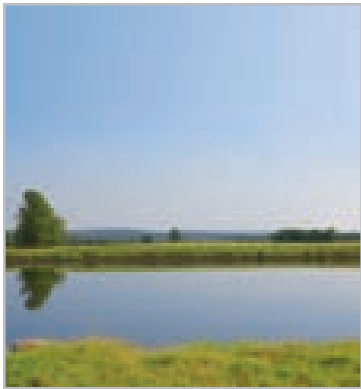
- Track regulatory and company required environmental tasks
- Provide access to electronic copies of permit documents and information
- Highlight receipt of environmental awards and recognition
- Archive details on accidental environmental releases
- Automatically generate escalating e-mail notifications to multiple layers of management if environmental tasks are not managed in a timely manner
- Capture information and tasks resulting from regulatory agency visits



As part of continual improvement efforts, eCAT was expanded in fiscal year 2007 to include safety and health compliance features.

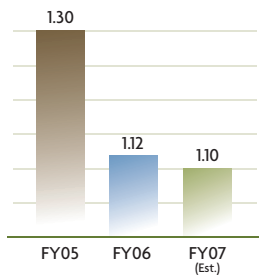
Also in fiscal year 2007, we replaced manual systems with a new software program to more effectively manage medical records and the Occupational Safety and Health Administration's (OSHA) record-keeper requirements. The new Occupational Health and Safety System provides:

- System generated reports such as OSHA incident rates
- Electronic management of medical and health documents
- Reports for trend analysis of injuries and near-misses that help us develop strategies to prevent similar incidents
- The ability to prepare and document job safety analysis
- A consistent and company-wide medical document and OSHA record-keeper system



The company strives to protect our natural resources.

Tyson Foods' Water Usage (gallons per pound of finished product)



Integrated Auditing

Tyson Foods began conducting integrated EHS audits in fiscal year 2007. This new audit process adds unique benefits and replaces our historical practice of conducting separate environmental, health, and safety audits. Facility management teams conduct EHS audits on a monthly basis. Corporate risk-based audits are conducted at all processing facilities annually, and eight corporate quality assurance audits are performed annually. We have found this integrated structure:

- Fosters continual improvement
- Enhances Team Members' understanding of their EHS roles
- Provides ongoing compliance assurance to facility, EHS, and senior management

Communication

Developing effective methods for communicating critical information is essential to sharing knowledge and instilling a sense of ownership in EHS management. In addition to compiling and publishing EHS performance data, monthly conference calls and quarterly meetings are held with operations' leaders. The purpose of these calls and meetings, which are typically led by division vice presidents, is to discuss new or revised EHS initiatives impacting our company and the overall EHS performance of individual facilities. We also:

- Distribute compliance bulletins to ensure operations leaders and EHS professionals receive timely information
- Maintain an internal EHS Web site available to Team Members



ENVIRONMENTAL STEWARDSHIP – MANAGING OUR FOOTPRINT

Tyson Foods is fortunate to have operations in some of the most beautiful and scenic areas in the world. It is a privilege we acknowledge and appreciate. We are committed to minimizing our environmental impact and promoting the conservation of the natural resources upon which we depend.

Protecting Water Quality

Tyson Foods understands the importance of water in our everyday lives and our responsibility for protecting water quality. We operate 35 full-treatment and 29 pre-treatment wastewater facilities in North America. During fiscal years 2006 and 2007, operational costs to wastewater treatment exceeded \$169 million dollars. In addition, we spent more than \$16 million in capital dollars to modify wastewater treatment systems. These modifications were necessary for ensuring continued compliance with existing and future water quality regulations.

Our commitment to protecting water quality is further illustrated by the results of our water quality performance data. In addition to establishing electronic tools that enable our facilities to monitor the performance of their treatment systems, our long-term goal is to eliminate Notices Of Violations (NOV) and permit exceedances. From fiscal year 2006 through fiscal year 2007, we reduced water-related NOV and permit exceedances by 34 percent. We believe the progress in these important areas demonstrates our commitment to protecting water quality.

Conserving Water

Water conservation is an important priority. Our overall water usage was 28.2 billion gallons in fiscal year 2006 and 27.5 billion gallons in fiscal year 2007. We measure and monitor water use carefully and employ programs and technologies, such as best management practices, Team Member education, and water reclamation systems, to conserve and reuse water. These efforts, along with several facility closures, led to a water-usage reduction of 15 percent per pound of finished product since fiscal year 2005.

Maintaining Air Quality

The primary air emissions managed by Tyson Foods' operations include:

- Particulate matter, particulate matter of 2.5 micrometers or smaller, and particulate matter of 10 micrometers or smaller (PM 10) from operations such as feed milling and cooking
- Sulfur oxides, nitrogen dioxide, carbon monoxide, and PM 10 emissions from the combustion of fossil fuels
- Volatile organic carbon emissions that may result from fryer operations

In the United States, air emissions are regulated by various federal, state, and local environmental agencies. Our compliance with these regulations is verified through annual emissions inventories, annual and semi-annual emission-compliance certifications, periodic state agency audits, and internal compliance monitoring systems.

Our air emissions management includes implementation of pollution-prevention programs, installation of pollution-control equipment, and investment in air emission-control technologies, as needed. We also completed a Potential To Emit inventory for our U.S. based operations. This inventory will help with the ongoing process of managing air permits and operational changes.



Managing Greenhouse Gas Emissions

In November 2004, Tyson Foods became a partner in the U.S. Environmental Protection Agency (USEPA) *Climate Leaders™* program, a voluntary partnership challenging businesses to reduce their Greenhouse Gas (GHG) emissions. Climate Leaders work collaboratively with USEPA to:

- Develop a corporate-wide GHG inventory
- Set aggressive GHG emission-reduction goals for the next 5 to 10 years
- Implement a GHG inventory and reduction management plan
- Annually report GHG inventory data and progress toward goals
- Publicize their participation, reduction pledges, and accomplishments

We completed our corporate-wide GHG inventory in accordance with the Climate Leaders Greenhouse Gas Inventory Protocol. Our GHG footprint during calendar year 2004 was 5.53 million metric tons. This baseline inventory includes data related to facility fuel and electricity usage, transportation fuels, refrigeration usage, and anaerobic biogas production. Based on this inventory, the company anticipates setting GHG emission-reduction goals in fiscal year 2008. We are committed to making appropriate reductions and investing in energy efficient projects to improve bottom line performance.

Tyson Foods Earns SmartWay Shipper/Carrier Partner Status

In 2004, we became a partner in the USEPA *SmartWay®* Transport Partnership, a voluntary environmental and energy conservation program for companies that ship and haul freight. In 2006, we expanded our involvement in this program and gained national status and recognition from the USEPA as an authorized shipper/carrier partner. At the time this status was achieved, we were one of only seven companies to be recognized as both a shipper and carrier partner.

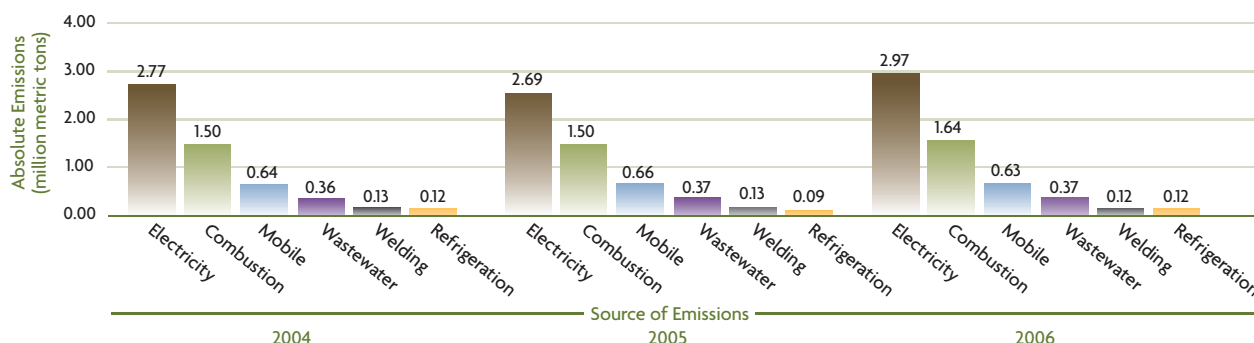
SmartWay Partners are committed to reducing GHG emissions, air pollution, and fuel usage in transportation fleets. To fulfill this commitment, we:

- Placed 67 tractors with new low-emission engines in service during 2007
- Continue to test single-wide tires for potential reduced fuel-usage benefits
- Purchased manufacturer installed aerodynamic packages in our new over-the-road tractors
- Continue to promote the SmartWay Partnership to prospective and existing outside motor carriers



Congratulations to our carrier partners John Christner Trucking, LLC; Knight Transportation, Inc.; and TransAm Trucking, Inc., on receiving the 2007 SmartWay Excellence Award. This award honors organizations that integrate innovative strategies and technologies into their business operations, resulting in reduced energy consumption and GHG emissions.

2004, 2005, and 2006 Greenhouse Emission Source Comparison



We also installed 75 auxiliary power units (APU) on our long haul-fleet during fiscal year 2007. This project was undertaken in connection with the settlement of an enforcement action taken by the State of Illinois for alleged violations of the Illinois Environmental Protection Act and regulations promulgated thereunder. In addition, the company installed 217 APUs on its long-haul fleet that were unrelated to the State of Illinois enforcement action.

By investing in lower-emission engine technologies, aerodynamic equipment, tare weight reduction, and low-friction drive-train lubricants, Tyson Foods has significantly reduced GHG emissions below historical trucking practices. In addition, the company expects an annual fuel savings of 377,000 gallons in fiscal year 2008 as a result of the installation of APUs on its long-haul tractors. Moreover, we currently ship more than 50 percent of our finished product with SmartWay Partners and encourage our outside carriers to become SmartWay Partners.

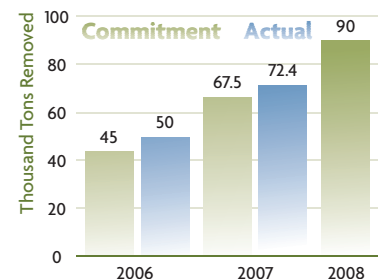
Environmental Quality on the Farm

In 2005, the USEPA accepted Tyson Foods into the Air Compliance Agreement. Subsequently, two company-owned broiler farms in Kentucky were selected as locations for the monitoring of air emissions. The study, which began in late 2005 and concluded in the spring of 2007, monitored ammonia, hydrogen sulfide, coarse and fine particulate matter, non-methane hydrocarbons, and volatile organic compounds. The National Chicken Council agreed to fund the study on behalf of poultry processing companies. The results of this study are currently being analyzed by Iowa State University, University of Kentucky, and other members of academia associated with the USEPA Air Compliance Agreement. The ammonia emissions information resulting from this study has been presented to the Sierra Club and USEPA, and is available for public review at www.iastate.edu. Data collected from the project will be used by USEPA to quantify air emissions from livestock and poultry farms for the purpose of identifying possible regulatory requirements in the future.

In 2003, Tyson Foods, along with four other poultry integrators, began working with the State of Arkansas and the State of Oklahoma to develop alternatives for independent poultry producers to manage poultry litter. Specifically, these integrators provided funding for the hauling of poultry litter out of the Illinois River Watershed (IRW) in eastern Oklahoma. In September 2005, the integrators also committed to Oklahoma Scenic Rivers Commission to work with independent poultry growers in the IRW to encourage hauling of targeted amounts of poultry litter out of the watershed for use as a nutrient source in other regions. As part of the commitment, three year goals were established. The goals for the first and second year have been exceeded, and the third year began during the fall of 2007. A majority of the litter hauled in the first two years was from poultry producers that contract with Tyson Foods.

Other efforts taking place in and around our operations include the signing of a Memorandum of Understanding (MOU) with the Commonwealth of Virginia in the summer of 2007 for using alternative feed additives. Through the signing of this memorandum, Tyson Foods, and other poultry companies operating within the State of Virginia, agreed to the use of enzymes such as Phytase in poultry feed. Phytase is a feed additive that has shown some potential for enabling certain poultry to utilize phosphorus more effectively. The use of this enzyme could possibly reduce phosphorus levels in poultry litter. Tyson Foods and others continue to evaluate the efficacy of Phytase as a feed additive. Annual evaluations from the Virginia Department of Conservation and Recreation will assess reductions from a 1995 baseline and determine progress in meeting the goals of this MOU.

Litter Removal from Illinois River Watershed Area





We have implemented Nutrient Management Plans at all company-owned hog farms. Based on both the components of the nutrients used and the characteristics of the land, nutrient management planning is a best management practice designed to ensure the environmentally beneficial use of manure as a fertilizer. Effective nutrient management plans can:

- Help reduce crop input costs
- Ensure healthy soils are maintained
- Enhance farm profitability
- Control potential manure odors
- Minimize environmental risks

Waste Management

Tyson Foods' operations generate mostly non-hazardous solid waste, consisting of paper, plastics, scrap metals, used oils, food wastes, wooden pallets, protein by-products, and Old Corrugated Containers (OCC). As noted in our EHS Policy, we are committed to managing our operations in an environmentally responsible manner with emphasis on pollution prevention, conservation, recycling, and operational efficiency. While working to constantly find alternative uses for wastes and by-products, we promote consistent waste-management practices throughout our company. These efforts aid in reducing the amount of waste sent to landfills and reduce methane production which contributes to the generation of greenhouse gas emissions.



“The poultry complex is very proud of the savings provided to the company through its recycling programs. We continue to research the recycling markets to identify potential commodities within our solid-waste stream.”

*Christy Smith
complex environmental manager
for the Berryville and Green
Forest facilities*

Monitoring waste generation, disposal, and reuse enables us to assess our progress and continually improve efforts to further enhance waste-management performance.

- Tyson Foods generated 159,342 tons of landfill solid waste in fiscal year 2006 and 159,064 tons in fiscal year 2007, representing a 0.17 percent decrease from 2006 to 2007.
- We recycled 20,609 tons of OCC during fiscal year 2006 and 25,405 tons during fiscal year 2007, a 23 percent increase from 2006 to 2007.
- Tyson Foods has recycled plastic tubs and lids used to store product prior to further processing since the early 1990s. In April 2006, we began documenting and tracking our recycling progress. Since the start of this tracking effort, approximately 1,037 tons of plastic have been recycled.

The environmental benefits and cost savings associated with efficient waste management are incentives for our facilities to reduce the quantities of waste they generate and to recycle whenever possible. Our facilities are always looking for ways to recycle solid wastes, and some even recognize their waste streams as a commodity. Since October 2005, the Tyson Foods Berryville, Arkansas, and Green Forest, Arkansas, facilities have recycled 4,125 tons of OCC and received \$355,125 dollars in cash rebates for their recycling efforts. The facilities avoided disposal costs of approximately \$240,033 dollars.

The Berryville and Green Forest facilities also recycle plastic tubs and lids, grass clippings, poultry litter, aluminum cans, ink cartridges, office paper, and wooden pallets. Not all of these waste streams are directly recycled by the facilities. For example, the facilities donate their office paper to the local solid-waste company to assist the company with increasing the volume of their recycled office paper.

Environmental Fines & Penalties

Tyson Foods incurred several environmental penalties during fiscal years 2006 and 2007. The largest penalty paid was \$100,000. This penalty was paid as part of the Air Compliance Agreement. This agreement enabled Tyson Foods to conduct a study that monitored air emissions from Live Production operations without additional liability related to the results of the study.

The largest penalty incurred by a single location was \$33,800. Further, the company spent approximately \$1.9 million on Supplemental Environmental Projects in fiscal year 2007. In addition, we reported 57 spills and entered into 15 consent agreements to address specific environmental issues during fiscal years 2006 and 2007. Specific details surrounding all penalties incurred during this time frame are provided below.

SAFETY AND HEALTH – PROTECTING OUR TEAM MEMBERS

The safety and health of our Team Members is one of our primary concerns. We do not view workplace injuries or illnesses as an acceptable part of operating the business, and we work diligently to reduce the frequency and severity

of workplace injuries and illnesses. We are committed to ensuring our Team Members return home to their families, every day, as safe and healthy as when they came to work. To this end, we strive to provide a work environment free of hazards and to build a safety culture that promotes continuous improvement.

Our Safety Performance – Incident Rates

Tyson Foods measures its safety performance using OSHA incident calculations for Lost Time Incident Rate, Total Recordable Incident Rate, and Days Away, Restricted, and Transfer Rate. By placing greater emphasis on the factors contributing to these rates, we have been able to identify key opportunities for safety performance improvement on a site-specific basis.

Although improvements have been made in our safety performance, work-related incidents can still occur and require constant focus. During fiscal years 2006 and 2007, the company experienced four plant-related fatalities and nine motor-vehicle fatalities. Tyson Foods regrets these unfortunate events and is working to prevent similar incidents in the future.

Fiscal Year	Penalty Amount	Facility Affected	Description
2006	\$100,000	Company Managed Live Operations	Consent Agreement to resolve potential liabilities under the Clean Air Act, Comprehensive Environmental Response, Compensation, and Liability Act, and the Emergency Planning and Community Right-to-Know Act.
2006	\$33,800	Emporia, KS	Civil penalty for the late reporting of an ammonia release.
2006	\$25,700	Glen Allen, VA	Civil penalty for wastewater exceedance.
2006	\$1,170	Van Buren, AR	Expedited Settlement Agreement for Risk Management Planning violations.
2006	\$525	Blountsville, AL	Expedited Settlement Agreement for Risk Management Planning violations.
2006	\$423	Randall Road, AR	Consent Agreement and Final Order for New Source Performance Standard violation.
2007	\$30,000	Joslin, IL	Consent Judgment for nuisance odors.
2007	\$5,238	Columbia, SC	Consent Agreement for Comprehensive Environmental Response, Compensation, and Liability Act, and Emergency Planning and Community Right-to-Know Act violations.
2007	\$3,240	Ashland, AL	Expedited Settlement Agreement for Clean Air Act violations.
2007	\$1,000	Holdenville, OK	Consent Agreement and Final Order for wastewater overflow event.

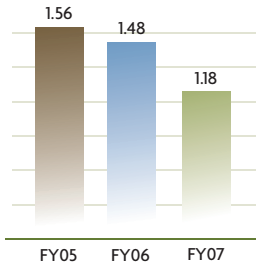


Scoring Safety

Tyson Foods finalized and released a new safety metric process in 2006. This new process not only analyzes historical costs associated with injuries and illnesses, but also places greater emphasis on their frequency and severity. Under this new process, each U.S.-based processing plant was challenged to improve their safety metric score by five percent during fiscal year 2007. Each facility conducted a site-specific evaluation of their injury and illness trends, established an injury and illness baseline, and developed plans to proactively meet or exceed the five percent goal. To further emphasize the commitment to this new scoring process, a portion of each facility's managerial bonus pool is tied to safety metric score improvement. In 2007, we had an overall improvement of 17 percent on our safety metric score. We are proud of this improvement and have committed to improving our overall safety metric score by another five percent in 2008.

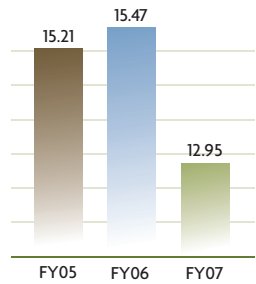
Lost Time Incident Rate

per 100 Team Members



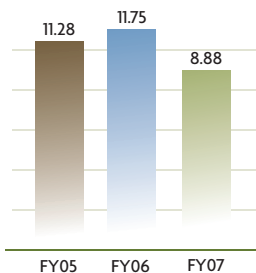
Total Recordable Incident Rate

per 100 Team Members



Days Away, Restricted, Transfer

per 100 Team Members



Preventing Workplace Injuries and Illnesses

We have developed and implemented preventative programs that are fundamental to our safety improvement process. In addition to establishing policies and procedures, we educate Team Members on injury and illness prevention, including hazard identification, maintaining a safe workplace, appropriate use of personal protective equipment, and prompt injury and illness reporting.

- In 2004, we instituted core safety mandates for three critical areas regarding accident prevention and OSHA compliance, including lockout/tagout, fall protection, and permit-required confined space.
- Our ergonomic program helps reduce those risk factors that could cause musculoskeletal injury or illness and improves the overall quality of the work environment for our Team Members.
- Our job safety analysis and root cause incident investigation programs teach supervisors how to gather and analyze data with a focus on eliminating and preventing hazards, injuries, and illnesses.

- Safety and ergonomic committees continue to play a key role in injury and illness prevention efforts for our company. Committee members are actively involved in safety inspections, incident investigations, and activities to promote safety awareness. The company has approximately 160 safety and ergonomic committees with over 2,160 Team Members serving on these committees.

Assuring Team Member Health

Our Occupational Health Services Program, begun in 1977, provides qualified health-care personnel for on-site management of work-related injuries and illnesses. The program has expanded over the years to include several health programs and services for our Team Members. Our processing facilities routinely host health fairs for their Team Members where they can take advantage of valuable information and tests related to numerous health and wellness topics such as diet and nutrition, communicable diseases, blood pressure, and cholesterol.

We have also developed a pandemic influenza plan with specific objectives in the event of an influenza pandemic:

- Minimize illness among Team Members
- Aid in minimizing social disruptions, where possible, by supporting local communities, government agencies, and customers
- Ensure essential operations and services are maintained

This plan also details how we will communicate with Team Members about the facts surrounding human influenza illness. This would include an understanding of the signs and symptoms of influenza, modes of transmission, and good respiratory hygiene and cough etiquette.



We also have an industrial hygiene program to protect our Team Members from potential health hazards in the workplace. Our industrial hygiene approach includes comprehensive audits, program reviews, training, and other specialized services to protect the health of our Team Members and to ensure regulatory compliance. Through routine monitoring and sampling, our industrial hygiene program evaluates noise levels, air contaminants, organic dusts, chemical and biological hazards, organic and inorganic vapors, and pesticides.

Improving Driver Performance

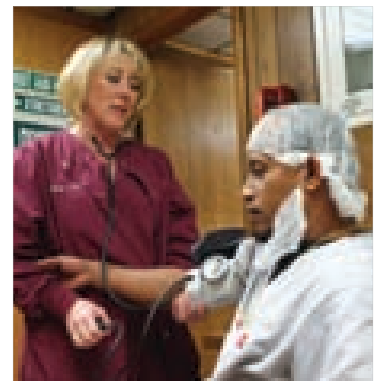
Tyson Foods is committed to identifying and mitigating the potential risks associated with the operation of its commercial motor vehicles. In 2006, we launched a new driver evaluation system to evaluate a driver's risk factors based upon moving violations and preventable crashes. A blank page approach to crash investigations was also implemented to allow a driver and manager to conduct a collaborative review and determine the root cause of the crash.

In May 2007, Lockton Risk Control Services and Tyson Foods conducted a Fleet Transportation Perception Survey. Approximately 365 drivers and managers at eight locations participated in the survey. The results identified potential perception differences between drivers and location management that might have the potential to influence safety awareness and crash-rate performance.

EHS AWARDS AND RECOGNITIONS

Below are examples of both internal and external environmental, health, and safety awards and recognitions for fiscal years 2006 and 2007.

- In 2006 and 2007, 33 facilities received recognition from the American Meat Institute (AMI) for their environmental achievements.
- AMI also presented five facilities with Certificates of Recognition for their workplace safety performance in 2007.
- In 2006, we presented a total of 126 safety awards for safe work hours, improved injury and illness scores, and years without a lost time injury or illness.
- The U.S. Poultry and Egg Association recognized our Corydon, Indiana, facility as the winner of its 2007 Clean Water Award in the pretreatment category.
- Our Noel, Missouri, facility received a finalist award for U.S. Poultry and Egg Association's 2007 Clean Water Award in the full treatment category.
- Eighteen facilities received safety performance recognitions from the National Safety Council of the Ozarks in 2006 and 2007.
- Our Cumming, Georgia, poultry facility was recognized by Environmental Protection Magazine as a Facility of the Year in 2007 for their commitment to environmental stewardship. Our Berryville, Arkansas, and Noel, Missouri, facilities received an honorable mention in this same competition.
- In 2006, the Harrisonburg, Virginia, facility received the Virginia Industry Environmental Conference and Annual Governor's Environmental Excellence Silver Award for its water conservation efforts. Over the last five years, Harrisonburg has reduced its water usage by 540 million gallons and water costs by 2.2 million dollars.



Health care professionals offer programs and services to Team Members at the facilities.



International

Sharing with the World





Our international business has grown to include valued customers in more than 80 countries. We are committed to ensuring quality food products are delivered to our worldwide customers and will fulfill this commitment with the highest regard for:

- Our Core Values
- The international laws and regulations applicable to our operations
- Team Member safety and well-being
- Protection and conservation of the environment
- Food safety and animal well-being
- Shareholder value

In January 2007, we entered a joint venture in Argentina with Cactus Feeders, Inc., one of the world's leading cattle feeding companies, and Cresud, the leading agribusiness company in Argentina. Tyson de Mexico is developing and implementing an EHS Management System and is installing new technology to improve water quality and conservation efforts.

INTERNATIONAL GROWTH

With a focus on growing our export of U.S. production overseas and establishing new production facilities in key regions, our International Division is dedicated to offering the highest-quality protein food products throughout the world. Our operation in Mexico, Tyson de Mexico, is the largest producer of value-added chicken for both retail and food service in Mexico.

We also have an existing joint venture in China that produces a variety of value-added foods. Further, we continue to work on finalizing additional international joint ventures and acquisitions in China, Mexico, and South America, including Argentina and Brazil.

In addition to being our first participation in a beef operation outside of North America, the newly formed Argentine venture creates the first vertically integrated beef operation in South America. The joint venture will be focused on production for the domestic Argentinean consumer, as well as consumers in Europe and other markets.

CREATING PROSPERITY

In 1996, our Tyson de Mexico operations, located in the Comarca Lagunera region, began moving from a company-owned farm business model to an independent-producer business model. Working with local communities and banks, Tyson de Mexico served as the guarantor on construction loans for poultry houses. This allowed independent producers to qualify for a lower interest rate.

In fact, 87 percent of the producers had annual incomes below \$4,500 and qualified for a 4.3 percent subsidized interest rate. The remaining 13 percent, who were small business owners, qualified for a nine percent interest rate available to agricultural enterprises. In addition to these low interest rates, independent producers also received:

- Superior chicken genetics
- High quality feed
- Veterinary and nutritional support
- Safety and environment management training

These additional services and supplies ensure healthy chickens, high yield, and environmental protection.





Nuestros Valores Principales

Somos una compañía formada por personas unidas para la producción de alimentos, que buscan la verdad e integridad y que están dedicadas a crear beneficios para nuestros accionistas, clientes y nuestro personal a lo largo de este proceso.

Quiénes somos:

- Nos esforzamos por ser una compañía formada por gente diversa trabajando juntos para producir alimentos.
- Somos personas que se esfuerzan por ser gente honorable.
- Somos una compañía que se esfuerza por acoger creencias diversas.

Qué hacemos:

- Alimentamos a nuestras familias, a la nación y al mundo con productos alimenticios confiables.
- Servimos como guardianes de los animales, la tierra y el medio ambiente que se nos han confiado.
- Nos esforzamos por proporcionar un ambiente de trabajo seguro para nuestros Compañeros de Equipo.

Cómo lo hacemos:

- Luchamos por lograr utilidades satisfactorias y constantes para nuestros accionistas y de la misma manera invertir en nuestro personal, productos y procesos.
- Nos esforzamos en trabajar con integridad y responsabilidad en todo lo que hacemos.
- Nos esforzamos por honrar a Dios y respetarnos unos a otros, respetar a nuestros clientes y a otros con intereses en la Compañía.



The Core Value Card is printed in 9 different languages for our Team Members.

Today, 70 percent of Tyson de Mexico's chicken needs, approximately 2.1 million chickens per week, are met through local independent producers. During 2006, these growers were paid more than \$26 million, a \$221,311 annual income per enterprise. On average, each enterprise involves 16 families. Through this program, the annual income by family was \$14,500 (three times more than their income prior to this program).

For Tyson de Mexico, this business model provides healthier chickens as a result of greater geographic dispersion, improved stakeholder relations, and increased return on invested capital (ROIC). For the community, this business model increases the income of independent producers, fuels rural economic development, and strengthens community development as new businesses open to serve the producers, thus increasing the opportunities for employment in the region.

PROTECTING OUR TEAM MEMBERS AND THE ENVIRONMENT

Our international operations participate in numerous corporate EHS programs. For example, with the assistance of third-party auditors who have working knowledge of each country's EHS regulations, our international locations participate in our EHS Audit Program. Each location is audited every three years for compliance with their country's regulations as well as company policy. In addition:

- Tyson de Mexico is developing and implementing an Environmental, Health, and Safety Management System. The goal is to have this system in place by December 2008.
- The Tyson de Mexico Porvenir Plant participates in Tyson Foods' water conservation program. The primary source of water for the plant, and surrounding community, is ground water. With the installation of a new electrocoagulation process, the plant not only will be able to remove impurities from the water but also potentially reduce the amount of water withdrawn, an improvement that will help ensure a sustainable water supply for the community.

- The Tyson de Mexico Rendering Plant participates in our efforts to effectively manage potential odors associated with our processes. The plant installed a biofilter system to filter malodorous exhaust air produced during the plant's cooking process. The system uses bacteria to oxidize the compounds into carbon dioxide, water, and some inorganic salts, providing a reduction in odors and improving community relations.

SUPPORTING OUR COMMUNITIES

Our international operations and Team Members care about the communities in which they live and work, and actively look for ways to support them. Here are just a few examples of the many community support efforts undertaken by our international operations:

- The Tyson-Dalong operation in China organizes local events, such as a basketball tournament, for its Team Members and their families and friends.
- Tyson de Mexico supports and sponsors numerous sports including the 2007 Laguna Open, the Vaqueros Laguna Baseball Team, and the Encuentro Nacional de Gimnasia.
- Tyson de Mexico participates in CompuCampo 2007, an event aimed at building healthy minds.
- In China, Team Members are actively participating in various international organizations.
- Tyson de Mexico partners with local seminars and expos in an effort to strengthen the relationship and awareness of the company with local cattle dealers and chicken growers.



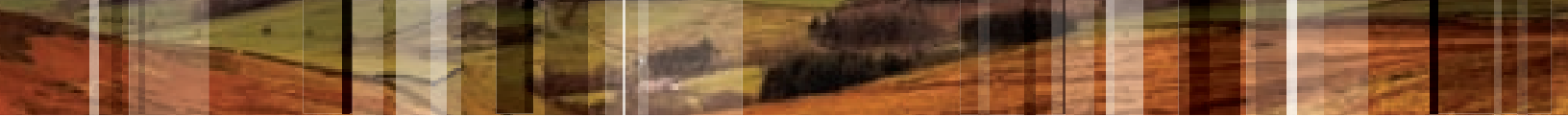
CREATING MEANINGFUL CHANGE

Research and Development 46
Focusing on the Future

Shareholders 50
*Creating Long-Term
Shareholder Value*

Supply Chain 54
Partnering with Suppliers

Community 58
Touching Lives and Meeting Needs



Research and Development

Focusing on the Future



Tyson Foods is dedicated to developing a best-in-class, value-added product portfolio that meets the needs of today's changing market. By applying in-depth understanding of consumer and customer needs, analytical skills, and strategic thinking, we are positioned at the forefront of product innovation. We will continue to demonstrate our commitment to R & D by creating new and relevant food solutions for years to come.

In January 2007, we opened the 100,000 square-foot *Tyson Discovery Center™* at Tyson Foods World Headquarters in Springdale, Arkansas, to enhance our ability to develop new food solutions and bring them to market faster. We developed a significant number of new products and product lines in 2006 and 2007. As a result of our new product development during 2006 and 2007, we were recognized with several national and industry-wide innovation awards.

Our subsidiary, Cobb-Vantress, Inc., continues to make improvements to our world-class poultry breeding stock and advance technology in animal husbandry.

TYSON DISCOVERY CENTER

The *Tyson Discovery Center™* is the focal point for the development of insights, people, processes, and new and innovative products. Bringing together Tyson Foods' protein research and development into a single location, the work space was designed to maximize communication and collaboration with knowledge applied across chicken, beef, and pork.

Our Research Kitchens

The Tyson Discovery Center includes 19 specialized research kitchens utilizing 20,000 square feet of custom-designed space equipped specifically for the business units and customer channels we serve. All kitchens were designed for maximum technical flexibility and culinary effectiveness, allowing our product innovators to work in real-world environments.

Kitchens in the Tyson Discovery Center are grouped in pairs to efficiently share a common wash area, dry storage, freezer, and cooler space. Each has a large area of highly-flexible cooking space with under-hood ventilation, and each is equipped with appliances to match the focus of the business unit and customer segment that it serves. Mobile work surfaces allow maximum flexibility during the development of new products.

By design, the kitchens can be customized to meet the needs of any customer. Each kitchen contains lighting and other equipment that simulates the food service or retail food environments. Some of the kitchens are also equipped for remote viewing. This gives Tyson Foods the ability to allow customers and our marketing and sales Team Members access to

product reviews and food demonstrations from any location in the world.

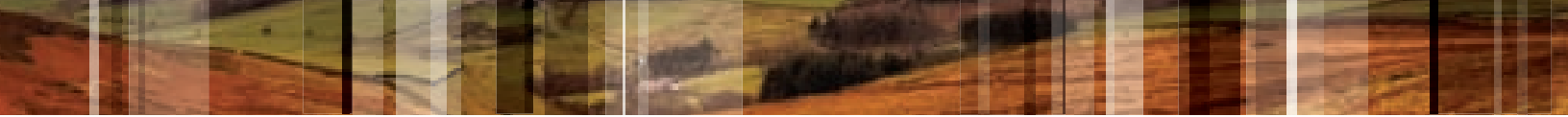
The office space, surrounded by the kitchens, is designed to foster innovation and creativity and to make collaboration easy. Work teams are grouped together with additional space dedicated to informal, spontaneous gatherings. This work environment facilitates excellent idea-sharing opportunities for technologists and encourages information exchange across all business groups.

USDA-Inspected Pilot Plant

The Tyson Discovery Center also includes a 40,000 square-foot, multi-protein, USDA-inspected pilot plant. The plant provides a real world "testing ground" to evaluate numerous elements in the product-development process. In this unique facility, we have the ability to replicate nearly every production process using the exact equipment found in our processing plants.

The pilot plant also eliminates the disruptions, inefficiencies, and "translation errors" that can occur during new-product testing at production-plant trials, and reduces travel expenses for Team Members involved with in-plant trials. In keeping with best practices for the safety of our guests and our products, the pilot plant offers a viewing gallery that allows customers and guests to observe several segments of pilot plant activity without entering a food-safe environment.





Consumer Center

When developing a new product or evaluating the use of different ingredients in a current product, it is important to know the thoughts, ideas, perceptions, and preferences of the consumer. The Discovery Center offers a new Consumer Sensory Panel area and Consumer Focus Group Learning Center. These areas provide the company with an opportunity to gain consumer insight prior to the release of a new or improved product.

The Consumer Sensory Panel area includes 12 individual sensory booths. These booths allow internal, external, and expert participants to sample and evaluate single or multiple product attributes including visual, texture, taste, and aroma. The participants are then able to enter their responses into a computer-based sensory evaluation system. Our R & D team can then quickly tabulate and evaluate the responses, resulting in a quicker product development process.

The Consumer Focus Group learning center allows for in-depth, one-on-one or group discussions regarding the marketing activity of a new product. Participants are queried on various aspects of a proposed new product, or changes to an existing product, to gain consumer insights. The ability to listen directly to the end-user to help create new products is what enables us to meet the needs of today's changing market.

Our R & D Staff

The Tyson Discovery Center is home to the 120 food science, product development, and culinary professionals who are part of our Research and Development team. More than 50 of these professionals hold advanced degrees, including 11 with PhDs. Approximately 65 of our technologists are training to become Research Chef Association Certified Culinologists. This training program, developed by Johnson and Wales University and the University of Arkansas, is conducted on the campus of the University of Arkansas to eliminate the need for travel. This will allow the product development team to have a well-rounded understanding of both the culinary aspect and the commercial viability of producing a product.

Discovery Center Extras

The design of the Tyson Discovery Center fosters a collaborative work environment. With its open

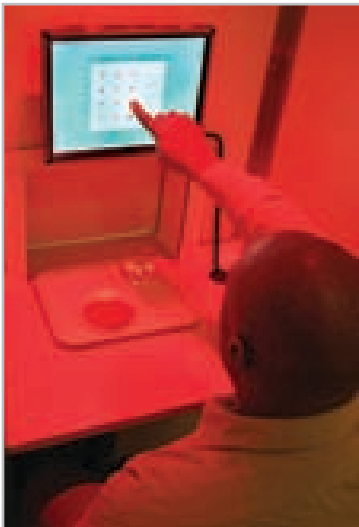
workspace and natural lighting, the center offers a relaxed and creative atmosphere. It also contains several other key features.

- The Packaging Concept Lab provides a vital link between the test kitchens and the pilot plant, allowing product and packaging ideas to come together during the early stages of design. The lab also evaluates future packaging solutions that are more convenient, as well as environmentally sustainable.
- Our Specification and Regulatory Labeling Compliance group and Nutrition Services group are also located at the center.
- The company launched a new software application for product data management in 2007. This software application provides a company-wide central repository for data related to the development of a new product. It also establishes the foundation for assessing the success of a new product.

NEW PRODUCT DEVELOPMENT

Our current research indicates many shoppers are looking for delicious, protein meal solutions that require minimal preparation time. Below are examples of new products designed to meet this need that were released during fiscal years 2006 and 2007:

- The company's new *Trimmed and Ready™* fresh chicken is a line of seven premium cuts. Each is hand trimmed and selected to deliver the highest quality. There is no additional trimming or handling required by the consumer.
- Seasoned and ready to cook, our new Stew Kit with Beef and Vegetables is a family favorite made easy.
- We introduced our new individually wrapped boneless, skinless fresh chicken breasts in June 2007 to provide flexibility for consumer use.
- Our new Bourbon Steak Tips are a combination of lean beef tips and a sweet and savory bourbon sauce slow simmered to perfection. This premium entrée is ready to serve over your favorite pasta or rice after just 10 minutes in the microwave.
- *Any'tizers™* snacks is a line of frozen appetizers ready in just minutes. *Any'tizers™* snacks can be used in the afternoon, as a light meal, or as an appetizer for a gathering.



The Consumer Sensory Panel



Tyson Foods is pursuing Leadership in Energy and Environmental Design (LEED) certification at our new Discovery Center.

- Perfect for the backyard or dining room, our new Southwestern Style Pork Baby Back Ribs are delicious whether they are cooked in the oven or on the grill.

PRODUCT INNOVATION RECOGNITIONS

Tyson Foods' commitment to innovation is evidenced by the prestigious product innovation recognitions and awards received in fiscal years 2006 and 2007.

- Tyson Foods ranked number one in the Cannondale Associates 2007 FoodserviceElite Composite Manufacturer Rankings for the fifth consecutive year.
- Out of 361 manufacturers, Tyson Foods ranked number one for "Manufacturers That Do The Best Job of Bringing Valuable New Products to Foodservice Operators" by Cognitio in 2007 for the fifth year in a row.
- The company received *POULTRY* magazine's 2007 Industry Innovator Award.
- In January 2007, the company won the "Refrigerated Category's Best Beef, Ham, Pork, and Turkey" award from American Culinary *ChefsBest™*. *ChefsBest™* is an independent judging organization dedicated to recognizing and honoring the best products in America.
- In October 2007, Tyson Foods received an "Outstanding Achievement" award in the "Most Innovative Company" category from Consumer Goods Technology, an integrated media organization that covers the consumer goods industry.

RESEARCH MAKES THE DIFFERENCE

Innovation at Tyson Foods isn't limited to just food products. Tyson Foods also breeds its own chickens through its wholly-owned subsidiary, Cobb-Vantress, Inc. Cobb-Vantress is a poultry research and development company engaged in the production, improvement, and sale of broiler breeding stock. Cobb-Vantress distributes its products in more than 90 countries either through direct commercial operations or through partnerships with more than 50 distributors worldwide.

The Cobb-Vantress R & D and pedigree breeding program has state-of-the-art facilities spread over four separate complexes in Missouri, Oklahoma,

and Kentucky and invests 14 percent of its sales revenue in the program annually.

Cobb-Vantress is committed to helping its customers increase their production efficiency and improve their overall returns. As an example, feed is a major cost in producing poultry. By employing multi-trait selection, advanced computer-based programs, and individual chicken analysis, Cobb-Vantress has made the following improvements:

- Reduced the amount of feed required to produce a pound of live weight, thus easing the pressure on grain production.
- Reduced by 30 million pounds the amount of litter produced each year for every 50 million broilers. This is equivalent to a 20-percent reduction in litter production over the last 25 years.

Cobb-Vantress has pledged its diligence in not only the pursuit of new and improved genetics and technology but also animal well-being. As the poultry industry has evolved in efficiency and become more responsive to consumers and the food industry's awareness of animal welfare, the drive to improve broiler mortality has increased. Through improved genetic selection, Cobb-Vantress has improved mortality by 0.8 percent over the past 10 years. This has greatly assisted the advancement of animal husbandry and welfare standards in the industry. Learn more at www.cobb-vantress.com.

Every facet of Tyson Foods' R & D efforts strives toward common themes. From the farm to the fork, Tyson Foods R & D goals are to create value from our internal operational efficiencies, develop innovative offerings for consumers, and exceed our customers' expectations

R & D serves as a vital link between unmet consumer needs and our ability as a company to provide sustainable, competitive advantages in the marketplace by developing innovative food products. Regardless of the area of R & D involvement; from genetic selection through grow out and animal welfare, to food preparation and distribution, Tyson Foods R & D consistently delivers on the path of ideation, development, and implementation of new products and processes.



"For Tyson Foods to continue to be successful, we must discover and sell market-leading products and services to grow our brand equity and help our customers succeed through joint value creation."

*Donnie Smith
group vice president of Consumer
Products*



Shareholders

Creating Long-Term Shareholder Value



Tyson Foods Investor Relations is committed to preserving and enhancing our relationship with the investment community. In addition, this group is committed to positively affecting our company's value relative to the market and the cost of capital. In accordance with our Core Values, Tyson Foods strives to earn consistent and satisfactory profits for our shareholders and invest in our people, products, and processes.

DELIVERING VALUE

Tyson Foods began operating in 1935 and incorporated in Arkansas in October 1947 as Tyson Feed and Hatchery, Inc. In April 1963, Tyson Foods made its initial public offering, selling 100,000 shares of common stock at \$10.50 each. Shareholders approved reincorporation of the company to the State of Delaware in February 1986.

As an innovative food company with a commodity base, we are mindful of costs and efficiencies. In July 2006, we began a cost management initiative, which ultimately resulted in more than \$265 million in annualized cost savings. The company also brought its debt level to under \$2.8 billion, significantly reducing interest expense.

Following the successful cost management initiative, Tyson Foods went a step further to fine tune operations through its FAST initiative. FAST stands for focus, agility, simplify, and trust. Through this process, we sharpened our focus on planning and execution by eliminating processes and activities that do not add value. By eliminating unnecessary layers and trusting Team Members to assume responsibility and accountability, we anticipate we will be more agile with a more simplified decision making process.

FINANCIAL ASSURANCE

Tyson Foods management has responsibility for preparing the company's financial statements with integrity and objectivity. Our statements are prepared in conformity with accounting principles generally accepted in the United States.

Furthermore, we maintain a system of internal accounting controls. These are designed to provide assurance that the company's assets are protected and assure transactions are executed and recorded properly. This system is continually reviewed and modified in response to changing business conditions and recommendations made by independent and internal auditors.

For additional information, please visit our Investor Relations Web site at www.tyson.com. Many features for current and potential investors are available at this site including:

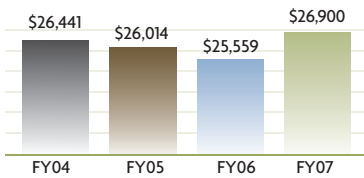
- News releases
- Annual reports
- Tyson Foods' Investor Fact Book
- Web casts
- SEC filings
- Corporate Governance information
- Stock charts
- An investment calculator

Key Financial Indicators 2004-2007

(in millions, except per share data)

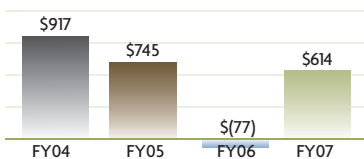
Sales

Change FY04 - FY07: 1.7%



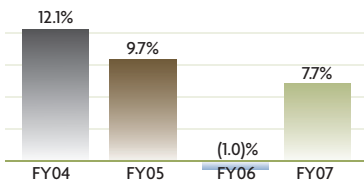
Operating Income (Loss)

Change FY04 - FY07: (33)%



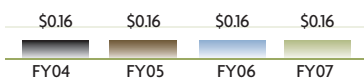
ROIC

Change FY04 - FY07: (36.4)%



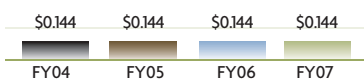
Dividends to Shareholders Class A Shares

Change FY04 - FY07: 0%



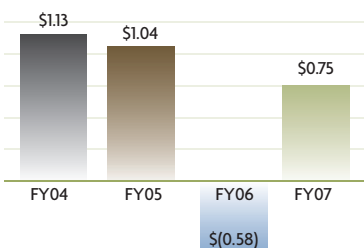
Dividends to Shareholders Class B Shares

Change FY04 - FY07: 0%



Earnings Per Share

Change FY04 - FY07: (33.6)%



Financial Auditing

Each year, Tyson Foods' Internal Audit Department submits an audit plan for the upcoming year to the Audit Committee of the Board of Directors. Audit results are reported to management as appropriate and regularly to the Audit Committee.

The Audit Committee meets quarterly with the company's financial management team, their counsel, and independent and internal auditors. Independent and internal auditors have access to the Audit Committee to discuss the results of their audits or any other matter relating to the company's financial affairs.

Sarbanes-Oxley Control Procedures

Tyson Foods strives to be transparent in reporting financial data to our shareholders. Our mission is to maintain compliance with the Sarbanes-Oxley Act of 2002 (SOX).

In June 2007, the Securities and Exchange Commission issued new interpretive guidance for the evaluation of internal controls regarding financial reporting. As a result, Tyson Foods has revamped its approach to SOX 404.

We are placing increased reliance on entity-level controls and reducing efforts associated with the assessment.

The company's internal control system provides reasonable assurance to management and the Board of Directors that published financial statements were fairly prepared and presented. Management evaluates the effectiveness of the company's internal control over financial reporting. In this assessment, the company uses criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework. Based on this evaluation, management concluded that Tyson Foods' internal control over financial reporting was effective as of September 29, 2007.

Investing in Renewable Fuels

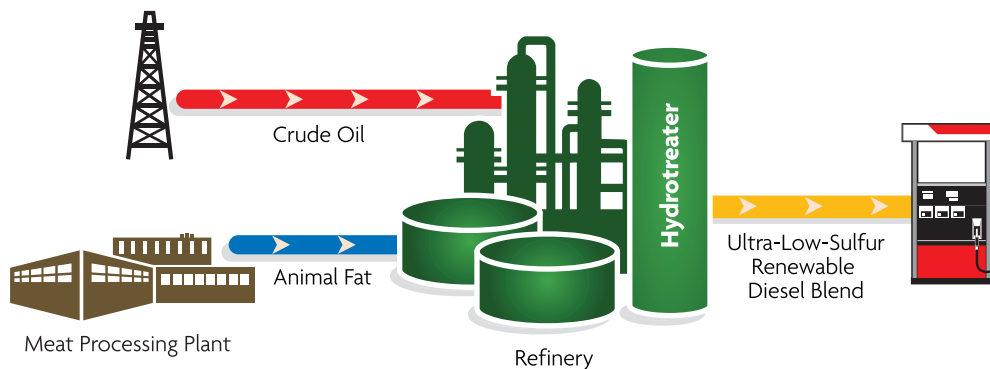
In April 2007, Tyson Foods and ConocoPhillips announced an alliance to produce and market the next generation of renewable diesel fuel, which will help supplement the traditional petroleum-based diesel fuel supply. Using a proprietary thermal depolymerization production technology, the alliance will use beef, pork, and poultry by-product fat to create high-quality diesel fuel that meets all federal standards for ultra-low-sulfur diesel. In addition to lower life-cycle carbon emissions, this fuel will increase energy security by using a domestic and renewable energy source and reduce greenhouse gas emissions.

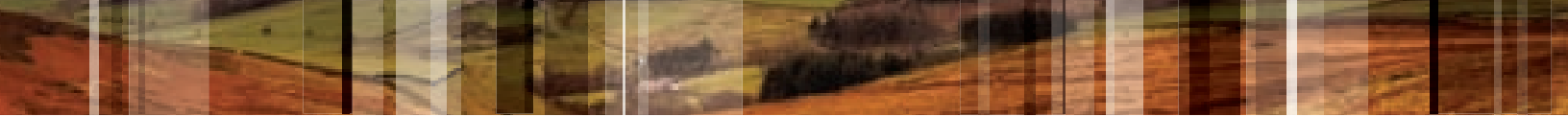
Tyson Foods is firmly committed to leveraging our leadership position in the food industry to identify and commercialize renewable energy opportunities.

Our company took another strategic step in its quest to be a leader in renewable energy in June 2007. Tyson Foods and Syntroleum Corporation, a Tulsa, Oklahoma-based synthetic-fuels technology company, announced the formation of Dynamic Fuels LLC, which will produce synthetic fuel for the renewable diesel, jet, and military fuel markets. The venture plans to construct and operate multiple stand-alone commercial facilities capable of producing ultra-clean, high quality, next generation renewable synthetic fuels using Syntroleum's patented *Biofining*™ process, a "flexible feed/flexible synthetic fuels" technology. Feedstock will be derived primarily from animal fats, greases, and vegetable oils supplied by Tyson Foods. Construction of the first facility is expected to start in 2008 in Geismar, Louisiana, with production targeted for 2010. The facility will produce an estimated 75 million gallons of synthetic fuel annually and will generate approximately 250 short-term construction jobs and 65 highly skilled permanent jobs.



Renewable Diesel Fuel Process





Supply Chain

Partnering with Suppliers



Tyson Foods is committed to sustainable purchasing practices. We strive to extend supply chain responsibility beyond our operations to the 6,000 suppliers and contractors who provide the goods and services required for the efficient operation of our business.

In fiscal years 2006 and 2007, we spent approximately \$6 billion dollars on these goods and services. This level of spending encourages our purchasing professionals to take into account the economic, social, and environmental aspects of our purchasing decisions. The company worked on several sustainable supplier initiatives. We also continued our commitment to supplier diversity.

RESPONSIBLE PROCUREMENT

Our company has developed an extensive procurement system involving wide-ranging policies and procedures through which a significant amount of our transactions flow.

Our customers and consumers depend on product quality. Our procurement system is vital to maintaining this quality. We look to obtain our food ingredients from supply partners that have effective quality assurance programs and the ability to provide a full product analysis and letters of guarantee regarding the quality and safety of their ingredients.

We also seek to enter into relationships with suppliers who share similar values and who help drive continual improvement of the procurement process. Our procurement system provides a foundation for a consistent approach to selecting suppliers. It encourages a review of key elements that extend beyond simple pricing. This includes:

- Financial strength
- Product quality
- Regulatory compliance
- Environmental commitment
- Technological support and services
- Product development

Our company also places great importance on:

- Paying its commitments on time
- Honoring the terms of its contracts
- Acting ethically and honestly in all aspects of the procurement process

We regularly host strategic meetings with major suppliers to discuss delivery and transaction efficiency and product quality. In addition, supplier satisfaction surveys are conducted to identify ways to further enhance the relationships with our suppliers. These measures not only strengthen our relationship with suppliers but also aid supplier transparency.

SUPPLIER DIVERSITY

We value the diverse skills and knowledge of our suppliers. We strive to develop mutually beneficial relationships with diverse suppliers that are representative of our Team Members, consumers, customers, and the communities in which we operate.

Tyson Foods currently does business with approximately 3,200 small suppliers that are minority and women-owned. Strategic efforts underway to increase supplier diversity include:

- Attending supplier trade shows and diversity functions
- Partnering with suppliers to encourage diversity in their supply chain
- Researching supplier mentor-protégé programs
- Developing relationships with regional and national minority and women's organizations



SUSTAINABLE PACKAGING

The potential opportunities surrounding sustainable packaging are of interest to our customers, consumers, and Tyson Foods. Our first priority is to ensure the wholesomeness and shelf life of our products. With the support of our suppliers' focus on functionality, we also view sustainable packaging as a priority. We continue to research opportunities to deliver our products in sustainable packaging. As an example of this commitment, we are using only Sustainable Forestry Initiative (SFI®) standard certified corrugated packaging.

The SFI® program is a comprehensive system of principles, objectives, and performance measures developed by professional foresters, conservationists, scientists, and other stakeholders from inside and outside the forest products industry. The program combines the perpetual growing and harvesting of trees with the long-term protection of forest biodiversity, wildlife, plants, soil and water quality, and other forest values along with a program for responsible fiber sourcing. The SFI® certification helps to ensure the forest resources used in corrugated packaging meet the stringent requirements of the SFI® standards fiber sourcing program.

We are also working closely with numerous packaging suppliers to develop sustainable alternatives for our food contact packaging requirements. As renewable and sustainable materials continue to develop, we will evaluate the technologies to ensure fitness for use.



The Packaging Concept Lab provides Team Members a place to research new packaging.

CARING FOR THE ENVIRONMENT

In fiscal years 2006 and 2007, we established several partnerships with suppliers who share our commitment to environmental stewardship:

- We have an agreement with a company that manages the receipt, re-use, and, if necessary, the environmentally responsible disposal of personal computers, laptops, monitors, fax machines, copiers, cell phones, etc.
- We have made strides in reducing the amount of waste sent to landfills. With the assistance and support of our solid-waste suppliers we removed approximately 47,000 tons from our landfill waste stream during fiscal years 2006 and 2007.
- Weyerhaeuser, our corrugated supply partner, exceeds the requirements to use the SFI®-certified sourcing label, with 85 percent of its fiber sourced from a certified procurement system or recycled paper.

Tyson Foods also maintains procurement partnerships with suppliers who have made great progress in managing their environmental footprint.

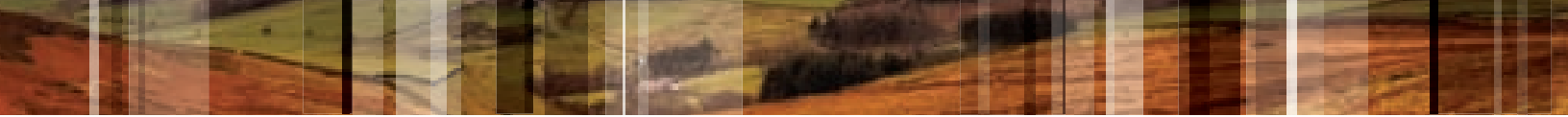
- Through redesigned washroom products, packaging, and dispensing systems, Kimberly Clark Professional, a leading global health and hygiene company, has improved product performance so its customers can use less, waste less, and spend less.
- Hantover Inc., a distributor of production supplies to the food industry, has implemented recycling programs, electronic-marketing initiatives, and consolidated delivery schedules to reduce its environmental impact.
- FlexSol, a leading manufacturer of flexible packaging and value-added plastic films, is a member of GreenBlue's Sustainable Packaging Coalition and is evaluating the use of solar energy at its Pompano Beach, Florida plant.
- The internal regrind process at OnGuard Industries, a supplier of protective footwear and apparel, allows OnGuard to rework any rejected PVC products it produces, resulting in decreased landfill waste.

SUPPLY-CHAIN HIGHLIGHTS & RECOGNITIONS

Tyson Foods recognizes the outstanding performances of its supply-chain partners. We are also honored to receive acknowledgment for our supply-chain performance from our customers. Below are examples of supply-chain highlights and recognitions for fiscal years 2006 and 2007:

- On May 18, 2006, five companies received the first-ever Supplier of the Year awards given by Tyson Foods. Waste Management, MP Equipment, Red Arrow, Weyerhaeuser, and Industrial Label Corporation were each honored.
- In 2006, our company was named Supplier of the Year by Ben E. Keith Foods for the third consecutive year.
- On February 11, 2007, for the second straight year, we were awarded Supplier of the Year by the International Foodservice Distributors Association.
- On May 30, 2007, six companies received honors in the second annual Supplier of the Year awards given by Tyson Foods. Mid-States Supply company, Kerry Savory, the Cryovac Division of Sealed Air Corporation, and Rock-Tenn were each honored. Two additional award categories were added and awarded in 2007. Multi-Craft Contractors, Inc., was honored as Tyson Foods' first Contractor of the Year, and Memco/M&M Poultry, Inc., was awarded with Tyson Foods' first Diverse Supplier of the Year recognition.
- On April 19, 2007, Tyson Foods was recognized twice for its supplier diversity efforts at the Third Annual Corporate Executives Minority Business Awards. These awards were presented by the Arkansas-Mississippi Minority Business Council.





Community

Touching Lives and Meeting Needs



The caring nature of Tyson Foods and our Team Members is an integral part of who we are as individuals and as a company. We are committed to having a positive presence in and around the communities surrounding our operations. Through product and financial donations, volunteerism, blood drives, and other activities, you will see our Team Members contributing to their communities in a variety of ways.

A COMMITMENT TO HUNGER RELIEF

Hunger relief is the primary philanthropic focus of Tyson Foods. We made a formal commitment to the fight against hunger in 2000 when we established a national partnership with the hunger relief organization Share Our Strength. In May of 2006, we reinforced our commitment to this issue by entering a second partnership with America's Second Harvest – The Nation's Food Bank Network. We pledged a donation of 10 million pounds of food to the network's 200 member food banks over a three-year period. In February 2008, we surpassed the 50-million-pound milestone of food donated to hunger and disaster relief since our initial commitment to Share Our Strength. By engaging Team Members, communities, customers, suppliers, and hunger relief partners in our efforts, we believe we can have, and are having, a meaningful impact on hunger in the United States. Below are a few examples of these efforts.

Powering the Spirit™ to End Childhood Hunger

In 2006, Tyson Foods created a branded internal fundraising effort, *Powering the Spirit™*, in partnership with Share Our Strength. The program involves three key components:

- Local fundraising through cooking and grilling events
- Sales of a specially produced Tyson Foods cookbook featuring recipes from the kitchens of Team Members nationwide
- A donation of 75 percent of the proceeds of those fundraising efforts were given back to the communities in which the money was raised

Our Team Members raised more than \$190,000 toward ending childhood hunger in fiscal years 2006 and 2007.

Teaming Up to Fight Hunger in Iowa

Tyson Foods' strategy to engage stakeholders in the fight against hunger was best exemplified during eight days in July 2007 when Team Members carried out one of Tyson Foods' largest and most diverse efforts for hunger relief. In conjunction with the Register's Annual Great Bicycle Ride Across Iowa (RAGBRAI), more than 150 Team Members, most from our Iowa operations, along with 78 community representatives, set up food concessions that raised more than \$25,000 in 10 communities along the route of the 475-mile ride. We also donated seven truckloads of food to five America's Second Harvest member food banks serving Iowa. The donations, totaling more than 240,000 pounds, represented 2,000 meals for each mile of the ride. As part of our *Powering the Spirit* program, this effort directly benefited childhood hunger activities in each of the communities in which the funds were raised.



hungerrelief.tyson.com

SUPPORTING EDUCATION

Tyson Foods cares about education in our communities and across the country. We sponsor and support numerous programs and organizations dedicated to improving our nation's educational systems.

Tyson Project A+™

Through the *Tyson Project A+™* program, schools can earn extra money. The money may be used in any way the school chooses. Parents, students, faculty members, and others in the community clip and save labels from Tyson products featuring the Project A+ logo. The labels are collected, and the school can redeem them for cash from Tyson Foods. More than \$228,000 dollars was donated to schools through this program in fiscal years 2006 and 2007.



Watch D.O.G.S. Across America

We have been a national sponsor of Watch D.O.G.S. (Dads of Great Students) for the last six years. Watch D.O.G.S. is a safe school initiative of the National Center for Fathering.

DEDICATION TO FOOD SERVICE INDUSTRY ADVANCEMENT

Tyson Foods is committed to the continued development and advancement of the food service industry. We are actively involved in these efforts through several partnerships:

- American Culinary Federation
- Association for Foodservice Distributor Representatives
- Culinary Institute of America
- Education for Generations
- Elliot Leadership Institute
- *foodWISE for Me™* program
- National Association of College & University Food Services Leadership, Financial Management, and Planning Institutes
- *ProStart®* Program
- Women's Foodservice Forum



"A disaster such as this could have just as easily struck our town as Dumas. If that happened, I'm sure the Dumas folks would be just as caring as we tried to be for them."

*Kathy Hood
complex HR manager, Pine Bluff,
Arkansas*

STRATEGIC COMMUNITY INVOLVEMENT PLANS

Our community relations managers, working alongside corporate Human Resources and operations managers, have collaborated to create strategic plans to engage local managers and Team Members in community activities. Plans, custom-tailored to the needs and opportunities in individual communities, were written specifically for 36 company locations in fiscal 2006 and 2007.

DONATIONS AND COMMUNITY OUTREACH

In fiscal years 2006 and 2007, we donated more than 18 million pounds of food products to hunger and disaster relief efforts, as well as community events. Additionally, we gave more than \$6 million in monetary corporate contributions to charities and nonprofit organizations, primarily in communities in which we have operating facilities. These contributions ranged from sponsorships and support of various nonprofit fundraisers and campaigns to monetary and product donations for our local schools and grassroots community efforts for education, families, and the environment. This does not include contributions made by individual company facilities or Team Members.

We are also a major contributor to *United Way®* campaigns. Our combined Team Member and company commitments for fiscal years 2006 and 2007 were approximately \$4.5 million.

Corporate donations supported hundreds of charities with 58 organizations receiving at least \$10,000 each. As an example, we committed \$100,000 to help Children's House of Northwest Arkansas expand its services to abused and neglected children. Other recipients of similar donations are listed below.

Tyson Foods Corporate Donations

Share Our Strength, Washington, DC*
Jones Center for Families, Springdale, Arkansas*
America's Second Harvest, Chicago, Illinois
City of Sioux City, Sioux City, Iowa (Events Center)*
Watch D.O.G.S. Across America, Springdale, Arkansas
Walden Woods Project, Lincoln, Massachusetts*
Botanical Garden Society of the Ozarks, Fayetteville, Arkansas*
League of United Latin American Citizens*
Siouxland Y, Sioux City, Iowa*
Tom Joyner Foundation, Dallas, Texas

Just Communities, Springdale, Arkansas
 Norfolk Area United Way, Norfolk, Nebraska
 National Center for Fathering, Shawnee Mission,
 Kansas
 Boys & Girls Club of the Arkansas River Valley,
 Russellville, Arkansas*
 Children's House, Fayetteville, Arkansas*
 Cherokee Community Foundation,
 Cherokee, Iowa*
 Camp Aldersgate, Little Rock, Arkansas*
 American Heart Association
 Northwest Arkansas Nursing Education
 Consortium, Springdale, Arkansas*
 Walton Arts Center, Fayetteville, Arkansas
 Yadkin River Greenway Council, North Wilkesboro,
 North Carolina
 Komen Ozark Race for the Cure, Springdale,
 Arkansas
 Sullivan Brothers Veterans Museum, Waterloo, Iowa
 Arkansas Single Parent Scholarship Fund,
 Fayetteville, Arkansas*

In addition to corporate donations, many company facilities raise money and donate to organizations and associations in their community. A few examples of the many fundraising efforts follow:

- Our Finney County, Kansas, Team Members raised a total of \$182,145 for *United Way*.
- The Team Members at Sherman, Texas, raised and donated a total of \$12,658.07 to the *Relay for Life®* of Grayson County.
- Team Members at our Perry, Iowa, plant recently donated \$1,250 to the new community athletic complex.

TYSON FOODS FOUNDATION, INC.

The Tyson Foods Foundation supports organizations involved with arts and culture, education, human services, and community development, such as the Arkansas Sheriff's Youth Ranches in Batesville, Arkansas; Lexington Community Foundation in Lexington, Nebraska; People's Community Health Clinic in Waterloo, Iowa; Make-A-Wish Foundation in Sioux City, Iowa; and the University of Arkansas in Fayetteville, Arkansas. The foundation paid out over \$4,243,667 in fiscal years 2006 and 2007.

IN THE WAKE OF DISASTER

Numerous disaster relief organizations and communities depend upon the support of Tyson Foods in the wake of disasters such as the tsunami in Asia, and Hurricanes Ivan, Charlie, Francis, Katrina, and Rita. In fact, our Team Members have become very well known among national disaster-relief organizations for being on the scene early after a disaster strikes and feeding hundreds of hungry workers and disaster victims in the midst of their trials. From hurricanes, to floods, to tornadoes, communities can count on the support and generosity of our Team Members.

Team Members Assist in Greensburg, Kansas

On May 4, 2007, an F5 tornado ripped across the plains of Kansas, destroying 95 percent of the town of Greensburg – 1,800 residents lost their homes. We donated a tractor trailer filled with cooked product and Team Members from Finney County, Olathe, Hutchinson, and Emporia, Kansas, spent several days cooking and serving meals to hundreds of people during recovery efforts. Victims and rescue teams were very appreciative of the compassion and service our Team Members provided during this devastating time.

Pine Bluff Team Members Come to the Aid of Dumas, Arkansas

When a pair of tornados struck the tiny town of Dumas, Arkansas, in early 2007, approximately 25 businesses, 43 homes, and 50 mobile homes were destroyed, and the remaining homes and businesses were without power for six days. Our Pine Bluff Team Members were there as soon as possible to help with the rescue efforts, serving approximately 1,000 meals to rescue workers on the first day.



*Denotes recipient of multi-year pledge

Global Reporting Initiative Index

GRI Index

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*WS refers to our corporate Web site, www.tyson.com.

Report Integrity

Tyson Foods management has conducted an internal verification of the information presented in this report and is responsible for its overall integrity. The facts and data were supplied by internal databases which are used regularly to measure our company performance in various business areas. In addition, internal subject-matter experts reviewed each section of the report to ensure the completeness of the information presented. Tyson Foods believes this report accurately represents its economic, social, and environmental sustainability performance for fiscal years 2006 and 2007.

Global Reporting Initiative

Tyson Foods referenced the Global Reporting Initiative (GRI) 2006 G3 Sustainability Reporting Guidelines during the development of this report. These voluntary guidelines provide a generally accepted framework for the reporting of an organization's economic, social, and environmental performance information. GRI has not verified the contents of this report, nor does it take a position on the reliability of information reported herein. The index provides details on the GRI indicators addressed in this report. For further information about GRI, visit www.globalreporting.org.



This paper is FSC-certified



10% Post-Consumer Fiber.

The paper used in the Tyson Foods 2007 Sustainability Report, Productolith by Stora Enso, is Forest Stewardship Council (FSC) certified.

Report Preparation

We thank the following contributors for their help, guidance, and valuable input with the development of this report: Audit and Compliance; Human Resources; Quality Assurance; Animal Well-Being; Environmental, Health, and Safety Services; International; Research and Development; Investor Relation; Purchasing and Sourcing; and Public Relations.

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