

Resolved: Shareholders of Tyson Foods (“Tyson”) request the Board of Directors commission an independent third-party audit assessing the effectiveness of the Company’s policies and practices in preventing illegal child labor throughout its value chain. A report on the audit, prepared at reasonable cost and omitting proprietary information and pending litigation, should be made available on the company's website.

Supporting Statement: At company discretion, the proponents recommend the audit include:

- Evaluation of Tyson policies and practices regarding, but not limited to, slaughter and processing facilities, third-party contractors, suppliers etc. linked to child labor violations;
- Meaningful consultation with workers, suppliers, and other relevant stakeholders to inform appropriate solutions and ensure compliance with federal child labor requirements; and
- Recommendations for actions and regular reporting with progress on identified actions.

Whereas: Investors remain concerned the illegal use of child labor poses significant financial, reputational, legal, and human rights risks throughout the Company’s value chain. In March 2023, a Department of Labor (“DOL”) investigation found the use of illegal child labor in Tyson’s Arkansas and Tennessee facilities. These children, employed by Tyson contractor Packers Sanitation Services Inc., worked during the night shifts and were exposed to dangerous chemicals and meat processing equipment like back saws and head splitters.¹ The investigation found 7 children working in Tyson facilities and assessed the penalty at \$105,966, the maximum penalty under federal law.² DOL investigations into illegal child labor, including 600 ongoing investigations, highlight the systemic nature of the risk.³

Despite Tyson’s no tolerance policy for the use of illegal child labor, the Company does not disclose information on how its commitment is implemented.⁴ Furthermore, as 10 states have introduced bills to roll back child labor protections during the past 2 years, the majority of which are home to Tyson meatpacking plants, Tyson has not opposed any of the bills.⁵ Arkansas, where Tyson is headquartered, recently approved one such law.⁶ Although there is no direct evidence, Tyson’s financial interest and silence may indicate support of these rollbacks.

The findings of child labor in Tyson’s plants may be a symptom of a larger worker rights problem at Tyson, which has a track record for violating its workers’ health and safety.

¹ <https://www.dol.gov/newsroom/releases/whd/whd20230217-1>

² <https://www.dol.gov/newsroom/releases/whd/whd20230217-1>

³ <https://www.dol.gov/newsroom/releases/osec/osec20230227>

⁴ https://tysonsustainability.com/downloads/Tyson_Foods_Global_Human_Rights_Policy.pdf

⁵ <https://www.epi.org/publication/child-labor-laws-under-attack/>

⁶ <https://www.epi.org/publication/child-labor-laws-under-attack/>

Among US OSHA-covered companies, Tyson ranks the fifth highest for reported severe worker injuries, including amputations and hospital stays.⁷ OSHA's actions in the first 7 months of 2023 uncovered 21 violations at 13 Tyson facilities in five states.⁸ leading to initial fines exceeding \$100,000.⁹

The company's resistance to federal and state health safeguards during COVID-19, detailed in two congressional reports, may be contributing to its underperformance.¹⁰ Tyson faces lawsuits filed by workers citing the company's mishandling of the pandemic.¹¹ Investors are uncertain if ongoing safety concerns contribute to labor shortages, financial underperformance, the closure of six plants since March 2023, and child labor risks.¹²

⁷ <https://www.epi.org/blog/an-average-of-27-workers-a-day-suffer-amputation-or-hospitalization-according-to-new-osha-data-from-29-states-meat-and-poultry-companies-remain-among-the-most-dangerous/>

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https://www.osha.gov/ords/imis/establishment.search?p_logger=1&establishment=Tyson+Foods&State=all&officetype=all&Office=all&sitezip=&p_case=all&p_violations_exist=all&startmonth=08&startday=02&startyear=2018&endmonth=08&endday=02&endyear=2023;

https://www.osha.gov/ords/imis/establishment.search?establishment=Tyson&state=all&officetype=all&office=all&sitezip=100000&startmonth=08&startday=02&startyear=2018&endmonth=08&endday=02&endyear=2023&p_case=all&p_start=20&p_finish=40&p_sort=12&p_desc=DESC&p_direction=Prev&p_show=20&p_violations_exist=both

⁹ Id.

¹⁰ <https://coronavirus-democrats-oversight.house.gov/sites/democrats.coronavirus.house.gov/files/2022.5.12%20-%20SSCC%20report%20Meatpacking%20FINAL.pdf>; https://coronavirus-democrats-oversight.house.gov/sites/democrats.coronavirus.house.gov/files/2021.10.27%20Meatpacking%20Report.Final_.pdf

¹¹ <https://law.justia.com/cases/federal/appellate-courts/ca5/22-10171/22-10171-2023-03-27.html>;
<https://www.ca5.uscourts.gov/opinions/pub/21/21-11110-CV0.pdf>;
<https://www.insurancejournal.com/news/southcentral/2023/03/10/711829.htm#>

¹² <https://www.fairr.org/news-events/press-releases/meat-companies-inaction-on-working-conditions>;
<https://www.reuters.com/markets/commodities/tyson-foods-shut-four-more-us-chicken-plants-2023-08-07/>;
<https://apnews.com/article/tyson-foods-plant-chicken-e45205f70baece25eda5ec3ba2129170>