



2020 SUSTAINABILITY REPORT

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INTRODUCTION

We are committed to improving the lives of the people who reside in communities where we operate, serving our employees and sustaining the air, water and land we rely on to produce wholesome pork.

Seaboard Foods operates in a sustainable, responsible manner which considers the social, economic, cultural and environmental impact of our practices. Because operating sustainably is more than ensuring the health of our environment, it is a concept that the land, air, water, animals, employees and community relate to and affect each other. We operate responsibly because it is the right thing to do. We consider our actions along the connected food system and how we affect the world around us.

We fulfill our mission to produce the most sought-after pork products for our customers, while unleashing the competitive advantage of our unique food system that connects our farms and family tables around the world.

Through our commitment to being a responsible corporate citizen, we are constantly improving our practices and processes to deliver quality pork across the world in a sustainable manner. In this report, we demonstrate our actions for 2020.



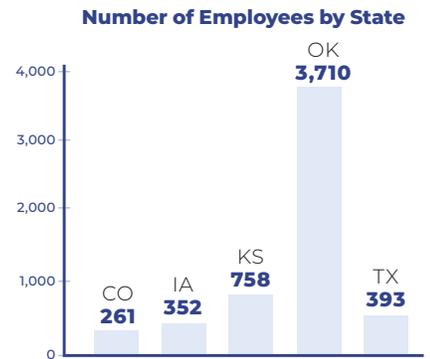
SUSTAINABILITY Highlights

Headquartered in Merriam, Kansas, Seaboard Foods is part of the Prairie Fresh® connected food system operating in five states – Oklahoma, Kansas, Texas, Colorado and Iowa. As part of the connected food system, we strictly control every aspect of pork production to ensure consistent, quality pork products. We do this by owning and controlling the feed mills to ensure our pigs receive a healthy blend of nourishment. We control the farms where our pigs are safely and humanely raised in a comfortable environment. We market and sell fresh pork from our processing plant in Guymon, Oklahoma, as well as our connected food system partners' plants in St. Joseph, Mo., and Sioux City, Iowa. This report represents Seaboard Foods' operations contributions to the Prairie Fresh® connected food system in 2020.

By the 2020 numbers



5,403
pork loving
employees work for us
across 5 states



233
employees work
in our
corporate office



2,644
employees in our
Guymon, Okla.,
pork processing plant

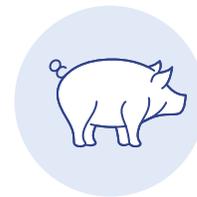


2,489 hourly
155 salaried
processing plant employees



2,526
employees work in farm operations

1,987 hourly and
539 salaried farm
operations employees



7.2 million
market hogs produced annually



340,000 Sows Owned
903 Company-Owned Farms



2.1 million tons
of corn, sorghum and wheat
purchased annually



\$1.7 billion
in sales from
Seaboard Foods operations
(Excluding Seaboard Energy)



COMMUNITY

Caring, responding and giving in a pandemic

The year 2020 was unprecedented. The country faced a global pandemic that brought with it record-setting economic and societal changes worldwide, yet we confronted the challenges head-on and excelled in a truly monumental way.

Restaurants were impacted as many were forced to limit their service hours or capacity, while others found creative solutions by offering meals curbside.

Grocery stores were pushed to their limit, and their employees became essential workers critical to the infrastructure of the country's operations. Their meat counters worked overtime to fulfill the high demand for protein from families forced to cook more meals at home.



“ As a company, it was the right thing to do. Most of these folks were neighbors or family members of employees. ”

The COVID-19 crisis changed our economy, society and communities. The pandemic also affected how we give back. Being the largest disaster in recent times, the pandemic caused people and companies to contribute more than ever to food banks and health-related causes.¹

Seaboard Foods was no different. We remained committed to supporting those in need in the communities where we operate – and where our employees live and raise their families.

With so many people in need, Seaboard Foods' Community Relations Manager David Watkins, in Guymon, Okla., saw the opportunity to support

essential workers and families struggling in communities where we operate. He and a team of Seaboard Foods employees created a plan to partner with area restaurants, also reeling from the shutdown, by paying them to cook and package meals for donations in communities during the pandemic.

Within a two-month period, Seaboard Foods donated 45,000 servings of pork to first responders, police, hospitals and clinics, providing them with nourishing meals during long and difficult work shifts.

Seaboard Foods also donated product to local food banks, seeing the demand for food donations double during this time.

By June, Seaboard Foods donated 118,319 pounds – or 352,368 servings to over 3,500 firefighters, police, and healthcare employees, schools and food banks in 32 rural communities in five states.

Watkins added, “As a company, it was the right thing to do. Most of these folks were neighbors or family members of employees. It gave us an opportunity to continue being a strong community partner.”

In addition, the company contributed \$5,250 in school supplies to rural schools and families forced to educate their children virtually at home. Seaboard Foods also provided 500 PPE suits, 1,400 N95 masks, medical gloves and hand sanitizers to rural medical clinics and small hospitals.





Courtesy: Operation BBQ Relief.

Serving up support

Seaboard Foods is committed to supporting the communities where our employees live and raise their families. We strive to be good neighbors by actively funding and supporting charitable efforts where we have operations.

In the face of the pandemic, our commitment did not change as our employees were on the front line. We saw first responders, healthcare workers, veterans and families stretched to their breaking point, and we contributed pork to provide warm meals through our brand Prairie Fresh® charity Operation BBQ Relief.

In March 2020, Operation BBQ Relief deployed in the Kansas City metropolitan area to serve hot barbecue meals in response to the COVID-19 pandemic. Through June, Prairie Fresh® contributed 215,877 lbs. of pork valued at \$462,000 to Operation BBQ Relief, which provided 679,652 warm meals to those on the front lines of the pandemic, Hurricane Laura, the derecho in Cedar Rapids, Iowa, and other natural disasters.

Courtesy: Operation BBQ Relief.



COMMUNITY

Giving begins at home. Enriching our communities.

We are committed to serving our hometowns by doing our part to support local charities and organizations. From feeding first responders to supporting local high school sports teams, we contribute to the hometowns where our employees live, play and work.

We are proud of our efforts and our employees' dedication to helping their communities and making where we operate fulfilling places to live.

Our employees volunteer with local schools, religious clubs and charities and are taking a vested interest in helping their neighborhood and communities thrive. Others accept local civic and government leadership roles, while others become members of business organizations.

They honor the vast cultures of their fellow team members by volunteering for community festivals like "Fiesta Day" and "Pangaea." Employees support families and members of our community through youth agricultural programs, vocational training and scholarship opportunities.

From our farms to the community, our food brings comfort and nourishment when and where people have business operations. This gives us a sense of pride and purpose.



482,480
tons of grain purchased
from local farmers

\$55,000
in scholarships
awarded to **55** students



\$799,000
in financial and product
donations to charitable causes

We work with 318 contract farmers in Iowa to raise and care for our market pigs, providing opportunities for their families and communities



Conducted **113**
community events



1,350 hours
of volunteering



Serving Our Communities



\$20,000
The American Royal
Scholars Program Donation



\$10,000
Animal Agriculture
Alliance Contribution



\$336,920
Guymon Community
Improvement Donations



Leading with heart

Bettering the communities where our employees live and raise their families is important to us. We like to say that, at Seaboard Foods, we're a big company with a family feel, largely due to our strong community ties. As a company, we encourage community involvement and activism by our employees, and Sean Livengood, farm operations production manager in Guymon, Oklahoma, took that to heart when he served as mayor from 2019 through spring 2021.

“... it takes a lot of people to run a town. I think Guymon is going in the right direction.”

In 2010, Livengood traded the hustle and bustle of the Southern California lifestyle for the quaint, rural community of Guymon. He never looked back, and the community is grateful. During his term as



mayor, he and the council sustained their vision of continuously cultivating the city and inevitably improving quality of life for its residents.

“I want people to understand I am another person making a difference in the community. Nobody is above anything; it takes a lot of people to run a town. I think Guymon is going in the right direction,” he said.

With the support of family, friends and city council, along with a tenured city manager and task forces, Livengood sought an uplifting change for the community by focusing on the newly constructed turf grass soccer complex. Livengood continued with plans to revitalize the city's roads, maintain a high standard for the city's golf course, increase the capacity of clean water, along with other water projects, and support the blue with renovations to their police station.

We are proud of Livengood's community betterment initiatives and we are thankful for his, and so many other people's, success in a community leadership role.



Employees helping others

In 2020, corporate employees voted to support four Kansas City charities.

\$10,000



\$8,500



\$8,500



\$8,000



CUSTOMERS

Trusted relationships

Everything we do at Seaboard Foods is done with our customers and consumers at home in mind. We carefully control every step to provide the most wholesome, nutritious pork to our customers. We continuously invest in improvements and processes from the farm to beyond the fork to test and to ensure we always provide high-quality pork.

We are committed to being trusted partners and proving consistent and quality value. We foster relationships and listen to our customers' needs every day by asking for their feedback in an annual customer survey.

We back up our commitment to provide quality pork by guaranteeing every pound we sell.



Total Pork Production

1.427 billion

pounds of wholesome, delicious pork produced at our Guymon, Okla., plant



Our customers represent

35 countries

around the world



EMPLOYEES

Leading with our people

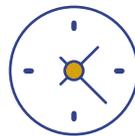
Our responsibility to sustainability begins with each of our more than 5,000 employees who are the foundation of our success. We know by cultivating a culture of respect among employees, compensating them fairly and providing training and ongoing education that they are more fulfilled in their jobs and have a better sense of well-being at the workplace. Because of this, they are proud to produce the wholesome pork

served at dinner tables around the world.

We foster a culture that allows employees to bring their experiences to the workplace and provide input to help improve processes. We value each of our team members and support everyone from the pig farmer providing a healthy environment to the plant worker on the line.



We contributed **\$40,168,700** million in salaries



Hourly employees are paid an average of **\$19.14 an hour** **\$3 more an hour than industry average**



90% of hourly positions, and nearly **59%** of managers are **women and minorities.**

40.98% of our open jobs are **filled by current employees**



The average tenure of our senior management is **13.8 years**



Catherine Kavianian
Farm Manager

“Animal care is more than just the basics of the job, but genuinely caring for the animal’s life and well-being. It’s about going out of the way to make sure that animals can have the best possible situation. Proper care is about doing your best to respect the animal and allow it to live the best life.”



Arnold Portillo
Live Production Manager

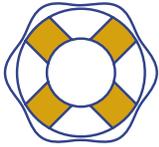
“We have a partnership of trust with our employees. We provide continuous training and career development opportunities so they can pursue their personal and professional goals. In return, the employees provide us with timely, ethical care of our animals. Our collective success has always been tied together, and that’s what makes this partnership work so well.”



Kaylonni Williams
FQSA Manager

“Our main priority is to produce wholesome pork by maintaining the strictest safety and quality standards. We take food safety seriously and follow industry standards to make sure we continue to produce the best product possible.”

A focus on safety



Safety is key

Our employees experience much less time away from work due to injury than the national average

Lost Time Incident Rate Processing Plant



Below national average

Farms Lost Time Incident Rate*

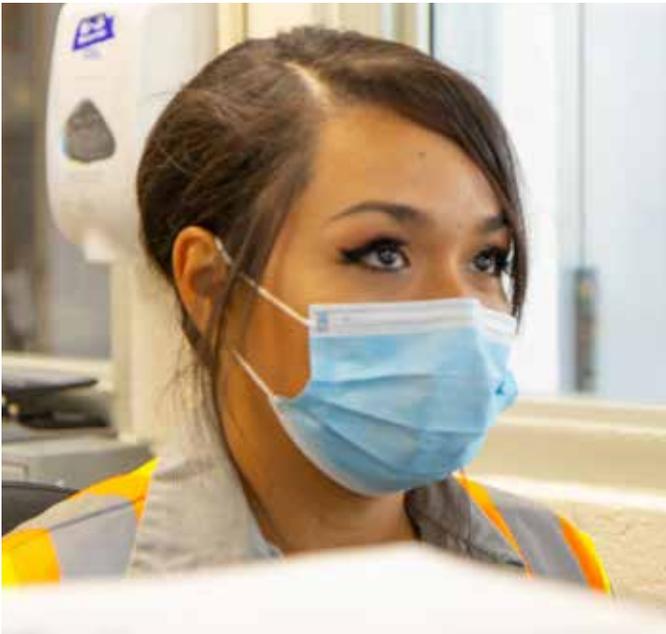


Below national average of 2.20

Total Recordable Incident Rate Processing Plant



Below national average of 4.3



LTIR: Incident Rate



6
Lost Time Plant Injuries
at our Guymon, Okla.,
processing plant

23
Lost Time Farm Injuries
at our company
owned farms



*Lost Time Incident Rate is a standard OSHA metric that calculates the amount of time missed due to incidents that result in time away from work.





Leadership to community sustainability

David Watkins wants everyone to know, first and foremost, he is a people person.

“I love meeting new people and being able to share what Seaboard Foods is and what we have to offer. I like staying active and learning how we can help the community,” said Watkins, community relations and recruiting support manager.

It’s his job to participate and volunteer in his community in Guymon. His job carries over into his personal life as he wears many volunteering hats inside and outside Seaboard Foods.

After hours, Watkins is a Chamber of Commerce member and Chamber Ambassador President. He was also a local rodeo director and served on the Texas County extension council among numerous school board and cultural event committees over his 25 years at Seaboard Foods.

Having a healthy business and cultural community is critical to attracting young people to work at Seaboard Foods. If a community is thriving, employees are more likely to volunteer in the community and, like Watkins, their job satisfaction, professional skill sets and leadership skills improve, furthering their

careers quicker than those who don’t volunteer.¹

The same employees volunteering also tend to stay with a company longer when they are both personally and professionally satisfied.² This improves employee retention and creates a more stable community.³

“It helps me be a better citizen, board or committee member to bring and share the business methods and processes I’ve practiced at Seaboard Foods to

improve my city,” added Watkins.

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¹ 2016 Deloitte Impact Survey Report, June 2016, pages 3-4.

² ii William D. Eggers, Nate Wong and Kate Cooney, “The purpose-driven professional,” Deloitte University Press, September 8, 2015.

³ ii William D. Eggers, Nate Wong and Kate Cooney, “The purpose-driven professional,” Deloitte University Press, September 8, 2015.

ANIMAL CARE

Caring for our animals

Seaboard Foods raises pigs to feed families across the world. We know healthy pigs produce safe, nourishing pork. We treat our animals humanely and ensure they are comfortable and cared for properly.

We do this through our comprehensive animal care program – developed and overseen by veterinarians – provides careful health and herd management. Their direction constantly improves animal care like providing needle-free vaccinations and collaborating with nutritionists on customized nutrition plans for every stage of life. In addition, our workers are certified in animal handling and monitor and carry out medical care.

We are audited by a third party for safe and humane practices in our barns and processing plant. According to FACTA, a national leader in animal welfare training and programming, their auditors found

Seaboard Foods' animal care program exemplary quality, and our processing plant scored above satisfactory in animal welfare audits.¹

By raising healthy pigs we know we produce safe, quality pork. Careful record keeping, health planning and biosecurity protocols ensure a safe and healthy herd, providing customers with safe, affordable food.



Zero
USDA Noncompliance Records
for Animal Welfare



All Farm
animal handlers of six months or longer
are TQA Certified*



100%
of farm animal handlers are
PQA Plus certified within 90 days
in food safety, animal welfare and
environmental stewardship**

¹National Pork Board Transport Quality Assurance: <https://www.pork.org/certifications/transport-quality-assurance/>

**National Pork Board Pork Quality Assurance: <https://www.pork.org/certifications/pork-quality-assurance-plus/>

²2020 Report on Animal Welfare Policies and Practices." FACTA, LLC. February 20, 2021. Page 7.



Third-party animal welfare random audits found our farms **in compliance with animal care and safety swine standards.**



94/100

average score from third-party auditors for providing quality care and safe environments for our pigs



86 farms

were randomly audited by third-party auditors

94%

audit pass rate from third-party auditors



We follow the

National Pork Board's 3-point antibiotic stewardship plan

for responsible antibiotic use education, research and communication and outreach



ENVIRONMENT

Sustainability and resource management

At Seaboard Foods, we go beyond minimizing any negative impact to the land, water and air near our operations. Instead, we continuously seek ways to positively impact our environment. We are truly dedicated to caring and replenishing our environment for the benefit of our animals, employees, business and communities where we operate.

Our commitment begins when our environmental programs determine where to responsibly build and operate farms and plants. Our environmental policies ensure we meet or exceed all requirements, including responsible land stewardship, conservation and reducing or repurposing resources.

We are responsible stewards of the environment through producing alternative fuels, minimizing air emissions, recycling, providing farmers with fertilizer to nourish the soil and crops, and monitoring and conserving the air quality near our operations.



Seaboard Energy, our partner, produced enough CNG to fuel

3,132 trips
around the world

Produced enough biodiesel energy to power
6,159 trucks
driving 80,000 miles
a year for one year



75.8 million
gallons of biodiesel
produced by our partner
Seaboard Energy



Our partner, **Seaboard Energy**, produced enough biodiesel to power
19,787 trips
around the equator

100%
of our 903 farms found
environmentally sound and safe places
to work and raise pigs by internal auditors



100%
of farms were inspected
by internal auditors for good
environmental practices



94.48%
average score from internal auditors
for environmental and
safety-related issues



Our partner, **Seaboard Energy**,
produced enough MMBtus of biogas to
heat 3,345
average American homes for a year



We replaced
426,989
diesel gallons with CNG
in our farm operations





A focus on water

In 2018 and 2019, our Iowa farms were hit with historic rainfall. The rainfall caused an additional water burden on our lagoons and deep pits at our farms near Little Rock and Leon. Seaboard Foods' Iowa Operational Support Manager Kevin Sanders saw the rain influx as an opportunity to question how we manage water usage, conserve water and environmentally do our part to control what our farms produce.

As part of our sustainable resource management approach, Sanders sought to measure water inputs at our farms into our lagoons and determine how to manage water usage to maintain the health of our animals.

"This is not a technology-driven process. It's a cost and resource management issue. It's just doing the right thing about efficiency and conservation," said Sanders.

He began conducting monthly audits at two sow farms in knowing that pregnant sows consume the most water and produce the most manure. These farms use water from rural water systems which is paid for every 1,000 gallons of water consumed, and then Seaboard Foods pays again to apply the

“ It's just doing the right thing about efficiency and conservation. **”**

water mixed with nutrients from manure on nearby crop fields.

Early findings identified that water was left running in troughs and lacked efficient controls to keep water from overflowing from the troughs and draining to waste pits. New adjustments and volume control dials saved approximately .7 to 1 gallon per animal per day, which equals 1.3 million gallons per year. Projections equate this to a savings of 2.2 million gallons per year at a cost savings of \$34,000 in water cost and pumping expenses.



3 gallons of water
to produce 1 lb. of pork

FOOD SAFETY & QUALITY

An investment in safety

Seaboard Foods' mission is to create the most sought-after pork and to provide safe, quality pork to our customers. It's our responsibility to continuously question processes and analyze how we do things to find even better ways to produce nourishing pork from the farm to beyond the fork. By practicing state-of-the-art farming techniques and efficient processing systems, we support a more sustainable method of production.

Our farms and processing plant exercise rigorous food safety practices with the goal to consistently provide high-quality pork. Our teams undergo third-party and independent audits to assure customers of an extra level of safety and are USDA Process Verified.* We are confident if there's a better way to create high-quality pork, we are doing it.

100%
of our pigs can be
traced to their farm home



\$8,619,733
million spent on
keeping food safe

We produce delicious,
safe pork with
ZERO
product recalls in 2020.



100%
of our processing plants are
SQF Level 2 certified
for food safety management
to produce wholesome pork

*The plant is verified by the USDA's Process Verified Program for source verification, meat quality and animal handling.
<https://www.ams.usda.gov/services/auditing/process-verified-programs>





Modernizing processing plant offers a more sustainable future

When the Guymon plant started production in 1996, sales increased pushing production to quickly exceed the plant's original footprint. In 2020, we completed renovations to our processing plant to boost efficiency and increase storage space, all while improving safety standards and the increasing demand for quality pork products.

The multi-year and multi-phase expansion project includes:

- Six additional cooler bays
- New ammonia system
- New engine room
- Freezer space
- Amplified storage for boxes
- Larger stockyards area, or holding pens for live pigs
- SNAP Chill, which is a technology that will quickly chill the carcasses before they go into a cooling bay, decreasing shrink while maintaining quality
- Several robots to maximize precision and product quality, while reducing 54 jobs and employee injury risk

The expansion and the investment of several robots allows us to use scanning technology and parameters to precisely cut pork for our customers. Additionally, robots complete the most physically demanding tasks more efficiently and allows us to re-allocate employees to other value-added positions.

As we continue to serve the most sought-after pork products to families around the world, we take pride in our innovation and technology we utilize every day. This expansion project is a milestone in Seaboard Foods' short history, and our employees in several different teams have been assets to the development of this state-of-the-art project.



Investment in the future

\$40 million

in capital investments
increasing food safety
 and reducing recall expenditures

\$1.2 million

in safe product
oversight

100%

compliant in animal welfare
practices and programs

Guymon plant received

96%

score in SQF audit



FOR MORE INFORMATION:

seaboardfoods.com

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