

PERDUE FARMS



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- Ranked #3 in US by sales
- 60% revenue from Perdue Foods
- 40% revenue from Perdue AgriBusiness
- 21,000 associates
- 2,100 poultry producers
- 23,000 grain farmers



Vertical Integration: Live Production



Vertical Integration: Processing & Distribution



**Processing
Plant**



Cooking Plant



**Distribution &
Replenishment Centers**



**Retail Customers
Foodservice Distributors
Foodservice Accounts
International Export**

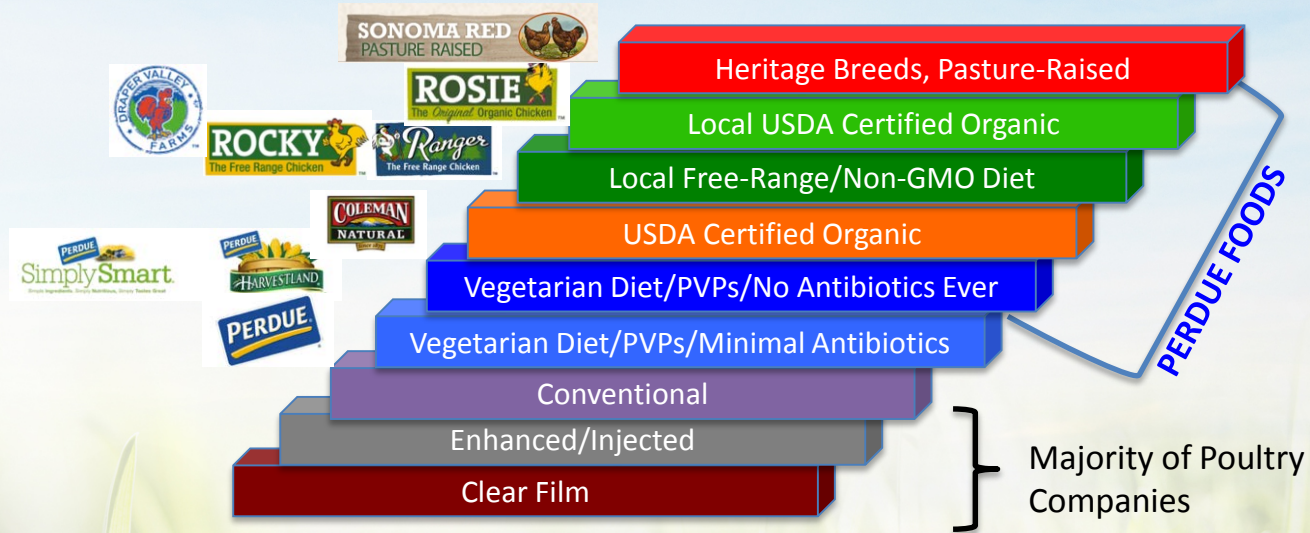


Elevated Attributes

#1 In Vegetarian Fed, Minimal Antibiotics
#1 In No Antibiotics Ever - # 1 in Organic



1. Research implications:
2. Don't put things in the feed
3. New Breeds
4. Housing will change
5. Less chickens in a house



In 2002, We started a Project....it
was called “Wheaties”



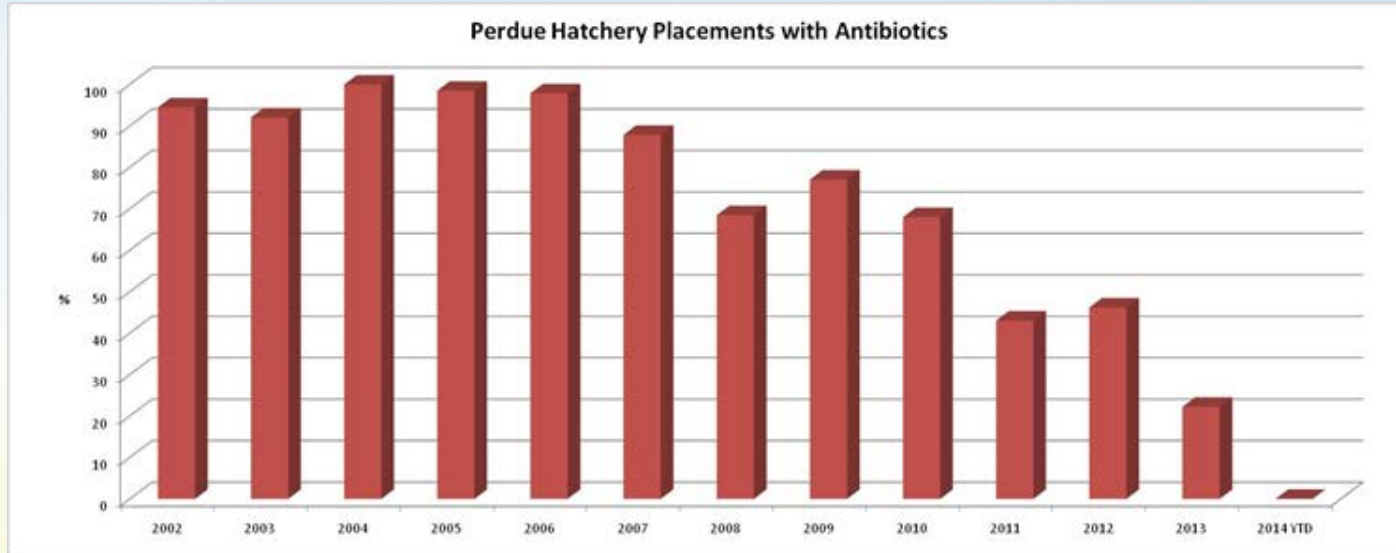
A Wheaties Program is the Perdue Program....

	Antibiotic Hatchery Use	Antibiotic used for Growth Promotion or Prevention (all flocks – in feed, human approved)	Ionophore Use (An “Animal Only” antibiotic)	Treatment /Control /Targeted Prevention (only when needed)
Industry “All in”	YES	YES	YES	YES
NAE/ABF	NO	NO	NO	NO
Organic	NO	NO	NO	NO

We Eliminated Hatchery Antibiotic Use in 2104



1. Cleaner eggs
2. Cleaner hatcheries
3. Chicken nurseries?



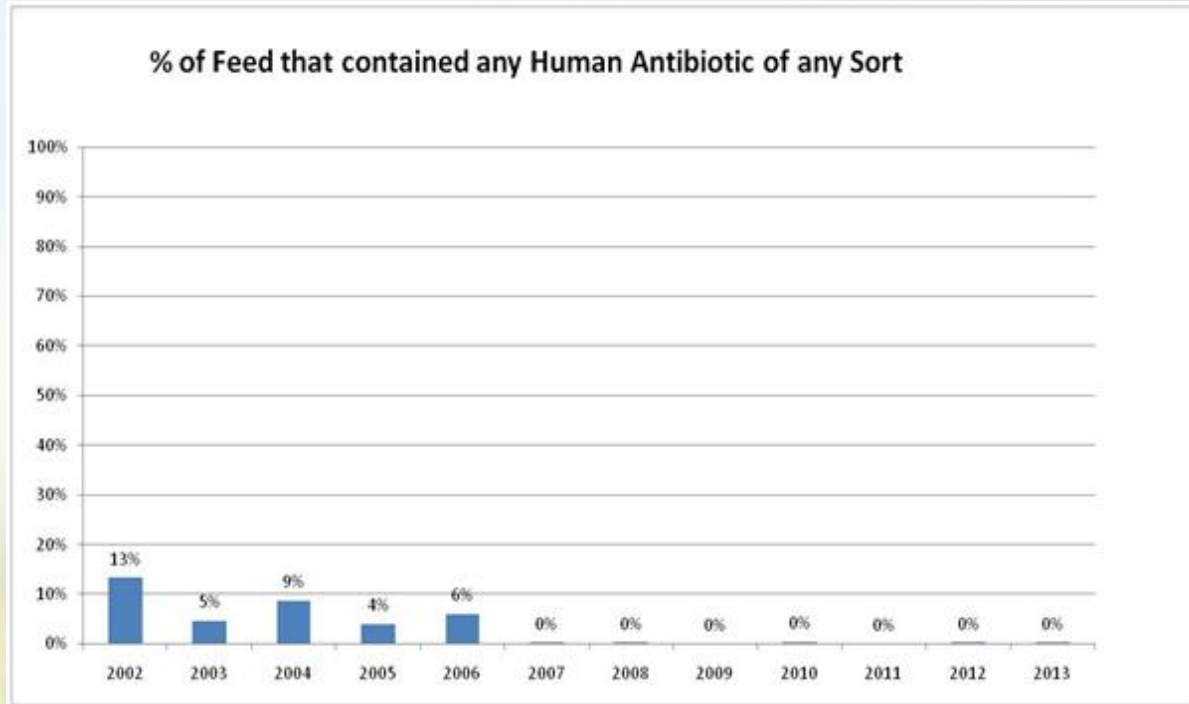
- It took us several years to get to ZERO. It is not something we'd recommend doing "cold turkey"



No Antibiotics for Growth Promotion and No Medically Important Antibiotics (of any sort) in Feed.



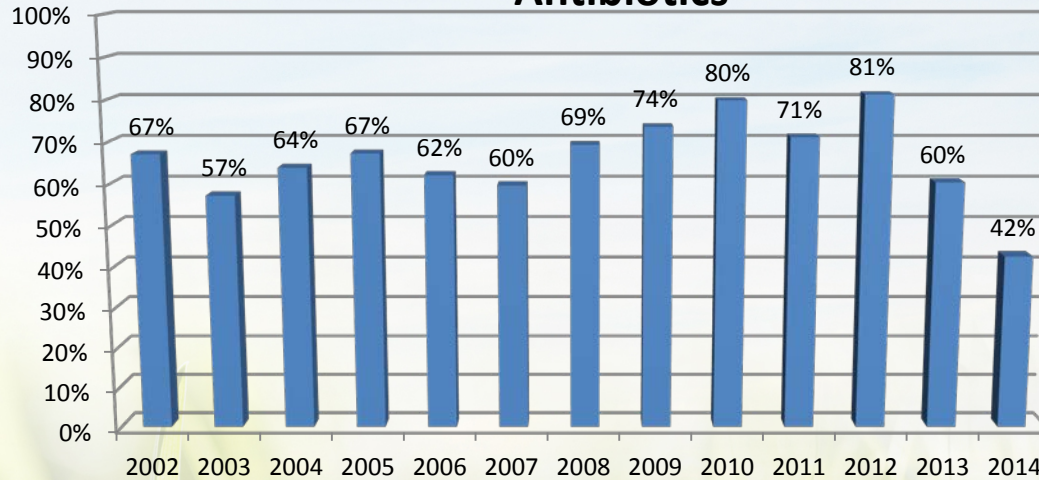
1. Let the chicken grow on its own – stop pushing it
2. Faster growth is not the most important thing
3. Meat quality is deteriorating – not all chicken is the same





1. Other things in the feed will likely follow
2. Think of the feed ticket like a nutritional panel

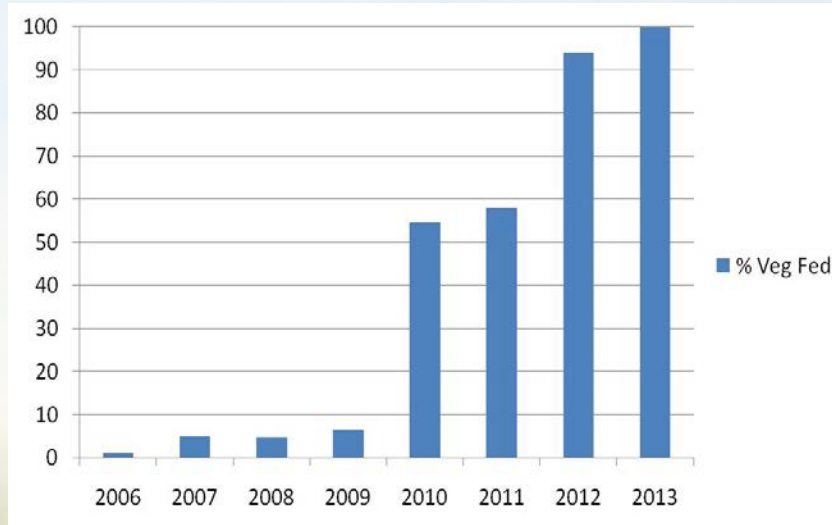
% Feed that contained any "Animal Use Only" Antibiotics



Zero in 2016

A Diet aimed at dependable, digestible, and allows long term success for low/no antibiotics

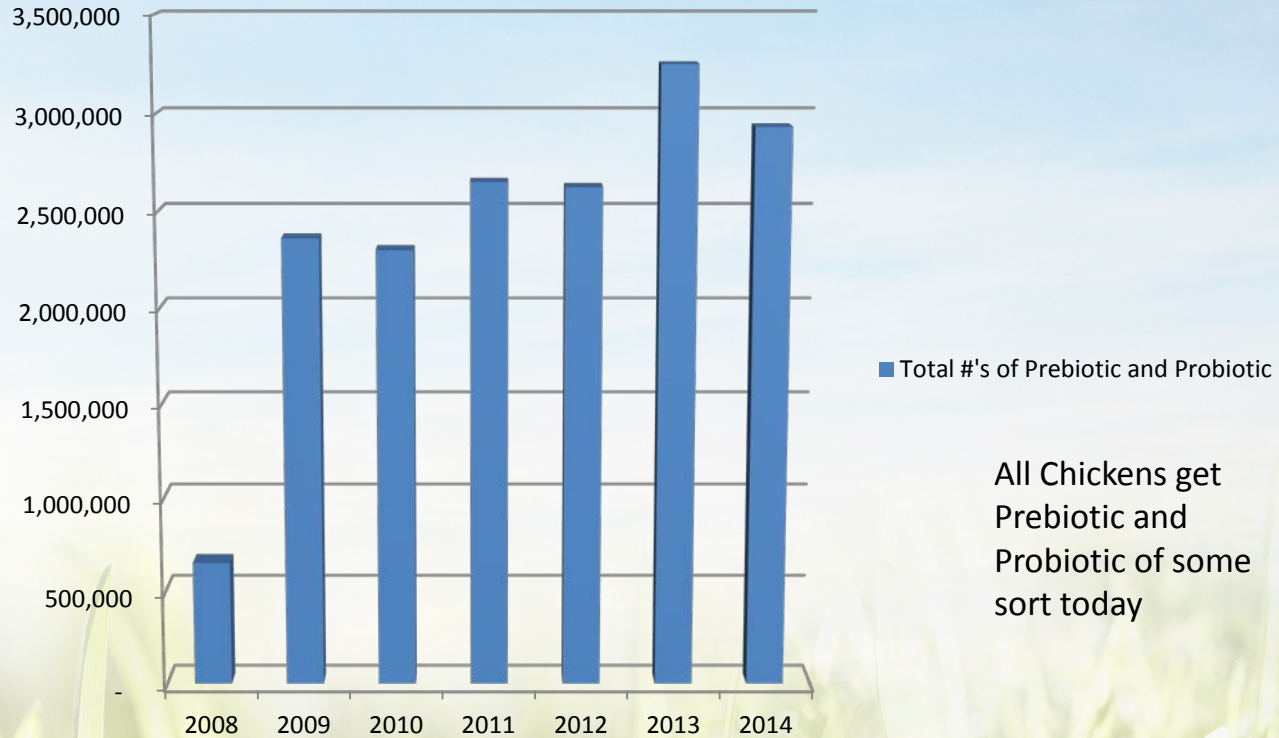
- Perdue Foods slowly migrated to all vegetable diets for a number of reasons, but one reason being that it helps us minimize our antibiotic use.



Total #'s of Prebiotic and Probiotic



1. Microbial community management is important



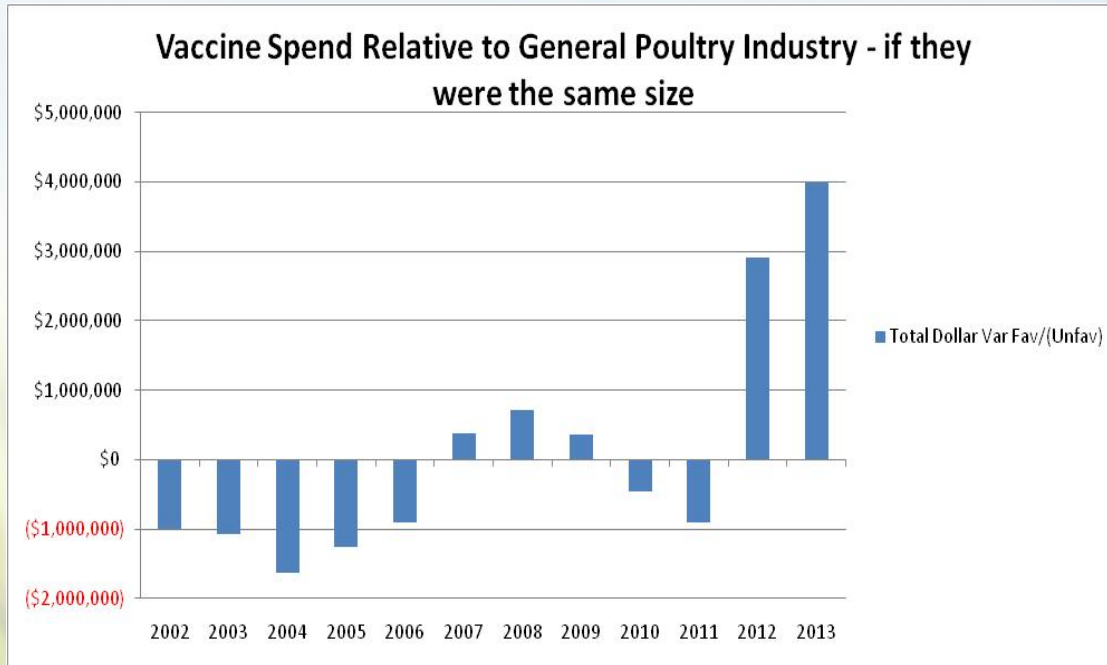
All Chickens get Prebiotic and Probiotic of some sort today

Better and More Successful Vaccination



1. Vaccinate and prevent
2. Vaccinate for things other than inf disease?

- Used to protect chickens from viruses that may affect their immune, respiratory, or gastrointestinal systems.
- We currently spend \$4 million dollars a year more for vaccines than the average chicken company



What about when Chickens get sick

- Treat them
- By a Vet
- Using the best product you know how to use
- For that HOUSE, for the right amount of time, measure the outcome
- Look for repeating HOUSES, fix them
- Get ready to report your Use to anybody interested



Perdue Foods

COMMITMENTS TO
ANIMAL
care
2017





PART 1

Chickens



PART 2

Farmers



PART 3

Transparency



PART 4

Continuous
Improvement

In 2016 we announced a
Four-Part Plan to accelerate
our progress in poultry care.

We promised to:



PART 1

Chickens

Based on the **“Five Freedoms,”** Perdue will evaluate and implement production systems specifically designed to go beyond just the “needs” of our chickens to also include **what our chickens “want.”**



PART 2

Farmers

Perdue will re-commit to our efforts to **transform our relationship with the farmers** who raise our animals. We will listen and communicate effectively, evaluate our pay structures to incent best practices, and also consider their well-being when implementing production systems.



PART 3

Transparency

We will be **transparent** in our programs, goals, and progress in order to build lasting trust and relationships with our stakeholders.



PART 4

Continuous Improvement

Raising animals should be a journey of **continuous improvement.** We will continue to build an Animal Care Culture within Perdue.



1. Better feed for the young
2. Water has come a long way – but still variable
3. We use a lot of water in a chicken house – not just for drinking

① Freedom from **HUNGER & THIRST**



PART 1





1. Transport is a big issue
2. Loading and Unloading
3. Mechanical catching vs hand

② Freedom from **DISCOMFORT**





1. This is one of the most concentrated areas for chickens in the world – that is a challenge
2. People are worried that they will get sick from the chickens. We are worried people will make our chickens sick.
3. Birds outside present a lot of new issues

③ Freedom from **PAIN, INJURY AND DISEASE**





1. Huge area over the next years.
2. Enrichments, Windows
3. Needs of young, needs of older

④
Freedom to express
**NORMAL PATTERNS
OF BEHAVIOR**



Typical Europe



Typical US



Boxes

Hide box and straw with cracked corn





1. CAS is coming quickly and that is a good thing

5
Freedom from
**FEAR AND
DISTRESS**





1. Harder to build housing
2. Need to use the houses we have better and longer
3. Need more #s through the housing we have – yet provide more space?
4. Help with Community interactions



PART 2

A GROWING PARTNERSHIP: Perdue and the Farmers Who Work with Us



1. Help tell the stories in a more compelling way
2. Making a “scientific decision” is only good if you get to actually do that.
3. Don’t hide stuff, be proactively open
4. Stay focused on the consumer



PART 3

A PROMISE TO ALL OUR STAKEHOLDERS

Openness, Transparency,
and Trust



1. The pace of change is blistering
2. Adjust strategies much more often



PART 4

ONLY THE BEGINNING: A Journey of Continuous Improvement



Perdue Foods
TM

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care
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