



**SFD**

# Making Good

2025 SUSTAINABILITY REPORT

**Smithfield.** *Good food. Responsibly.*

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# Reporting Considerations

Smithfield's 2025 Sustainability Report demonstrates our commitment to environmental stewardship, the humane treatment of animals and the well-being of the communities where we operate. We prioritize a culture that supports the growth and success of our team members while focusing on our core mission to responsibly produce high-quality, affordable protein for our customers throughout the U.S. and around the world.

Throughout the reporting period, Smithfield advanced our sustainability program by implementing innovative practices and continuously improving our operations. Our work strengthens the resilience of the global food supply chain and makes affordable, nutritious protein available to millions of consumers. By integrating sustainability into every aspect of our business, we strive to make a positive impact on the environment, society and the lives of those who depend on us.

This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards and the United Nations Global Compact (UNGC). GRI and the UN Sustainable Development Goals (UN SDGs) disclosures may be found in the [sustainability section](#) of the Smithfield Foods website. The company actively tracks developments in reporting regulations and standards to prepare for future changes in disclosure requirements.

# Forward-Looking Statements

Smithfield Foods is a publicly traded U.S. food company listed on the Nasdaq Stock Market under the symbol SFD. Our majority investor is WH Group (HKSE:00288), a public company with shares listed on the Hong Kong Stock Exchange and investors from around the world, including the United States.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this report, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words, such as "may," "will," "shall," "should," "expects," "plans," "anticipates," "intends," "projects," "contemplates," "believes," or "estimates" or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

We have based the forward-looking statements contained in this report primarily on our current expectations, estimates, forecasts and projections about future events and trends that we believe may affect our business, results of operations, financial condition

and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this report, the results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. We undertake no duty to update any statement made in this report in light of new information or future events.

A detailed discussion of risks and uncertainties that could affect our current expectations and our actual results is contained in our SEC filings, including our reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or by contacting Smithfield's Investor Relations Department at [ir@smithfield.com](mailto:ir@smithfield.com) or by clicking on [SEC Filings](#) on the [Smithfield Investor Relations](#) website.

All references to "Smithfield," "we," "us" and "our" refer to Smithfield Foods and its subsidiaries.

We operate in Mexico under the name Granjas Carroll de Mexico, (commonly known as "Altosano").

# From Our CEO

## Dear Stakeholders,

For 24 years, Smithfield has been guided by a simple but powerful promise: to produce “Good food. Responsibly.®” In 2025, we honored that commitment through continued stewardship of the environment, care for our animals, support for our communities and a culture where every Smithfield team member can feel valued and make an impact.

This year we made significant achievements in support of our mission. In January, we became a publicly traded company again for the first time in more than a decade, reinforcing our commitment to transparency, accountability and a culture of compliance.

Our teams delivered on sustainability targets and commitments in 2025:

- Achieved a 57% reduction in food loss and waste in our manufacturing facilities – five years ahead of our original 2030 deadline
- Diverted food waste from landfills through innovative partnerships
- Enhanced truck utilization rates and minimized product and packaging waste throughout our supply chain

Smithfield continued to advance our industry-leading animal welfare program in 2025, achieving compliance with ISO technical specification 34700, an internationally recognized standard for animal welfare management. We remained vigilant in biosecurity, with more than 78% of our farms now certified under the U.S. Swine Health Improvement Plan. We optimized our feed delivery freight routes through GIS technology, saving more than 1 million miles in East Coast feed delivery and minimizing our carbon footprint.

Packaging innovation was an additional area of progress in 2025. We reduced our petroleum-based plastic use by 52% compared

**Shane Smith**  
President and Chief  
Executive Officer



to our 2019 baseline, and more than 85% of our packaging is recycle-ready, reusable or industrially compostable. While challenges remain in U.S. recycling infrastructure, we are actively collaborating with industry partners to drive scalable solutions that minimize packaging waste.

We continued to invest in methane capture and farm-based waste-to-energy solutions, expanding lagoon coverage on our farms through our joint ventures. These joint venture projects resulted in increased production of clean, low-carbon renewable natural gas and lowered our baseline emissions.

Supporting the communities where our employees live and work remains central to our mission. Through our Helping Hungry Homes® hunger-relief program, we delivered over 16 million servings of protein in 2025 to fight hunger and address food insecurity. Our employee-led Community Compass Committees empowered local giving and engagement, and our employees invested thousands of hours to strengthen their local communities.

As we look to 2026, our commitment remains the same: to be **Good Stewards**, do **Good Work** and produce **Good Food**.



# About Smithfield

Smithfield Foods (Nasdaq: SFD) is an American food company with a leading position in packaged meats and fresh pork products. With a diverse brand portfolio and strong relationships with U.S. farmers and customers, we responsibly meet demand for quality protein around the world.

## Our Business

We have built strong customer loyalty through our broad portfolio of well-known brands including Smithfield®, Eckrich® and Nathan's Famous®, among many others. We serve 100% of the top 10 ranked national grocery retailers, 70% of the top 50 ranked national foodservice chains and all of the top foodservice distributors in the U.S.

Our products are found on tables everywhere. We provide families with wholesome, safe and affordable food while finding new and innovative ways to achieve our mission. We have maintained the same principles and values established when we were founded 90 years ago as a small, local packing company in Smithfield, Virginia, where our headquarters is still located today.



## 2025 Financial Highlights

**\$15.5B**  
Total Sales

**\$987M**  
Net Income

**#2**  
Position in Packaged Meats

**~20%**  
Packaged Meats Market Share by Volume

**\$8.8B**  
Packaged Meats Segment Sales

*\*Market share by volume and market size based on Circana, MULO+ latest 52-week period ended December 28, 2025.*

# Who We Are



## Our Mission

To produce good food the right way with respect for our people, animals, communities and planet.

## Our Vision

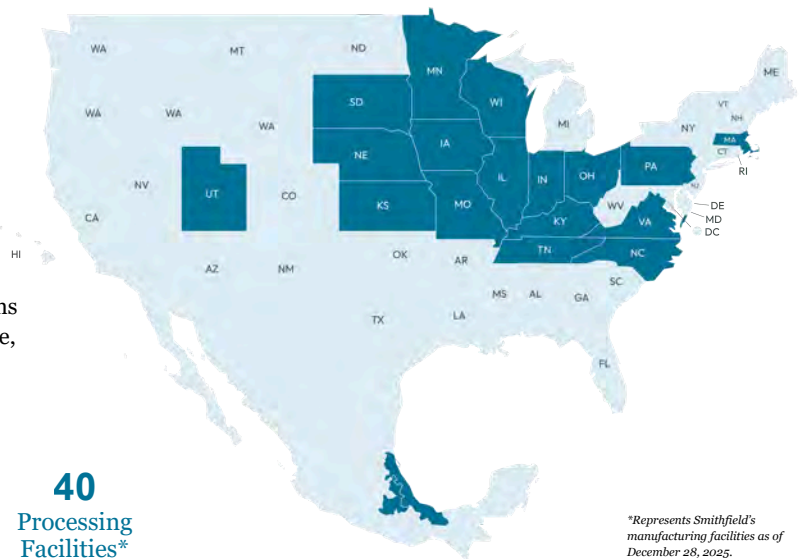
With our culture of responsibility, operational excellence and innovation, we will be a trusted food and protein company as we sustainably feed people around the world.

## Our Principles and Values

We are driven by our principles of Responsibility, Operational Excellence and Innovation, with a commitment to continuous improvement in every facet of our operations. At the heart of our culture are our core values of Gratitude, Communication, Respect and Accountability. These values guide how we collaborate, empower one another and achieve success across all levels of the organization.

# Where We Work

Smithfield employs 32,000 people in the United States. Our manufacturing footprint spans 18 states, with support operations in additional states. Altosano, our majority-owned joint venture, employs approximately 2,500 people in Puebla and Veracruz, Mexico.



**~34,500**  
Employees

**360+**  
Company-  
Owned Farms

**1,350+**  
U.S. Contract  
Farms

**40**  
Processing  
Facilities\*

\*Represents Smithfield's manufacturing facilities as of December 28, 2025.

# Sustainability at Smithfield

At Smithfield, sustainability is central to how we operate and make decisions. We recognize that producing quality food is inseparable from our responsibility to our people, animals, communities and planet. Our strategy is built on continuous improvement, responsible stewardship and a commitment to high standards across every part of our business.

**Our role as a global protein provider is embodied in our commitment to produce “Good food. Responsibly.®” We strive for good in everything we do.**

We focus on enhancing animal welfare, reducing our environmental impact and supporting the well-being of our employees and communities. By integrating sustainability into our daily operations and long-term planning, we aim to create lasting value for all stakeholders and help build a more resilient food system for the future.

## Double Materiality

### Understanding What Matters Most

In 2025, Smithfield conducted its first Double Materiality Assessment (DMA) to strengthen our sustainability strategy and ensure alignment with evolving global standards. This process evaluated the most significant environmental, social and governance (ESG) topics from two perspectives:

- **Impact Materiality:** How our operations affect people, communities and the environment.
- **Financial Materiality:** How these ESG topics influence Smithfield’s long-term business resilience and financial performance

Our DMA was guided by the European Sustainability Reporting

Standards (ESRS) and informed by stakeholder engagement with customers, employees, suppliers, investors and community partners. We also referenced frameworks such as GRI, SASB and TCFD to ensure comprehensive coverage.

### Why It Matters

This assessment ensures that Smithfield’s sustainability strategy addresses the issues that matter most to our stakeholders and our business. It also positions us to meet emerging disclosure requirements and deliver measurable progress toward our commitments. Our DMA reinforces that sustainability is not separate from business performance—it is integral to our long-term success.

<b>Impact Materiality</b>	Major		<ul style="list-style-type: none"> <li>• Sustainable Supply Chain Management</li> <li>• Product Packaging and Material Management</li> <li>• Nutritious, Affordable and Safe Food</li> <li>• Climate Action</li> </ul>	<ul style="list-style-type: none"> <li>• Animal Welfare and Antibiotics</li> <li>• Occupational Health and Safety</li> <li>• Human Rights</li> </ul>
	Significant	<ul style="list-style-type: none"> <li>• Customer and Consumer Relations</li> <li>• Community Engagement</li> <li>• Biodiversity</li> <li>• Deforestation</li> </ul>	<ul style="list-style-type: none"> <li>• Water Stewardship</li> <li>• Employee Well-being</li> <li>• Technology and Innovation</li> <li>• Air Quality</li> <li>• Business Ethics</li> <li>• Non-Discrimination and Equal Opportunity</li> </ul>	<ul style="list-style-type: none"> <li>• Waste Management</li> </ul>
	Moderate			
		Moderate	Significant	Major
			<b>Financial Materiality</b>	

# Targets

Good Stewards	Progress	Learn More
Obtain at least one external certification from a globally recognized animal care organization for company-owned farms by 2025.	Achieved	<a href="#">p. 16</a>
Capture 24 Million MTCO <sub>2</sub> e on farms through Smithfield biogas joint ventures or other third-party ventures by 2035.	2 Million MTCO <sub>2</sub> e	<a href="#">p. 21</a>
Combined GHG emission intensity target of 0.22 MTCO <sub>2</sub> e/cwt by 2035.	Achieved	GRI Disclosure 305-4
Obtain 50% of our U.S. electricity needs from renewable resources by 2030.	11%	<a href="#">p. 21</a>
Implement biogas systems on 90% of company and contract finishing farms in North Carolina and on 90% of company finishing farms in Missouri by 2030.	MO: 100% NC: 9%	<a href="#">p. 21</a>
Achieve a 75% reduction in solid waste compared with a 2010 baseline and zero-waste-to landfill certification at 75% of our U.S. facilities by 2025.	Not Achieved	<a href="#">p. 22</a>
Achieve 90% recycle-ready, reusable or industrially compostable packaging by 2030.	85%	<a href="#">p. 22</a>
Halve virgin petroleum-based plastic use compared with a 2019 baseline by 2030.	Achieved	<a href="#">p. 22</a>
Reduce food loss and waste in our manufacturing facilities by 50% compared to a 2021 baseline by 2030.	Achieved	<a href="#">p. 23</a>

Good Food	Progress	Learn More
No incidents requiring a recall.	Achieved	<a href="#">p. 25</a>
Show year-over-year improvement in number of food safety training hours.	Achieved	<a href="#">p. 26</a>

Good Work	Progress	Learn More
Fight food insecurity in our local communities by donating 200 million servings of protein through our Helping Hungry Homes® initiative globally by 2025.	Achieved	<a href="#">p. 34</a>
Increase safety engagement level to 70% or more of team members by 2025.	Achieved	<a href="#">p. 38</a>

# Commitments

## Good Stewards

Maintain and implement updates to our Animal Care Management System and achieve annual audit scores of excellent (97%–100%) at our company-owned farms.

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Maintain group housing for all confirmed pregnant sows on company-owned farms.

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Maintain judicious use of antibiotics as defined by the U.S. Food and Drug Administration and American Veterinary Medical Association in the U.S. and SENASICA in Mexico, and continue transparent reporting of antibiotic usage.

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Maintain a systematic program for animal care based on the Meat Institute's Recommended Animal Handling Guidelines and Audit Guide at each applicable facility in the U.S.

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Maintain U.S. Department of Agriculture Process Verified Program (PVP) certification in the U.S.

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Receive certification for all live animal suppliers in the U.S. to the National Pork Board's Pork Quality Assurance® Plus (PQA Plus) program.

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Maintain Transport Quality Assurance (TQA) certification for all live animal transporters in the U.S.

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Achieve an annual audit score of excellent (97%–100%) at every processing facility.

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Assess water supply across our U.S. footprint to ensure sustainable use while increasing water-use efficiency.

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Adopt internationally recognized water stewardship standards in the U.S.

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Reduce notices of violation (NOVs) to keep as close to zero as possible.

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## Good Food

Maintain Global Food Safety Initiative (GFSI) certification at all applicable facilities.

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Maintain a robust food safety team member training program.

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Assure a variety of products for different diets and needs.

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## Good Work

Honor the service and sacrifice of American veterans and their families through the Helping Our Heroes program, which focuses on hiring initiatives, career development and strengthening the community and family support systems veterans rely on.

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Give back to local communities through philanthropic and volunteer support at each Smithfield operation annually.

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Continue to broaden our Future Leaders and Smithfield Foods Scholarship Programs.

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Maintain health and safety rates and levels below relevant industry averages.

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Score at least 90% on Smithfield Injury Prevention System (SIPS) audits at all U.S. locations.

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# GOOD BUSINESS

Smithfield is committed to producing “Good food. Responsibly.®” We deliver on this promise by treating our team members, customers, animals and the environment with respect and by focusing on operational excellence and innovation to drive continuous improvement.



# Corporate Governance

On January 28, 2025, Smithfield Foods, Inc. ([Nasdaq: SFD](#)) became a publicly traded company again for the first time in more than a decade. While this significantly expanded the scope of our reporting obligations, we have long embedded the principles of accountability, integrity and ethical leadership in our operations. This year, we continued to strengthen our governance framework and reinforce our culture of compliance.

## Governance Structures and Oversight

Smithfield's governance model is designed to foster trust, manage risk and support long-term value creation. Our board of directors is made up of nine members, among them the chairman of WH Group Limited ("WH Group"), our indirect parent company, Smithfield's president and CEO and three independent directors. The board has the following standing committees: the Audit Committee, the Compensation Committee, the Nominating and Governance Committee and the Executive Committee.

In addition to these committees, we also formalized a separate internal disclosure committee, which plays a critical role in reviewing and approving our public filings. Smithfield's Enterprise Risk Management (ERM) framework continues to inform our governance approach. Through third-party consultants and internal assessments, we identify and mitigate risks across our operations, from regulatory compliance to environmental

stewardship. These structures are supported by publicly available [committee charters and governance documents](#).

## Sustainability Governance

Smithfield's sustainability team operates as part of the legal department and reports to our chief ethics and compliance officer. This team manages the company's sustainability strategy and disclosure activities. We draft and regularly review sustainability goals and objectives to foster continuous improvement and deliver mutual benefits for our business and key stakeholders.

## Compliance Program Enhancements

We continually assess and enhance our compliance program through regular gap and risk assessments, employee training, benchmarking against industry standards and by adopting best practices. These efforts help us identify areas for improvement, allocate resources effectively and ensure our compliance measures meet regulatory requirements and organizational objectives.

Open dialogue and employee involvement are central to our compliance culture. Our 24/7 SpeakUp! Hotline encourages team members and stakeholders to report concerns without fear of retribution, supporting transparency and ethical conduct. Our Altosano joint venture has also achieved greater workforce involvement and trust by launching a refreshed code of ethics and reporting hotline.



## Training and Transparency

We have implemented proactive measures to enhance our governance framework and promote ethical behavior across the organization. Our key policies are publicly accessible on our [corporate website](#), ensuring transparency and allowing all stakeholders to review our standards and expectations. Employees receive regular training, including targeted sessions for those in roles with direct functional responsibilities. These initiatives are part of our annual compliance training calendar, which includes general and specialized training on topics such as antitrust, anti-bribery and anti-corruption, the SpeakUp! Hotline and non-retaliation and other relevant areas. Our recent [SEC filings](#) highlight our ongoing governance initiatives, risk management practices, board oversight and commitment to continuous compliance education. Together, these actions reflect our dedication to fostering a culture of integrity, transparency and accountability throughout the organization.

## Policy Development and Ethical Standards

Our governance policies are routinely reviewed and updated to reflect evolving best practices and regulatory developments.

Key policies include:

- A Governance Policy that outlines executive-level oversight
- A Code of Business Conduct and Ethics, available in six languages, to which all employees and officers certify annually
- A Human Rights Policy aligned with global standards
- A Supplier Code of Conduct that sets expectations for ethical and legal compliance across our supply chain

We communicate our policies through internal channels and reinforce them with ongoing training and engagement. They are available on the Policies & Disclosures section of our website.

## Public Policy

Smithfield advocates for responsible public policies with a special interest in laws and regulations at the federal, state and local levels that impact agriculture, grain and livestock production, animal health, renewable energy, supply chains for food and pharmaceuticals, community development, immigration, workforce issues, taxation and international trade. The company acts both independently and collaboratively with major industry organizations such as the Meat Institute, the National Association of Manufacturers and the National Pork Producers Council to shape legislative and regulatory proposals.



# Supply Chain

Smithfield is committed to a sustainable and efficient transportation supply chain. By leveraging strategic network optimization, embracing innovative transportation solutions and implementing targeted waste reduction initiatives, we have made significant strides in streamlining logistics and distribution processes.

In 2025, we prioritized enhancing truck utilization rates and minimizing product and packaging waste throughout our supply chain. Through ongoing collaboration and data-driven decision-making, the supply chain team is driving measurable progress toward more resilient and sustainable operations.

## Network Optimization and Emissions Reduction

A key initiative in 2025 was the continued optimization of our network of manufacturing facilities, distribution centers and cold storage sites. By optimizing routes to our strategically located facilities, we reduced the number of miles driven and improved truck utilization.

Key achievements include:

- Improved truck utilization across the network
- Reduced idle time to decrease fuel use
- Reduced trucks on the road through private fleet optimization
- Expanded live trailer scheduling to save fuel

Smithfield also invested in transportation planning technology to enhance daily shipment efficiency. This technology optimizes the consolidation of our less-than-truckload orders, reducing the number of shipments and improving delivery efficiency.



## Local Hog and Grain Procurement Strategy

Our hog and grain procurement teams continue to prioritize local sourcing to support our sustainability and efficiency objectives.

Another key component of our strategy is using digital tools to improve forecasting and territory management, making it easier to align harvest schedules with supply.

Local sourcing for grain is a strategic focus, especially in the Midwest where our feed mills are supplied almost entirely with local corn. In North Carolina, we maximize local corn use and supplement from the Midwest as needed. These strategies support local farmers, reduce emissions and improve supply chain reliability. Our procurement teams also continuously optimize logistics to improve our operations and meet environmental goals.



## Waste Reduction and Product Recovery

Led by our supply planning and customer success teams, Smithfield launched new programs to reduce product waste, especially for items that previously could not be donated due to brand ownership concerns. A new vendor partnership now enables donation of these products, diverting them from landfills and supporting food recovery efforts.

Additional waste reduction efforts include:

- Programs to reduce warehouse damage
- Loading accuracy improvement to prevent extra miles for product returns
- Technology that photographs shipments during loading and unloading to spot and prevent errors

These initiatives align with Smithfield's broader goal of minimizing waste across our operations and supply chain.

# Maximizing Impact with Pharmaceuticals

Smithfield BioScience continues to amplify our sustainability impact by transforming agricultural byproducts into life-saving medical solutions.

Heparin sodium active pharmaceutical ingredient (API) is an anticoagulant derived from purified pig intestine tissue that is used in cardiac surgery, dialysis, transfusions and medical device implantations. In addition to heparin sodium API, we produce heparin lithium, which is used to coat medical devices such as artificial lungs, providing life-saving support to critically ill patients.

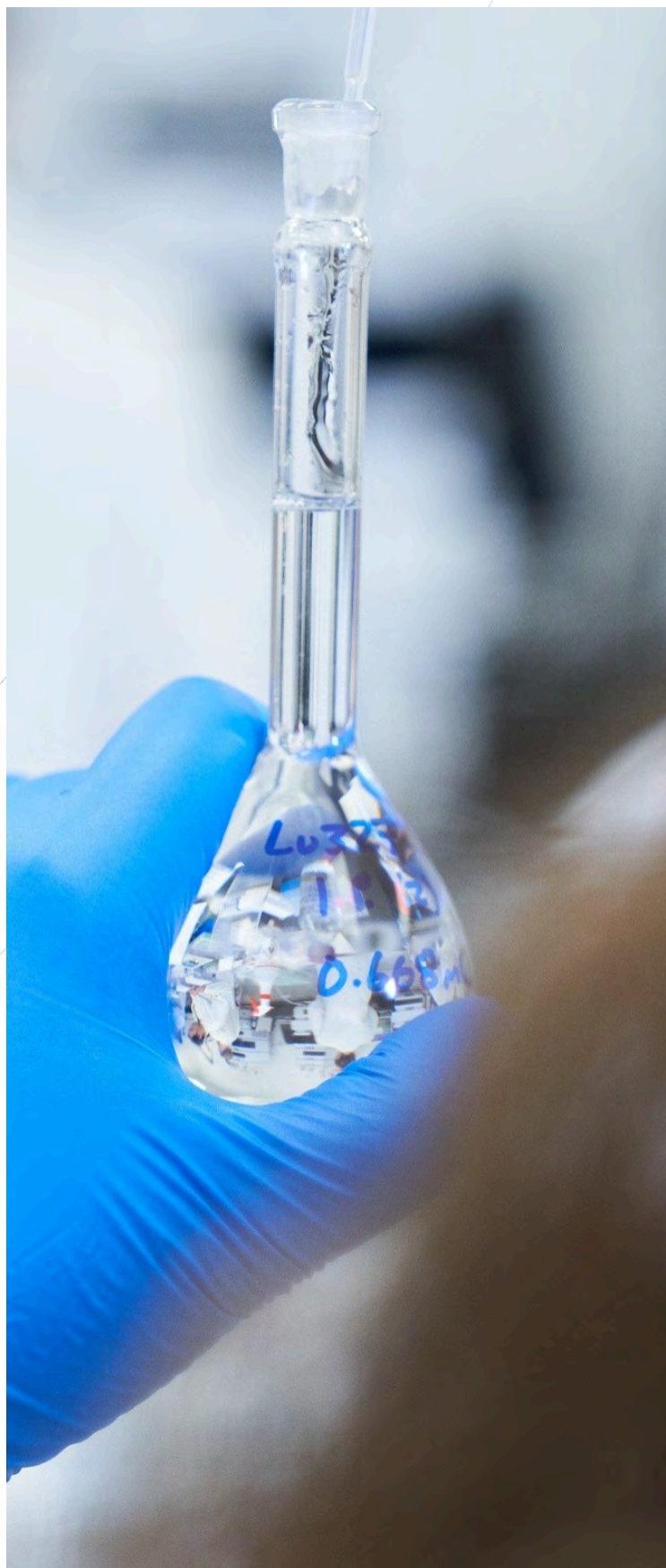
Smithfield Bioscience's U.S. production provides customers a traceable source of heparin sodium API, supported by a vertically integrated supply chain that begins with our pork-processing operations and extends through our FDA-registered BioScience facility in Cincinnati, Ohio.



## Advancing Health Through Strategic Partnerships

Since 2018, Smithfield has partnered with a medical device and healthcare company to support the production of life-saving medicines. Employees in Smithfield's Des Moines, Iowa, facility harvest sow pancreas and provide it as a raw material. Using the lipase enzyme found in the sow pancreas, along with protease and amylase enzymes, our partner company produces essential medications used to treat cystic fibrosis (CF), benefiting patients around the world.

Smithfield expanded our partnership with this company in 2024 through a long-term contract that now includes our Sioux Falls, South Dakota, facility, with initiatives planned for our Tar Heel, North Carolina, and Denison, Iowa, facilities in 2026.



# GOOD STEWARDS

For more than two decades, Smithfield has integrated sustainability into our day-to-day operations and at every step along our value chain. By dedicating ourselves to responsible stewardship of the environment and the animals in our care, we are helping to foster a more resilient global food supply.



# Animal Welfare

In 2025, our commitment to animal welfare remained a cornerstone of our sustainability strategy. Our approach is defined by a focus on continuous improvement, data-driven decision-making and the application of industry best practices across our operations.

Our animal welfare strategy is built on a foundation of evidence-based practices and forward-thinking solutions. We recognize that animal welfare is a dynamic field, requiring constant evaluation and adaptation to incorporate the latest scientific findings and best practices. To this end, we have adopted a proactive stance, regularly reviewing our protocols and seeking input from swine welfare and other industry experts to ensure our approach remains at the forefront of the industry.

## Animal Welfare and Care Framework Transition

As part of our commitment to responsible and sustainable pork production, Smithfield is transitioning to the scientifically advanced Five Domains Model for animal care management. This evolution marks a significant step in our journey toward promoting positive welfare outcomes for the animals in our care.

The Five Domains Model recognizes both the physical and mental aspects of animal welfare.

The model is structured around five key domains:

1. **Nutrition** – ensuring access to sufficient, balanced, varied and clean feed and water
2. **Environment** – providing appropriate shelter, space and conditions that support comfort and safety
3. **Health** – maintaining optimal health through disease prevention, injury reduction and veterinary care
4. **Behavior** – allowing animals to express natural behaviors and engage in meaningful activities
5. **Mental State** – supporting positive experiences through the combined influence of the other four domains



## Targets and Commitments

Obtain at least one external certification from a globally recognized animal care organization for company-owned farms by 2025.

Maintain and implement updates to our Animal Care Management System and achieve annual audit scores of excellent (97%–100%) at our company-owned farms.

Maintain group housing for all confirmed pregnant sows on company-owned farms.

Maintain judicious use of antibiotics as defined by the U.S. Food and Drug Administration and American Veterinary Medical Association in the U.S. and SENASICA in Mexico, and continue transparent reporting of antibiotic usage.

Maintain a systematic program for animal care based on the Meat Institute's Recommended Animal Handling Guidelines and Audit Guide at each applicable facility in the U.S.

Maintain U.S. Department of Agriculture Process Verified Program (PVP) certification in the U.S.

Receive certification for all live animal suppliers in the U.S. to the National Pork Board's Pork Quality Assurance® Plus (PQA Plus) program.

Maintain Transport Quality Assurance (TQA) certification for all live animal transporters in the U.S.

Achieve an annual audit score of excellent (97%–100%) at every processing facility.

This new approach reflects global best practices and responds to evolving stakeholder expectations for ethical, science-based animal care.

In addition, the Smithfield hog production animal care management system has achieved compliance with ISO technical specification 34700, an internationally recognized standard for animal welfare management. Our animal care management system is the only swine producer initiative currently listed on the [USDA website](#) as compliant with ISO 34700 standards. This unique recognition underscores our dedication to setting new standards for animal welfare and demonstrates our commitment to rigorous, transparent and independently verified processes. It also assures stakeholders including customers, regulators and consumers that our practices meet globally accepted benchmarks for animal care.

Altosano's comprehensive animal care program reflects its commitment to ethical and sustainable food production in Mexico. The program centers on maintaining the Cloverleaf certification for animal welfare, which involves regular external audits to ensure practices meet or exceed industry standards. In 2025, Altosano instituted an annual recertification process, requiring employees to review and sign its animal welfare policy each year to assure that animal welfare is a continuing priority for all Altosano employees.

Employee training is a key part of Altosano's approach, with comprehensive onboarding for new hires that covers animal care standards, humane handling procedures and the importance of ethical animal treatment. Ongoing training reinforces these principles and keeps employees informed about best practices and regulatory changes.

Accountability is supported by a reporting system known as "Alerta," which empowers employees to report concerns related to animal welfare or safety. The system fosters transparency and enables prompt resolution of issues.

Underlying this approach is a strong ethical foundation and a culture of respect and responsibility. Altosano's leadership and staff are united in their belief that humane treatment of animals is non-negotiable, and the company is transparent about its practices both internally and externally. Through certification, rigorous training and operational improvements, Altosano's animal care program meets regulatory requirements while setting a high standard for responsible animal care.

## Maintaining Strict Biosecurity

Ensuring the well-being of animals relies heavily on the implementation of strong biosecurity protocols. To protect animal health, we provide vigilant care to prevent disease, improve traceability and protect farms. By prioritizing biosecurity, we minimize the likelihood of illness spreading, creating a secure and safe environment for animals and those who care for them.

We continue to expand our facility certification through the National Pork Board's (NPB) Pork Quality Assurance® Plus (PQA



Plus) Program and the U.S. Swine Health Improvement Plan (SHIP), and have implemented new protocols at the farm level to support animal welfare.

## Biosecurity Enhancements

In 2025, we established a new biosecurity core team under our Biosecurity Management System, drawing expertise from our production, veterinary services, transportation and scheduling teams. Currently, the team is focused on operations along the East Coast, with plans to broaden its scope to additional regions. We rely on the framework provided by Smithfield's Environmental Management System to inform essential processes and protocols.

Key initiatives include:

- Expanding truck wash facilities, including a hot water wash at the Milan, Missouri facility, developed in collaboration with university researchers
- Improving disinfectant application processes to maximize efficacy and efficiency
- Evaluating truck sanitation facilities and standardizing protocols

## U.S. SHIP Program

Smithfield remains actively engaged in the U.S. Swine Health Improvement Plan (U.S. SHIP), with 20 delegates from nine states representing the company at the 2025 U.S. SHIP House of Delegates Meeting. Smithfield teams participate in working groups and committees, with leadership roles in traceability efforts. More than 78% of Smithfield's farms are now certified under U.S. SHIP, with ongoing work to certify the remaining farms. We use RAB, a web-based application that contains critical biosecurity information, for live animal traceability and monitor regulatory developments regarding USDA mandatory traceability for pre-harvest movements.

## Responsible Antibiotic Usage

We maintain transparent reporting on antibiotic use and remain vigilant regarding emerging regulations. No significant legislative changes have impacted our animal welfare systems in the past year, but we continue to monitor the landscape to ensure compliance and best practice alignment.

In 2025 we decreased antibiotic use<sup>1</sup> in the U.S. to 199 milligrams per kilogram of live weight. Comparatively, in 2024 we used 221 milligrams per kilogram.

We continually research and update antibiotic protocols to address specific health challenges to provide the best care for our animals. These changes are based on research and demonstrated return on investment, and we continue to implement improvements as new information becomes available.

<sup>1</sup> Our antibiotic use varies year-to-year due to a variety of factors including weather conditions, inventory decisions, type of antibiotic used, the prevalence of disease and active ingredient concentration. Annual milligrams per kilogram represents the total amount of active ingredients of antibiotics administered to Smithfield-owned animals divided by the total weight of live hogs produced.



## Veterinary Services Spotlight

In 2025, Smithfield's commitment to animal welfare and veterinary excellence was highlighted by the induction of Dr. Jeremy Pittman, senior director of U.S. veterinary services, into the Virginia Livestock Hall of Fame. The honor, established in 2009, recognizes individuals who have made significant contributions to Virginia's livestock industry and its communities.

Dr. Pittman, based at Smithfield's hog production facility in Waverly, Virginia, has been with the company for more than 20 years and currently leads the U.S. veterinary services team. His commitment to evidence-based practices and collaboration has improved herd productivity, disease management and food safety. Dr. Pittman's induction into the Hall of Fame recognizes his leadership and lifelong dedication to advancing animal welfare and the livestock industry.

## Optimizing Transportation Through GIS Technology

In response to weather challenges in North Carolina and the need for safer, more efficient farm access, our hog production team created a Geographic Information System (GIS)-powered navigation platform called Navigator. The system offers sequential navigation tailored to private farm roads, allowing vehicles to access farms and feed bins efficiently and with minimal risk. Navigator avoids the pitfalls of conventional web-based maps, which often omit privately-owned roads used to access farms, helping prevent driving challenges and redundant travel.

Our GIS database includes 1,200 miles of private roads, digitized farm layouts, property lines and feed bin locations. By maintaining our own mapping system, we can proactively identify and address infrastructure issues by rerouting trucks around damaged roads or limited access points, reducing risk and improving operational resilience.

This technology supports critical business functions, including feed delivery, live animal movements, mortality routes and market hog hauling.

Route optimization has delivered measurable sustainability benefits, including:

- Since 2015, East Coast feed delivery efficiency improved from 3.0 miles traveled per ton to 2.6 miles traveled per ton, reducing mileage and diesel consumption
- In 2025, we estimate that optimizing our feed delivery freight routes has saved over 1 million miles in East Coast feed delivery

Beyond transportation, GIS enhances visibility across the supply chain, enabling continuous improvement and supporting self-imposed road restrictions to protect assets and drivers. While the investment required time and commitment, the intrinsic value of GIS in safety, efficiency and sustainability continues to grow.



# Hog Production Research and Development

## Research and Technology

We continue to invest in research and explore new technologies to advance animal welfare. Recent projects include the evaluation of novel antibiotics, improved data analysis techniques for improving live transport and trials focused on barn comfort and heat stress mitigation. While some technologies such as real-time data monitoring are still in the research or pilot phase, these initiatives underscore our commitment to leveraging innovation for better animal care.

## Outreach and Education

Our animal welfare program is guided by a philosophy of ongoing learning and adaptation. We have transitioned our continuous improvement group into an “extension department,” modeled after university extension programs. This structure emphasizes research and the translation of technical knowledge into practical, on-farm applications. Through targeted on-farm training and the use of social media platforms, we are enhancing the accessibility and effectiveness of animal care education for our employees and growers.

Key projects in 2025 included:

- Comprehensive evaluations of alternative antibiotic options and vaccine applications to determine their effectiveness in enhancing overall herd health and livability
- Quantifying the economic value of vaccine compliance and strengthening on-farm communication to increase awareness and adherence to vaccination protocols
- Focusing on proper on-farm medication storage, handling and administration practices to ensure product integrity and ultimately improve overall herd health

# Environmental Health and Safety

In 2025, Smithfield's environmental health and safety (EHS) team delivered a transformative year focused on integration, modernization and measurable impact. The integration of environmental and worker safety functions into a unified EHS structure marked a strategic shift toward streamlined operations, enhanced compliance and a renewed emphasis on grassroots risk prevention.

## Strategic Integration: Environmental Safety Systems and Software Platform Rollout

A significant achievement in 2025 was the consolidation of Smithfield's safety and environmental management systems—SIPS (Smithfield Injury Prevention System) and EMS (Environmental Management System)—into a single, unified framework known as ESS (Environmental Safety Systems). This integration was enabled by a comprehensive EHS software platform that serves as the central hub for compliance, reporting and performance tracking.

Key outcomes of this transition include:

- Eliminated redundant documentation of 18 corporate policies to replace 45–50 site-specific programs
- Improved compliance tracking
- Time and resource savings as locations now update only site-specific appendices rather than full policy documents, saving hours of manual work and improving document control at the sites
- Environmental compliance: streamlining environmental reporting and task management

This system-wide modernization establishes the foundation for long-term efficiency, consistency and data-driven decision-making across Smithfield's operations.

## Targets and Commitments

Assess water supply across our U.S. footprint to ensure sustainable use while increasing water-use efficiency.

Adopt internationally recognized water stewardship standards in the U.S.

Reduce notices of violation (NOVs) to remain as close to zero as possible.

## Facility Highlights and Environmental Stewardship

Smithfield continued to invest in environmental improvements across our operations in 2025, with several standout projects and individuals leading the charge at the following facilities:

- Tar Heel, North Carolina: Significant upgrades to wastewater treatment, including diffuser replacements and preparations for a third anaerobic lagoon. These improvements reflect a multi-year capital investment in environmental infrastructure
- Clinton, North Carolina: Implemented advanced chloride management strategies and partnered with our Tar Heel facility on a waste reduction initiative of peptone, a processing byproduct. A peptone dehydrator project is underway, with full implementation expected in 2026
- Crete, Nebraska: Implemented stormwater management improvements, offering a model for proactive environmental stewardship
- St. Charles, Illinois: Completed upgrades to wastewater systems to enhance performance

Smithfield also began testing new technology at multiple plants to improve wastewater treatment and reduce solid waste sent to landfills. These trials are expected to yield scalable solutions in 2026.



# Renewable Energy and GHG Emissions

We continue our renewable energy strategy with a focus on methane capture and farm-based waste-to-energy solutions. Through joint venture partnerships with Align RNG and Monarch Bioenergy, we expanded lagoon coverage at our farming locations, resulting in increased production of renewable natural gas (RNG).



## Targets and Commitments

Capture 24 Million MTCO<sub>2</sub>e on farms through Smithfield biogas joint ventures or other third-party ventures by 2035.

Combined GHG emission intensity target of 0.22 MTCO<sub>2</sub>e/cwt by 2035

Obtain 50% of our U.S. electricity needs from renewable resources by 2030.

Implement biogas systems on 90% of company and contract finishing farms in North Carolina and on 90% of company finishing farms in Missouri by 2030.

## Progress Toward Coverage Targets

Smithfield covers lagoons on our company and contract farms to capture methane, a natural byproduct of anaerobic digestion of swine manure and a significant greenhouse gas. Capturing methane through covered lagoons results in increased production of clean, low-carbon renewable natural gas and lowers the baseline emissions of our farms. This renewable natural gas from biogas has a low emission intensity as more greenhouse gas emissions are captured than are released by its use.

All of the anaerobic lagoons on company finishing farms in Missouri are fully covered, and as of 2025, we have 9% of company and contract finishing spaces covered on our farms in North Carolina. We continued to refine our accounting method for methane capture on farms operated by joint ventures and independent partners, which may require updates to our emissions reporting.

In Mexico, Altosano is also converting open lagoons to covered biodigesters to convert manure to clean, renewable energy. Altosano currently operates 28 anaerobic digesters as part of its wastewater treatment systems across its farms. In three of these facilities, the biogas produced serves as a sustainable source for power generation, heating and water pumping.

## Advancing Renewable Energy Through Biodiesel Production

In 2025, we further utilized byproducts from our manufacturing process by increasing feedstock for biodiesel production. Through the conversion of animal fats and other residual materials generated during processing, we are able to repurpose what would otherwise be waste into a valuable resource.

Our partnership with biodiesel customers is a decade-long strategic initiative that has increased our activity in this space. In 2025, nearly half of our Choice White Grease, a processing byproduct, was sold to biodiesel customers.

## Renewable Transition Obstacles

Access to renewable electricity varies significantly across the regions where we operate. Many facilities face constraints related to the availability of utility-supported renewable programs, onsite feasibility and the timing of procurement opportunities. Because these conditions differ by location and are driven largely by external market offerings, progress has not advanced at the pace originally anticipated. Moving forward, we will evaluate opportunities with utilities and providers as they become available, recognizing that renewable electricity remains one of many considerations in our broader environmental planning.

By transforming manufacturing byproducts into biodiesel, we improve resource efficiency and support a more sustainable approach to managing operational outputs. This initiative demonstrates our commitment to minimizing waste and finding practical solutions to make the most of every part of our production process.

## Utility Reduction and Waste Strategy

Smithfield set a 5% manufacturing utility reduction goal in 2025, driven by strategic shifts in energy and water conservation. We track reductions in energy consumption, water usage and waste management, reflecting a broader initiative to focus on impactful resource management rather than administrative waste tracking. Our manufacturing operations met the 5% reduction target by year-end.

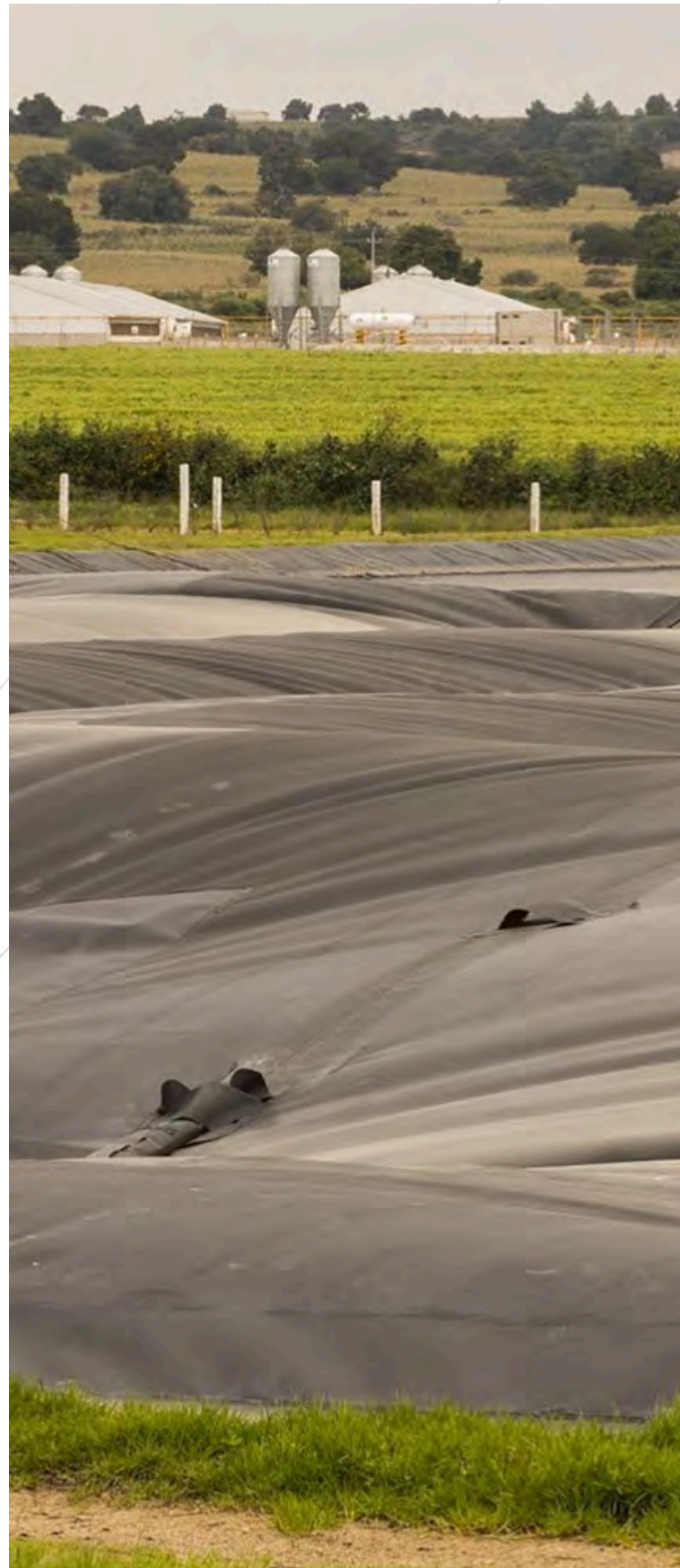
## Solid Waste and Zero-Waste-to-Landfill

Despite not achieving our goals, the work to reduce solid waste and pursue zero-waste-to-landfill certification has driven meaningful improvements, including increased diversion efforts and new waste-reduction initiatives at several facilities. However, progress varies by site due to differences in local recycling and organics infrastructure, changes in acceptance standards for certain materials and the multi-year requirements of the certification process. While these factors have affected the pace of advancement, they also provide clarity on where future investment and partnership will have the greatest impact. We remain committed to strengthening waste-reduction practices and supporting facilities as infrastructure and opportunities evolve.

# Food Loss and Waste

## Targets and Commitments

Reduce food loss and waste in our manufacturing facilities by 50% compared to a 2021 baseline by 2030.



## Achieving Our Goal Ahead of Schedule

In 2025, we achieved our ambitious target to reduce food loss and waste in our manufacturing facilities by 50% compared to our 2021 baseline—five years ahead of our original 2030 deadline. This accomplishment reflects our commitment to operational excellence and demonstrates the power of collaboration and innovation across our entire value chain. Meeting this goal five years early is a testament to the dedication of our teams and the effectiveness of our sustainability strategy. Food loss and waste reduction is a critical component of our sustainability programs because it addresses multiple global challenges simultaneously. Every pound of food saved represents avoided greenhouse gas emissions and reduced pressure on landfills.

## How We Made It Happen

Our success was driven by a series of integrated projects that transformed resource management. We improved inventory management and product handling across our distribution centers, which resulted in a 61% reduction in food waste since 2023. These improvements prevented millions of servings of protein from being discarded and strengthened our ability to deliver high-quality products to consumers.

Another major contributor was our bakery upcycling program, which diverts pre-consumer baked goods from landfills and converts them into ingredients for hog feed. In 2025 alone, this program processed approximately 170,000 tons of bakery byproducts, and since inception it has prevented nearly 1 million tons of bakery waste from entering landfills. This reduces food waste and lifecycle emissions by reducing the need for additional grain purchases.

We are also advancing packaging innovation to extend shelf life and reduce spoilage. These improvements help protect product freshness while minimizing environmental impact, ensuring that fewer products are wasted before reaching consumers. Overall, we reduced food loss and waste by 57% compared to our 2021 baseline.

## Looking Ahead

While achieving our food loss and waste milestone early is a significant accomplishment, our work is not finished. In 2026 and beyond, we will continue to invest in next-generation packaging technologies that further minimize consumer waste and leverage advanced analytics to identify new opportunities for efficiency and waste reduction across our supply chain. Our success in meeting this target ahead of schedule demonstrates what is possible when sustainability is embedded into every aspect of our business. We remain committed to continuous improvement and moving the industry toward a future where food loss and waste are minimized.

# Biodiversity and Deforestation

Smithfield recognizes that forests help mitigate climate risk, improve resiliency, safeguard biodiversity and support livelihoods and economic opportunities. We also realize that biodiversity, habitat loss and deforestation are serious global challenges and that numerous factors are responsible. Examples include land use change, invasive species, overexploitation of preferred species, pollution from all sources, climate change and natural disasters, among others.

We are committed to maintaining and protecting biodiversity and habitats and preserving forested land in the areas in which we operate. Smithfield's facilities and farms generally operate on land already long utilized for food and agricultural production. Our operations do not convert natural ecosystems to farmland, and we do not have substantial operations in sensitive areas such as the Amazon. Additionally, while we generally do not source our commodities from sensitive areas, we require our suppliers who may do so to have stringent policies and procedures in place to verify compliance with eliminating deforestation within their supply chain. We enforce this, in part, by requiring our suppliers to abide by our [sustainability policies](#) and our [Supplier Code of Conduct](#).

## Yuma Hog Production: Gold Certified

Smithfield was recognized as a Gold Certified Member of the Colorado Green Business Network, a voluntary initiative by the Colorado Department of Public Health and Environment that promotes sustainability in business operations. Our hog production team in Yuma, Colorado earned Gold status in 2025 for its commitment to advancing sustainable practices across its operations.



Green Business  
Network  
COLORADO

# GOOD FOOD

Good food produced the right way is what we do best. We're feeding families around the world with safe, affordable, nutritious protein they can trust for its quality and love for its flavor.



# Food Safety and Quality Assurance

Smithfield's food safety and quality assurance (FSQA) team is committed to delivering safe, high-quality food through rigorous standards, continuous improvement and innovation. In 2025, we focused on digital transformation, proactive risk management and enhanced training to further strengthen food safety across all our operations.

## Preventing and Preparing for Recalls

Smithfield maintains robust food safety systems to proactively prevent recalls, and we have implemented comprehensive programs and policies that promote food safety and quality throughout our value chain. Our laboratory testing, sampling and compliance verification enable us to control pathogens and combat cross-contamination. In 2025, Smithfield achieved zero recalls across our entire operational footprint, reflecting our unwavering commitment to food safety and quality.

# ZERO

## Product Recalls in the U.S. and Mexico in 2023, 2024 and 2025

If a recall should occur, our strict protocols assure that we are able to respond quickly and effectively, engaging regulatory agencies and notifying retailers to enable consumer protection. Our sophisticated tracking technology allows us to effectively manage recalls and trace our products through every step of the value chain, from the farm to our customers.

As part of our ongoing programs to strengthen our food safety culture, we launched a survey during Food Safety Awareness Month for general managers and plant FSQA managers across all our facilities. The goal was to assess perceptions and engagement around food safety practices, leadership commitment and employee accountability. The survey results provided valuable insights into areas of strength and opportunities for improvement. Key findings indicated that while most facilities demonstrate strong compliance and leadership support, there is room to enhance front-line engagement and communication. Based on these results, we are implementing targeted actions such as additional training sessions, leadership workshops and facility-level employee engagement. These initiatives are designed to reinforce our commitment to food

## Targets and Commitments

No incidents requiring a recall.

Show year-over-year improvement in number of food safety training hours.

Maintain Global Food Safety Initiative (GFSI) certification at all applicable facilities.

Maintain a robust food safety team member training program.

Assure a variety of products for different diets and needs.

safety as a shared responsibility and to ensure that every team member understands their role in maintaining the highest food safety standards.

## Digital Transformation: FSQA Software Implementation

Our most significant FSQA initiative in 2025 was the rollout of a cloud-based food safety and quality management platform. This platform replaces legacy systems with real-time, tablet-based compliance verification and data analytics.



Benefits include:

- Automated data collection and reporting
- Headcount optimization and labor repurposing
- Enhanced visibility into FSQA training hours, resulting in a 181% increase compared to 2024
- Real-time alerts for noncompliance
- Elimination of more than 1 million sheets of paper annually

This system has improved data visibility, reduced risk and streamlined workflows across all facilities. As of year-end, the rollout was ongoing at more than 23 facilities, with full implementation expected in 2026.

## Technology and Innovation

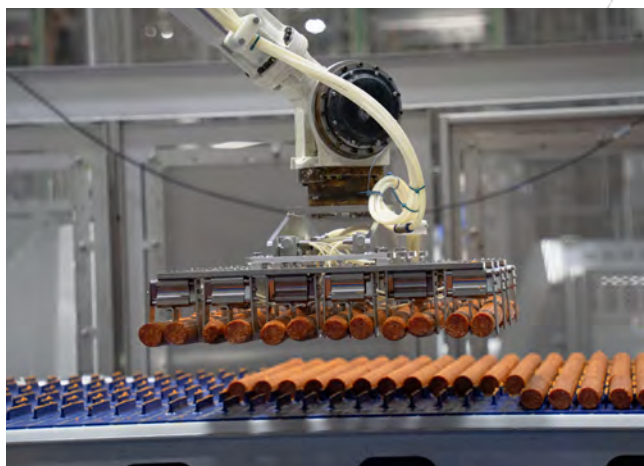
Smithfield continuously improves our FSQA systems to better detect and eliminate potential contaminants, leveraging advanced technologies such as X-ray and infrared spectroscopy and using antimicrobial ingredients to support food safety and shelf life. We have X-ray inspection systems in all our processing facilities and installed 11 new systems in 2025.

We continue to expand the use of technology to assure food safety and are currently piloting a new vision system at our Cudahy, Wisconsin, facility. This advanced system is designed to detect and eliminate the potential for any non-metallic foreign objects such as wood, paper and soft plastics, which traditional X-ray systems cannot identify.

## Operational Excellence and M-IQ Integration

FSQA is leveraging our manufacturing intelligence platform, M-IQ, to measure Overall Equipment Effectiveness (OEE) and its impact on quality. In 2025, we introduced a critical performance indicator, the finished product pass percentage, with most facilities establishing a 99% compliance target. This metric serves as a catalyst for continuous improvement, enabling teams to pinpoint the root causes of product holds and implement proactive preventative measures.

Smithfield's "Raise Your Hand" feedback mechanism empowers front-line employees to report concerns and participate in food safety discussions during tier-one operations meetings and gemba walks, where leaders engage directly with employees. These direct interactions reinforce our culture of accountability and engagement and are embedded in our FSQA culture.



# Research and Development

Smithfield's R&D team plays a pivotal role in advancing food safety, ingredient transparency and operational efficiency. In 2025, the team reformulated products to meet evolving regulatory standards and customer expectations while supporting sustainability through waste reduction and cleaner label initiatives.

## Food Safety and Ingredient Reformulation

While we did not experience any product recalls, we continue to actively monitor industry-related recalls to identify opportunities for process improvements. In alignment with this commitment, Smithfield's R&D team prioritized the incorporation of antimicrobials—designed specifically to inhibit the potential growth of *Listeria monocytogenes*—into all relevant products that did not previously include them. This initiative, expected to be completed by the end of Q1 2026, adds an important food safety barrier to further reduce the risk of foodborne illness.

As of year-end 2025 we had removed Red No. 3, a food coloring used in curing blends, from the vast majority of our products and will remove it from the curing mix in which it is used prior to the FDA's January 2027 implementation deadline. We currently use Red No. 40 in low concentrations in a small number of products as a colorant and are evaluating natural alternatives, although they are less effective in heat stability. We are also proactively working to remove BHA and BHT from our products to assure compliance with state laws.

## Cleaner Label and Natural Ingredient Projects

Smithfield is actively reformulating products to meet cleaner label standards. Specific R&D projects include:

- Developing naturally cured product lines by replacing synthetic curing agents with celery juice and cherry powder
- Replacing lactates with vinegar-based antimicrobials



## Waste Reduction and Operational Efficiency

Smithfield drives operational efficiencies in product formulation with a focus on optimizing batch sizes to minimize waste. This approach helps us reduce excess production of ingredient batches and blend overruns. Our R&D team actively maintains records of batches saved from tankage through temporary approvals and rework interventions, and we are working towards the development and implementation of a formal system for tracking and managing waste reduction metrics. Once fully established, this system will enable us to more effectively monitor our progress and compile data that can be shared to support broader waste diversion commitments.

# Manufacturing Innovation

## Value-Driven Making

Our manufacturing teams embraced a company-wide focus on value-driven decision-making in 2025, emphasizing the importance of small, incremental improvements that collectively drive significant impacts. This mindset encouraged team members to identify cost-saving opportunities and efficiency gains at every level of production.

## Automation for Safety and Efficiency

Automation played a transformative role in our operations in 2025. More than 200 roles were redefined across our facilities, allowing our team members to transition from more physically demanding roles to higher-value tasks.

Key automation projects included:

- Automated Guided Vehicles (AGVs) deployed in our Omaha, Nebraska, and Nashville, Tennessee, facilities to eliminate manual labor in dry rooms
- Expansion of a loin boning automation project in our Monmouth, Illinois, plant, which streamlined workflows and reduced material handling

We continue to evaluate and implement automation to enable continuous improvement of our processes to drive innovation and optimize our workforce. Our approach to automation is rooted in a commitment to redesign tasks that are repetitive, physically demanding or potentially hazardous. In doing so, we reinforce our dedication to worker safety and foster opportunities for employee development and career advancement.



## Driving Efficiency and Operational Excellence

In 2025, Smithfield drove operational excellence through strategic investments in manufacturing innovation. We enhanced efficiency and improved visibility across our facilities through the expansion of our M-IQ platform and the deployment of RPM 2.0—a standardized performance measurement system that enables consistent benchmarking and communication across our manufacturing footprint.

RPM 2.0 supports our broader goal of aligning terminology and performance metrics across facilities, fostering a unified approach to operational management. As part of this initiative, we began integrating Overall Equipment Effectiveness (OEE) into our M-IQ framework, with a focus on equipment availability, productivity and first-pass quality.

The M-IQ program experienced substantial progress in 2025, highlighted by the implementation of the 5S process at all our manufacturing locations. The 5S methodology—Sort, Set in order, Shine, Standardize and Sustain—was adopted to create organized, efficient and safe work environments. We also launched standardized tier meetings to enhance communication and accountability and provided teams with Lean Toolbox resources, which include practical tools and techniques for identifying and eliminating waste, streamlining workflows and supporting continuous improvement initiatives. Additionally, the A3 problem-solving methodology was introduced to facilitate structured analysis and resolution of operational challenges. Gemba walks were further expanded, enabling leaders to observe processes firsthand and uncover opportunities for improvement in manufacturing efficiency and safety and product quality.

## Overall Equipment Effectiveness: Impact at the Plant Level

We measure OEE to drive efficiency and sustainability across our manufacturing facilities. OEE measures equipment production efficiency, performance and product quality. The adoption of OEE has enabled real-time tracking and analysis.

This initiative began with a focus on basic metrics such as attainment (actual production versus scheduled) and adherence (production aligned with schedule and business commitments). These foundational measures helped us standardize performance expectations and improve order fill rates, which is a vital metric for customer satisfaction. As the program matured, we expanded our focus on OEE to further align operational goals, ensuring that equipment runs efficiently, meets performance standards and consistently produces high-quality products.

Production efficiency and the reduction of equipment downtime and maintenance needs are top priorities. OEE projects have led to notable improvements in several of our facilities.

OEE integration has fostered continuous improvement, helping facilities identify bottlenecks, optimize processes and support sustainability by reducing waste and improving resource use.

# Sustainable Innovation in Packaging

Smithfield optimizes packaging design, reduces material use and explores innovative solutions to minimize environmental impacts across our supply chain. In 2025, our projects focused on material reduction, recyclability, post-consumer waste strategies and operational efficiency. Smithfield continues to assess and respond to the evolving landscape of state-level Extended Producer Responsibility (EPR).

We have a dedicated cross-functional team of packaging experts that investigates strategic packaging and plastic-use reduction alternatives in pursuit of our sustainable packaging goals. Smithfield's sustainable packaging strategy centers on reducing packaging materials, increasing the use of post-consumer recycled content and improving recyclability. In 2025, we made significant progress toward our long-term goals:

- 52% reduction in virgin petroleum-based plastic use compared to our 2019 baseline
- 85% of materials are in recycle-ready, reusable or industrially compostable packaging

These achievements reflect our commitment and ability to scale sustainable solutions across our operations.

## Targets and Commitments

Achieve 90% recycle-ready, reusable or industrially compostable packaging by 2030.

Halve virgin petroleum-based plastic use compared with a 2019 baseline by 2030.

## Material Optimization and Waste Reduction

In 2025 we reduced the volume of packaging materials used in fiber and resin formats. For example, we redesigned shrink bags used in fresh rib production, reducing the volume of plastic in our retail rib program by 35%. We also reduced the weight of corrugated fiber in 10% of the boxes used in fresh pork packaging to improve material efficiency. These initiatives reduced packaging waste and contributed to transportation efficiency, lowering fuel use and greenhouse gas emissions by maximizing pallet positions and truckloads. We also continue to optimize packaging configurations, such as pallet patterns and stacking, to reduce the number of truckloads required to move product, further minimizing our carbon footprint.

## Reducing Post-Consumer Waste

Our commitment to sustainability extends beyond production and packaging—it includes what happens after our products reach consumers. In 2025, we continued to explore and implement strategies that help minimize packaging waste at the end of its life cycle, including:

- Supporting food waste reduction initiatives in our supply chain
- Providing ready-to-eat product lines that require limited home preparation and reduce food waste through portion control
- Working to make our packaging recycle-ready to increase ease of recycling for consumers

We collaborate with industry organizations to strengthen domestic recycling systems and advocate for scalable solutions. As a long-standing member of the Sustainable Packaging Coalition, Smithfield works alongside peers to advance packaging innovation and advocate for policies that protect both food safety and the environment. We also engage with producer responsibility organizations and state-level agencies to help shape effective EPR frameworks. These partnerships inform our packaging design decisions and ensure we remain responsive to evolving regulatory requirements.

We've made significant progress, but some challenges remain. The U.S. recycling system still lacks the capacity to process flexible plastic packaging at scale—particularly materials that are used and unwashed. We continue to seek out and support recycling partners that are developing new ways to overcome these barriers and make recycling more accessible and effective.

## Advancing Recyclability

In 2025, Smithfield increased the number of our recycle-ready packaging formats driven by customer demand and resin innovations, and we are exploring more sustainable options by testing compostable trays for retail.

We use closed-loop packaging systems, including reusable totes for case-ready packaging and inter-plant product transfers. Alongside the reusable tote supplier, we are evaluating expansion

opportunities while tracking use to quantify landfill diversion and material savings.

## Navigating EPR and Customer Expectations

Smithfield is enhancing our internal systems to track packaging material use and composition with greater precision. The sustainability team works closely with the IT department and our specification management vendor to ensure our data aligns with state-specific reporting requirements.

Customer interest in packaging sustainability is also evolving. In 2025, we saw more inquiries about food-contact material composition and post-consumer recycled (PCR) content. We are participating in industry groups such as the Coalition for Protein Packaging and advisory panels through a distributor group to stay ahead of regulatory and market trends.



Smithfield partners with the Coalition for Protein Packaging, supporting efforts to represent the interests of the protein packaging supply chain. The coalition educates lawmakers about the potential food safety hazards posed by implementing recycling requirements before adequate infrastructure is in place for handling direct food contact materials.

## Sourcing Sustainable Materials

Protein packaging presents unique challenges due to the need for barrier properties that preserve shelf life and assure food safety. We continue to prioritize solutions that balance recyclability with performance, recognizing that extending shelf life keeps food safe, accessible and affordable.

While cost and scale are ongoing challenges, we are encouraged by supplier investments in sustainable packaging capacity. Several of our partners are expanding their products to include cost-effective, sustainable materials at scale, positioning us to adopt these solutions as they grow more commercially viable.

# GOOD WORK

We invest in our workforce by prioritizing team member health and safety, building a culture of engagement and training our people through robust career development initiatives. Strengthening the communities where our employees live and work through strategic philanthropy and volunteer support is central to our values.



# Workplace Health and Safety

Smithfield places team member well-being at the forefront of our workplace culture, consistently striving to surpass industry standards for health and safety. We continue to enhance our safety programs and seek new ways to improve our occupational health and safety management system, which tracks, manages and reports on injury prevention and training throughout our operations. All employees and visitors at Smithfield facilities are required to follow our established health and safety policies.

This approach reflects our ongoing commitment to a safe work environment that supports the welfare of our workforce, prioritizing safety and compliance to reduce workplace incidents and improve worker safety.

Our programs are designed to protect our employees and visitors, promote engagement and ensure that safety remains a core value across all locations.

## Worker Health & Safety Performance

In 2025 our environmental health and safety team delivered strong performance in safety engagement and incident reduction:

- Exceeded annual goals in employee safety engagement, with record participation in hazard identification and consultation programs
- Achieved three-year OSHA VPP recertification at our Salt Lake City, Utah, facility, which has maintained this status for more than 12 years
- Expanded use of safety gear, including fluorescent outerwear for outdoor workers to enhance visibility and reduce risk
- Exceeded 2025 goal of 70% employee Worker Health & Safety engagement

Our U.S. operations achieved below-industry averages on incident rates across key metrics:

**2.24**

TOTAL INCIDENT RATE

**0.46**

LOST TIME INJURY RATE

**1.59**

DAYS AWAY RESTRICTED OR TRANSFERRED (DART)

## Targets and Commitments

Increase safety engagement level to 70% or more of team members by 2025.

Maintain health and safety rates and levels below relevant industry averages.

Score at least 90% on Smithfield Injury Prevention System (SIPS) audits at all U.S. locations.



## Cultural Transformation and Training

Combining our environmental compliance and safety teams has fostered valuable cross-training and adoption of best practices across our organization. Our locations are working to integrate the new environmental, health and safety model, and we are providing targeted support to help all teams achieve success and maximize the benefits of this integrated approach.

Key initiatives include:

- Standardized SOPs and lab testing protocols across facilities
- Regional and site-level training to increase collaboration between safety and environmental roles
- Surveys and assessments to identify potential points for improvement and guide future training
- EHS software platform maturity scoring to track adoption and performance across all Smithfield locations

While the transition represents a significant change, it has provided valuable opportunities for collaboration and compliance. Our team members are embracing the integrated approach, and we are actively supporting this evolution through ongoing education, leadership engagement and structural enhancements to strengthen our unified EHS model.

## Altosano's Health and Safety Management

Altosano maintains a robust health and safety management system designed to record, control and report information regarding injury prevention and employee training within all of its facilities. This system incorporates documentation formats, investigation templates and the SIPS scorecard, which help Altosano maintain clarity, consistency and traceability across its internal safety processes. The system is built on a strong integrated safety policy, full compliance with applicable Mexican standards and alignment with OSHA 29 CFR 1904 and ISO 45001 requirements. This approach ensures practical, consistent and regulatory-aligned safety management across all of Altosano's operations.



## Community Development

Smithfield deepened our commitment to our local communities in 2025 through a renewed focus on grassroots engagement, employee-driven initiatives and strategic alignment with local needs. This year marked a pivotal moment in the evolution of our community development strategy, emphasizing not only what we give, but also how we give through more intentional partnerships, increased employee involvement and a shared sense of purpose.

### Targets and Commitments

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Fight food insecurity in our local communities by donating 200 million servings of protein through our Helping Hungry Homes® initiative globally by 2025.

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Honor the service and sacrifice of American veterans and their families through the Helping Our Heroes program, which focuses on hiring initiatives, career development and strengthening the community and family support systems veterans rely on.

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Give back to local communities through philanthropic and volunteer support at each Smithfield operation annually.

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## A Rebuilt Foundation: Community Compass Committees

A key part of this evolution was the expansion of our Community Compass Committee (CCC) program. These employee-led committees at each U.S. location serve as the local voice of our philanthropic strategy, guiding decisions based on the unique needs of the communities where we live and work. CCCs meet monthly with our community development team to provide real-time insight into local priorities and enable more responsive, relevant and impactful giving.

This grassroots model has allowed us to partner with local teams for a more tailored approach. The result has been an increase in both the quantity and quality of community activities, with the CCCs supporting volunteerism and giving across our operational footprint. Through consistent engagement in monthly food pantry shifts, National Night Out activities and partnerships with essential local organizations, Community Compass Committee members exemplify our dedication to fostering thriving and resilient communities.

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**250+**  
**Smithfield team members**  
**currently serve on our**  
**Community Compass**  
**Committees.**

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## Employee Engagement

In 2025, we expanded opportunities for our team members to participate in giving and volunteerism, making a positive impact on the communities where they live and work.

Key programs included:

- National Volunteer Week, mobilizing employees across all community development focus areas
- Hunger Action Month, with coordinated, enterprise-wide food drives and giving campaigns
- Matching Gifts Program, empowering employees to support causes they are personally passionate about
- Smithfield Associate Hardship Fund, providing financial assistance to employees facing unexpected hardship, including medical emergencies and natural disasters. In 2025, Smithfield contributed \$150,000 to the fund and launched a Giving Tuesday campaign for our team members

These initiatives foster a culture of compassion, connection and shared responsibility across our workforce.

## Our Four Pillars of Giving

Smithfield strategically allocates our charitable giving toward philanthropic solutions that focus on the following:

- Hunger relief
- Education
- Hometown Heroes
- Community Vitality

Each pillar reflects a commitment to addressing critical needs in our communities, with tailored programs and partnerships that deliver measurable impact.



## Hunger Relief

As a global food leader that feeds millions of people every year, we are committed to addressing persistent food insecurity that so many communities face. Our hunger relief program, Helping Hungry Homes<sup>®</sup>, is central to our community development work. This year, we met our target of donating 200 million servings of protein by reaching a total of 200.8 million servings distributed between 2020 and 2025. Since the program's inception in 2008, we have provided more than 340 million servings of protein to food-insecure families globally.

Key hunger relief initiatives in 2025 included:

- Feed the Children Resource Rallies in Milan, Missouri, Cudahy, Wisconsin, and Clinton, North Carolina, providing food, school supplies and household essentials to families in need
- Smithfield Foods Hunger Relief Day at the North Carolina State Fair, supporting local food banks and fighting food insecurity
- "Season of Serving" food distributions and meal preparations for our neighbors facing food insecurity during the holiday season
- Disaster relief donations in Asheville, North Carolina, including product donations to Manna Food Bank and Second Harvest Metrolina



## Education

Supporting education is a key pillar of our community development strategy, with ongoing investment in local schools and education programs to significantly strengthen communities. Helping to provide learning opportunities for the children of our employees has long been a priority for our company. We also work to create pipelines of opportunity for students to become the future leaders of our company and leaders in agriculture.

Highlights from 2025 include:

- Smithfield Scholarship Program, providing need-based financial support to eligible dependents of our team members pursuing higher education
- FFA Chapter Grants, expanding agriculture education and career development for students in our local communities
- Local school support, including classroom technology upgrades, mentorship, supply drives, agriculture education events and early childhood literacy programs

## Hometown Heroes

As an American food company, we owe a debt of gratitude to the heroes on the front lines who keep our communities safe. We support veterans, military families and first responders who embody courage, commitment and selflessness to guarantee our safety and freedom.

Notable examples include:

- Serving meals to homeless and at-risk veterans during Veterans Stand Down events
- Supporting fundraisers for local Veterans Service Organizations (VSO) through cash and product donations in our communities
- Ongoing support for local fire departments and emergency services, including a \$50,000 donation to the Smithfield Volunteer Fire Department accompanied by an appreciation luncheon hosted by Smithfield employees

## Community Vitality

The success of our business is directly tied to the vitality of our local communities. We are proud to support the unique needs of the rural communities where our employees live, work and raise their families.

Key initiatives in 2025 included:

- Land donation to the Coharie Tribe in North Carolina, supporting conservation and agricultural education
- A \$500,000 donation to fund the new Smithfield Riverside Hospital, supporting healthcare access in underserved rural areas
- Roadside cleanup activities, community event sponsorships and support for youth sports teams
- Product donations to community events and festivals, celebrating the unique identities of our local towns

These programs reflect our long-standing strategy to strengthen rural resilience, infrastructure and quality of life in our local communities.



# Community Projects in Mexico

Altosano's commitment to community development is a defining aspect of our operations in Mexico. In 2025, Altosano continued to deliver meaningful programs that address local needs, foster resilience and strengthen relationships with the communities where it operates. The company remained committed to supporting impactful initiatives, fighting hunger and building strong community partnerships throughout the year.



## Food Security and Nutrition

Altosano partnered with food banks in Xalapa and Puebla to provide protein donations, directly supporting families facing food insecurity by increasing access to food pantries. These projects help alleviate hunger and reinforce Altosano's role as a responsible partner dedicated to improving quality of life in rural regions in Mexico.

## Supporting Sustainable Agriculture

Recognizing the importance of local agriculture, Altosano offered sustainable farming training and consulting to regional producers. These programs improved harvest outcomes for corn and legumes, promoted best practices and supported the long-term viability of local farms. By sharing expertise and resources, Altosano empowers farmers to adopt more resilient and productive farming methods.

## Water Access and Health

Altosano installed rainwater capture systems in 60 homes in 2025. This project provides households with a dependable supply of water, enhances daily living conditions and supports broader community health. Altosano also distributed clean cookstoves to families, reducing indoor air pollution and improving health outcomes.

## Far-reaching Impact

Altosano's community projects are designed to be inclusive and far-reaching. In 2025, more than 5,000 individuals benefited from these initiatives, which span food security, agricultural support, water access and health improvement. The company's approach emphasizes collaboration with local organizations, transparency in program delivery and a commitment to measurable impact.

# Investing in Our People

Smithfield's human resources team led a broad transformation in 2025 to refine workforce processes, align talent to company needs, promote employee health and foster a strong, resilient culture that encourages engagement at every level.

## Targets and Commitments

Continue to broaden our Future Leaders and Smithfield Foods Scholarship Programs.

### Training, Development and Career Growth

Smithfield remains committed to developing talent at every level of our organization. In 2025, we offered a range of training programs tailored to our team members in various stages of their careers.

Smithfield invests in the growth of early career talent through structured programs that build essential skills, leadership capability and long-term career pathways within our company. These programs form a critical part of our strategy to strengthen our workforce and cultivate future leaders from within.

### Internship Program

Smithfield's 12-week paid internship offers college students hands-on experience with real projects, mentorship and professional development through learning sessions and networking. The program concludes with interns presenting their achievements to business leaders. Seventeen interns took part in the program in 2025, engaging in activities across 13 distinct areas, including corporate operations, hog production and manufacturing.

### Career Foundations Program (CFP)

Smithfield developed a two-year, immersive program for recent college graduates that builds technical expertise, business knowledge and leadership skills.

- Program Structure: Associates rotate through key business areas with structured learning and mentorship
- Career Readiness: Participants gain broad exposure to our business, preparing them for long-term success
- Retention Success: Since 2020, employees hired through the CFP have maintained a 7% higher retention rate than other salaried hires
- Career Progression: Since 2020, 81% of eligible CFP graduates have successfully secured post-program roles within Smithfield

#### 2025 Snapshot:

- 18 new CFP associates were hired into the 2025 cohort across 10 functional areas
- 13 CFP associates from the prior 2024 cohort completed the program and transitioned into long-term roles
- 4 new tracks were introduced in marketing, grain procurement, hog production finance and corporate finance

By investing in early career development, Smithfield builds a strong internal talent pipeline, enhances employee retention and ensures our workforce is prepared to meet future business needs.



## ACHIEVEmentorship Program

The ACHIEVEmentorship Program is Smithfield's enterprise-wide mentoring initiative to provide employees at all levels with access to impactful career development experiences. Through one-on-one and group mentoring, the program helps participants fine-tune leadership skills, expand cross-functional knowledge and grow to their full potential. Mentoring partnerships create an ideal environment for experiential, challenging and results-oriented development that supports long-term talent retention.

The program operates two cohorts per year, in January and July, and is supported by Smithfield's corporate communications team for visibility and recruitment.

### Program Impact and Outcomes:

- 91% match rate overall
- Overall program satisfaction: 4.3/5
- Expanded networking beyond location or department
- Programming expanded to include group mentoring with general managers for high-potential participants at select locations

	Enrolled	Matched
<b>Total Participants</b>	<b>248</b>	<b>226</b>
<b>Mentors</b>	<b>130</b>	<b>122</b>
<b>Mentees</b>	<b>141</b>	<b>139</b>

## ProPath

Smithfield's ProPath program is a structured, multi-phase development program tailored to leadership roles at our manufacturing facilities. It blends online learning, hands-on training and reflective activities to build leadership and business acumen across all levels. ProPath is designed to support all the core skills outlined in our Competency Development Guide, Smithfield's framework for professional growth. The guide identifies the essential abilities, knowledge and behaviors employees need to succeed in their roles and advance within the company. By aligning ProPath's training and development activities with this guide, Smithfield ensures participants build a comprehensive skill set that prepares them for long-term career advancement and leadership opportunities.

### Program Structure:

- Phase 1: Leading People—Focuses on leadership basics like communication, cultural awareness and team accountability through structured courses and activities
- Phase 2: Leading Business—Covers business operations, food safety, compliance, Lean Six Sigma and risk management
- Phase 3: Validation—Participants complete real-world projects to demonstrate their skills

### Time Commitment:

- The program fits within daily operations work, requiring about two hours per week outside regular duties. Phases last 6 to 12 months each, with flexible pacing.

### 2025 Snapshot

- Pilots for Phase 1 underway in 5 locations: Lincoln, Nebraska; Des Moines, Iowa; St. Charles, Illinois; Wilson, North Carolina; and Greenfield, Indiana
- 10 current participants
- 90.9% retention for all participants

## Leadership Essentials

The Leadership Essentials program develops high-impact leaders who drive sustainable business performance at Smithfield. Delivered virtually over 12 weeks, this immersive experience equips participants with the tools, mindset and competencies needed to lead themselves, their teams and the organization with clarity and purpose.

Designed for high-potential managers and new directors across functions, the program ran two cohorts in 2025, each with 20–24 participants. It emphasizes manager engagement through launch calls, ongoing support and individual check-ins. The curriculum includes 12 classes with discussions, breakouts, case studies and action items, as well as weekly discussion boards.

### 2025 Snapshot

- 43 managers participated in the two pilot cohorts
- 100% retention rate
- Cohort #1 kicked off June 2; Graduation was August 18
- Cohort #2 kicked off September 18; Graduation was December 1

## Employee Engagement and Feedback

In 2025, Smithfield shifted away from large-scale annual surveys in favor of localized, real-time employee feedback mechanisms. This approach allows us to get more immediate feedback and respond more quickly and effectively to employee concerns.

### Key engagement tools include:

- New hire check-ins at two weeks, 30 days, 60 days and 90 days
- Employee Advisory Councils at non-union facilities
- Joint labor management meetings at union facilities
- Tier 1 operations meetings for daily communication and feedback
- Gemba walks to engage directly with employees on front lines
- Executive "Meat Ups," fostering transparency and connection between leadership and front-line teams

These initiatives reflect a broader cultural shift toward listening, transparency and responsiveness.

## Fair Labor Practices and Risk Management

Smithfield ensures fair labor practices through a combination of policy, auditing and accountability:

- Compliance with wage and hour laws, including overtime and minimum wage
- Equal pay audits and proper recordkeeping
- Internal HR audits, including I-9 verification and policy compliance
- Preparation for SMETA audits, ensuring social responsibility standards are met
- Speak Up! hotline and dispute resolution processes

Smithfield's policies are designed to meet the most stringent standards across all states.

## Employee Health, Safety and Well-being

Smithfield's HR team works closely with our environmental health and safety team to promote a culture of safety and shared responsibility. Safety is embedded in our daily operations, with tier meetings at every facility beginning with safety metrics and discussions.

Key initiatives included:

- Support for safety training and audits, with HR business partners working alongside EHS teams
- Promotion of safety ownership, where every employee is empowered to contribute to a safe workplace
- Integration of safety into leadership priorities, reinforcing that safety is a core value

In addition to physical safety, we expanded awareness of mental health and well-being resources in 2025, including:

- Access to the Calm app for meditation and stress management
- Be Well program, offering support for diabetes, maternity, asthma, tobacco cessation, cancer, emotional well-being and more
- Thrive program, providing legal, financial and counseling services
- Monthly wellness topics, such as sleep care and women's health, promoted through internal communications

While these programs are not new, we renewed our emphasis on education and awareness in 2025, ensuring employees are aware of all the resources that are available to promote health and wellness.



# Appendix

## UN Sustainable Development Goals



**Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture**

- Maintaining Strict Biosecurity
- Responsible Antibiotic Usage
- Preventing and Preparing for Recalls
- Community Development
- Community Projects in Mexico



**Goal 3: Ensure healthy lives and promote well-being for all at all ages**

- Maintaining Strict Biosecurity
- Responsible Antibiotic Usage
- Preventing and Preparing for Recalls
- Community Development
- Community Projects in Mexico



**Goal 6: Ensure availability and sustainable management of water and sanitation for all**

- Maximizing Impact with Pharmaceuticals
- Responsible Antibiotic Usage
- Community Development
- Community Projects in Mexico



**Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all**

- Renewable Energy and GHG Emissions



**Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

- Compliance Program Enhancements
- Training and Transparency
- Policy Development and Ethical Standards
- Workplace Health and Safety
- Human Resources



**Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**

- Maximizing Impact with Pharmaceuticals
- Hog Production Research and Development
- Technology and Innovation
- Research and Development



**Goal 10: Reduce inequality within and among countries**

- Community Development
- Community Projects in Mexico
- Human Resources



**Goal 12: Ensure sustainable consumption and production patterns**

- Supply Chain
- Optimizing Transportation Through GIS Technology
- Hog Production Research and Development
- Renewable Energy and GHG Emissions
- Sustainable Innovation in Packaging



**Goal 13: Take urgent action to combat climate change and its impacts**

- Renewable Energy and GHG Emissions
- Solid Waste and Zero-Waste-to-Landfill



**Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development**

- Facility Highlights and Environmental Stewardship



**Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss**

- Biodiversity and Deforestation

# Smithfield<sup>®</sup>

*Good food. Responsibly.<sup>®</sup>*

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