

# **Compensation and Leadership Development Committee Charter Tyson Foods, Inc.**

## Purpose

As part of the governance and oversight process of Tyson Foods, Inc. (the “Company”), the Compensation and Leadership Development Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company shall support the Board and work with management to ensure directors and “Executive Officers” (which, for purposes of this Charter only, shall mean (1) “executive officers” within the meaning of Rule 3b-7 under the Securities Exchange Act of 1934, as amended (together with the rules and regulations promulgated thereunder, the “Exchange Act”), and (2) other senior executives who may be identified by the Committee from time to time) are compensated in accordance with management philosophy, competitive practice and regulatory requirements. The Committee shall periodically review and provide oversight with respect to the Company’s compensation strategy, executive development and retention plans, corporate goals and objectives relevant to director and Executive Officer compensation, total compensation policy and succession planning.

## Principal Responsibilities

### Company Compensation Philosophy and Strategy

1. *Compensation Strategy and Objectives* – Periodically review and provide oversight with respect to the Company’s compensation strategy, corporate goals and objectives relevant to Executive Officer compensation and total compensation policy to ensure the foregoing support business objectives, create shareholder value, are consistent with shareholder interests, attract and retain key executive talent required, and link compensation with Company, business unit and/or personal performance.
2. *Benchmarking* – Review periodically the peer groups used for competitive pay/performance benchmarking and analyze the total compensation for the CEO and applicable Executive Officer grade levels as compared to the relevant external benchmarks.

### Officer Compensation and Employment Terms

3. *CEO Employment Contract, Goals and Objectives* – Approve the employment contract, annual and long-term performance goals and objectives relevant to Chief Executive Officer (“CEO”) compensation. In determining the annual and long-term incentive component of the CEO’s compensation, the Committee should consider, among other factors, the Company’s performance, creation of shareholder value, the value of similar incentive awards to the CEOs at comparable companies, and the awards given to the CEO in past years.

4. *CEO Compensation Performance Evaluation* – For the purpose of determining compensation, evaluate the CEO’s performance relative to these goals and objectives, and determine and approve the total compensation for the Company’s CEO based on this evaluation.
5. *Employment Contracts and Compensation Arrangements* – Approve the employment contract, consulting agreement, or other similar arrangement (including amendments) that provides for compensation or adjustments thereto for any Executive Officer or former Executive Officer. Approve the annual and long-term performance goals and objectives related to such compensation arrangements, if any.
6. *Change of Control, Severance and Other Benefits* – Review periodically and ensure the Company’s change of control, severance programs, executive benefits and perquisites applicable to Executive Officers are competitive and appropriate. The Committee shall approve any changes in such benefits for the CEO and all other Executive Officers.
7. *Clawback Policies* – Approve, implement, and oversee the policies with respect to the recovery or “clawback” of any excess compensation (including stock options) paid to any of the Company’s Executive Officers.

*Equity-based, Incentive Compensation, and Employee Benefit Plans*

8. *Equity Compensation Awards* – Approve grants and/or authorizations of awards of restricted stock, stock options and other forms of equity-based compensation to Executive Officers as well as “officers” within the meaning of Rule 16a-1(f) under the Exchange Act under the Company’s equity compensation plans.
9. *Equity and Incentive Compensation Plans* – Approve (subject to any required Board or shareholder approval) all (i) new equity-based plans, (ii) incentive compensation plans (in which Executive Officers and officers participate), and (iii) amendments to existing incentive compensation plans (in which Executive Officers and officers participate) and equity-based plans.
10. *Broad-based Compensation Plans* – Approve and recommend to the Board all new compensation plans or amendments to existing plans with material cost impact.
11. *Broad-based Employee Benefit Plans* – Approve and recommend to the Board all new employee benefit plans or amendments to existing plans with material cost impact. Oversee employee benefit plan fiduciary committees, which includes (i) receiving an annual report on the activities of such committees; and (ii) approving amendments to the charters of such committees, as necessary, with a report to the Board.

*Succession Planning and Leadership Development*

12. *CEO Succession Planning* – Together with the Chairman of the Board, lead the CEO succession planning process and report its findings and recommendations to the Board.
13. *Executive Officer Succession Planning* – In collaboration with the CEO and the Chief People Officer (“CPO”), review the succession planning candidates for Executive Officers, with particular focus on high potential individuals and their development plans.
14. *Executive and Senior Officer Appointments* – In collaboration with the CEO and the CPO,

review appointments of Executive Officers.

15. *Development and Retention* – In collaboration with the CEO and the CPO, review the development plans and status for Executive Officers and plans for the development, retention and succession of Executive Officers, including review of executive education and development programs.

#### Proxy Statement and Annual Report

16. *Compensation Discussion and Analysis* – Review and discuss annually with management the Compensation Discussion and Analysis (“CD&A”) required by Item 402 of Regulation S-K and, based on such review and discussion, make a recommendation to the Board as to whether the CD&A should be included in the Company’s proxy statement and annual report.
17. *Annual Committee Report* – Prepare annually the required report of the Committee for inclusion in, or incorporation by reference into, the Company’s proxy statement and annual report in accordance with applicable SEC rules and regulations.
18. *Annual Compensation Risk Evaluation* – Review annually the potential risk to the Company, if any, from its compensation programs, policies and practices and whether such programs, policies and practices encourage risk-taking that is reasonably likely to have a material adverse effect on the Company.

#### Say-on-Pay Votes

19. Review and consider the results of any stockholder advisory votes on executive compensation (“Say-on-Pay Votes”) and, if appropriate, consider these results in connection with the determination of executive compensation and incentive-compensation and equity-based plans; and recommend to the Board any adjustments to the Company’s compensation policies and practices, including the frequency of Say-on-Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say-on-Pay Votes required by Section 14A of the Exchange Act.

#### Board Compensation

20. Evaluate and recommend to the Board appropriate compensation for the Company’s directors, including compensation and expense reimbursement policies for attendance at Board and committee meetings.

#### Committee Management

21. *Annual Charter Review* – Review and reassess the adequacy of this Charter annually and recommend and propose changes to the Board for approval. The Committee shall also annually review its own performance.
22. *Report to Board* – Make reports to the Board on the Committee’s activities.
23. *Other Duties as Assigned* – Carry out such other duties and responsibilities, consistent

with this Charter, the Company's bylaws and such other requirements applicable to the Company, as may be assigned to the Committee by the Board and/or the Chairman of the Board.

24. *Compensation Consultant Retention* – In carrying out its responsibilities and in its sole discretion, the Committee will draw on the expertise of the Company's management and corporate staff and, when appropriate, may hire a compensation consultant, outside legal, accounting or other advisors or experts (each such advisor or expert, a "Committee Advisor") to assist the Committee with its work. The Committee shall be directly responsible for appointing, compensating and overseeing the work of any Committee Advisor retained by the Committee and shall receive appropriate funding from the Company, as determined by the Committee, for payment of reasonable compensation to such Committee Advisor. To the extent required by New York Stock Exchange ("NYSE") rules, the Committee shall assess the independence of any Committee Advisor, taking into account the factors specified by applicable NYSE listing standards.

#### Composition of the Committee

The Committee shall consist of at least three directors, each of whom (i) meets the independence requirements of the NYSE, (ii) otherwise satisfies the applicable independence standards for compensation committee service imposed by the Exchange Act, and (iii) meets the requirements for a "Non-Employee Director" contained in Rule 16b-3 under the Exchange Act, if and to the extent the Committee determines it is necessary or appropriate. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board. The members of the Committee shall be appointed by and serve at the pleasure of the Board. The Board may remove any member of the Committee at any time. The members of the Committee are not required to meet the independence requirements of the NYSE during any period in which the Company is a "controlled company" within the meaning of the NYSE's listing standards, unless the Board determines otherwise. If the Company ceases to be a "controlled company" or the Board determines not to rely on NYSE's "controlled company" exemption, all members of the Committee shall meet the independence requirements of the NYSE within the periods required by the NYSE's phase-in rules applicable to companies who cease to be "controlled companies."

Each member of the Committee shall have one vote. A quorum is a majority of members of the Committee. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members. The Committee may form and delegate authority to subcommittees when appropriate, provided that the subcommittees are composed entirely of independent directors.

#### Process

The Committee will normally meet four times per year, in conjunction with regular meetings of the Board, to carry out its responsibilities. The Board shall designate one member of the Committee to serve as its Chairperson. The Chairperson of the Committee will preside, when present, at all meetings of the Committee. Special meetings may be called by the Chairman of

the Board and/or the Chairperson of the Committee. Each meeting may have an “executive session” in which the Committee members meet without management present.

The Committee shall maintain copies of minutes of each meeting of the Committee, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents shall be placed in the Company’s minute book. Reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting and shall include all matters, resolutions and recommendations approved by the Committee. The Committee shall have full, unrestricted access to Company books, records and facilities.